



Susan Montee, CPA
Missouri State Auditor

August 2007

Ripley County, Missouri

Years Ended
December 31, 2006 and 2005



Office of
Missouri State Auditor
Susan Montee, CPA

August 2007

IMPORTANT: The Missouri State Auditor is required by state law to conduct audits once every four years in counties, such as Ripley, that do not have a county auditor. In addition to a financial audit of various county operating funds, the State Auditor's statutory audit covers additional areas of county operations, as well as the elected county officials, as required by the Missouri Constitution.

Supporting documentation was not available to indicate Title III monies were spent as allowed by the federal program. While we questioned costs of \$70,391, the county disagreed and believed that call logs are available to document the federal expenditures, which are less than 10% of the Sheriff's operating budget.

Monies received totaling \$136,500 for the Help America Vote Act Grants were not disbursed within 30 days in accordance with the application submitted to the Secretary of State's office for the grants.

Vehicle logs maintained for vehicles and equipment in the Road and Bridge Department are not adequate, and there is no indication that vehicle logs are reviewed by a supervisor. Formal policies and procedures over the sale of culverts and for providing grading services to the public have not been adopted. In addition, procedures and records to account for county property are not adequate.

For the County Collector's office, receipts are not always deposited on a timely basis, the method of payment is not always indicated or indicated correctly on the tax receipts, and the composition of tax receipts is not reconciled to the composition of deposits.

For the Prosecuting Attorney's office, cash custody and recordkeeping duties are not adequately segregated. Prenumbered receipt slips are not issued for some monies received, the method of payment is not indicated on some receipt slips, and the composition of receipts is not reconciled to the composition of deposits. Receipts are not always deposited on a timely basis, and bad check fees are not always disbursed to the County Treasurer in a timely manner. Bank reconciliations are not performed monthly and were not adequate when performed and monthly listings of open items are not prepared. A formal policy specifying when the court should be notified of unpaid cases has not been established, and specific procedures have not been established to ensure follow up collection efforts are adequate.

For the Sheriff's office, bank reconciliations are not performed. Procedures related to the monitoring of unpaid accrued costs from civil paper service, and procedures for accounting for uniform traffic tickets are not adequate.

(over)

YELLOW SHEET

For the Health Center, receipt slips are not issued for monies received, individual receipts are not indicated in the accounting records, and petty cash is not maintained on an imprest basis. The Health Center does not have a written agreement with its depository bank, and employees' timesheets do not always contain documentation of the Administrator's approval.

For the Senate Bill 40 Board, minutes did not document whether family members abstained from voting on issues regarding other family members. Interest earned on certificates of deposits was not included as part of the cash balance. The Senate Bill 40 Board does not have a written agreement with its depository bank, and no collateral securities were pledged although bank deposits exceeded the \$100,000 Federal Depository Insurance Corporation coverage amount.

All reports are available on our web site: www.auditor.mo.gov

RIPLEY COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



SUSAN MONTEE, CPA
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 Ripley County, Missouri

We have audited the accompanying Statements of Receipts, Disbursements, and Changes in Cash - Various Funds and Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual - Various Funds of Ripley County, Missouri, as of and for the years ended December 31, 2006 and 2005. These financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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.

As discussed more fully in Note 1, these financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Ripley County, Missouri, as of December 31, 2006 and 2005, or the changes in its financial position for the years then ended.

In our opinion, the 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 Ripley 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, 2006 and 2005, on the basis of accounting discussed in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated April 5, 2007, 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements, taken as a whole, that are referred to in the first paragraph. 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements, taken as a whole, that were prepared on the basis of accounting discussed in Note 1.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Ripley County, Missouri, and was not subjected to the auditing procedures applied in the audit of the financial statements referred to above. Accordingly, we express no opinion on the information.



Susan Montee, CPA
State Auditor

April 5, 2007

The following auditors participated in the preparation of this report:

Director of Audits: Thomas J. Kremer, CPA
Audit Manager: Randall Gordon, CPA, CGAP
In-Charge Auditor: Susan Cessac
Audit Staff: Liang Xu
Denise Huddleston
Katie Twiehaus



SUSAN MONTEE, CPA
Missouri State Auditor

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

To the County Commission
and
Officeholders of Ripley County, Missouri

We have audited the financial statements of various funds of Ripley County, Missouri, as of and for the years ended December 31, 2006 and 2005, and have issued our report thereon dated April 5, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of various funds of Ripley County, Missouri, we considered the county's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of providing an opinion on the effectiveness of the county's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the county's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the county's ability to initiate, authorize, record, process, or report financial data reliably in accordance with applicable accounting principles such that there is more than a remote likelihood that a misstatement of the county's financial statements that is more than inconsequential will not be prevented or detected by the county's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the county's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

However, we noted certain matters which are described in the accompanying Management Advisory Report.

This report is intended for the information and use of the management of Ripley County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo, this report is a matter of public record and its distribution is not limited.



Susan Montee, CPA
State Auditor

April 5, 2007

Financial Statements

Exhibit A-1

RIPLEY COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 2006

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 457,271	850,591	934,462	373,400
CART	2,405	560,806	526,800	36,411
Assessment	36,404	125,292	116,067	45,629
Law Enforcement Sales Tax	1,700	680,719	681,540	879
Children's Trust	259	617	0	876
Crisis Intervention	574	856	556	874
Domestic Violence	498	1,791	0	2,289
Election Grant (HAVA)	16,013	148,427	143,730	20,710
Justice Center Construction	41,107	29,000	69,973	134
Law Enforcement Block Grant	0	20,990	20,990	0
Law Enforcement Restitution	304	948	0	1,252
Law Enforcement Training	2,050	2,229	1,230	3,049
Prosecuting Attorney Training	557	375	517	415
Election Services	9,839	2,797	0	12,636
Prosecuting Attorney Bad Check	2,570	31,172	24,062	9,680
Prosecuting Attorney Delinquent Tax	1,668	1,106	1,023	1,751
Recorder's User Fees	29,341	13,167	2,634	39,874
Sheriff Civil Fees	16,172	15,002	18,572	12,602
Sheriff Revolving	5,703	1,650	3,781	3,572
Circuit Interest	2,167	4,339	170	6,336
Law Library	12,360	9,701	6,054	16,007
Tax Maintenance	31,187	13,596	3,752	41,031
Senior Citizens	10,814	38,533	36,623	12,724
Senate Bill 40 Board	116,661	77,237	55,041	138,857
Health Center	302,585	383,804	362,064	324,325
Circuit Clerk Time Payment Fee	264	1,091	0	1,355
Drug Court	2,913	105	650	2,368
Delta Regional Authority Grant	0	116,263	116,263	0
Total	\$ 1,103,386	3,132,204	3,126,554	1,109,036

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

Exhibit A-2

RIPLEY COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 2005

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 421,324	758,917	722,970	457,271
CART	51,012	465,304	513,911	2,405
Assessment	33	151,541	115,170	36,404
Law Enforcement Sales Tax	203	660,822	659,325	1,700
Children's Trust	7	514	262	259
Crisis Intervention	1,695	3,083	4,204	574
Domestic Violence	364	956	822	498
Election Grant (HAVA)	15,079	6,377	5,443	16,013
Justice Center Construction	43,790	0	2,683	41,107
Law Enforcement Block Grant	0	13,500	13,500	0
Law Enforcement Restitution	0	304	0	304
Law Enforcement Training	1,795	2,380	2,125	2,050
Prosecuting Attorney Training	366	401	210	557
Election Services	10,419	1,018	1,598	9,839
Prosecuting Attorney Bad Check	119	17,238	14,787	2,570
Prosecuting Attorney Delinquent Tax	721	1,435	488	1,668
Recorder's User Fees	18,220	12,075	954	29,341
Sheriff Civil Fees	16,018	12,785	12,631	16,172
Sheriff Revolving	4,883	961	141	5,703
Circuit Interest	1,343	1,293	469	2,167
Law Library	10,649	7,929	6,218	12,360
Tax Maintenance	19,661	12,117	591	31,187
Senior Citizens	8,020	37,916	35,122	10,814
Senate Bill 40 Board	94,478	77,285	55,102	116,661
Health Center	265,250	390,806	353,471	302,585
Circuit Clerk Time Payment Fee	0	264	0	264
Drug Court	0	3,000	87	2,913
Recorder's Grant	0	7,737	7,737	0
Total	\$ 985,449	2,647,958	2,530,021	1,103,386

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

Exhibit B

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

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
TOTALS - VARIOUS FUNDS						
RECEIPTS	\$ 3,375,397	3,132,204	(243,193)	2,790,263	2,644,694	(145,569)
DISBURSEMENTS	3,559,840	3,126,554	433,286	2,898,815	2,529,934	368,881
RECEIPTS OVER (UNDER) DISBURSEMENTS	(184,443)	5,650	190,093	(108,552)	114,760	223,312
CASH, JANUARY 1	1,101,679	1,103,386	1,707	986,059	985,449	(610)
CASH, DECEMBER 31	917,236	1,109,036	191,800	877,507	1,100,209	222,702
GENERAL REVENUE FUND						
RECEIPTS						
Property taxes	245,000	241,176	(3,824)	230,000	243,608	13,608
Intergovernmental	338,000	315,237	(22,763)	213,825	264,617	50,792
Charges for services	142,900	149,273	6,373	133,200	138,037	4,837
Interest	20,000	27,440	7,440	17,000	21,017	4,017
Other	46,000	66,509	20,509	63,750	49,161	(14,589)
Transfers in	28,000	50,956	22,956	27,300	42,477	15,177
Total Receipts	819,900	850,591	30,691	685,075	758,917	73,842
DISBURSEMENTS						
County Commissior	77,470	76,284	1,186	71,470	71,387	83
County Clerk	67,000	55,620	11,380	69,000	56,155	12,845
Elections	45,000	37,694	7,306	6,000	820	5,180
Buildings and grounds	71,300	69,783	1,517	58,100	62,473	(4,373)
Employee fringe benefit	36,400	41,059	(4,659)	32,700	32,937	(237)
County Treasurer	29,460	27,649	1,811	29,860	27,452	2,408
County Collector	75,250	69,031	6,219	74,750	70,456	4,294
Recorder of Deeds	63,675	56,426	7,249	64,575	58,662	5,913
Circuit Clerk	23,000	22,043	957	36,650	17,692	18,958
Public Administrator	24,075	24,015	60	25,750	24,146	1,604
Child support enforcement uni	25,550	20,758	4,792	29,460	23,098	6,362
Community projects	20,500	42,732	(22,232)	20,000	19,160	840
Emergency management	9,075	7,441	1,634	39,225	50,392	(11,167)
Domestic violence enhanced response tear	163,214	160,033	3,181	0	46,773	(46,773)
Other	71,125	86,003	(14,878)	108,435	96,767	11,668
Transfers out	113,385	137,891	(24,506)	79,488	64,600	14,888
Emergency Fund	25,000	0	25,000	21,000	0	21,000
Total Disbursements	940,479	934,462	6,017	766,463	722,970	43,493
RECEIPTS OVER (UNDER) DISBURSEMENTS	(120,579)	(83,871)	36,708	(81,388)	35,947	117,335
CASH, JANUARY 1	457,271	457,271	0	421,324	421,324	0
CASH, DECEMBER 31	336,692	373,400	36,708	339,936	457,271	117,335

