



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Barton County, Missouri

The Office of the State Auditor, in cooperation with Barton County, has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2009, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by McBride, Lock & Associates, Certified Public Accountants, is attached.

A handwritten signature in cursive script that reads "Susan Montee".

Susan Montee, JD, CPA
State Auditor

September 2010
Report No. 2010-118

ANNUAL FINANCIAL REPORT

BARTON COUNTY, MISSOURI

For the Years Ended
December 31, 2009 and 2008

BARTON COUNTY, MISSOURI

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INTRODUCTORY SECTION

BARTON COUNTY, MISSOURI
List of Elected Officials

County Commission

Presiding Commissioner – Mike Davis

Associate Commissioner – Bonda Rawlings

Associate Commissioner – Dennis Wilson

Other Elected Officials

Assessor – Ivan Frieden

Circuit Clerk – Janet Maupin

Coroner – C. Tucker Joustra

County Clerk – Kristina Crockett

Prosecuting Attorney – Steven Kaderly

Public Administrator – Teresa Moore

Recorder – Kathleen Dimond

Sheriff – L. Mitchell Shaw

Collector - Treasurer – Frances Cato

McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the County Commission and
Officeholders of Barton County, Missouri

We have audited the accompanying financial statements of Barton County, Missouri as of and for the years ended December 31, 2009 and 2008, which collectively comprise the County's basic financial statements as identified in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 audits provide a reasonable basis for our opinions.

As described more fully in Note 1, Barton County, Missouri has prepared these financial statements using accounting practices prescribed or permitted by the Missouri State Auditor's Office, which practices 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 Barton County, Missouri, as of December 31, 2009 and 2008, or the changes in its financial position for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the funds of Barton County, Missouri, as of December 31, 2009 and 2008, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated July 26, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 audits.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Barton County, Missouri's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

(Original Signed by Auditor)

McBride, Lock & Associates
July 26, 2010

FINANCIAL SECTION

BARTON COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2008 AND 2009

Fund	Cash January 1, 2008	Receipts 2008	Disbursements 2008	Cash December 31, 2008	Receipts 2009	Disbursements 2009	Cash December 31, 2009
General Revenue	\$ 394,320	\$ 1,160,049	\$ 1,059,291	\$ 495,078	\$ 1,075,090	\$ 955,416	\$ 614,752
Special Road & Bridge	1,282,278	1,311,894	1,486,260	1,107,912	676,580	833,784	950,708
Assessment	4	146,638	146,598	44	167,319	144,425	22,938
Recorder's	56,570	6,725	16,475	46,820	5,848	13,932	38,736
Prosecuting Attorney Bad Check	33,999	8,691	1,657	41,033	5,856	800	46,089
Law Enforcement Sales Tax	(153)	826,669	914,600	(88,084)	855,305	763,100	4,121
Prosecuting Attorney Training	167	1,575	1,742	-	1,436	1,402	34
Law Enforcement Training	601	4,650	4,155	1,096	3,471	8,399	(3,832)
Petty Cash	200	451	451	200	274	274	200
Election	5,352	4,311	7,879	1,784	4,794	2,823	3,755
911 Emergency Service	446,972	144,986	104,609	487,349	104,917	107,647	484,619
Local Use Sales Tax	58,897	1,022	52,920	6,999	20	-	7,019
Crisis Intervention	766	199	55	910	-	282	628
Local Emergency Preparedness Committee	2,774	7,207	7,926	2,055	8,054	6,238	3,871
Collector's Tax Maintenance	16,941	14,108	735	30,314	14,423	20,824	23,913
Sheriff's Discretionary	6,761	115,842	121,002	1,601	47,337	46,312	2,626
Noxious Weed	4,932	-	-	4,932	-	-	4,932
Total	<u>\$ 2,311,381</u>	<u>\$ 3,755,017</u>	<u>\$ 3,926,355</u>	<u>\$ 2,140,043</u>	<u>\$ 2,970,724</u>	<u>\$ 2,905,658</u>	<u>\$ 2,205,109</u>

