CLAIRE C. McCASKILL
Missouri State Auditor

To the County Commission
and
Officeholders of Pike County, Missouri

The State Auditor's Office through the State Office of Administration, Division of Purchasing, contracted the audit services of Pike County, Missouri, for the two years ended December 31, 2001. A copy of this audit, which was performed by Larson, Allen, Weishair & Co., L.L.P., Certified Public Accountants, is attached.

Claire C. McCaskill
State Auditor

Report No. 2002-78
August 30, 2002

224 State Capitol • Jefferson City, MO 65101 • (573) 751-4824 • FAX (573) 751-6539
Truman State Office Building, Room 880 • Jefferson City, MO 65101 • (573) 751-4213 • FAX (573) 751-7984

PIKE COUNTY, MISSOURI
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2001 AND 2000

PIKE COUNTY, MISSOURI
TABLE OF CONTENTS

FINANCIAL SECTION

PIKE COUNTY, MISSOURI
TABLE OF CONTENTS

PIKE COUNTY, MISSOURI
TABLE OF CONTENTS

FEDERAL FINANCIAL ASSISTANCE – SINGLE AUDIT SECTION

LarsonAllen℠
Weishair & Co., LLP
ACHIEVE THE DESIRED EFFECT℠
Business Consultants • Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the County Commission
and Officeholders of Pike County, Missouri

We have audited the special-purpose financial statements, identified in the table of contents, of various funds of Pike County, Missouri, as of and for the years ended December 31, 2001 and 2000. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

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

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

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Pike 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, 2001 and 2000, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated March 27, 2002, on our consideration of Pike County, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the special purpose financial statements taken as a whole. 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 Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special purpose financial statements of Pike County, Missouri. Such information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the special purpose financial statements taken as a whole.

Original Signed by Auditor

LARSON, ALLEN, WEISHAIR & CO., LLP

March 27, 2002
St. Louis, Missouri

EXHIBIT A-1

PIKE COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2001

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	$ 288,908	$ 2,482,919	$ 2,396,199	$ 375,628
Special Road and Bridge	275,210	1,935,269	1,914,413	296,066
Assessment	15,937	195,905	186,301	25,541
Law Enforcement Training	2,106	9,767	8,186	3,687
Prosecuting Attorney Training	2,650	839	590	2,899
Recorder's User Fee	46,467	11,564	12,049	45,982
Law Enforcement Sales Tax	42,861	927,017	960,446	9,432
Prosecuting Attorney Bad Check	18,238	10,108	3,699	24,647
Community Service	12,284	1,386	-	13,670
911	297,438	155,909	249,911	203,436
Election Services	1,286	5,304	-	6,590
Circuit Interest	12,798	3,259	6,000	10,057
Hospice	10,764	26,025	7,358	29,431
Law Library	15,902	7,200	6,761	16,341
Prosecuting Attorney Tax	-	750	-	750
Subtotal	$ 1,042,849	$ 5,773,221	$ 5,751,913	$ 1,064,157
Domestic Violence	360	2,200	-	2,560
Associate Division Interest	1,474	57	524	1,007
Juvenile Assessment	902	410	-	1,312
Total	$ 1,045,585	$ 5,775,888	$ 5,752,437	$ 1,069,036

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

EXHIBIT A-2

PIKE COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2000

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	$ 91,541	$ 2,501,190	$ 2,303,823	$ 288,908
Special Road and Bridge	144,372	1,910,464	1,779,626	275,210
Assessment	31,746	173,801	189,610	15,937
Law Enforcement Training	1,974	5,488	5,356	2,106
Prosecuting Attorney Training	1,790	860	-	2,650
Recorder's User Fee	45,366	8,052	6,951	46,467
Law Enforcement Sales Tax	(9,423)	998,705	946,421	42,861
Prosecuting Attorney Bad Check	19,582	12,225	13,569	18,238
Equitable Sharing	634	-	634	-
Community Service	10,785	2,499	1,000	12,284
911	242,656	146,933	92,151	297,438
Election Services	-	1,286	-	1,286
Circuit Interest	17,538	4,791	9,531	12,798
Hospice	6,171	15,565	10,972	10,764
Home Health Memorial	100	-	100	-
Law Library	16,177	7,000	7,275	15,902
Subtotal	$ 621,009	$ 5,788,859	$ 5,367,019	$ 1,042,849
Domestic Violence	2,585	2,162	4,387	360
Associate Division Interest	1,579	123	228	1,474
Juvenile Assessment	802	100	-	902
Total	$ 625,975	$ 5,791,244	$ 5,371,634	$ 1,045,585