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CART FUND</u>						
RECEIPTS						
Intergovernmental	524,000	427,273	(96,727)	505,000	421,544	(83,456)
Interest	2,000	2,469	469	2,000	2,379	379
Equipment lease payoff	0	106,798	106,798	0	0	0
Other	11,000	12,766	1,766	18,500	23,881	5,381
Transfers in	0	11,500	11,500	0	17,500	17,500
Total Receipts	537,000	560,806	23,806	525,500	465,304	(60,196)
DISBURSEMENTS						
Salaries	160,000	163,308	(3,308)	155,000	157,369	(2,369)
Employee fringe benefit	25,300	26,835	(1,535)	27,000	24,225	2,775
Supplies	60,000	71,727	(11,727)	53,000	82,077	(29,077)
Insurance	13,000	12,918	82	11,000	12,480	(1,480)
Road and bridge materials	16,000	32,292	(16,292)	8,500	22,471	(13,971)
Equipment repairs	10,000	12,587	(2,587)	15,000	18,451	(3,451)
Rentals	10,500	4,408	6,092	500	206	294
Equipment purchases	22,000	123,728	(101,728)	65,632	98,018	(32,386)
Construction, repair, and maintenance	150,000	1,199	148,801	115,000	13,728	101,272
Other	50,220	53,298	(3,078)	58,920	54,386	4,534
Transfers out	13,000	24,500	(11,500)	13,000	30,500	(17,500)
Total Disbursements	530,020	526,800	3,220	522,552	513,911	8,641
RECEIPTS OVER (UNDER) DISBURSEMENTS	6,980	34,006	27,026	2,948	(48,607)	(51,555)
CASH, JANUARY 1	2,405	2,405	0	51,012	51,012	0
CASH, DECEMBER 31	9,385	36,411	27,026	53,960	2,405	(51,555)
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	106,195	106,437	242	96,942	144,769	47,827
Charges for services	4,000	4,919	919	2,750	4,979	2,229
Interest	1,000	2,675	1,675	400	1,773	1,373
Other	0	0	0	0	20	20
Transfers in	11,261	11,261	0	7,388	0	(7,388)
Total Receipts	122,456	125,292	2,836	107,480	151,541	44,061
DISBURSEMENTS						
Assessor	116,750	113,067	3,683	115,306	115,170	136
Transfers out	0	3,000	(3,000)	0	0	0
Total Disbursements	116,750	116,067	683	115,306	115,170	136
RECEIPTS OVER (UNDER) DISBURSEMENTS	5,706	9,225	3,519	(7,826)	36,371	44,197
CASH, JANUARY 1	36,404	36,404	0	33	33	0
CASH, DECEMBER 31	42,110	45,629	3,519	(7,793)	36,404	44,197

Exhibit B

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

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	445,000	426,959	(18,041)	440,000	430,857	(9,143)
Intergovernmental	114,850	136,955	22,105	173,487	166,871	(6,616)
Charges for services	22,400	18,259	(4,141)	15,000	14,792	(208)
Interest	300	949	649	2,000	1,539	(461)
Other	1,500	9,597	8,097	2,500	1,763	(737)
Transfers in	113,235	88,000	(25,235)	70,000	45,000	(25,000)
Total Receipts	697,285	680,719	(16,566)	702,987	660,822	(42,165)
DISBURSEMENTS						
Sheriff	316,300	321,506	(5,206)	345,733	345,839	(106)
Jail	163,000	160,848	2,152	123,500	121,168	2,332
Prosecuting Attorney	64,860	62,758	2,102	63,720	62,594	1,126
Juvenile office	54,000	53,842	158	48,000	45,792	2,208
Coroner	18,925	18,723	202	17,105	16,908	197
Fringe benefits	40,900	39,472	1,428	38,000	38,827	(827)
Other	39,300	24,391	14,909	24,900	28,197	(3,297)
Total Disbursements	697,285	681,540	15,745	660,958	659,325	1,633
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(821)	(821)	42,029	1,497	(40,532)
CASH, JANUARY 1	1,700	1,700	0	203	203	0
CASH, DECEMBER 31	1,700	879	(821)	42,232	1,700	(40,532)
<u>CHILDREN'S TRUST FUND</u>						
RECEIPTS						
Charges for services	525	585	60	800	510	(290)
Interest	10	32	22	5	4	(1)
Total Receipts	535	617	82	805	514	(291)
DISBURSEMENTS						
Domestic violence shelter	0	0	0	800	262	538
Total Disbursements	0	0	0	800	262	538
RECEIPTS OVER (UNDER) DISBURSEMENTS	535	617	82	5	252	247
CASH, JANUARY 1	259	259	0	7	7	0
CASH, DECEMBER 31	794	876	82	12	259	247
<u>CRISIS INTERVENTION FUND</u>						
RECEIPTS						
Intergovernmental	0	811	811	3,000	3,035	35
Interest	0	45	45	50	48	(2)
Total Receipts	0	856	856	3,050	3,083	33
DISBURSEMENTS						
Other	0	556	(556)	4,685	4,204	481
Total Disbursements	0	556	(556)	4,685	4,204	481
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	300	300	(1,635)	(1,121)	514
CASH, JANUARY 1	574	574	0	1,695	1,695	0
CASH, DECEMBER 31	574	874	300	60	574	514

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
DOMESTIC VIOLENCE FUND						
RECEIPTS						
Charges for services	950	1,725	775	1,000	934	(66)
Interest	25	66	41	20	22	2
Total Receipts	975	1,791	816	1,020	956	(64)
DISBURSEMENTS						
Domestic violence shelter	0	0	0	1,000	822	178
Total Disbursements	0	0	0	1,000	822	178
RECEIPTS OVER (UNDER) DISBURSEMENTS	975	1,791	816	20	134	114
CASH, JANUARY 1	498	498	0	363	364	1
CASH, DECEMBER 31	1,473	2,289	816	383	498	115
ELECTION GRANT (HAVA) FUND						
RECEIPTS						
Intergovernmental	143,350	144,245	895	0	5,683	5,683
Interest	1,650	4,182	2,532	250	694	444
Total Receipts	145,000	148,427	3,427	250	6,377	6,127
DISBURSEMENTS						
Equipment	161,013	135,263	25,750	15,000	5,278	9,722
Other	0	7,572	(7,572)	300	165	135
Transfers out	0	895	(895)	0	0	0
Total Disbursements	161,013	143,730	17,283	15,300	5,443	9,857
RECEIPTS OVER (UNDER) DISBURSEMENTS	(16,013)	4,697	20,710	(15,050)	934	15,984
CASH, JANUARY 1	16,013	16,013	0	15,079	15,079	0
CASH, DECEMBER 31	0	20,710	20,710	29	16,013	15,984
JUSTICE CENTER CONSTRUCTION FUND						
RECEIPTS						
Intergovernmental	161,493	29,000	(132,493)	159,547	0	(159,547)
Total Receipts	161,493	29,000	(132,493)	159,547	0	(159,547)
DISBURSEMENTS						
Justice center	202,600	69,973	132,627	203,337	2,683	200,654
Total Disbursements	202,600	69,973	132,627	203,337	2,683	200,654
RECEIPTS OVER (UNDER) DISBURSEMENTS	(41,107)	(40,973)	134	(43,790)	(2,683)	41,107
CASH, JANUARY 1	41,107	41,107	0	43,790	43,790	0
CASH, DECEMBER 31	0	134	134	0	41,107	41,107

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT BLOCK GRANT FUND</u>						
RECEIPTS						
Intergovernmental	12,752	9,542	(3,210)	9,000	9,000	0
Transfers in	8,238	11,448	3,210	4,500	4,500	0
Total Receipts	20,990	20,990	0	13,500	13,500	0
DISBURSEMENTS						
Sheriff	17,003	12,723	4,280	13,500	13,500	0
Transfers out	3,987	8,267	(4,280)	0	0	0
Total Disbursements	20,990	20,990	0	13,500	13,500	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	0	0	0
<u>LAW ENFORCEMENT RESTITUTION FUND</u>						
RECEIPTS						
Charges for service:	600	900	300	350	300	(50)
Interest	6	48	42	0	4	4
Total Receipts	606	948	342	350	304	(46)
DISBURSEMENTS						
Sheriff	150	0	150	350	0	350
Total Disbursements	150	0	150	350	0	350
RECEIPTS OVER (UNDER) DISBURSEMENTS	456	948	492	0	304	304
CASH, JANUARY 1	304	304	0	0	0	0
CASH, DECEMBER 31	760	1,252	492	0	304	304
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	1,000	744	(256)	1,200	814	(386)
Charges for service:	1,600	1,353	(247)	1,500	1,494	(6)
Interest	75	132	57	75	72	(3)
Total Receipts	2,675	2,229	(446)	2,775	2,380	(395)
DISBURSEMENTS						
Sheriff	3,250	1,230	2,020	3,500	2,125	1,375
Total Disbursements	3,250	1,230	2,020	3,500	2,125	1,375
RECEIPTS OVER (UNDER) DISBURSEMENTS	(575)	999	1,574	(725)	255	980
CASH, JANUARY 1	2,050	2,050	0	1,795	1,795	0
CASH, DECEMBER 31	1,475	3,049	1,574	1,070	2,050	980

Exhibit B

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

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for service:	350	349	(1)	400	369	(31)
Interest	25	26	1	0	32	32
Total Receipts	375	375	0	400	401	1
DISBURSEMENTS						
Prosecuting Attorney	925	517	408	500	210	290
Total Disbursements	925	517	408	500	210	290
RECEIPTS OVER (UNDER) DISBURSEMENTS	(550)	(142)	408	(100)	191	291
CASH, JANUARY 1	557	557	0	366	366	0
CASH, DECEMBER 31	7	415	408	266	557	291
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Charges for service:	3,000	2,230	(770)	500	557	57
Interest	500	567	67	150	461	311
Total Receipts	3,500	2,797	(703)	650	1,018	368
DISBURSEMENTS						
Equipment	5,000	0	5,000	2,500	1,598	902
Mileage and training	1,000	0	1,000	500	0	500
Total Disbursements	6,000	0	6,000	3,000	1,598	1,402
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,500)	2,797	5,297	(2,350)	(580)	1,770
CASH, JANUARY 1	9,839	9,839	0	10,419	10,419	0
CASH, DECEMBER 31	7,339	12,636	5,297	8,069	9,839	1,770
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for service:	20,000	30,612	10,612	20,000	17,115	(2,885)
Interest	0	560	560	250	53	(197)
Other	0	0	0	0	70	70
Total Receipts	20,000	31,172	11,172	20,250	17,238	(3,012)
DISBURSEMENTS						
Office expense:	1,100	1,706	(606)	1,500	902	598
Equipment	0	3,126	(3,126)	1,300	0	1,300
Other	1,950	11,586	(9,636)	1,550	1,908	(358)
Transfers out	15,020	7,644	7,376	14,300	11,977	2,323
Total Disbursements	18,070	24,062	(5,992)	18,650	14,787	3,863
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,930	7,110	5,180	1,600	2,451	851
CASH, JANUARY 1	2,570	2,570	0	119	119	0
CASH, DECEMBER 31	4,500	9,680	5,180	1,719	2,570	851

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
PROSECUTING ATTORNEY DELINQUENT TAX FUND						
RECEIPTS						
Intergovernmental	1,800	1,017	(783)	7,500	1,376	(6,124)
Interest	0	89	89	100	59	(41)
Total Receipts	1,800	1,106	(694)	7,600	1,435	(6,165)
DISBURSEMENTS						
Prosecuting Attorney	1,050	1,023	27	1,175	488	687
Total Disbursements	1,050	1,023	27	1,175	488	687
RECEIPTS OVER (UNDER) DISBURSEMENTS	750	83	(667)	6,425	947	(5,478)
CASH, JANUARY 1	1,668	1,668	0	721	721	0
CASH, DECEMBER 31	2,418	1,751	(667)	7,146	1,668	(5,478)
RECORDER'S USER FEES FUND						
RECEIPTS						
Charges for services	11,059	11,391	332	9,000	11,059	2,059
Interest	941	1,776	835	600	1,016	416
Total Receipts	12,000	13,167	1,167	9,600	12,075	2,475
DISBURSEMENTS						
Recorder of Deeds	4,100	2,634	1,466	10,700	954	9,746
Total Disbursements	4,100	2,634	1,466	10,700	954	9,746
RECEIPTS OVER (UNDER) DISBURSEMENTS	7,900	10,533	2,633	(1,100)	11,121	12,221
CASH, JANUARY 1	29,341	29,341	0	18,220	18,220	0
CASH, DECEMBER 31	37,241	39,874	2,633	17,120	29,341	12,221
SHERIFF CIVIL FEES FUND						
RECEIPTS						
Charges for service:	11,900	11,367	(533)	10,500	10,070	(430)
Interest	600	640	40	300	565	265
Other	150	2,995	2,845		2,150	2,150
Total Receipts	12,650	15,002	2,352	10,800	12,785	1,985
DISBURSEMENTS						
Sheriff	18,600	18,572	28	8,800	8,131	669
Transfers out	0	0	0	4,500	4,500	0
Total Disbursements	18,600	18,572	28	13,300	12,631	669
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,950)	(3,570)	2,380	(2,500)	154	2,654
CASH, JANUARY 1	16,172	16,172	0	16,018	16,018	0
CASH, DECEMBER 31	10,222	12,602	2,380	13,518	16,172	2,654