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

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND Year Ended December 31,				
	2008		2009	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 105,000	\$ 104,654	\$ 105,000	\$ 108,042
Sales taxes	531,500	516,725	501,000	492,830
Intergovernmental	49,827	50,265	39,950	43,045
Charges for services	341,595	430,392	363,970	378,230
Interest	20,000	13,986	12,000	2,174
Other	50,280	14,967	14,665	13,264
Transfers in	34,060	29,060	37,505	37,505
Total Receipts	<u>\$ 1,132,262</u>	<u>\$ 1,160,049</u>	<u>\$ 1,074,090</u>	<u>\$ 1,075,090</u>
DISBURSEMENTS				
County Commission	\$ 131,680	\$ 127,476	\$ 119,230	\$ 110,286
County Clerk	72,570	69,936	73,665	71,767
Elections	99,780	99,921	50,500	45,619
Buildings and grounds	395,750	103,023	390,944	65,148
Employee fringe benefits	109,650	97,860	123,900	108,895
Collector	114,600	112,040	130,829	114,448
Recorder of Deeds	70,600	67,469	71,062	69,231
Circuit Clerk	31,402	22,810	36,250	24,836
Court administration	17,740	17,141	22,325	17,344
Public Administrator	52,998	57,588	61,250	54,159
Prosecuting Attorney	106,675	101,344	102,644	96,330
Juvenile Officer	21,940	18,998	23,200	20,746
Coroner	14,500	14,017	21,850	20,113
Other County Government	148,050	118,093	143,065	116,844
Health and Welfare	16,355	15,458	17,310	19,650
Emergency fund	34,500	-	32,225	-
Transfers out	35,568	16,117	64,800	-
Total Disbursements	<u>\$ 1,474,358</u>	<u>\$ 1,059,291</u>	<u>\$ 1,485,049</u>	<u>\$ 955,416</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (342,096)	\$ 100,758	\$ (410,959)	\$ 119,674
CASH, JANUARY 1	<u>394,320</u>	<u>394,320</u>	<u>495,078</u>	<u>495,078</u>
CASH, DECEMBER 31	<u><u>\$ 52,224</u></u>	<u><u>\$ 495,078</u></u>	<u><u>\$ 84,119</u></u>	<u><u>\$ 614,752</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH -
BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,160,900	1,082,014	630,000	652,610	50,650	33,104	33,104	63,670
Charges for services	-	-	-	-	100,000	97,799	97,000	103,499
Interest	50,000	25,310	15,000	6,899	1,000	758	757	148
Other	2,000	204,570	1,000	17,071	60	127	123	2
Transfers in	1,268	-	-	-	34,300	14,850	64,800	-
Total Receipts	<u>\$ 1,214,168</u>	<u>\$ 1,311,894</u>	<u>\$ 646,000</u>	<u>\$ 676,580</u>	<u>\$ 186,010</u>	<u>\$ 146,638</u>	<u>\$ 195,784</u>	<u>\$ 167,319</u>
DISBURSEMENTS								
Salaries	\$ 157,815	\$ 116,251	\$ 160,000	104,893	\$ 100,365	\$ 100,177	\$ 96,361	\$ 97,959
Employee fringe benefits	48,025	28,876	44,050	28,944	28,115	21,823	32,500	25,014
Materials and Supplies	517,050	200,189	564,300	200,918	23,500	11,335	32,400	8,120
Services and Other	1,258,000	863,552	215,500	126,438	34,000	13,263	34,500	13,332
Capital Outlay	75,000	581	25,000	3,165	-	-	-	-
Construction	390,000	249,751	620,000	254,282	-	-	-	-
Transfers out	27,060	27,060	115,144	115,144	-	-	-	-
Total Disbursements	<u>\$ 2,472,950</u>	<u>\$ 1,486,260</u>	<u>\$ 1,743,994</u>	<u>\$ 833,784</u>	<u>\$ 185,980</u>	<u>\$ 146,598</u>	<u>\$ 195,761</u>	<u>\$ 144,425</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (1,258,782)	\$ (174,366)	\$ (1,097,994)	\$ (157,204)	\$ 30	\$ 40	\$ 23	\$ 22,894
CASH, JANUARY 1	<u>1,282,278</u>	<u>1,282,278</u>	<u>1,107,912</u>	<u>1,107,912</u>	<u>4</u>	<u>4</u>	<u>44</u>	<u>44</u>
CASH, DECEMBER 31	<u>\$ 23,496</u>	<u>\$ 1,107,912</u>	<u>\$ 9,918</u>	<u>\$ 950,708</u>	<u>\$ 34</u>	<u>\$ 44</u>	<u>\$ 67</u>	<u>\$ 22,938</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S FUND				PROSECUTING ATTORNEY BAD CHECK FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	7,000	5,662	5,000	5,720	-	-	-	-
Charges for services	-	-	-	-	10,000	7,877	6,000	5,734
Interest	2,000	1,063	1,000	128	1,350	728	600	122
Other	-	-	-	-	1,700	86	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 9,000</u>	<u>\$ 6,725</u>	<u>\$ 6,000</u>	<u>\$ 5,848</u>	<u>\$ 13,050</u>	<u>\$ 8,691</u>	<u>\$ 6,600</u>	<u>\$ 5,856</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	44,008	304	30,600	4,349	12,500	757	6,000	-
Services and Other	11,992	16,171	15,400	9,583	4,000	-	4,000	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	900	-	800
Total Disbursements	<u>\$ 56,000</u>	<u>\$ 16,475</u>	<u>\$ 46,000</u>	<u>\$ 13,932</u>	<u>\$ 16,500</u>	<u>\$ 1,657</u>	<u>\$ 10,000</u>	<u>\$ 800</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (47,000)	\$ (9,750)	\$ (40,000)	\$ (8,084)	\$ (3,450)	\$ 7,034	\$ (3,400)	\$ 5,056
CASH, JANUARY 1	<u>56,570</u>	<u>56,570</u>	<u>46,820</u>	<u>46,820</u>	<u>33,999</u>	<u>33,999</u>	<u>41,033</u>	<u>41,033</u>
CASH, DECEMBER 31	<u>\$ 9,570</u>	<u>\$ 46,820</u>	<u>\$ 6,820</u>	<u>\$ 38,736</u>	<u>\$ 30,549</u>	<u>\$ 41,033</u>	<u>\$ 37,633</u>	<u>\$ 46,089</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT SALES TAX FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	530,052	515,620	515,619	492,751	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	263,283	143,979	170,200	158,431	600	603	600	636
Interest	4,580	1,371	-	22	25	2	-	-
Other	58,558	118,256	87,000	102,722	-	70	100	-
Transfers in	13,200	47,443	120,084	101,379	-	900	900	800
Total Receipts	<u>\$ 869,673</u>	<u>\$ 826,669</u>	<u>\$ 892,903</u>	<u>\$ 855,305</u>	<u>\$ 625</u>	<u>\$ 1,575</u>	<u>\$ 1,600</u>	<u>\$ 1,436</u>
DISBURSEMENTS								
Salaries	\$ 468,085	\$ 393,028	\$ 396,074	\$ 384,560	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	116,825	112,160	108,150	107,744	-	-	-	-
Materials and Supplies	53,800	138,070	64,100	110,459	100	175	100	-