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

EXHIBIT B

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
GENERAL REVENUE FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property Taxes	$ 441,776	$ 431,927	$ (9,849)	$ 427,626	$ 418,637	$ (8,989)
Sales Taxes	643,292	592,213	(51,079)	550,000	586,292	36,292
Intergovernmental	1,000,850	1,012,148	11,298	917,653	936,799	19,146
Charges for Services	174,700	189,423	14,723	194,650	180,266	(14,384)
Interest	14,000	19,877	5,877	10,000	15,149	5,149
Other	190,731	185,331	(5,400)	273,347	285,047	11,700
Transfers in	57,134	52,000	(5,134)	79,000	79,000	-
Total Receipts	$ 2,522,483	$ 2,482,919	$ (39,564)	$ 2,452,276	$ 2,501,190	$ 48,914
DISBURSEMENTS						
County Commission	$ 85,680	$ 84,591	$ 1,089	$ 85,680	$ 85,635	$ 45
County Clerk	78,405	75,994	2,411	76,213	75,641	572
Elections	72,759	112,888	(40,129)	77,737	35,662	42,075
Buildings and Grounds	55,139	57,303	(2,164)	54,098	47,145	6,953
Employee Fringe Benefits	260,500	222,403	38,097	241,000	233,776	7,224
County Treasurer	42,150	38,975	3,175	36,642	36,254	388
County Collector	82,545	69,420	13,125	77,238	69,081	8,157
Recorder of Deeds	42,010	39,839	2,171	32,960	28,925	4,035
Circuit Clerk	6,850	5,823	1,027	7,950	5,566	2,384
Associate Circuit (Probate)	13,400	10,720	2,680	13,700	11,633	2,067
Court Administration	40,986	36,015	4,971	38,429	26,940	11,489
Public Administrator	45,000	41,000	4,000	12,925	11,846	1,079
Prosecuting Attorney	173,696	121,240	52,456	182,688	152,365	30,323
Juvenile Officer	71,873	55,356	16,517	69,746	51,255	18,491
County Coroner	18,250	17,108	1,142	13,000	13,110	(110)
General County Government	77,071	68,973	8,098	70,140	63,735	6,405
Miscellaneous	166,099	107,716	58,383	123,027	107,792	15,235
Capital Improvements	175,000	151,934	23,066	140,000	139,727	273
Health and Welfare	1,064,871	1,041,261	23,610	966,656	966,378	278
Transfers out	137,640	37,640	100,000	247,737	127,737	120,000
Emergency Fund	73,500	-	73,500	74,000	13,620	60,380
Total Disbursements	$ 2,783,424	$ 2,396,199	$ 387,225	$ 2,641,566	$ 2,303,823	$ 337,743
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (260,941)	$ 86,720	$ 347,661	$ (189,290)	$ 197,367	$ 386,657
CASH, JANUARY 1	288,908	288,908	-	91,541	91,541	-
CASH, DECEMBER 31	$ 27,967	$ 375,628	$ 347,661	$ (97,749)	$ 288,908	$ 386,657

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

EXHIBIT C

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
SPECIAL ROAD AND BRIDGE FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property Taxes	$ 327,657	$ 339,562	$ 11,905	$ 316,786	$ 340,211	$ 23,425
Sales Taxes	681,500	680,145	(1,355)	615,000	642,190	27,190
Intergovernmental	1,102,121	867,426	(234,695)	1,083,204	881,741	(201,463)
Interest	11,000	11,438	438	12,000	11,923	(77)
Other	38,267	36,698	(1,569)	25,500	34,399	8,899
Total Receipts	$ 2,160,545	$ 1,935,269	$ (225,276)	$ 2,052,490	$ 1,910,464	$ (142,026)
DISBURSEMENTS						
Salaries	$ 440,300	$ 439,183	$ 1,117	$ 420,000	$ 396,227	$ 23,773
Employee Fringe Benefits	132,000	111,866	20,134	115,130	108,923	6,207
Supplies	96,000	94,133	1,867	86,000	88,171	(2,171)
Insurance	19,000	18,741	259	19,000	16,816	2,184
Road and Bridge Materials	542,000	540,099	1,901	453,000	427,861	25,139
Equipment Repairs	75,000	74,570	430	75,000	68,067	6,933
Rentals	2,500	1,560	940	5,000	88	4,912
Equipment Purchases	336,500	278,483	58,017	327,000	246,613	80,387
Construction, Repair and Maintenance	585,000	290,795	294,205	572,000	345,347	226,653
Other	13,000	12,983	17	13,000	11,513	1,487
Tranfers out	52,000	52,000	-	70,000	70,000	-
Total Disbursements	$ 2,293,300	$ 1,914,413	$ 378,887	$ 2,155,130	$ 1,779,626	$ 375,504
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (132,755)	$ 20,856	$ 153,611	$ (102,640)	$ 130,838	$ 233,478
CASH, JANUARY 1	275,210	275,210	-	144,372	144,372	-
CASH, DECEMBER 31	$ 142,455	$ 296,066	$ 153,611	$ 41,732	$ 275,210	$ 233,478
Cash - Prior Page		375,628			288,908	
Cash Subtotal Carryforward		$ 671,694			$ 564,118	

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

EXHIBIT D

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
ASSESSMENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	$ 153,211	$ 156,489	$ 3,278	$ 148,000	$ 139,717	$ (8,283)
Interest	700	1,140	440	200	1,076	876
Other	5,254	5,636	382	5,710	5,271	(439)
Transfers in	32,640	32,640	-	27,737	27,737	-
Total Receipts	$ 191,805	$ 195,905	$ 4,100	$ 181,647	$ 173,801	$ (7,846)
DISBURSEMENTS						
Assessor	$ 207,742	$ 186,301	$ 21,441	$ 213,393	$ 189,610	$ 23,783
Total Disbursements	$ 207,742	$ 186,301	$ 21,441	$ 213,393	$ 189,610	$ 23,783
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (15,937)	$ 9,604	$ 25,541	$ (31,746)	$ (15,809)	$ 15,937
CASH, JANUARY 1	15,937	15,937	-	31,746	31,746	-
CASH, DECEMBER 31	$ -	$ 25,541	$ 25,541	$ -	$ 15,937	$ 15,937
Cash Subtotal - Prior Page		671,694			564,118	
Cash Subtotal Carryforward		$ 697,235			$ 580,055	