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SHERIFF REVOLVING FUND</u>						
RECEIPTS						
Charges for service:	780	1,445	665	500	735	235
Interest	220	205	(15)	10	226	216
Total Receipts	1,000	1,650	650	510	961	451
DISBURSEMENTS						
Sheriff	500	600	(100)	2,000	141	1,859
Transfers out	4,251	3,181	1,070	0	0	0
Total Disbursements	4,751	3,781	970	2,000	141	1,859
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,751)	(2,131)	1,620	(1,490)	820	2,310
CASH, JANUARY 1	5,703	5,703	0	4,883	4,883	0
CASH, DECEMBER 31	1,952	3,572	1,620	3,393	5,703	2,310
<u>CIRCUIT INTEREST FUND</u>						
RECEIPTS						
Charges for service:	1,000	3,495	2,495	50	572	522
Interest	500	844	344	300	721	421
Total Receipts	1,500	4,339	2,839	350	1,293	943
DISBURSEMENTS						
Circuit Clerk	1,200	170	1,030	1,200	469	731
Total Disbursements	1,200	170	1,030	1,200	469	731
RECEIPTS OVER (UNDER) DISBURSEMENTS	300	4,169	3,869	(850)	824	1,674
CASH, JANUARY 1	2,167	2,167	0	1,343	1,343	0
CASH, DECEMBER 31	2,467	6,336	3,869	493	2,167	1,674
<u>LAW LIBRARY FUND</u>						
RECEIPTS						
Charges for service:	7,000	9,040	2,040	6,760	7,461	701
Interest	400	661	261	280	468	188
Total Receipts	7,400	9,701	2,301	7,040	7,929	889
DISBURSEMENTS						
Law Library	12,400	6,054	6,346	7,550	6,218	1,332
Total Disbursements	12,400	6,054	6,346	7,550	6,218	1,332
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,000)	3,647	8,647	(510)	1,711	2,221
CASH, JANUARY 1	12,360	12,360	0	10,649	10,649	0
CASH, DECEMBER 31	7,360	16,007	8,647	10,139	12,360	2,221

Exhibit B

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

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>TAX MAINTENANCE FUND</u>						
RECEIPTS						
Charges for services:	12,000	11,870	(130)	10,000	11,030	1,030
Interest	1,200	1,726	526	0	1,087	1,087
Total Receipts	13,200	13,596	396	10,000	12,117	2,117
DISBURSEMENTS						
Salaries	20,000	0	20,000	10,000	591	9,409
Legal and professional service	15,000	1,218	13,782	0	0	0
Office expense:	0	2,310	(2,310)	0	0	0
Mileage and training	0	224	(224)	0	0	0
Total Disbursements	35,000	3,752	31,248	10,000	591	9,409
RECEIPTS OVER (UNDER) DISBURSEMENTS	(21,800)	9,844	31,644	0	11,526	11,526
CASH, JANUARY 1	31,187	31,187	0	20,314	19,661	(653)
CASH, DECEMBER 31	9,387	41,031	31,644	20,314	31,187	10,873
<u>SENIOR CITIZENS FUND</u>						
RECEIPTS						
Property taxes	36,800	36,858	58	35,300	37,290	1,990
Intergovernmental	0	658	658	0	23	23
Interest	0	1,017	1,017	0	603	603
Total Receipts	36,800	38,533	1,733	35,300	37,916	2,616
DISBURSEMENTS						
Contracted services:	36,000	36,000	0	34,500	34,499	1
Other	800	623	177	800	623	177
Total Disbursements	36,800	36,623	177	35,300	35,122	178
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	1,910	1,910	0	2,794	2,794
CASH, JANUARY 1	10,814	10,814	0	8,020	8,020	0
CASH, DECEMBER 31	10,814	12,724	1,910	8,020	10,814	2,794
<u>SENATE BILL 40 BOARD FUND</u>						
RECEIPTS						
Property taxes	70,600	73,654	3,054	70,200	74,460	4,260
Intergovernmental	700	40	(660)	400	741	341
Interest	2,100	3,543	1,443	300	1,983	1,683
Other	0	0	0	0	101	101
Total Receipts	73,400	77,237	3,837	70,900	77,285	6,385
DISBURSEMENTS						
Sheltered workshop	54,000	54,000	0	54,000	54,000	0
Equipment	8,000	0	8,000	8,000	0	8,000
Other	2,000	1,041	959	1,900	1,102	798
Total Disbursements	64,000	55,041	8,959	63,900	55,102	8,798
RECEIPTS OVER (UNDER) DISBURSEMENTS	9,400	22,196	12,796	7,000	22,183	15,183
CASH, JANUARY 1	114,741	116,661	1,920	94,436	94,478	42
CASH, DECEMBER 31	124,141	138,857	14,716	101,436	116,661	15,225

Exhibit B

RIPLEY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
HEALTH CENTER FUND						
RECEIPTS						
Property taxes	112,530	112,038	(492)	105,896	113,204	7,308
Intergovernmental	224,372	208,539	(15,833)	236,498	227,423	(9,075)
Charges for services	39,000	47,081	8,081	31,000	29,313	(1,687)
Interest	26,505	13,973	(12,532)	31,130	19,309	(11,821)
Other	2,000	2,173	173	2,000	1,557	(443)
Total Receipts	404,407	383,804	(20,603)	406,524	390,806	(15,718)
DISBURSEMENTS						
Salaries	325,949	283,897	42,052	329,524	280,170	49,354
Office expenditures	56,958	51,895	5,063	57,500	51,481	6,019
Equipment	6,500	7,755	(1,255)	7,500	6,651	849
Mileage and training	8,000	8,454	(454)	10,265	9,294	971
Other	7,000	10,063	(3,063)	11,000	5,875	5,125
Total Disbursements	404,407	362,064	42,343	415,789	353,471	62,318
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	21,740	21,740	(9,265)	37,335	46,600
CASH, JANUARY 1	302,785	302,585	(200)	265,250	265,250	0
CASH, DECEMBER 31	302,785	324,325	21,540	255,985	302,585	46,600
CIRCUIT CLERK TIME PAYMENT FEE FUND						
RECEIPTS						
Charges for services	350	1,091	741			
Total Receipts	350	1,091	741			
DISBURSEMENTS						
Circuit Clerk	0	0	0			
Total Disbursements	0	0	0			
RECEIPTS OVER (UNDER) DISBURSEMENTS	350	1,091	741			
CASH, JANUARY 1	264	264	0			
CASH, DECEMBER 31	614	1,355	741			
DRUG COURT FUND						
RECEIPTS						
Intergovernmental	3,000	0	(3,000)			
Charges for services	100	105	5			
Total Receipts	3,100	105	(2,995)			
DISBURSEMENTS						
Counseling	3,500	570	2,930			
Drug testing	1,500	80	1,420			
Total Disbursements	5,000	650	4,350			
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,900)	(545)	1,355			
CASH, JANUARY 1	2,926	2,913	(13)			
CASH, DECEMBER 31	1,026	2,368	1,342			

Exhibit B

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

	Year Ended December 31,					
	2006			2005		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>DELTA REGIONAL AUTHORITY GRANT FUND</u>						
RECEIPTS						
Intergovernmental	225,000	99,550	(125,450)			
Transfers in	50,000	16,713	(33,287)			
Total Receipts	<u>275,000</u>	<u>116,263</u>	<u>(158,737)</u>			
DISBURSEMENTS						
Highway 142 and Brooks Lane	275,000	109,613	165,387			
Transfers out	0	6,650	(6,650)			
Total Disbursements	<u>275,000</u>	<u>116,263</u>	<u>158,737</u>			
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0			
CASH, JANUARY 1	0	0	0			
CASH, DECEMBER 31	<u>0</u>	<u>0</u>	<u>0</u>			
<u>RECORDER'S GRANT FUND</u>						
RECEIPTS						
Intergovernmental				8,000	7,737	(263)
Total Receipts				<u>8,000</u>	<u>7,737</u>	<u>(263)</u>
DISBURSEMENTS						
Recorder of Deeds				8,000	7,737	263
Total Disbursements				<u>8,000</u>	<u>7,737</u>	<u>263</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS				0	0	0
CASH, JANUARY 1				0	0	0
CASH, DECEMBER 31				<u>0</u>	<u>0</u>	<u>0</u>

Notes to the Financial Statements

RIPLEY COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of various funds of Ripley County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Senior Citizens Board, the Senate Bill 40 Board, or the Health Center Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

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, 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 Circuit Clerk Time Payment Fee Fund and the Drug Court Fund for the year ended December 31, 2005.

Section 50.740, RSMo, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the Crisis Intervention Fund and the Prosecuting Attorney Bad Check Fund in 2006.

Although Section 50.740, RSMo, requires a balanced budget, a deficit balance was budgeted in the Assessment Fund for the year ended December 31, 2005.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo, 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, 2006 and 2005, did not include the Health Center Fund. The Health Center Board published their own financial statements separately from the county's statements. However, the board's published financial statements for the years ended December 31, 2006 and 2005, did not disclose disbursement detail by vendor for the Health Center Fund.

2. Cash

Disclosures are provided below to comply with Statement No. 40 of the Governmental Accounting Standards Board, *Deposit and Investment Risk Disclosures*. 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. Investments are securities and other assets acquired primarily for the purpose of obtaining income or profit.

Deposits

In addition to depositing in demand accounts, political subdivisions such as counties have the authority under Section 67.085, RSMo, to place excess funds in certificates of deposit. To protect the safety of county deposits, Section 110.020, RSMo, requires depositories to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities must be of the types specified by Section 30.270, RSMo, for the collateralization of state funds and held by either the county or a financial institution other than the depository bank. Section 67.085, RSMo, also requires certificates of deposit to be insured by the FDIC for 100 percent of their principal and accrued interest. Custodial credit risk is the risk that, if a depository bank fails, Ripley County will not be able to recover its deposits or recover collateral securities that are in an outside party's possession.

The county's deposits at December 31, 2006 and 2005, were not exposed to custodial credit risk because they were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The Health Center Board's deposits at December 31, 2006, were not exposed to custodial credit risk because they were entirely covered by federal depository insurance or by collateral securities held by the board's custodial bank in the board's name. Of the Health Center Board's bank balance at December 31, 2005, \$14,632 was exposed to custodial credit risk because that amount was uncollateralized.

Of the Senate Bill 40 Board's bank balance at December 31, 2006, \$38,857 was exposed to custodial credit risk because that amount was uncollateralized. Of the Senate Bill 40 Board's bank balance at December 31, 2005, \$16,661 was exposed to custodial credit risk because that amount was uncollateralized.

Investments

Section 110.270, RSMo, 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. At December 31, 2006 and 2005, the county had no such investments. In addition, Section 30.950, RSMo, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

Supplementary Schedule

Schedule

RIPLEY COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			2006	2005
U. S. DEPARTMENT OF AGRICULTURE				
Direct program -				
10.766	Community Facilities Loans and Grant	N/A	\$ 29,000	0
Passed through state				
Department of Health and Senior Services -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERS045-7191W	11,178	0
		ERS045-6191W	45,788	8,968
		ERS045-5191W	0	51,340
	Program Total		<u>56,966</u>	<u>60,308</u>
10.559	Summer Food Service Program for Children	ERS046-6191I	140	0
		ERS046-5191I	0	280
	Program Total		<u>140</u>	<u>280</u>
Office of Administration				
10.665	Schools and Roads - Grants to States	N/A	204,314	242,369
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state				
Department of Economic Development -				
14.228	Community Development Block Grants/State Program	2004-PF-561	99,550	0
Department of Social Services -				
14.231	Emergency Shelter Grants Program	N/A	9,256	8,570
U.S. DEPARTMENT OF JUSTICE				
Passed through:				
State Department of Public Safety				
16.540	Juvenile Justice and Delinquency Prevention - Allocatio to States	06-JFJ2-12	1,000	0
16.579	Edward Byrne Memorial Formula Grant Program	2004-NCD15B-023	9,542	0
Cape Girardeau County -				
16.580	Edward Byrne Memorial State and Local Law Enforcemen Assistance Discretionary Grants Program	N/A	0	46,632
State Department of Public Safety				

Schedule

RIPLEY COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			2006	2005
16.588	Violence Against Women Formula Grant	2005WEAX005	160,033	46,773
16.592	Local Law Enforcement Block Grants Program Missouri Sheriffs' Association -	2004-LBG-073	0	9,000
16	Domestic Cannabis Eradication/Suppression Program	N/A	935	1,030
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state				
Highway and Transportation Commission				
20.600	State and Community Highway Safety	N/A	5,306	0
Department of Public Safety				
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grant	N/A	1,444	1,444
GENERAL SERVICES ADMINISTRATION				
Passed through state				
Office of Administration				
39.003	Donation of Federal Surplus Personal Property	N/A	87	216
Office of Secretary of State				
39.011	Election Reform Payment	N/A	2,431	2,388
ELECTIONS ASSISTANCE COMMISSION				
Passed through state Office of Secretary of State				
90.401	Help America Vote Act Requirements Payment	N/A	135,158	5,443
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state				
Department of Health and Senior Services -				
93.268	Immunization Grants	N/A	50,432	56,339
93.283	Centers for Disease Control and Prevention Investigations and Technical Assistance	N/A	23,440	10,852
Department of Social Services -				
93.563	Child Support Enforcement	N/A	21,989	21,410
Department of Health and Senior Services -				

Schedule

RIPLEY COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2006	2005
93.575	Child Care and Development Block Gran	N/A	3,650	4,175
	Office of Secretary of State			
93.617	Voting Access for Individuals with Disabilities Grants to States	N/A	5,141	0
	Department of Social Services -			
93.643	Children's Justice Grants to State:	N/A	10,740	2,093
93.667	Social Services Block Grant	N/A	30,608	61,909
93.669	Child Abuse and Neglect State Grant:	N/A	12,351	2,407
	Department of Health and Senior Services			
93.994	Maternal and Child Health Services Block Grant to the States	ERS146-5191M AOC06380151	0	21,145
	Program Total		<u>25,505</u>	<u>1,749</u>
			<u>25,505</u>	<u>22,894</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
	Passed through state Department of Public Safety			
97.004	State Domestic Preparedness Equipment Support Progran	N/A	0	44,834
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disaster:	N/A	3,484	0
	Total Expenditures of Federal Award:		\$ <u>902,502</u>	<u>651,366</u>

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedul

Notes to the Supplementary Schedule

RIPLEY 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 Ripley County, Missouri.