Services and Other	222,710	261,647	225,975	154,702	600	1,567	1,500	1,402
Capital Outlay	8,000	9,695	4,000	5,635	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 869,420</u>	<u>\$ 914,600</u>	<u>\$ 798,299</u>	<u>\$ 763,100</u>	<u>\$ 700</u>	<u>\$ 1,742</u>	<u>\$ 1,600</u>	<u>\$ 1,402</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 253	\$ (87,931)	\$ 94,604	\$ 92,205	\$ (75)	\$ (167)	\$ -	\$ 34
CASH, JANUARY 1	<u>(153)</u>	<u>(153)</u>	<u>(88,084)</u>	<u>(88,084)</u>	<u>167</u>	<u>167</u>	<u>-</u>	<u>-</u>
CASH, DECEMBER 31	<u>\$ 100</u>	<u>\$ (88,084)</u>	<u>\$ 6,520</u>	<u>\$ 4,121</u>	<u>\$ 92</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND				PETTY CASH FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	2,500	2,380	2,400	2,278	-	-	-	-
Interest	20	9	5	-	-	-	-	-
Other	3,331	1,106	1,100	1,193	1,200	451	1,000	274
Transfers in	-	1,155	-	-	-	-	-	-
Total Receipts	<u>\$ 5,851</u>	<u>\$ 4,650</u>	<u>\$ 3,505</u>	<u>\$ 3,471</u>	<u>\$ 1,200</u>	<u>\$ 451</u>	<u>\$ 1,000</u>	<u>\$ 274</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	1,000	140	1,000	-	-	-	-	-
Services and Other	4,710	4,015	3,600	8,399	1,200	451	1,000	274
Capital Outlay and Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,710</u>	<u>\$ 4,155</u>	<u>\$ 4,600</u>	<u>\$ 8,399</u>	<u>\$ 1,200</u>	<u>\$ 451</u>	<u>\$ 1,000</u>	<u>\$ 274</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 141	\$ 495	\$ (1,095)	\$ (4,928)	\$ -	\$ -	\$ -	\$ -
CASH, JANUARY 1	<u>601</u>	<u>601</u>	<u>1,096</u>	<u>1,096</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>
CASH, DECEMBER 31	<u>\$ 742</u>	<u>\$ 1,096</u>	<u>\$ 1</u>	<u>\$ (3,832)</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ELECTION FUND				911 EMERGENCY SERVICE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	289
Charges for services	6,500	686	600	2,653	100,900	96,239	85,100	102,390
Interest	200	71	40	10	17,500	9,227	4,000	1,310
Other	-	3,554	1,100	2,131	-	38,253	-	928
Transfers in	-	-	-	-	1,268	1,267	-	-
Total Receipts	<u>\$ 6,700</u>	<u>\$ 4,311</u>	<u>\$ 1,740</u>	<u>\$ 4,794</u>	<u>\$ 119,668</u>	<u>\$ 144,986</u>	<u>\$ 89,100</u>	<u>\$ 104,917</u>
DISBURSEMENTS								
Salaries	-	-	-	-	-	-	-	-
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	1,750	2,463	1,750	-	64,800	58,623	66,650	77,369
Services and Other	6,000	3,416	1,300	2,378	143,600	45,986	338,300	30,278
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	2,000	2,000	445	445	-	-	-	-
Total Disbursements	<u>\$ 9,750</u>	<u>\$ 7,879</u>	<u>\$ 3,495</u>	<u>\$ 2,823</u>	<u>\$ 208,400</u>	<u>\$ 104,609</u>	<u>\$ 404,950</u>	<u>\$ 107,647</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (3,050)	\$ (3,568)	\$ (1,755)	\$ 1,971	\$ (88,732)	\$ 40,377	\$ (315,850)	\$ (2,730)
CASH, JANUARY 1	<u>5,352</u>	<u>5,352</u>	<u>1,784</u>	<u>1,784</u>	<u>446,972</u>	<u>446,972</u>	<u>487,349</u>	<u>487,349</u>
CASH, DECEMBER 31	<u>\$ 2,302</u>	<u>\$ 1,784</u>	<u>\$ 29</u>	<u>\$ 3,755</u>	<u>\$ 358,240</u>	<u>\$ 487,349</u>	<u>\$ 171,499</u>	<u>\$ 484,619</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LOCAL USE SALES TAX FUND				CRISIS INTERVENTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	199	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	2,400	1,022	200	20	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,400</u>	<u>\$ 1,022</u>	<u>\$ 200</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 199</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	40,000	46,170	-	-	-	-	-	-
Services and Other	-	6,750	-	-	700	55	900	282
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 40,000</u>	<u>\$ 52,920</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ 55</u>	<u>\$ 900</u>	<u>\$ 282</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (37,600)	\$ (51,898)	\$ 200	\$ 20	\$ (700)	\$ 144	\$ (900)	\$ (282)
CASH, JANUARY 1	<u>58,897</u>	<u>58,897</u>	<u>6,999</u>	<u>6,999</u>	<u>766</u>	<u>766</u>	<u>910</u>	<u>910</u>
CASH, DECEMBER 31	<u>\$ 21,297</u>	<u>\$ 6,999</u>	<u>\$ 7,199</u>	<u>\$ 7,019</u>	<u>\$ 66</u>	<u>\$ 910</u>	<u>\$ 10</u>	<u>\$ 628</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LOCAL EMERGENCY PLANNING COMMITTEE FUND				COLLECTOR'S TAX MAINTENANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	1,634	5,213	7,028	-	-	-	-
Charges for services	-	-	-	-	10,000	13,634	13,700	14,328
Interest	-	-	-	-	750	474	400	95
Other	3,300	5,573	660	1,026	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,300</u>	<u>\$ 7,207</u>	<u>\$ 5,873</u>	<u>\$ 8,054</u>	<u>\$ 10,750</u>	<u>\$ 14,108</u>	<u>\$ 14,100</u>	<u>\$ 14,423</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	850	839	2,700	2,324	5,000	209	12,500	476
Services and Other	1,900	7,087	2,030	3,914	7,500	526	6,500	10,348
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	5,000	-	10,000	10,000
Total Disbursements	<u>\$ 2,750</u>	<u>\$ 7,926</u>	<u>\$ 4,730</u>	<u>\$ 6,238</u>	<u>\$ 17,500</u>	<u>\$ 735</u>	<u>\$ 29,000</u>	<u>\$ 20,824</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 550	\$ (719)	\$ 1,143	\$ 1,816	\$ (6,750)	\$ 13,373	\$ (14,900)	\$ (6,401)
CASH, JANUARY 1	<u>2,774</u>	<u>2,774</u>	<u>2,055</u>	<u>2,055</u>	<u>16,941</u>	<u>16,941</u>	<u>30,314</u>	<u>30,314</u>
CASH, DECEMBER 31	<u>\$ 3,324</u>	<u>\$ 2,055</u>	<u>\$ 3,198</u>	<u>\$ 3,871</u>	<u>\$ 10,191</u>	<u>\$ 30,314</u>	<u>\$ 15,414</u>	<u>\$ 23,913</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI

COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S DISCRETIONARY FUND				NOXIOUS WEED FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	25,695	29,979	33,000	26,159	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	91,380	85,863	6,500	21,178	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 117,075</u>	<u>\$ 115,842</u>	<u>\$ 39,500</u>	<u>\$ 47,337</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	2,500	2,745	6,000	10,883	-	-	-	-
Services and Other	97,880	69,659	-	22,134	4,930	-	4,930	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	13,200	48,598	32,000	13,295	-	-	-	-
Total Disbursements	<u>\$ 113,580</u>	<u>\$ 121,002</u>	<u>\$ 38,000</u>	<u>\$ 46,312</u>	<u>\$ 4,930</u>	<u>\$ -</u>	<u>\$ 4,930</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 3,495	\$ (5,160)	\$ 1,500	\$ 1,025	\$ (4,930)	\$ -	\$ (4,930)	\$ -
CASH, JANUARY 1	<u>6,761</u>	<u>6,761</u>	<u>1,601</u>	<u>1,601</u>	<u>4,932</u>	<u>4,932</u>	<u>4,932</u>	<u>4,932</u>
CASH, DECEMBER 31	<u><u>\$ 10,256</u></u>	<u><u>\$ 1,601</u></u>	<u><u>\$ 3,101</u></u>	<u><u>\$ 2,626</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 4,932</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 4,932</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