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

EXHIBIT E

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT TRAINING FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for Services	$ 3,000	$ 3,224	$ 224	$ 2,500	$ 3,430	$ 930
Other	5,000	6,543	1,543	634	2,058	1,424
Total Receipts	$ 8,000	$ 9,767	$ 1,767	$ 3,134	$ 5,488	$ 2,354
DISBURSEMENTS						
Sheriff	$ 9,000	$ 8,186	$ 814	$ 5,109	$ 5,356	$ (247)
Total Disbursements	$ 9,000	$ 8,186	$ 814	$ 5,109	$ 5,356	$ (247)
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (1,000)	$ 1,581	$ 2,581	$ (1,975)	$ 132	$ 2,107
CASH, JANUARY 1	2,106	2,106	-	1,974	1,974	-
CASH, DECEMBER 31	$ 1,106	$ 3,687	$ 2,581	$ (1)	$ 2,106	$ 2,107
Cash Subtotal - Prior Page		697,235			580,055	
Cash Subtotal Carryforward		$ 700,922			$ 582,161	

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

EXHIBIT F

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY TRAINING FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for Services	$ 850	$ 839	$ (11)	$ 950	$ 860	$ (90)
Total Receipts	$ 850	$ 839	$ (11)	$ 950	$ 860	$ (90)
DISBURSEMENTS						
Prosecuting Attorney	$ 1,900	$ 590	$ 1,310	$ 500	$ -	$ 500
Total Disbursements	$ 1,900	$ 590	$ 1,310	$ 500	$ -	$ 500
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (1,050)	$ 249	$ 1,299	$ 450	$ 860	$ 410
CASH, JANUARY 1	2,650	2,650	-	1,790	1,790	-
CASH, DECEMBER 31	$ 1,600	$ 2,899	$ 1,299	$ 2,240	$ 2,650	$ 410
Cash Subtotal - Prior Page		700,922			582,161	
Cash Subtotal Carryforward		$ 703,821			$ 584,811	

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

EXHIBIT G

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
RECORDER'S USER FEES FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for Services	$ 7,000	$ 10,690	$ 3,690	$ 7,500	$ 7,146	$ (354)
Interest	-	874	874	800	906	106
Total Receipts	$ 7,000	$ 11,564	$ 4,564	$ 8,300	$ 8,052	$ (248)
DISBURSEMENTS						
Recorder of Deeds	$ 11,900	$ 12,049	$ (149)	$ 7,000	$ 6,951	$ 49
Total Disbursements	$ 11,900	$ 12,049	$ (149)	$ 7,000	$ 6,951	$ 49
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (4,900)	$ (485)	$ 4,415	$ 1,300	$ 1,101	$ (199)
CASH, JANUARY 1	46,467	46,467	-	45,366	45,366	-
CASH, DECEMBER 31	$ 41,567	$ 45,982	$ 4,415	$ 46,666	$ 46,467	$ (199)
Cash Subtotal - Prior Page		703,821			584,811	
Cash Subtotal Carryforward		$ 749,803			$ 631,278	

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

EXHIBIT H

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT SALES TAX FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales Taxes	$ 710,800	$ 681,096	$ (29,704)	$ 600,000	$ 645,822	$ 45,822
Intergovernmental	123,697	100,774	(22,923)	90,000	122,937	32,937
Charges for Services	63,000	63,358	358	65,000	62,384	(2,616)
Interest	700	2,082	1,382	900	1,533	633
Other	52,179	54,707	2,528	11,000	41,029	30,029
Transfers in	125,000	25,000	(100,000)	245,000	125,000	(120,000)
Total Receipts	$ 1,075,376	$ 927,017	$ (148,359)	$ 1,011,900	$ 998,705	$ (13,195)
DISBURSEMENTS						
Sheriff	$ 753,068	$ 708,416	$ 44,652	$ 737,565	$ 714,446	$ 23,119
Office Expenditures and Equipment	148,000	130,933	17,067	131,912	119,334	12,578
Jail	137,000	121,097	15,903	133,000	112,641	20,359
Total Disbursements	$ 1,038,068	$ 960,446	$ 77,622	$ 1,002,477	$ 946,421	$ 56,056
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ 37,308	$ (33,429)	$ (70,737)	$ 9,423	$ 52,284	$ 42,861
CASH, JANUARY 1	42,861	42,861	-	(9,423)	(9,423)	-
CASH, DECEMBER 31	$ 80,169	$ 9,432	$ (70,737)	$ -	$ 42,861	$ 42,861
Cash Subtotal - Prior Page		749,803			631,278	
Cash Subtotal Carryforward		$ 759,235			$ 674,139	

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

EXHIBIT I

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY BAD CHECK FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for Services	$ 11,000	$ 9,405	$ (1,595)	$ 10,000	$ 11,735	$ 1,735
Interest	400	703	303	200	490	290
Total Receipts	$ 11,400	$ 10,108	$ (1,292)	$ 10,200	$ 12,225	$ 2,025
DISBURSEMENTS						
Prosecuting Attorney	$ 28,547	$ 3,699	$ 24,848	$ 24,300	$ 13,569	$ 10,731
Total Disbursements	$ 28,547	$ 3,699	$ 24,848	$ 24,300	$ 13,569	$ 10,731
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (17,147)	$ 6,409	$ 23,556	$ (14,100)	$ (1,344)	$ 12,756
CASH, JANUARY 1	18,238	18,238	-	19,582	19,582	-
CASH, DECEMBER 31	$ 1,091	$ 24,647	$ 23,556	$ 5,482	$ 18,238	$ 12,756
Cash Subtotal - Prior Page		759,235			674,139	
Cash Subtotal Carryforward		$ 783,882			$ 692,377	