B. Basis of Presentation

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

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals. . . .

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

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

C. Basis of Accounting

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

Amounts for the Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt. Amounts for Immunization Grants (CFDA number 93.268) and the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994) include both

cash disbursements and the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health and Senior Services.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2006 and 2005.

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



SUSAN MONTEE, CPA
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 Ripley County, Missouri

Compliance

We have audited the compliance of Ripley County, Missouri, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2006 and 2005. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

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

As described in finding number 06-1 in the accompanying Schedule of Findings and Questioned Costs, Ripley County, Missouri, did not comply with requirements regarding activities allowed or unallowed costs and allowable costs/cost principles that are applicable to its Schools and

Roads - Grants to States program. Compliance with such requirements is necessary, in our opinion, for Ripley County, Missouri, to comply with the requirements of that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Ripley County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2006 and 2005. The results of our auditing procedures also disclosed another instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 06-2.

Internal Control Over Compliance

The management of Ripley 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 the 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, but not for the purpose of expressing an opinion on the effectiveness of the county's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the county's internal control over compliance.

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

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the county's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the county's internal control. We consider the deficiencies described as finding numbers 06-1 and 06-2 in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over compliance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the county's internal control. Of the significant deficiencies referred to above, we consider finding numbers 06-1 and 06-2 to be material weaknesses.

The responses of Ripley County, Missouri, to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the county's responses and, accordingly, we express no opinion on them.

This report is intended for the information and use of the management of Ripley County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Susan Montee". The signature is written in a cursive style.

Susan Montee, CPA
State Auditor

April 5, 2007

Schedule

RIPLEY COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2006 AND 2005

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
- Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

Noncompliance material to the financial statements noted? yes x no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? x yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

Type of auditor's report issued on compliance for major programs: Unqualified for all major programs except CFDA Number 10.665, which was qualified

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

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.665	Schools and Roads - Grants to States
14.228	Community Development Block Grants/State's Program
16.588	Violence Against Women Formula Grants
90.401	Help America Vote Act Requirements Payments

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 the audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

06-1. Schools and Road-Grants to States
--

Federal Grantor:	U.S. Department of Agriculture
Pass-Through Grantor:	State Office of Administration
Federal CFDA Number:	10.665
Program Title:	Schools and Roads-Grants to States
Pass-Through Entity Identifying Number:	Not applicable
Award Years:	2006 and 2005
Questioned Costs:	\$70,391

During the two years ended December 31, 2006, Ripley County received \$446,683 through the Schools and Roads-Grants to States Program and retained \$70,391 for Title III projects. Seventy-five percent of the remaining amount was disbursed to the school districts in the county and 25 percent was retained for the Road and Bridge (Unapportioned) Fund.

The \$70,391 was credited to the Law Enforcement Sales Tax Fund. Supporting documentation was not available to indicate Title III monies were spent as allowed by the Schools and Roads-Grants to States Program. A public notice indicated that the monies were

to be used for payment of operating expenses and employee wages incurred by the Ripley County Sheriff's Department in performance of its duties. Federal guidelines indicate Title III monies may be used for reimbursement for emergency service costs on public lands, costs for supervising mandatory community service work on public lands, easements for non-motorized access or conservation, forest-related educations, fire prevention and planning, and community forestry.

No other documentation is available to support Title III expenditures. As a result, we question costs of \$70,391 which represent Title III monies without adequate documentation. Without adequate supporting documentation, the county cannot ensure Title III monies were expended as allowed by federal guidelines.

WE RECOMMEND the County Commission ensure Title III expenditures are supported by adequate documentation and work with the grantor agency to resolve the questioned costs.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Commission indicated:

As indicated above, federal guidelines indicate Title III monies may be used for reimbursement for emergency service costs on public lands. There is approximately 100,000 acres of land in Ripley County owned by the Federal Forest Service. This equates to about one-fourth of the total land mass. There are several sites for which the Sheriff's department receives a multitude of calls for disturbances, thefts, fights, etc. The amount of monies received from Title III is less than 10% of the Sheriff's operating budget. Call logs are available to document the number of calls that would be attributable to emergencies on Federal lands. Therefore, we disagree with the aforementioned finding.

06-2.	Help America Vote Act Grants
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Federal Grantor:	General Services Administration, Elections Assistance Commission, and U.S. Department of Health and Human Services
Pass-Through Grantor:	Office of Secretary of State
Federal CFDA Number:	39.011, 90.401, and 93.617
Program Title:	Election Reform Payments, Help America Vote Act Requirements Payments, and Voting Access for Individual With Disabilities - Grants to States
Pass-Through Entity Identifying Number:	Not applicable
Award Years:	2006 and 2005
Questioned Costs:	Not applicable

Monies received were not disbursed within 30 days which was agreed to in the application submitted to the Secretary of State's office for the grants. Monies totaling \$136,500 were received on March 9, 2006 with \$73,500 being disbursed on May 3, 2006 and \$61,763 being disbursed on October 4, 2006. Thus, some monies were held for almost seven months before being disbursed. In addition, approximately \$4,100 in interest was earned due to not disbursing monies timely.

The County Clerk should comply with the requirements of the Secretary of State's office regarding disbursing monies within 30 days after being received in order to minimize the time elapsing between the transfer of funds from the state to the county and the disbursement of those funds from the county to the vendors.

WE RECOMMEND the County Commission ensure monies are disbursed within 30 days after being received.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Commission indicated:

Although the County Clerk received grant funds of \$136,500 on March 9, 2006, the second-chance equipment to be purchased from the grant funds had not yet been delivered. The County Clerk received the equipment on March 13 but did not receive an invoice for it until after April 21 and payment was then tendered on May 3. The accessible voting equipment was delivered on June 15 but did not receive an invoice for it until September 29 and payment was tendered on October 4. Payments were made within 30 days of when the invoice was received.

Instructions received from the Secretary of State's office was to, of course, not pay for the equipment until it was received and it was also suggested that the equipment be used for an election prior to payment to ensure it was working properly. The second-chance equipment was used at the April 6 general municipal election. The next election to be held thereafter was the August 8 primary at which time the accessible voting equipment was used.

Permission has been granted from the Secretary of State's office to use the remaining balance of grant funds, together with any interest earned, for future machine maintenance which will not be incurred until calendar year 2009 but can be prepaid as long as paid by August 25 and we will do that.

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

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

The prior audit report issued for the two years ended December 31, 2002, 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

RIPLEY 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.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the county's management.

02-01. Schools and Roads Program

Federal Grantor:	U.S. Department of Agriculture
Pass-Through Grantor:	Office of Administration
Federal CFDA Number:	10.665
Program Title:	School and Roads-Grants to States
Pass-Through Entity	
Identifying Number:	Not applicable
Award Years:	2002 and 2001
Questioned Costs:	Not applicable

The county calculated the 20% distribution to Title III projects based on the total amount received, including the mineral receipts, instead of the full payment amount only. This resulted in public schools and public roads receiving less than 80% of the full payment amount. The amount not distributed to schools and roads was \$5,842 and \$1,948 respectively, for a total of \$7,790.

Recommendation:

The County Commission make the necessary adjustments to ensure public schools and public roads receive the \$7,790 not distributed to them in 2002.

Status:

Implemented.

02-2. Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Agriculture
Pass-Through Grantor: Department of Health and Senior Services
Federal CFDA Number: 10.557
Program Title: Special Supplemental Nutrition Program for Women, Infants,
and Children

Pass-Through Entity
Identifying Number: ERS045-1191W, ERS045-2191W, ERS045-3191W
Award Years: 2002 and 2001
Questioned Costs: Not applicable

Federal Grantor: U.S. Department of Agriculture
Pass-Through Grantor: Office of Administration
Federal CFDA Number: 10.665
Program Title: Schools and Roads-Grants to States
Pass-Through Entity
Identifying Number: Not applicable
Award Years: 2002 and 2001
Questioned Costs: Not applicable

The county did not have adequate procedures in place to track federal awards for the preparation of the schedule of expenditures of federal awards (SEFA). The county's SEFA included several errors which resulted in expenditures being overstated by approximately \$56,586 and \$176,607, respectively, for the two years ended December 31, 2002 and 2001.

Recommendation:

The County Clerk prepare a complete and accurate schedule of expenditures of federal awards.

Status:

Partially implemented. Improvement was noted as the schedule of expenditures of federal awards was more complete and accurate. However, expenditures were still overstated. Although not repeated in the current report, our recommendation remains as stated above.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

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

We have audited the financial statements of various funds of Ripley County, Missouri, as of and for the years ended December 31, 2006 and 2005, and have issued our report thereon dated April 5, 2007. We also have audited the compliance of Ripley County, Missouri, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2006 and 2005, and have issued our report thereon dated April 5, 2007. That report expressed a qualified opinion on the county's compliance with those types of requirements for School and Roads - Grants to States (CFDA number 10.665).

Because the Hospital Board is audited and separately reported on by other independent auditors, the related fund is not presented in the financial statements. However, we reviewed that audit report and other applicable information for the years ended August 31, 2006 and 2005.

In addition, to comply with the State Auditor's responsibility under Section 29.230, RSMo, to audit county officials at least once every 4 years, we have audited the operations of elected officials with funds other than those presented in the financial statements. The objectives of this audit were to:

1. Review the internal controls over the transactions of the various county officials.
2. Review compliance with certain legal provisions.

Our methodology to accomplish these objectives included reviewing accounting and bank records and other pertinent documents; interviewing various personnel of the county officials, as well as certain external parties; and testing selected transactions.

In addition, we obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. 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.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

This Management Advisory Report (MAR) presents any findings arising from our audit 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 MAR findings resulted from our audit of the financial statements of Ripley County or of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written reports on compliance (and other matters, if applicable) and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Ripley County's responses to the findings also are presented in this MAR. We did not audit the county's responses and, accordingly, we express no opinion on them.

1. County Policies and Procedures
--

Vehicle logs maintained for vehicles and equipment in the Road and Bridge Department are not adequate, and there is no indication that vehicle logs are reviewed by a supervisor. Formal policies and procedures over the sale of culverts and for providing grading services to the public have not been adopted.