BARTON COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 and 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BARTON County, Missouri ("County") is governed by a three-member board of commissioners. In addition to the three board members, there are nine elected Constitutional Officers: Assessor, County Clerk, Circuit Clerk, Recorder, Coroner, Prosecuting Attorney, Public Administrator, Sheriff, and Collector - Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by the Missouri State Auditor's Office, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Barton County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, offices that are considered by the Missouri State Auditor's Office to comprise the County's legal entity.

Certain elected County officials, particularly the County Collector, Treasurer, Circuit Clerk and Sheriff, collect and hold monies in a trustee capacity as an agent of individuals, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are not reported on the accompanying financial statements.

B. Basis of Presentation

Governmental Funds - Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County's funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds.

C. 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.

D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.

9. Section 50.740 RSMo. Prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

<u>Fund</u>	<u>2009</u>	<u>2008</u>
Law Enforcement Sales Tax	N/A	✓
Prosecuting Attorney Training	N/A	✓
Law Enforcement Training	✓	N/A
Local Use Sales Tax	N/A	✓
Local Emergency Preparedness Committee	✓	✓
Sheriff's Discretionary	✓	✓

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in October and November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2009 and 2008, for purposes of taxation was:

	<u>2009</u>	<u>2008</u>
Real Estate	\$ 102,835,590	\$ 101,309,250
Personal Property	55,745,986	63,301,320
Railroad and Utilities	14,261,253	14,398,971

During 2009 and 2008, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2009 and 2008, for purposes of County taxation, as follows:

	<u>2009</u>	<u>2008</u>
General Revenue Fund	\$ 0.0500	\$ 0.0500

- F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing.

Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "Cash" under each fund's caption.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2009 and 2008, the carrying amounts of the County's deposits were \$2,205,109 and \$2,140,043, respectively, and the bank balances were \$2,426,914 and \$2,465,493, respectively. Of the bank balances, \$255,679 and \$254,675 for December 31, 2009 and December 31, 2008, respectively, were covered by federal depository insurance, \$561,035 and \$1,415,074, respectively, were covered by the FDIC Temporary Liquidity Guarantee Program, and the remainder were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

At December 31, 2009 and 2008, the County Collector held, in addition to the cash and cash equivalents listed above, cash representing collections of property taxes on behalf of various taxing districts in the County, including the County General Revenue, and Special Road and Bridge funds. These amounts, all of which were secured by pledged collateral, amounted to \$5,091,836 and \$5,677,423 at December 31, 2009 and 2008, respectively.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. County Employees' Retirement Fund (CERF)

The County Employee's Retirement Fund was established by the state of Missouri to provide pension benefits for County officials and employees.