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

EXHIBIT J

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
EQUITABLE SHARING FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -
Total Receipts	$ -	$ -	$ -	$ -	$ -	$ -
DISBURSEMENTS						
Transfers out	$ -	$ -	$ -	$ 634	$ 634	$ -
Total Disbursements	$ -	$ -	$ -	$ 634	$ 634	$ -
RECEIPTS (UNDER) DISBURSEMENTS	$ -	$ -	$ -	$ (634)	$ (634)	$ -
CASH, JANUARY 1	-	-	-	634	634	-
CASH, DECEMBER 31	$ -	$ -	$ -	$ -	$ -	$ -
Cash Subtotal - Prior Page		783,882			692,377	
Cash Subtotal Carryforward		$ 783,882			$ 692,377	

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

EXHIBIT K

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
COMMUNITY SERVICE FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for Services	$ 1,000	$ 1,000	$ -	$ 1,500	$ 2,350	$ 850
Interest	100	386	286	100	149	49
Total Receipts	$ 1,100	$ 1,386	$ 286	$ 1,600	$ 2,499	$ 899
DISBURSEMENTS						
Public Safety	$ 10,000	$ -	$ 10,000	$ 12,000	$ 1,000	$ 11,000
Total Disbursements	$ 10,000	$ -	$ 10,000	$ 12,000	$ 1,000	$ 11,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (8,900)	$ 1,386	$ 10,286	$ (10,400)	$ 1,499	$ 11,899
CASH, JANUARY 1	12,284	12,284	-	10,785	10,785	-
CASH, DECEMBER 31	$ 3,384	$ 13,670	$ 10,286	$ 385	$ 12,284	$ 11,899
Cash Subtotal - Prior Page		783,882			692,377	
Cash Subtotal Carryforward		$ 797,552			$ 704,661	

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

EXHIBIT L

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
911 FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
E911 phone tax	$ 140,000	$ 146,664	$ 6,664	$ 136,330	$ 141,138	$ 4,808
Interest	5,500	9,245	3,745	4,000	5,795	1,795
Total Receipts	$ 145,500	$ 155,909	$ 10,409	$ 140,330	$ 146,933	$ 6,603
DISBURSEMENTS						
Salaries	$ 21,500	$ 20,745	$ 755	$ 18,050	$ 17,402	$ 648
Equipment	96,000	65,677	30,323	52,000	5,093	46,907
Mileage and Training	5,000	259	4,741	5,000	-	5,000
Other	190,000	138,230	51,770	157,129	69,656	87,473
Transfers out	25,000	25,000	-	-	-	-
Total Disbursements	$ 337,500	$ 249,911	$ 87,589	$ 232,179	$ 92,151	$ 140,028
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (192,000)	$ (94,002)	$ 97,998	$ (91,849)	$ 54,782	$ 146,631
CASH, JANUARY 1	297,438	297,438	-	242,656	242,656	-
CASH, DECEMBER 31	$ 105,438	$ 203,436	$ 97,998	$ 150,807	$ 297,438	$ 146,631
Cash Subtotal - Prior Page		797,552			704,661	
Cash Subtotal Carryforward		$ 1,000,988			$ 1,002,099	

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

EXHIBIT M

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
ELECTION SERVICES FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Elections	$ 1,578	$ 5,304	$ 3,726	$ -	$ 1,286	$ 1,286
Total Receipts	$ 1,578	$ 5,304	$ 3,726	$ -	$ 1,286	$ 1,286
DISBURSEMENTS						
5% Statue Cost	$ 2,700	$ -	$ 2,700	$ -	$ -	$ -
Total Disbursements	$ 2,700	$ -	$ 2,700	$ -	$ -	$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (1,122)	$ 5,304	$ 6,426	$ -	$ 1,286	$ 1,286
CASH, JANUARY 1	1,286	1,286	-	-	-	-
CASH, DECEMBER 31	$ 164	$ 6,590	$ 6,426	$ -	$ 1,286	$ 1,286
Cash Subtotal - Prior Page		1,000,988			1,002,099	
Cash Subtotal Carryforward		$ 1,007,578			$ 1,003,385	

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

EXHIBIT N

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
CIRCUIT INTEREST FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	$ 4,500	$ 3,259	$ (1,241)	$ 4,000	$ 4,791	$ 791
Total Receipts	$ 4,500	$ 3,259	$ (1,241)	$ 4,000	$ 4,791	$ 791
DISBURSEMENTS						
Other	$ 9,000	$ 6,000	$ 3,000	$ 9,500	$ 9,531	$ (31)
Total Disbursements	$ 9,000	$ 6,000	$ 3,000	$ 9,500	$ 9,531	$ (31)
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (4,500)	$ (2,741)	$ 1,759	$ (5,500)	$ (4,740)	$ 760
CASH, JANUARY 1	12,798	12,798	-	17,538	17,538	-
CASH, DECEMBER 31	$ 8,298	$ 10,057	$ 1,759	$ 12,038	$ 12,798	$ 760
Cash Subtotal - Prior Page		1,007,578			1,003,385	
Cash Subtotal Carryforward		$ 1,017,635			$ 1,016,183	