- A. Vehicle logs maintained for vehicles and equipment in the Road and Bridge Department are not adequate. Vehicle logs for graders indicate where used, what purpose, and when maintenance was performed. Such logs do not indicate the daily beginning and ending odometer readings for vehicles or hour readings for equipment and do not indicate fuel purchases. In addition, there is no indication that vehicle logs are reviewed by a supervisor. Vehicle logs are necessary to document appropriate use of the vehicles and equipment and to support fuel and maintenance charges. The vehicle logs should be reviewed by a supervisor to ensure vehicles and equipment are used only for county business and to help identify vehicles and equipment which should be replaced.
- B. Formal policies and procedures over the sale of culverts and for providing grading services to the public have not been adopted. Individuals purchase culverts at cost by making a payment to the County Treasurer. The receipt is presented to the Road and Bridge Department who will then install the culvert for the individuals for no charge. Thus, the cost for installing the culvert is not reimbursed. In addition, personal driveways are graded upon request and a donation of \$45 per hour is requested and to be paid to the County Treasurer. The amount of time to grade a personal driveway is noted in the grader's log. However, this information is not provided to the County Treasurer. Thus, the County Treasurer does not know what roads have been graded and when to expect the payment of the donation. Approximately \$7,200 was received for these services during the two years ended December 31, 2006. As a result of the lack of formal, consistent policies and procedures, one complete record of all culverts sales or grading services provided is

not maintained. Furthermore, the services are provided without regard to the actual cost incurred to provide such services.

The County Commission should develop formal written policies to document the procedures applicable to these services. Failure to adopt formal policies and procedures over sales to the public could result in lost revenues. In addition, the County Commission should ensure that adequate reimbursement is received so as to recover any associated costs for the services provided.

WE RECOMMEND the County Commission:

- A. Ensure the Road and Bridge Department maintain logs for vehicles and equipment which include the daily beginning and ending odometer readings for vehicles or hour readings for equipment and fuel purchases along with what is currently being maintained. In addition, ensure these logs are reviewed by a supervisor to ensure vehicles and equipment are used only for county business and to help identify vehicles and equipment which should be replaced. Information on these logs should be periodically reconciled to fuel purchases and other maintenance charges.
- B. Develop formal policies and procedures over sales to the public. One complete record of all sales of culverts and their installation along with grading services provided should be maintained and to track to whom these services have been provided and ensure adequate reimbursement is being received for such services.

AUDITEE'S RESPONSE

The County Commission indicated:

- A. *We agree and will discuss ways to improve the logs that are being maintained. We will ensure the review performed by a supervisor is documented and fuel purchases and other maintenance charges are reviewed.*
- B. *A record will be maintained that shows all sales of culverts and grading services provided. A policy will be developed to address these issues.*

Procedures and records to account for county property are not adequate. The County Commission or its designee is responsible for maintaining a complete detailed record of county property. In addition, each county official or their designee is responsible for performing periodic inventories and inspections. Although the County Clerk does maintain capital asset listings for each office, they are not complete and procedures have not been established to ensure their accuracy.

The County Clerk maintains inventory listings of capital assets held by county officials. The County Commission sends a memo out yearly to all elected officials and department heads indicating a physical inventory needs to be performed. The memo indicates reports are to be signed by the County Clerk and filed with the County Commission. However, records indicate that listings have not been returned to the County Clerk by several elected officials or department heads. Capital assets are added to the inventory listings when a physical inventory is performed instead of when purchased. As a result, several capital assets purchased during the years ended December 31, 2006 and 2005 were not added to the listing, including a brush hog and computer equipment. In addition, property records do not always include the necessary information for some assets, such as the date and method of disposal and property items were not always properly numbered, tagged, or otherwise identified.

Adequate capital asset records are necessary to secure better internal control over county property, meet statutory requirements, and provide a basis for determining proper insurance coverage required on county property. Section 49.093, RSMo requires counties to account for personal property costing \$1,000 or more, assigns responsibilities to each county department officer, and describes details to be provided in the inventory records. After the first inventory is taken, an explanation of material changes shall be attached to subsequent inventories. All remaining property not inventoried by a particular department shall be inventoried by the County Clerk. The reports required by this section shall be signed by the County Clerk. Property control tags should also be affixed to all capital asset items to help improve accountability and to ensure that assets are properly identified as belonging to the county.

WE RECOMMEND the County Commission establish a written policy related to the handling and accounting for capital assets. In addition to providing guidance on accounting and record keeping, the policy could include necessary definitions, address important dates, discuss procedures for the handling of asset disposition, and any other concerns associated with county property. Also, inventories and inspections should be performed by each county official and the County Clerk, and capital asset purchases should be periodically reconciled to capital asset additions. In addition, property control tags should be affixed.

AUDITEE'S RESPONSE

The County Commission indicated:

A policy on capital assets will be established and we will work on improving our records. We will require inventories to be returned when performed by the officeholder. Tags will be put on all assets and asset purchases will be compared to asset additions.

3. County Collector's Accounting Controls and Procedures

Receipts are not always deposited on a timely basis, the method of payment is not always indicated or indicated correctly on the tax receipts, and the composition of tax receipts is not reconciled to the composition of bank deposits.

The County Collector processed approximately \$3,900,000 and \$3,800,000 from property taxes and other receipts during the years ending February 28, 2007 and 2006.

- A. Receipts are not always deposited on a timely basis. Deposits are made daily during November and December of each year. However, during other months, deposits are usually made twice a week. For example, five deposits averaging approximately \$3,400 were made for receipts from May 31 to June 17, 2005. While monies are kept in a locked drawer during the day and a locked vault at night, cash received for these five deposits totaled over \$4,500. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all monies should be deposited on a timely basis.
- B. The method of payment is not always indicated or indicated correctly on the tax receipts. Therefore, the composition of tax receipts is not reconciled to the composition of deposits. For the five deposits reviewed in December 2006, the method of payment was not indicated on approximately \$9,500 of tax receipts. In addition, information was obtained for various deposits from the bank and it was determined that there were some errors regarding the composition of receipts.

The correct method of payment should be indicated on all tax receipts, and a reconciliation of the composition of receipts and deposits is necessary to ensure all monies received are properly recorded and deposited.

These conditions were noted in our two prior reports.

WE AGAIN RECOMMEND the County Collector:

- A. Deposit all monies on a timely basis.
- B. Correctly indicate the method of payment on all tax receipts and reconcile the

composition of tax receipts to the composition of deposits. In addition, documentation should be retained of any investigations of differences noted.

AUDITEE'S RESPONSE

The County Collector indicated:

- A. *Normally deposits are made two times a week in months other than November and December. During these months we believe that depositing twice a week is sufficient and will continue to deposit twice a week.*
- B. *The policy is to indicate the composition and we will do a better job of doing this. We do ensure tax receipts agree to monies deposited. We will try to reconcile the composition of tax receipts to the composition of deposits and if differences are noted we will include documentation to support the differences noted.*

4. Prosecuting Attorney's Accounting Controls and Procedures

Cash custody and recordkeeping duties are not adequately segregated. Prenumbered receipt slips are not issued for some monies received, the method of payment is not indicated on some receipt slips, and the composition of receipts is not reconciled to the composition of deposits. Receipts are not always deposited on a timely basis, and bad check fees are not always disbursed to the County Treasurer in a timely manner. Bank reconciliations were not performed monthly and when performed were not adequate, monthly listings of open items are not prepared, and bank charges were incurred and not reimbursed. A formal policy specifying when the court should be notified of unpaid cases has not been established, and specific procedures have not been established to ensure follow up collection efforts are adequate.

The Prosecuting Attorney collects bad check and court-ordered restitution, state delinquent taxes, delinquent child support, and bad check fees, some of which are transmitted directly and not deposited into the bank account. Deposits into the bank account totaled approximately \$110,000 and \$79,000 for the years ending December 31, 2006 and 2005, respectively. Monies not deposited but forwarded to victims or the state totaled approximately \$32,000 and \$27,000 for the years ending December 31, 2006 and 2005, respectively.

- A. Cash custody and recordkeeping duties are not adequately segregated. One clerk has the duties of collecting monies, recording transactions, preparing deposits and transmittals, and making disbursements. There are no documented reviews of the accounting records performed by the Prosecuting Attorney.

Internal controls would be improved by segregating the duties of receiving and depositing monies from recording and reconciling receipts. If proper segregation of duties cannot be achieved, at a minimum, periodic supervisory reviews of the records

should be performed and documented.

- B. Prenumbered receipt slips are not issued for some monies received, and the method of payment is not indicated on some receipt slips and therefore, the composition of receipts is not reconciled to composition of deposits. For the five deposits reviewed from October to December 2006, the method of payment was not indicated on approximately \$3,900 of receipts. Also, the amount deposited was more than the amount receipted for two of these deposits as a receipt slip was apparently not written for some receipts. In addition, the numerical sequence of receipt slips was not accounted for properly and the top copies of voided receipt slips were not retained.

Prenumbered receipt slips should be issued for all monies received, the method of payment should be indicated on all receipts, and a reconciliation of the composition of receipts and deposits is necessary to ensure all monies received are properly recorded and deposited. In addition, the numerical sequence of receipts slips should be accounted for properly and all copies of voided receipt slips should be retained.

- C. Receipts are not always deposited on a timely basis. For example, receipts totaling \$4,956 (including cash of \$1,390) received between December 1 and December 29 were not deposited until December 29, 2006. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all monies should be deposited on a timely basis.
- D. Bad check fees are not always disbursed to the County Treasurer in a timely manner. While these fees are generally disbursed on a monthly basis, bad check fees collected from September 1 to December 31, 2006 totaling \$15,561 were not disbursed until January 3, 2007. Bad check fees should be disbursed monthly to the County Treasurer to adequately safeguard receipts and reduce the risk of loss or misuse of funds.
- E. Bank reconciliations were not performed monthly and when performed were not adequate. The bank reconciliation performed for December 2006 was inaccurate as the list of outstanding checks was not correct. Some checks which had cleared the bank were not posted as cleared resulting in cash balances being misstated on the reconciliations. In addition, monthly listings of open items (liabilities) are not prepared and agreed to the reconciled bank balance. Partial payments totaling \$1,188 at December 31, 2006 were being held until full payment of the restitution and bad check fees were made. However, the reconciled bank balance was \$830. In addition, bank charges totaling \$867 were incurred and not reimbursed for the two years ended December 31, 2006. If bank charges had been reimbursed, there would have been \$509 in unidentified open items. Other errors including disbursing some fees twice and a missing \$103 deposit could have been caught more timely if adequate bank reconciliations were performed monthly.

Only by preparing bank reconciliations and open items listings on a monthly basis

and reconciling them can the Prosecuting Attorney be assured the records are in balance and that sufficient cash is available to cover liabilities and ensure that errors or discrepancies are detected and corrected timely. In addition, the Prosecuting Attorney needs to ensure bank charges are not assessed and to reimburse the account for these charges. Unidentified monies or shortages should be investigated and appropriate action taken.

- F. A formal policy specifying when the court should be notified of unpaid cases has not been established. In addition, specific procedures have not been established to ensure follow up collection efforts are adequate. During our review of bad check restitution case files, collection procedures and efforts were not always made timely and there was no clear policy of follow-up collection efforts to be taken or timing of the efforts. For example, a bad check complaint was filed on March 18, 2003 but a felony complaint regarding this bad check was not filed until December 12, 2005 after the vendor requested charges to be filed. Per the Prosecuting Attorney's records, the unpaid bad check restitution and fees as of December 31, 2006 totaled approximately \$260,000 with cases dating back to 1997.

The Prosecuting Attorney should establish written procedures for collecting delinquent unpaid bad check restitution and fees. Such procedures should consist of generating periodic reports of cases with balances due and follow up on those for which payments are not being made. In addition, information regarding cases with delinquent payments and significant balances due should be regularly provided to the Prosecuting Attorney for review and assessment of follow-up collection efforts or other court action which may be necessary.

Conditions similar to parts A-E were noted in our prior report.

WE RECOMMEND the Prosecuting Attorney:

- A. Segregate accounting duties to the extent possible and ensure periodic supervisory reviews are performed and documented.
- B. Require prenumbered receipt slips be issued for all monies received and ensure the method of payment is recorded on all receipts and reconcile the composition of receipts to the composition of deposits. In addition, documentation should be retained of any investigations of differences noted, the numerical sequence of receipt slips should be accounted for, and all copies of voided receipt slips should be retained.
- C. Deposit all monies on a timely basis.
- D. Disburse bad check fees to the County Treasurer monthly.
- E. Prepare bank reconciliations and listings of open items monthly and reconcile the open items listing to the cash balance. In addition, ensure bank charges are not

assessed and the account should be reimbursed for bank charges incurred. Unidentified monies or shortages should be investigated and appropriate action taken.

- F. Written procedures should be established and implemented for pursuing the collection of delinquent unpaid court ordered restitution and bad check restitution and fees.