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

EXHIBIT O

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
HOSPICE FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Donations	$ 14,500	$ 25,797	$ 11,297	$ 12,000	$ 15,565	$ 3,565
Interest	-	228	228	-	-	-
Transfers in	-	-	-	-	100	100
Total Receipts	$ 14,500	$ 26,025	$ 11,525	$ 12,000	$ 15,565	$ 3,565
DISBURSEMENTS						
Indigent Patients	$ 5,000	$ 2,700	$ 2,300	$ -	$ -	$ -
Palliative Services	5,000	-	5,000	-	-	-
Staff and Community Education	2,000	233	1,767	-	-	-
Hospice Memorial	500	810	(310)	500	300	200
Transportation	500	-	500	-	-	-
Fundraiser Expenses	-	120	(120)	-	-	-
Other	-	2,662	(2,662)	-	-	-
Transfers out	12,790	833	11,957	17,087	10,672	6,415
Total Disbursements	$ 25,790	$ 7,358	$ 18,432	$ 17,587	$ 10,972	$ 6,615
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (11,290)	$ 18,667	$ 29,957	$ (5,587)	$ 4,593	$ 10,180
CASH, JANUARY 1	10,764	10,764	-	6,171	6,171	-
CASH, DECEMBER 31	$ (526)	$ 29,431	$ 29,957	$ 584	$ 10,764	$ 10,180
Cash Subtotal - Prior Page		1,017,635			1,016,183	
Cash Subtotal Carryforward		$ 1,047,066			$ 1,026,947	

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

EXHIBIT P

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
HOME HEALTH MEMORIAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Donations	$ -	$ -	$ -	$ -	$ -	$ -
Total Receipts	$ -	$ -	$ -	$ -	$ -	$ -
DISBURSEMENTS						
Transfers out	$ -	$ -	$ -	$ -	$ 100	$ (100)
Total Disbursements	$ -	$ -	$ -	$ -	$ 100	$ (100)
RECEIPTS (UNDER) DISBURSEMENTS	$ -	$ -	$ -	$ -	$ (100)	$ (100)
CASH, JANUARY 1	-	-	-		100	100
CASH, DECEMBER 31	$ -	$ -	$ -	$ -	$ -	$ -
Cash Subtotal - Prior Page		1,047,066			1,026,947	
Cash Subtotal Carryforward		$ 1,047,066			$ 1,026,947	

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

EXHIBIT Q

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW LIBRARY FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Other	$ 7,200	$ 7,200	$ -	$ 7,000	$ 7,000	$ -
Total Receipts	$ 7,200	$ 7,200	$ -	$ 7,000	$ 7,000	$ -
DISBURSEMENTS						
Other	$ 7,200	$ 6,761	$ 439	$ 7,000	$ 7,275	$ (275)
Total Disbursements	$ 7,200	$ 6,761	$ 439	$ 7,000	$ 7,275	$ (275)
RECEIPTS OVER DISBURSEMENTS	$ -	$ 439	$ 439	$ -	$ (275)	$ (275)
CASH, JANUARY 1	15,902	15,902	-	16,177	16,177	-
CASH, DECEMBER 31	$ 15,902	$ 16,341	$ 439	$ 16,177	$ 15,902	$ (275)
Cash Subtotal - Prior Page		1,047,066			1,026,947	
Cash Subtotal Carryforward		$ 1,063,407			$ 1,042,849	

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

EXHIBIT R

PIKE COUNTY, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY TAX FUND
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Other	$ -	$ 750	$ 750	$ -	$ -	$ -
Total Receipts	$ -	$ 750	$ 750	$ -	$ -	$ -
DISBURSEMENTS						
Prosecuting Attorney	$ -	$ -	$ -	$ -	$ -	$ -
Total Disbursements	$ -	$ -	$ -	$ -	$ -	$ -
RECEIPTS OVER DISBURSEMENTS	$ -	$ 750	$ 750	$ -	$ -	$ -
CASH, JANUARY 1	-	-	-	-	-	-
CASH, DECEMBER 31	$ -	$ 750	$ 750	$ -	$ -	$ -
Cash Subtotal - Prior Page		1,063,407			1,042,849	
Cash Subtotal Carryforward		$ 1,064,157			$ 1,042,849	

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity and Basis of Presentation

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

Basis of Accounting

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

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 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

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

Fund	Year(s) Ended December 31,
Election Services	2000
Domestic Violence	2001 and 2000
Associate Division Interest	2001 and 2000
Juvenile Assessment	2001 and 2000
Prosecuting Attorney Tax	2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Practices (Continued)
Warrants issued were in excess of budgeted amounts for the following funds:

Fund	Year(s) Ended December 31,
Law Enforcement Training Fund	2000
Recorder's User Fees Fund	2001
Circuit Interest Fund	2000
Home Health Memorial Fund	2000
Law Library	2000

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

A deficit budget balance is presented for the General Revenue Fund for the year ended December 31, 2000. However, the budget of that fund also included other resources available to finance current or future year disbursements. Generally, other available net resources represented current year property taxes not received before December 31. Such resources were sufficient to offset the deficit budget balance presented.

Although Section 50.740, RSMo 2000, requires a balanced budget, a deficit balance was budgeted in the Hospice Fund for the year ended December 31, 2001.