AUDITEE'S RESPONSE

The Prosecuting Attorney indicated that he took office on January 1, 2007 and he provided the following responses:

- A. *Starting January 1, 2007, the responsibility for documenting and depositing all deposits into the Prosecuting Attorney Collections Account (which is a trust account into which all receipts are deposited, including bad check restitution and fees, other restitution, and miscellaneous receipts) was assigned to the Bad Check Collections Secretary. The other staff are allowed to accept receipts in the absence of the Bad Check Collections Secretary using prenumbered receipts but sole responsibility for making deposit slips remain with the Bad Check Collections Secretary who matches the individual receipt with the appropriate case file number. After deposit slips and accumulated deposits are bundled together, the Prosecuting Attorney actually transports the periodic deposits to the bank. Deposits are made at least weekly. Also, no cash deposits are accepted into the system. All money received is in the form of cashier's checks or money orders which are restrictively endorsed at the time of receipt by whomever accepts the money order or cashier's check.*

The Bad Check Collections Secretary also prepares monthly checks drawn upon the Prosecuting Attorney Collections Account for signature by the Prosecuting Attorney who is the only person authorized to sign checks. Bank reconciliations are completed monthly and reviewed by the Prosecuting Attorney.

- B. *Starting earlier this year, we started using prenumbered receipts for every receipt of monies. No composition of deposits is required since cashier's checks and money orders only are accepted as cash is not accepted. Cashier's checks or money orders are recorded on the prenumbered receipts. Prenumbered receipts are kept for periodic inspection by the Prosecuting Attorney and the auditors.*
- C. *Because the Prosecuting Attorney is the only person going to the bank to make deposits and because no cash is being held or deposited, a weekly deposit is deemed sufficient.*
- D. *Starting February 1, 2007, all bad check fees have been paid over to the County Treasurer for the Prosecuting Attorney Bad Check Fund or to the MOPS Fee Fund (state) every month after reconciliation of the entire months receipts with the payee to whom the funds are to be paid.*
- E. *Starting January 1, 2007, bank reconciliations have been conducted monthly by the Bad Check Collections Secretary and reviewed by the Prosecuting Attorney. No bank charges*

are being assessed by the bank because the office is using the county's depository bank which has an agreement not to charge fees to the county. Fees for check printing or services requested by the Prosecuting Attorney are paid to the bank by separate check from the County Treasurer drawn upon one of the county funds under the jurisdiction of the Prosecuting Attorney.

- F. *Starting January 1, 2007, we do not generally collect restitution except on bad checks. Other restitution payments are collected by and accounted for by the private probation service which supervises the payment and collection of fines, costs, and restitution. Some payments on unsupervised probation and old cases where the process was initiated prior to January 1, 2007 are accepted in money order form and deposited in the Prosecuting Attorney Collections Account for payment to victims by check drawn on the account on a monthly basis. As a general rule, however, we never knowingly authorized the court or a defendant to make restitution through the Prosecuting Attorney's office except in bad check collection cases if another entity can do so. Fines and court costs are never collected by the Prosecuting Attorney but are instead handled by the court system or by the private probation service.*

Starting January 1, 2007, procedures for collection of bad checks restitution have been revised and discussed with the Bad Check Collections Secretary in order to ensure that the maximum number of bad checks received by the office are, in fact, collected.

Restitution for bad checks is collected by the Bad Check Collections Secretary both before and after charges are filed. All checks are recorded in the master bad check computer database which is searched monthly to determine the collection status of each check and to guard against the statute of limitations problems. If correspondence results in successful payment within a reasonable time (no longer than six months) no charges are filed. If correspondence does not result in a successful payment plan, charges are filed to prevent the running of the statute of limitations. If a person against whom charges are filed is placed on probation by the court with an order to pay restitution for bad checks, the Bad Check Collections Secretary monitors the files and consults with the private or public probation officer assigned by the court. Unsupervised probation is not acceptable to the Prosecuting Attorney. If the probation officer cannot enforce a payment plan, the Bad Check Collections Secretary brings the matter to the attention of the Prosecuting Attorney who then files a Motion to Revoke Probation. Checks which are uncollectible after prosecution are written off annually and returned to the victim for any civil collection efforts they care to make.

5.**Sheriff's Accounting Controls and Procedures**

Bank reconciliations are not performed. Procedures related to the monitoring of unpaid accrued costs from civil paper service are not adequate, and procedures for accounting for uniform traffic tickets issued are not adequate.

The Sheriff's department receives monies for civil and criminal process fees, gun permits, and conceal and carry permits. The Sheriff's department handled receipts of approximately \$15,900 and \$13,800 during the years ending December 31, 2006 and 2005, respectively.

- A. Bank reconciliations are not performed and have not been prepared since our prior audit. We prepared a bank reconciliation as of December 31, 2006 and 2005. Although all monies received are disbursed monthly, the bank reconciliations indicated a small balance of less than \$4 for both years. The Sheriff indicated that this was due to a \$4 bank error made in April 2002 and small service charges being assessed.

Monthly bank reconciliations are necessary to ensure bank activity and accounting records are in agreement and to detect and correct errors timely.

- B. Procedures related to the monitoring of unpaid accrued costs from civil paper service are not adequate. The civil paper service costs are billed for all service provided. However, unpaid accrued costs are not tracked as no procedures are performed to monitor outstanding or to follow up on past due paper service fees. The Sheriff's department has not determined the total costs due for civil paper service fees.

By not adequately monitoring unpaid accrued costs, these costs could remain uncollected and might eventually result in lost revenue. A complete and accurate listing of accrued costs would allow the Sheriff to more easily review the amounts due to the county and to take appropriate steps to ensure amounts are collected on a timely basis.

- C. Procedures for accounting for uniform traffic tickets issued are not adequate. While a ticket book log is maintained indicating ticket books issued to deputies, ticket books are not issued in numerical sequence. In addition, a ticket issuance log listing the ticket number, date issued, violator's name, offense, and disposition is not maintained.

Ticket books should be issued in numerical order and a ticket issuance log listing each ticket number, the date issued, violator's name, offense, and disposition should be maintained to help ensure all tickets have been accounted for properly.

Condition C was noted in our prior report.

WE RECOMMEND the Sheriff:

- A. Ensure bank reconciliations are performed monthly.
- B. Establish adequate procedures to routinely follow-up and pursue collection of accrued costs.
- C. Issue ticket books in numerical order and maintain a ticket issuance log listing the ticket number, date issued, violator's name, offense and disposition.

AUDITEE'S RESPONSE

The Sheriff indicated that he took office on June 1, 2007 and he would not be the Sheriff after the August election for Sheriff. The Sheriff provided the following responses:

- A. *We will start doing bank reconciliations monthly.*
- B. *We will work on establishing procedures to follow-up and pursue the collection of accrued costs.*
- C. *We will work on developing a ticket book log to account for the individual tickets issued and this log will list the ticket number, date issued, violator's name, offense, and disposition. In addition, we will issue ticket books out to the deputies in numerical order.*

6. Health Center's Accounting Controls and Procedures
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Receipt slips are not issued for monies received, individual receipts are not indicated in the accounting records, and petty cash is not maintained on an imprest basis. The Health Center does not have a written agreement with its depository bank, and employees' timesheets do not always contain documentation of the Administrator's approval.

- A. Receipt slips are not issued for monies received. In addition, individual receipts are not indicated in the accounting records. Receipts received for family planning, vital records, and public health are recorded in total by the applicable type of receipt. Without issuing and accounting for prenumbered receipt slips for all monies collected, including the method of payment, and by not listing receipts individually in the accounting records, the Health Center cannot ensure all monies collected are ultimately recorded and deposited.

To adequately account for collections and reduce the risk of loss or misuse of funds, prenumbered receipt slips should be issued for all monies received immediately upon receipt. The receipt slips should indicate the method of payment (i.e., cash, checks, or money orders), the receipt slip numbers should be accounted for, and the composition should be reconciled to the bank deposits. In addition, receipts should

be listed individually in the accounting records.

- B. The petty cash fund is not maintained on an imprest basis. The petty cash was established at \$250. A cash count on February 28, 2007 identified approximately \$73 in cash and \$180 of paid receipts. This totals \$253, resulting in a \$3 difference. Apparently some additional monies have been put in the petty cash by mistake. Good internal controls require petty cash to be set at an established amount and to be reimbursed when it has been expended. An imprest basis petty cash would improve accountability over petty cash monies.
- C. The Health Center does not have a written agreement with its depository bank despite having over \$300,000 in the bank at December 31, 2006.

A written depository contract helps both the bank and the Health Center understand and comply with the requirements of any banking arrangement. The contract's provisions should include, but not be limited to, collateral security requirements; any bank fees for check printing, checking account services, and safe deposit boxes; interest charges on any borrowed funds; and interest rates for invested funds.

- D. Employees' timesheets do not always contain documentation of the Administrator's approval. Employee timesheets should include documentation of supervisory approval to ensure all salary payments are based upon hours actually worked.

Conditions C and D were noted in our prior report.

WE RECOMMEND the Health Center Board:

- A. Require prenumbered receipt slips be issued for all monies received and the numerical sequence of those receipt slips be accounted for properly. In addition, ensure the method of payment is recorded on the receipt slips and the composition of receipt slips is reconciled to the composition of deposits. Also, receipts should be listed individually in the accounting records.
- B. Maintain the petty cash fund on an imprest basis and ensure the monies are adequately accounted for.
- C. Obtain a bank depository agreement.
- D. Require documentation of the Administrator's approval on all timesheets.

AUDITEE'S RESPONSE

The Health Center Board indicated:

- A. *It is not feasible for the small number of staff to write individual receipts for monies received. Most of the money received is by check. All state and federal money is by direct*

deposit. On the vital records program, the top of the birth or death certificate has a receipt with a number corresponding to the certificate with the cost. Due to confidentiality and HIPAA, it is not feasible or reasonable to list names of people for services rendered on the accounting system. Daily deposits are made as money is received.

- B. All the monies for the petty cash fund are accounted for (\$250). There is an overage of approximately \$3 in the petty cash fund.*
- C. We do not believe that we need a depositary agreement with the bank as we have a good working relationship with them.*
- D. The Administrator usually initials the eight timesheets but evidently missed one. The Administrator does review all the timesheets for all the reports and time accounting for programs, contracts, etc. that are required. The Board Chairman also initials the warrants that have the hours each employee works.*

7. Senate Bill 40 Board's Accounting Controls and Procedures

Senate Bill 40 Board minutes did not document whether family members abstained from voting on issues regarding other family members. Interest earned on certificates of deposits was not included as part of the cash balance. The Senate Bill 40 Board does not have a written agreement with its depositary bank, and no collateral securities were pledged although bank deposits exceeded the \$100,000 Federal Depositary Insurance Corporation coverage amount.

- A. The Senate Bill 40 Board members are appointed by the County Commission, and the members of the board elect the officers. The board elected two members, as the chairperson and treasurer who are father and daughter, respectively. The board minutes did not document whether the daughter abstained from the election of her father as the chairperson or the father abstaining from voting from the election of his daughter. In 2005, this was due to a motion to reelect all officers by acclamation. In addition, a board member for the Current River Sheltered Work Shop, the funding recipient of the Senate Bill 40 Board, is the wife and mother to the Senate Bill 40 Board chairperson and treasurer, respectively. The fund recipient received \$54,000 annually during the years ended December 31, 2006 and 2005.

To provide maximum assurance the Senate Bill 40 Board is acting independently and in the best interest of the taxpayers, discussions and decisions concerning the appointments where nepotism or a potential conflict of interest exists should be documented, and no administrative ties should exist between members of the board and its funding recipients.

- B. Interest earned on certificates of deposits (CDs) totaling \$837 and \$1,877 for the years ended December 31, 2006 and 2005, respectively was not included as part of the cash balance. Interest earned on CDs are only recorded when the CDs have

matured. Thus, cash balances reported on the budgets are understated. Interest on CDs is earned periodically throughout the term of the CDs and should be recorded when earned instead of recorded on the date the CD matures in order to accurately present the Senate Bill 40 Board's financial position.

- C. The Senate Bill 40 Board does not have a written agreement with its depository bank despite having over \$130,000 in the bank at December 31, 2006. In addition, no collateral securities were pledged although bank deposits exceeded the \$100,000 Federal Depository Insurance Corporation coverage amount. Coverage was insufficient by \$38,857 and \$16,661 at December 31, 2006 and 2005, respectively.

Inadequate collateral securities leave funds unsecured and subject to loss in the event of bank failure. In addition, a written depository contract helps both the bank and the Senate Bill 40 Board understand and comply with the requirements of any banking arrangement. The contract's provisions should include, but not be limited to, collateral security requirements; any bank fees for check printing, checking account services, and safe deposit boxes; interest charges on any borrowed funds; and interest rates for invested funds.