Published Financial Statements
Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

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

Fund	Year(s) Ended December 31,
Circuit Interest	2001 and 2000
Law Library	2001 and 2000
Associate Division Interest	2001 and 2000
Juvenile Assessment	2001 and 2000
Prosecuting Attorney Tax	2001

NOTE 2 CASH

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, 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.

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

Deposits
The County's deposits at December 31, 2001 and 2000, were entirely covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name, or by commercial insurance provided through a surety bond.

To protect the safety of county deposits, Section 110.020, RSMo 2000, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

NOTE 3 TAXES

The assessed valuation of the tangible property for the calendar year 2001 and 2000 for purposes of local taxation was $191,467,558 and $189,956,635.

The tax levy per $100 of the assessed valuation of tangible taxable property for the calendar year 2001 and 2000 for purposes of local taxation was:

	2001	2000
General Revenue Fund	$ 431,927	$ 418,637
Special Road & Bridge Fund	339,562	340,211
Total	$ 771,489	$ 758,848

NOTE 3 TAXES (CONTINUED)

These levies represent amounts directly received by the County for its purposes versus amounts collected by the County as a pass through on behalf of another entity.

NOTE 4 PARTICIPATION IN PUBLIC ENTITY RISK POOLS

Missouri Public Entity Risk Management Fund
The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. MOPERM (Missouri Public Entity Risk Management) is a public entity risk pool currently operating as a common risk management and insurance program. The County does not pay premiums to purchase insurance policies but pays an assessment to be a member of the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole.

The pooling agreement requires the pool to be self-sustaining. The County believes that it is not possible to estimate the range of contingent losses to be borne by the County.

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

To the County Commission and
Officeholders of Pike County, Missouri

We have audited the special-purpose financial statements of Pike County, Missouri, as of and for the two years ended December 31, 2001 and 2000, and have issued our report thereon dated March 27, 2002. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Pike County, Missouri's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect Pike County's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 01-1 and 01-3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 01-3 to be a material weakness.

This report is intended for the information and the use of the administration, management, County Commissioners, State of Missouri Auditor's Office and Federal and State awarding agencies and is not intended to be and should not be used by anyone other than these specific parties.

Original Signed by Auditor

LARSON, ALLEN, WEISHAIR & CO., LLP

March 27, 2002
St. Louis, Missouri

LarsonAllen[SM]
Weishair & Co., LLP
ACHIEVE THE DESIRED EFFECT[SM]

Business Consultants • Certified Public Accoun

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

To the County Commission and
Officeholders of Pike County, Missouri

Compliance

We have audited the compliance of Pike 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 year ended December 31, 2001 and 2000. Pike County, Missouri'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 Pike County, Missouri's management. Our responsibility is to express an opinion on Pike County, Missouri's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Pike County, Missouri'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 on Pike County, Missouri's compliance with those requirements.

In our opinion, Pike 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 year ended December 31, 2001 and 2000. However, the results of our auditing procedures disclosed an 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 item 01-2.

Internal Control Over Compliance

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

We noted certain matters involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect Pike County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 01-02.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness.

This report is intended for the information and the use of the administration, management, County Commissioners, State of Missouri Auditor's Office and Federal and State awarding agencies and is not intended to be and should not be used by anyone other than these specific parties.

Original Signed by Auditor

LARSON, ALLEN, WEISHAIR & CO., LLP

March 27, 2002
St. Louis, Missouri

PIKE COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified? ___X___Yes ______ No

- Reportable condition identified that are not considered to be material weaknesses?
___X___ Yes ______ None Reported

Noncompliance material to financial statements noted?
______ Yes ___X___ No

Federal Awards

Internal control over major programs:

- Material weakness identified? ______ Yes ___X___ No

- Reportable condition identified that are not considered to be material weakness?
___X___ Yes ______ None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?
___X____ Yes ______ No

Identification of major programs?

CFDA Number(s)	Name of Federal Program or Cluster	2001 Amount	2000 Amount
20.205	Highway Planning and Construction	$181,954	$223,423
93.563	Child Support Enforcement	8,849	8,512
		$190,803	$231,935

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

Auditee qualified as low-risk auditee? ______ Yes ___X___ No

Section II – Financial Statement Findings

Finding: 01-1

Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit,* as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS* No. 55.

Condition: Lack of sufficient segregation of duties.

Questioned Costs: None.

Context: A review of the internal control procedures.

Effect: The design of the internal control over financial reporting that could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Cause: Size and budget constraints limiting the number of personnel within the accounting department.

Recommendation: These areas should be reviewed periodically and consideration given to improving the segregation of duties.

Management's Response: We will review periodically the size and budget constraints limiting the number of personnel within the accounting department. We will continue to utilize the other internal controls, such as administrative oversight, to minimize the lack of sufficient segregation of duties.

Finding: 01-3

Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit,* as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS* No. 55.

Condition: The County did not reconcile its cash to the fund ledger on a regular basis.

Questioned Costs: None.

Context: A review of the internal control procedures.

Effect: The design of the internal control over financial reporting that could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the special-purpose financial statements.

Cause: Administrative oversight in the reconciliation process.
Recommendation: These areas should be reviewed and consideration given to the improving of the cash reconciliation process.

Section II – Financial Statement Findings (Continued)

Management's Response: We will review the cash reconciliation process within the accounting department and implement necessary improvements. We will utilize the other internal controls, such as administrative oversight, to ensure these improvements are implemented and reconciliations of cash are done properly.

Section III – Federal Awards Findings and Questioned Costs

Finding: 01-2

Federal Grantor: U.S. Department of Transportation
Pass –Through Grantor: State Highway and Transportation Commission
Federal CFDA Number: 20.205
Program Title: Highway Planning and Construction
Pass-Through Entity: Not applicable
Identifying Number: BRO 082(17)
BRO 082(9)
Award Year: 2001
Questioned Costs: Not applicable

Criteria: Section 6.2.2 of the Cash Management Improvement Act Agreement between the State of Missouri and the Secretary of the Treasury, United States Department of Treasury, states that federal funds shall be disbursed by the county within two days of receipt.

Condition: Elapsed time between the receipt of federal monies and disbursement of such funds.

Questioned Costs: None.

Context: A review of the compliance and internal control procedures.

Effect: The design of the internal control over compliance that, in our judgement, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants.

Cause: The county held reimbursements from five to twenty working days before the related payment was made to the contractor

Recommendation: The County Commission needs to establish procedures to minimize the time elapsed between the receipt of federal monies and the disbursement of such funds.

Management's Response: We agree. For future reimbursements, the County Clerk will ensure these monies are disbursed within the required time period.

PIKE COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Financial Statement Findings

The audit did not disclose any noncompliance and internal control findings which are material to the special-purpose financial statements of the County.

Federal Award Findings and Questioned Costs

Finding: 99-1

Federal Grantor: U.S. Department of Transportation
Pass –Through Grantor: State Highway and Transportation Commission
Federal CFDA Number: 20.205
Program Title: Highway Planning and Construction
Pass-Through Entity: Not applicable
Identifying Number: BRO 082(15)
BRO 082(9)
Award Year: 1999
Questioned Costs: Not applicable

During the two years ended December 31, 1998 the county received reimbursements from the Missouri Department of Transportation for bridge replacement and rehabilitation expenditures under the Highway Planning and Construction Program – Off System Projects. The county normally pays such expenditures as the liability is incurred and prior to the reimbursement. However, we noted eleven reimbursements totaling $356,000 which the county held from three to ten working days before the related payment was made to the contractor.

Section 6.2.2 of the Cash Management Improvement Act Agreement between the State of Missouri and the Secretary of the Treasury, United States Department of the Treasury, states that federal funds shall be disbursed by the county within two days of receipt.

Recommendation:

The County Commission establish procedures to minimize the time elapsed between the receipt of federal monies and disbursement of such funds.

Follow-Up on Prior Audit Findings:

Finding: 99-1

The County Commission did not establish procedures to minimize the time elapsed between the receipt of federal monies and disbursement of such funds. Therefore, the federal award finding was repeated in the current audit of the special-purpose financial statements for the years ended December 31, 2001 and 2000 in the accompanying Schedule of Findings and Questioned Costs as item 01-2.

PIKE COUNTY, MISSOURI
CORRECTIVE ACTION PLAN
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Findings – Financial Statement and Federal Awards

Questions regarding the County's Corrective Action Plan should be directed to Jim Ford at 573-324-2412.

SCHEDULE 1

PIKE COUNTY, MISSOURI
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures 2001	Federal Expenditures 2000
U.S. DEPARTMENT OF AGRICULTURE:				
Passed through State Department of Health				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	Unknown	$ -	$ 39,295
Passed through State Department of Social Services				
Food Distribution	10.550	Unknown	43,898	-
Total U.S. Department of Agriculture			$ 43,898	$ 39,295
U.S. DEPARTMENT OF DEFENSE				
Passed through State Office of Administration				
Payments in Lieu of Real Estate Taxes	12.112	Unknown	$ -	$ 21,774
Payment of Real Estate Taxes- Flood Control	12.112	Unknown	7,983	-
Passed through State Department of Public Safety				
Surplus Property	12.xxx	Unknown	1,543	-
Total U.S. Department of Defense			$ 9,526	$ 21,774
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Passed through Department of Social Services Development				
Emergency Shelter Grants Program	14.231	Unknown	$ 19,957	$ 19,190
Total U.S. Department of Housing and Urban Development			$ 19,957	$ 19,190
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through State Department of Public Safety				
Emergency Management - State and Local Assistance	83.534	Unknown	$ 938	$ 1,250
Total Federal Emergency Management Agency			$ 938	$ 1,250
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through State Highway and Transportation Commission				
Highway Planning and Construction	20.205	Unknown	$ 181,954	$ 223,423
Total U.S. Department of Transportation			$ 181,954	$ 223,423
GENERAL SERVICES ADMINISTRATION				
Passed through State Office of Administration				
Donation of Federal Surplus Personal Property	39.003	Unknown	$ 15,384	$ -
Total General Services Administration			$ 15,384	$ -

PIKE COUNTY, MISSOURI
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures 2001	2000
U.S. DEPARTMENT OF INTERIOR				
Direct Program:				
Wildlife Restoration	15.611	Unknown	$ 18,114	$ 17,528
Total U.S. Department of Interior			$ 18,114	$ 17,528
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Passed through State:				
Department of Health				
Immunization Grants	93.268	Unknown	$ 24,393	$ -
Child Care and Development Block Grant	93.575	Unknown	1,925	-
Preventative Health and Health Services Block Grant	93.991	Unknown	16,299	-
Maternal and Child Health Services Block Grant to the States	93.994	Unknown	-	5,824
Department of Social Services:				
Child Support Enforcement	93.563	Unknown	8,849	8,512
Community Services Block Grant	93.569	Unknown	33,786	57,948
Total U.S. Department of Health and Human Services			$ 85,252	$ 72,284
Total Federal Financial Assistance			$ 375,023	$ 394,744