Condition A was noted in our prior report.

WE RECOMMEND the Senate Bill 40 Board:

- A. Ensure Senate Bill 40 Board members abstain from voting when a relative's employment or appointment is involved. In addition, ensure that Senate Bill 40 Board members do not have administrative ties with funding recipients. If Senate Bill 40 Board members have relatives that serve on the boards of funding recipients, they should either remove themselves from the board or ensure that the minutes of board meetings clearly indicate that they are abstaining from discussing and voting on funding requests for these entities. Such matters should be completely documented so that the public has assurance that no board members have acted improperly. The board should also consider adopting a code of conduct for board members.
- B. Record interest earned on CDs when earned.
- C. Obtain a bank depository agreement and ensure all deposits are adequately secured.

AUDITEE'S RESPONSE

The Senate Bill 40 Board indicated:

- A. *In the future, we will abstain from voting for relatives for various board positions and on the funding issues if a relative is on the other board and this will be documented in the minutes. We will consider adopting a code of conduct.*

- B. We will discuss this with the bank and ask the bank to send a statement regarding interest being earned monthly or quarterly versus waiting until the certificate of deposit matures.*
- C. We will discuss this with the bank about obtaining a depositary agreement and will also discuss ensuring that deposits will be adequately secured.*

Follow-Up on Prior Audit Findings

RIPLEY 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 Ripley County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued for the two years ended December 31, 2002.

Any prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

1. County Hospital Board

- A.1. The hospital did not have procedures in place to track the payroll tax liability to the Internal Revenue Service (IRS) for payroll taxes totaling over \$2 million dating back to 1997.
2. The hospital reimbursed the Hospital Administrator for his 2002, 2001, and 2000 personal tax refunds totaling \$2,391 that were applied to a personal penalty assessed by the IRS without adequate documentation to support why these reimbursements were made to the Hospital Administrator. The Board did not have a complete understanding of the personal penalties assessed against the Hospital Administrator and their relationship to the hospital's tax liability. Since the personal tax refunds of the Hospital Administrator were applied to a tax penalty owed by the Hospital Administrator, it was unclear why the hospital would pay the Hospital Administrator for the amount of his refunds.
- B. The Hospital Administrator paid himself \$1,000 from hospital funds for reimbursement of medical expenses he appeared to have incorrectly claimed were covered under the hospital's self insurance plan. There was no documentation that anyone reviewed his \$1,000 check request for accuracy or propriety.
- C. Various board members voted to approve pay increases, payroll expenditures, and other payments to relatives employed by the hospital. Board members voted to approve hospital expenses (including expenses to relatives), in total, at their monthly meeting, and to approve percentage pay increases (including relatives) which applied to all employees.
- D. Numerous interest free payroll advances were paid to hospital employees and were to be paid back through payroll deductions over a period of time. Some advances to the Business Office Manager had not been paid back. These payments appeared to violate Article VI, Section 23 of the Missouri Constitution prohibiting political subdivisions from granting or lending money to individuals.

- E. The Hospital Administrator allowed the Business Office Manager to accumulate a negative leave balance and some timesheets including the Business Office Manager were not sufficiently detailed.
- F. Budgets did not include a comparative statement of actual revenues and expenditures for the two preceding years as required by state law.
- G. Financial statements were not published as required by state law.

Recommendations:

The Board of Trustees:

- A. Ensure the amount owed to the IRS is adequately tracked. The Board should also ensure they have a full understanding of all issues related to this tax liability and should adequately document all decisions made related to this liability.
- B. Determine which, if any, of the medical expenses for which the Hospital Administrator was reimbursed were amounts covered under the self insurance plan. The Board should then request the Hospital Administrator pay back all remaining medical expenses for which he was improperly reimbursed. Furthermore, the Board should implement procedures to ensure payments to the Hospital Administrator are reviewed for accuracy and propriety by the Board or other personnel independent of the Hospital Administrator prior to the expenditures being made. In addition, checks issued to the Hospital Administrator should be signed by the Board or other personnel independent of the Hospital Administrator.
- C. Ensure individual board members abstain from voting on any decisions where a potential conflict of interest exists and that this action is fully documented in board minutes. In addition, the board should consider adopting a code of conduct for hospital officials to address these types of issues.
- D. Discontinue the practice of making payroll advances to employees and seek timely reimbursement of all outstanding advances to protect the hospital from potential losses.
- E. Periodically review employee leave balances and ensure compliance with the hospital's policy. Ensure timesheets are sufficiently detailed to support any compensation paid to hospital employees and to properly track leave accrued and taken.
- F. Ensure budgets are prepared in accordance with state law.
- G. Ensure financial statements are published in accordance with state law.

Status:

- A. Not implemented. The hospital receives an “Annual Installment Agreement Statement” yearly from the IRS. Per this statement, as of July 10, 2006, the IRS is still owed over \$2 million. During the year ended July 10, 2006, the hospital made \$120,000 in payments but interest charges were \$113,584 resulting in a decrease in the liability of only \$6,416. At this rate of repayment, without any additional interest and penalties being incurred, it would take over 16 years for the liability to be repaid. Included in the \$2 million above, are payroll taxes (including interest and penalties) totaling \$56,722 that were not paid by the hospital for the tax period June 30, 2005, indicating that subsequent taxes were not paid timely. No tracking of the liability is performed other than the statement received from the IRS.
- B. Partially implemented. Checks written to the Hospital Administrator were signed by a board member. However, documentation still was not obtained to support the reimbursements made to the Hospital Administrator. In addition, a determination of the medical expenses for which the Hospital Administrator was reimbursed and covered under the self insurance plan was not performed and no amounts were requested to be paid back from the Hospital Administrator.
- C&D. Implemented.
- E. Partially implemented. Leave balances are reviewed to ensure compliance with the hospital’s policy. However, timesheets still are not adequately detailed as only total hours per the pay period is indicated versus indicating hours worked on a daily basis.
- F. Not implemented. The budget does not include the comparative statement of actual revenues and expenditures for the two preceding years. However, the audited financial reports are submitted along with the budget to the County Clerk and includes this information.
- G. Not implemented. A statement of revenues, expenses and changes in net assets is published. However, this statement does not comply with what is required by state law.

Although several concerns from our previous audit report were not implemented, these were not repeated in the current MAR. The Hospital Board was separately audited by an independent auditor for the two years ended August 31, 2006. Although the Hospital Board was also audited by an independent auditor during prior years, numerous concerns were expressed to the State Auditor’s office which resulted in these findings being included in that report.

2. Property Tax System Controls and Procedures

- A. The Assessor's office was allowed access to the assessment data during periods when changes to the data are not allowed by statutes.
- B. The County Clerk did not prepare the current or back tax books.
- C. Controls over property tax additions and abatements were not adequate.
- D. The County Clerk did not maintain an account book with the County Collector.
- E. The County Assessor and County Collector did not maintain confidential passwords to the property tax system nor did they change their passwords periodically.

Recommendations:

The County Commission work with the applicable county officials to:

- A. Restrict access to the assessment data during periods when changes to the data are not allowed by statutes.
- B. Ensure the County Clerk prepares the current and back tax books in accordance with state law.
- C. Ensure the County Clerk reconciles additions and abatements to the County Collector's annual settlements. In addition, the County Commission should review and approve all additions and abatements to the County Collector's annual settlement.
- D. Ensure the County Clerk maintains an account book with the County Collector and use this information to verify the accuracy of the County Collector's annual settlements.
- E. Consult with the property tax system programmer and establish procedures including the use of unique passwords to restrict access to computer files to authorized individuals.

Status:

- A. Not implemented. The Assessor has access to the data at all times as a convenience to taxpayers for personal property additions. Although not repeated in the current report, our recommendation remains as stated above.
- B-E. Implemented.

3. County Expenditures and Employee Bonding

- A. Documentation was not maintained by the county to support situations in which the low bid was not accepted for various expenditures. In addition, sole source procurement was not documented by the county.
- B. Vehicle logs and equipment maintenance logs were not maintained for some vehicles and equipment in the Road and Bridge Department.
- C. Various county employees who handle monies were not bonded.
- D. Centralized records of leave balances and leave earned were not updated monthly. In addition, timesheets were not maintained by the Assistant Prosecuting Attorney or the Emergency Management Director.

Recommendations:

The County Commission:

- A. Document in the official commission minutes any circumstances in which the low bid is not selected or in which bids cannot be obtained and sole source procurement is necessary.
- B. Ensure the Road and Bridge Department maintains logs for vehicles and equipment which include the purpose and destination of each trip, the daily beginning and ending odometer readings for vehicles or hour readings for equipment, and the operation and maintenance costs. Ensure these logs are reviewed by a supervisor to ensure vehicles and equipment are used only for county business and to help identify vehicles and equipment which should be replaced. In addition, ensure information on the logs is periodically reconciled to fuel purchases and other maintenance charges.
- C. Review current bonds and ensure there is adequate bond coverage for all county employees with access to monies.
- D. Ensure vacation and sick leave balances are updated monthly, and require all county employees to complete timesheets which reflect actual time worked.

Status:

- A. Partially implemented. Documentation was noted when not taking the low bid. A couple of instances were noted where sole source procurement was not documented for fuel purchases. Although not repeated in the current report, our recommendation remains as stated above.

- B. Partially implemented. Some logs are maintained but do not contain all applicable information. See MAR finding number 1.
- C. Implemented.
- D. Partially implemented. The part-time Emergency Management Director is the only employee for which a timesheet was not available. Vacation and sick leave balances are maintained by the County Clerk for all employees except for those of the Assessor's office, which are maintained by the Assessor. Although not repeated in the current report, our recommendation remains as stated above.

4. Budgetary Practices

The County Commission amended budgets after expenditures had already exceeded the original budgets.

Recommendation:

The County Commission ensure budget amendments are made prior to incurring the actual expenditures.

Status:

Partially implemented. Some budgets for 2006 were amended on December 6, 2006 and some budgets for 2005 were amended on December 14, 2005. Amendments were available for public distribution approximately two weeks prior to adoption, however the budgets were amended after the expenditures had already been incurred for some funds. Although not repeated in the current report, our recommendation remains as stated above.

5. General Fixed Assets

Inventory lists were not complete because various county officials or their designees had not conducted inventories. County owned land and buildings were not included on the general fixed asset record. Further, some fixed assets were not properly numbered, tagged or otherwise identified as county owned property.

Recommendation:

The County Commission establish a written policy related to the handling and accounting for general fixed assets. In addition to providing guidance on accounting and record keeping, the policy could include necessary definitions, address important dates, discuss procedures for the handling of asset disposition, and any other concerns associated with county property. Also, general fixed assets purchases should be periodically reconciled to general fixed asset additions. In addition, property controls tags should be affixed to all general fixed assets, and county owned land and buildings should be included in the general fixed asset records.

Status:

Not implemented. See MAR finding number 2.

6. Prosecuting Attorney's Controls and Procedures

- A. The duties of receiving, recording, depositing, and disbursing monies were all performed by the Office Manager. In addition, there was no indication that supervisory reviews were performed to ensure that all transactions were accounted for properly and assets were adequately safeguarded.
- B. Receipt slips were not issued for some monies received. In addition, the top copies of voided receipt slips were not retained for proper documentation.
- C. Receipts were not always deposited intact or on a timely basis.
- D. Receipts were kept on a desk until they were deposited. In addition, money orders received were not restrictively endorsed immediately upon receipt.
- E.1. Monthly bank reconciliations had not been performed since November 30, 2002.
 - 2. Monthly listing of open items (liabilities) were not prepared, and consequently, liabilities were not reconciled with cash balances.
 - 3. At April 30, 2003, the bank account had outstanding checks totaling \$76 that were over a year old with some dating back to 1999.
- F. Bad check fees were not turned over to the County Treasurer on a timely basis.

Recommendations:

The Prosecuting Attorney:

- A. Adequately segregate accounting duties to the extent possible or ensure periodic supervisory reviews are performed and documented.
- B. Issue pre-numbered receipt slips for all monies received, retain all copies of voided receipt slips, and account for the numerical sequence of receipt slips.
- C. Deposit all monies received intact daily or when accumulated receipts exceed \$100.
- D. Restrictively endorse all money orders payable to the Prosecuting Attorney immediately upon receipt and store all receipts in a secure location until deposited.
- E.1. Prepare and vouch monthly bank reconciliations.

2. Prepare monthly listings of open items and reconcile the listing to the cash balance.
 3. Ensure procedures to routinely follow up and reissue old outstanding checks are adopted. If the payees cannot be located, these monies should be disposed of in accordance with state law.
- F. Turn over all fees to the County Treasurer monthly as required by state law.

Status:

- A-B. Not implemented. See MAR finding number 4.
- C. Partially implemented. However, receipts still are not deposited timely. See MAR finding number 4.
- D. Implemented.
- E. Partially implemented. Old outstanding checks are followed up on. However, there are still concerns that bank reconciliations and monthly listings of open items are not prepared. See MAR finding number 4.
- F. Not implemented. See MAR finding number 4.

7. Sheriff's Controls and Procedures

- A. Receipts were not always deposited on a timely basis.
- B. Adequate control over seized property had not been established.
- C. Tickets issued were not adequately accounted for. A log of tickets was not maintained, ticket books were not issued in numerical order, and the numerical sequence of tickets issued was not accounted for. In addition, the ultimate disposition of tickets was not recorded by the Sheriff's department.

Recommendations:

The Sheriff:

- A. Deposit all monies intact daily or when accumulated receipts exceed \$100.
- B. Prepare and maintain complete inventory records of seized property. Periodic physical inventories should be performed and compared to the inventory records.
- C. Maintain a log of ticket books issued, issue ticket books in numerical order, and account for the numerical sequence and ultimate disposition of all tickets issued.

Status:

- A. Not implemented. Although not depositing daily, receipts are usually not that significant for depositing more frequently. Although not repeated in the current report, our recommendation remains as stated above.
- B. Implemented.
- C. Partially implemented. A log of ticket books issued is maintained. However, ticket books are not issued in numerical order, the numerical sequence of tickets is not accounted for properly, and the ultimate disposition of all tickets issued is not recorded. See MAR finding number 5.

8. County Collector's Controls and Procedures

- A. Receipts were not always deposited on a timely basis.
- B. The method of payment was not always indicated on the tax receipts. Therefore, the composition of tax receipts was not reconciled to the composition of bank deposits.
- C. The County Collector maintained custody of the Tax Maintenance Fund and did not prepare a budget for it.
- D. Surtax distributions were distributed by the County Collector using percentages calculated for distributing the 1988 collections.

Recommendations:

The County Collector:

- A. Deposit all monies intact daily or when accumulated receipts exceed \$100.
- B. Indicate the method of payment on all paid tax statements and reconcile the composition of paid tax statements to the composition of deposits.
- C. Turn over control of the Tax Maintenance Fund to the County Treasurer and ensure a budget is prepared in accordance with state law.
- D. Ensure future distributions of surtax collections are made in accordance with state law.

Status:

- A&B. Not implemented. See MAR finding number 3.
- C. Partially implemented. Budgets are prepared but the County Collector still maintains control over the Tax Maintenance Fund. Although not repeated in the current report, our recommendation remains as stated above.
- D. Not implemented. Although not repeated in the current report, our recommendation remains as stated above.

9. Circuit Clerk's Controls and Procedures

- A. Receipts were not always deposited on a timely basis.
- B. Monthly listing of open items (liabilities) were prepared for the fee account; however, the listings did not reconcile with the cash balance. In addition, at December 31, 2002, one case had a balance of partial payments collected of \$845 which had been held since 1994.
- C. Records were not maintained of the Circuit Clerk Interest Fund receipts, disbursements, and cash balances. In addition, receipts or vendor-provided invoices were not retained for adequate supporting documentation.

Recommendations:

The Circuit Clerk:

- A. Deposit all monies intact daily or when accumulated receipts exceed \$100.
- B. Reconcile the monthly listing of open items to the cash balance. An attempt should be made to investigate the unidentified monies. In addition, adopt procedures to periodically follow up on old open items. Any unclaimed or unidentified monies should be disposed of in accordance with state law.
- C. Establish and maintain an interest ledger to record interest transactions and balances. In addition, maintain adequate supporting documentation of all disbursements from the interest fund.

Status:

- A-C. Implemented.

10. Associate Circuit Court

- A. The Associate Circuit Clerk maintained substantial funds in two non-interest bearing accounts.
- B. Receipts were not always deposited on a timely basis.
- C. The method of payment was not recorded on receipt slips.

Recommendations:

The Associate Circuit Judge:

- A. Maintain all funds in interest-bearing accounts to the extent possible.
- B. Deposit all monies intact daily or when accumulated receipts exceed \$100.
- C. Ensure the method of payment is indicated on all receipt slips and reconcile the composition of receipts to the composition of bank deposits.

Status:

No longer applicable as on September 29, 2005 the Associate Circuit Court was combined with the Circuit Clerk's office.

11. Health Center's Controls and Procedures

- A. The Health Center did not issue IRS Forms 1099-MISC as required.
- B. The Health Center did not always enter into written contracts defining services to be provided and benefits to be received.
- C. Employees' timesheet and expense reimbursement claim forms did not always contain documentation of the administrator's approval.

Recommendations:

The Board of Trustees:

- A. Establish procedures to ensure IRS Forms 1099-MISC are issued as required by the Internal Revenue Code.
- B. Enter into written contracts as required by state law. In addition, obtain a bank depositary agreement.
- C. Require documentation of the administrator's approval on all timesheets and expense reimbursement claims.

Status:

- A. Implemented.
- B. Partially implemented. A written contract was entered into with the Carter County Health Center. However, a bank depository agreement was not obtained. See MAR finding number 6.
- C. Partially implemented. However, some timesheets did not indicate administrator's approval. See MAR finding number 6.

12. Senior Citizen Services Board

The Senior Citizens Board vice-chairperson was the husband of a board member of a funding recipient.

Recommendation:

The Senior Citizens Board ensure that Senior Citizen Board members do not have administrative ties with its funding recipients. If Senior Citizen Board members are related to individuals that serve on board of funding recipients, they should either remove themselves from the board or ensure that the minutes of board meetings clearly indicate that they are abstaining from discussing and voting on funding requests for these entities. Such matters should be completely documented so that the public has assurance that no board members have acted improperly. The board should also consider adopting a code of conduct for board members.

Status:

Partially implemented. Board minutes indicate that board members are abstaining from discussing and voting on funding requests. However a code of conduct has not been adopted. Although not repeated in the current report, our recommendation remains as stated above.

13. Senate Bill 40 Board

The board elected two members, as the chairperson and treasurer who are father and daughter, respectively. The board minutes did not document whether the daughter abstained from the election of her father as the chairperson. In addition, the secretary for a funding recipient is the wife and mother to the chairperson and treasurer, respectively.

Recommendation:

The Senate Bill 40 Board ensure Senate Bill 40 Board members abstain from voting when a relative's employment or appointment is involved. In addition, ensure that Senate Bill 40 Board members do not have administrative ties with funding recipients. If Senate Bill 40

Board members have relatives that serve on the boards of funding recipients, they should either remove themselves from the board or ensure that the minutes of board meetings clearly indicate that they are abstaining from discussing and voting on funding requests for these entities. Such matters should be completely documented so that the public has assurance that no board members have acted improperly. The board should also consider adopting a code of conduct for board members.

Status:

Not implemented. See MAR finding number 7.

STATISTICAL SECTION

History, Organization, and
Statistical Information

RIPLEY COUNTY, MISSOURI
HISTORY, ORGANIZATION,
AND STATISTICAL INFORMATION

Organized in 1833, the county of Ripley was named after General Eleazer W. Ripley of the War of 1812. Ripley County is a county-organized, third-class county and is part of the Thirty-Sixth Judicial Circuit. The county seat is Doniphan.

Ripley 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 approximately 398 miles of county roads and 53 county 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 important to the county's citizens.

The county's population was 12,458 in 1980 and 13,509 in 2000. The following chart shows the county's change in assessed valuation since 1980:

		Year Ended December 31,					
		2006	2005	2004	2003	1985*	1980**
		(in millions)					
Real estate	\$	54.5	53.6	50.1	49.5	30.9	11.7
Personal property		18.6	17.5	16.5	17.0	4.0	4.5
Railroad and utilities		4.3	4.3	4.4	4.5	2.5	2.7
Total	\$	77.4	75.4	71.0	71.0	37.4	18.9

* First year of statewide reassessment.

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

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

		Year Ended December 31,			
		2006	2005	2004	2003
General Revenue Fund	\$.3120	.3120	.3120	.3107
CART (Special Road and Bridge Fund) *		N/A	N/A	N/A	N/A
Health Center Fund		.1500	.1500	.1500	.1500
Senate Bill 40 Board Fund		.1000	.1000	.1000	.1000
Senior Citizens Fund		.0500	.0500	.0500	.0500

* The county has nineteen special road districts that receive the tax collections from property within each district. All of this levy is retained by the road districts.

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),			
	2007	2006	2005	2004
State of Missouri	\$ 23,954	23,428	22,235	22,044
General Revenue Fund	252,223	246,855	234,592	232,300
Special Road Districts Fund	287,653	283,533	268,010	266,333
Assessment Fund	53,573	52,564	49,285	40,278
Health Center Fund	117,088	114,523	108,721	107,989
Senate Bill 40 Board Fund	77,020	75,312	71,471	70,970
School districts	2,191,264	2,144,057	2,033,804	2,021,822
Library district	160,001	159,802	151,354	149,601
Ambulance district	115,290	112,872	107,754	107,675
Hospital	231,115	225,989	214,469	213,038
Junior College	185,418	181,779	176,391	175,410
Fourchee Creek O & M	5,376	5,468	5,132	4,657
Naylor Drainage	43,839	44,022	44,817	45,523
Senior Citizens Fund	38,541	37,685	35,796	35,509
Tax sale costs	1,024	1,307	1,311	888
Tax sale surplus	4,873	10,215	7,936	41,266
Cities	9,752	9,748	9,515	9,655
County Clerk	1,133	1,148	1,178	1,149
County Employees' Retirement	36,082	33,174	32,758	29,998
Tax Maintenance Fund	12,789	11,485	11,317	10,598
Commissions and fees:				
General Revenue Fund	65,971	63,426	60,411	58,727
County Collector	916	909	938	954
Total	\$ 3,914,897	3,839,303	3,649,196	3,646,382

Percentages of current taxes collected were as follows:

	Year Ended February 28 (29),				
	2007	2006	2005	2004	
Real estate	92	92	92	91	%
Personal property	86	88	88	87	
Railroad and utilities	100	100	100	100	

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

	Rate	Expiration Date	Required Property Tax Reduction	%
Law Enforcement Sales Tax	.0050	None	None	

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

Officeholder	2007	2006	2005	2004	2003
County-Paid Officials:	\$				
William D. Kennon Jr., Presiding Commissioner		24,440	24,440	24,440	24,440
David (Earl) Johnson, Associate Commissioner		22,440	22,440		
Jesse Roy, Associate Commissioner				22,440	22,440
Jerry Halley, Associate Commissioner		22,440	22,440	22,440	22,440
Bob Featherston, Recorder of Deeds		34,000	34,000	34,000	34,000
Becky York, County Clerk		34,000	34,000	34,000	34,000
Steven F. Lynxwiler, Prosecuting Attorney		41,000	41,000	41,000	41,000
Adam Whitton, Sheriff (1)		39,000	39,000	45,368	
Michael P. Cochran, Sheriff					35,750
Terry L. Slayton, County Treasurer		25,160	25,160	25,160	25,160
Mike Jackson, County Coroner		9,500	9,500	9,500	9,500
Brenda Emmons-Thompson, Public Administrator		20,000	20,000		
Thelma (Corine) Dean, Public Administrator				20,000	20,000
Jerry Martin, County Collector (2), year ended February 28 (29),	34,916	34,909	34,938	34,954	
Martha Woods, County Assessor (3), year ended August 31,		21,766			
Tom Skaggs, County Assessor (4), year ended August 31,		7,255	34,688	34,746	34,900
William (Troy) Ayers, County Surveyor (5)		2,000	2,150	2,000	1,750

(1) Includes \$6,368 for overtime incurred while a deputy.

(2) Includes \$916, \$909, \$938 and \$954, respectively, of commissions earned for collecting drainage district property taxes for Naylor.

(3) Includes \$516 in annual compensation received from the state.

(4) Includes \$172, \$688, \$746, and \$900, respectively, in annual compensation received from the state.

(5) Compensation on a fee basis.

State-Paid Officials:

Sharon R. Richmond, Circuit Clerk (6)	49,470	48,500	47,850	45,329
Roberta Belcher, Circuit Clerk				8,751
James R. Hall, Associate Circuit Judge	96,000	96,000	96,000	96,000

(6) Includes payment for annual leave accrued while a deputy.