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pike County, Missouri, and is presented on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

SCHEDULE 1

PIKE COUNTY, MISSOURI
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Subrecipients

Of the federal expenditures presented in the schedule, the county provided federal awards to subrecipients as follows:

		Amount Provided	
		Year Ended December 31,	
Federal CFDA Number	Program Title	2001	2000
14.231	Emergency Shelter Grants Program	19,957	19,190
93.569	Community Services Block Grant	33,786	57,948

PIKE COUNTY, MISSOURI

MANAGEMENT LETTER

DECEMBER 31, 2001

LarsonAllen℠
Weishair & Co., LLP
ACHIEVE THE DESIRED EFFECT℠

Business Consultants • Certified Public Acco

To the County Commission and
Officeholders of Pike County, Missouri:

In planning and performing our audit of the special-purpose financial statements of the Pike County as of and for the two years ended December 31, 2001, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgement, could adversely affect the County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the special-purpose financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

REPORTABLE CONDITIONS

We noted the following reportable condition that is considered to be a material weakness.

County Treasurer's Reconciliations
The County Treasurer's fund ledger is not accurate as the book balance does not take into account checks issued by the County Clerk that remain outstanding. Only checks that have cleared the bank are shown as being disbursed. In addition, the County Treasurer performs reconciliations between her fund ledger balances and the bank statement balances once every six months when the semi-annual settlement is prepared; however, differences noted are not always investigated and followed up on. This situation caused immaterial differences between the reconciled bank accounts and the fund ledger balances.

Complete reconciliations between the bank receipts, disbursements and balances and county fund ledgers are necessary to ensure all monies have been accounted for properly. Any discrepancies should be investigated and resolved on a timely basis.

REPORTABLE CONDITIONS (CONTINUED)

We noted the following reportable conditions that are not considered to be material weaknesses.

Segregation of Duties
The small size of the accounting department limits the extent of a proper segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. This results in some risk that intentional or unintentional errors could be made and not detected.

We noted the following:

1. The County Treasurer is responsible for recording various cash receipts, reconciling the bank statements, preparing and recording cash disbursements, and reconciling the general ledger.

Federal Awards
Section 6.2.2 of the Cash Management Improvement Act Agreement between the State of Missouri and the Secretary of the Treasury, United States Department of Treasury, states that federal funds shall be disbursed by the county within two days of receipt.

We noted the following:

1. Elapsed time between the receipt of federal monies and disbursement of such funds. This resulted in the county holding reimbursements from three to ten working days before the related payment was made to the contractor.

OBSERVATIONS

We noted the following observations that are not considered to be reportable conditions, but are comments to help strengthen internal controls and operating efficiency.

Sheriff's Inmate Account

The total of the prisoners' monies in the Sheriff's checking account is not reconciled to the total of the recorded individual prisoner balances. Inmate balances are maintained on computer files but the balances cannot be reconciled to the total in the bank because the account also contains the commissary monies for which no separate records are kept. To reconcile, the Sheriff's office must maintain records for the commissary account that would record sales made as well as purchases and calculate the balance of the account. Reconciliations between receipts, disbursements, and individual balances and the total in this bank account are necessary to ensure all monies received are accounted for properly and errors in recording amounts in inmate and commissary accounts are detected. This condition was also noted in the prior audit report.

We recommend the Sheriff maintain records for the commissary account and reconcile the individual prisoner and commissary balances to the total of the monies in the bank account on a monthly basis.

Changes in Reporting Requirements

The Governmental Accounting Standards Board recently released a new financial statement reporting requirement commonly referred to as "GASB 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments". The intent of GASB 34 is to standardize financial statement reporting across governmental entities and to make them more comparable to statements issued by like-sized profit-seeking companies. Adherence to GASB 34 is a requirement for all local governmental entities, including school districts, and the gradual implementation requirement is as follows:

Entities With Revenues	Fiscal Year Beginning After
Greater than $100 million	June 15, 2001
$10 - $100 million	June 15, 2002
Less than $10 million	June 15, 2003

GASB 34 will require government-wide financial statements to include a Statement of Activities and a Statement of Net Assets. It will also require as supplemental information a narrative section referred to as "Management Discussion and Analysis" to further communicate the operations and goals of the School District. As management is ultimately responsible for the financial statements, they will likewise be responsible for all statements as reported under GASB 34.

Cooperation

We received complete cooperation from all County officials during the 2001 and 2000 audit. It appears that the overall accounting procedures laid down by the County, are being adhered to by the officials within each office.

We welcome the opportunity to discuss the points mentioned in this letter, or any other accounting and procedural problems in order to coordinate our efforts with you, the mutual objectives being the development of more effective accounting, financial reporting, and business procedures for the County.

We understand that some of the aforementioned points are in the process of implementation or may already have been implemented; however, these points are noted so that effective follow up can be accomplished.

Thank you for the opportunity to be of service to you. We sincerely appreciate all the courtesies and cooperation extended to us by you and your staff and remind you that we are available on a year-round basis. Please do not hesitate to call us whenever you believe we can be of assistance.

This report is intended solely for the information and use of the County Commission and Officeholders of Pike County, and others within the administration.

Original Signed by Auditor

LARSON, ALLEN, WEISHAIR & CO., LLP

March 27, 2002
St. Louis, Missouri