1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter

form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of nine persons.

2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age sixty. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, P.O. Box 2271, Jefferson City, MO 65102-2271, or by calling 1-573-632-9203.

3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002, in order to participate in CERF. During 2009 and 2008, the County collected and remitted to CERF employee contributions of approximately \$ 64,673 and \$ 76,866, respectively, for the years then ended.

4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

5. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides full time employees with up to 30 days of sick leave -- to accrue at one day per complete calendar month of employment. Upon termination, an employee will not be compensated for accumulated sick leave. Vacation time is accrued for every full time employee, and accrues at the rate of one day per month up to one and one-half days per month depending on the length of employment. Employees may accrue up to fifteen days of vacation. Upon termination, an employee will be compensated for accumulated vacation time.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Rural Services Workers Compensation Insurance Trust Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

7. CHANGE IN REPORTING ENTITY

The County has changed its definition of the reporting entity, as of January 1, 2008, to exclude certain funds pertaining to the Circuit Court. The effect of the aforementioned change in reporting entity is to decrease cash balances of the agency funds as previously reported at December 31, 2007 by the amount representing cash balances of the funds pertaining to the Circuit Court.

8. LONG TERM DEBT

The County's outstanding debt at December 31, 2009 consisted of \$14,086 owed on a capital lease of four Ford F 150 trucks by the Sheriff's department. The lease is scheduled to be paid in twelve quarterly payments of \$7,043 including interest at 5.60% annually. The final payment was scheduled for July, 2010. Payments were made using available monies in the Law Enforcement Sales Tax Fund.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES

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 Barton County, Missouri

We have audited the accompanying financial statements of Barton County, Missouri as of and for the years ended December 31, 2009 and 2008, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated July 26, 2010. 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, we considered Barton County, Missouri's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Barton County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Barton County, Missouri's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Barton County, Missouri's financial statements are free of material misstatement, we performed tests of its 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and recommendations as item 1.

We also noted two immaterial instances of noncompliance that we reported to management of Barton County, Missouri, in the accompanying schedule of findings and recommendations section as items 2 and 3.

Barton County, Missouri's response to the findings identified in our audit is described in the accompanying schedule of findings and recommendations. We did not audit Barton County, Missouri's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Commission, County Officeholders, the Missouri State Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

(Original Signed by Auditor)

McBride, Lock & Associates
July 26, 2010

McBRIDE, LOCK & ASSOCIATES

AUDITORS' 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 Barton County, Missouri

Compliance

We have audited the compliance of Barton County, Missouri, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2009 and 2008. Barton County, Missouri's major federal program is identified in the summary of auditor's results section of the accompanying schedule of federal findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Barton County, Missouri's management. Our responsibility is to express an opinion on Barton County, Missouri's compliance based on our audits.

We conducted our audits 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 Barton County, Missouri's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinion. Our audits do not provide a legal determination of Barton County, Missouri's compliance with those requirements.

In our opinion, Barton County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2009 and 2008. The results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

The management of Barton 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 audits, we considered Barton County, Missouri'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, and to test and report on internal control over compliance in accordance with OMB Circular A-133 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Barton County, Missouri's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the County Commission, County Officeholders, the Missouri State Auditor, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McBride, Lock & Associates
July 26, 2010

BARTON COUNTY
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,	
			2009	2008
U.S. DEPARTMENT OF JUSTICE				
	Direct programs:			
16.710	Public Safety Partnership and Community Policing Grants	COPS 06 & 07	5,183	41,575
	Passed through:			
	State Department of Public Safety -			
16.579	Edward Byrne Memorial Formula Grant Program		4,024	29,773
16.727	Enforcing Underage Drinking Laws Program			1,886
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state:			
	Highway and Transportation Commission -			
20.205	Highway Planning and Construction	BRO -B006 (15)	30,844	238,342
		BRO - B006 (16)		191,853
20.614	Click It or Ticket		965	992
	Department of Public Safety -			
20.601	Hazardous Moving Violations		3,295	5,520
	DWI Enforcement		5,450	3,220
ELECTION ASSISTANCE COMMISSION				
	Passed through the Office of Secretary of State -			
90.401	Help America Vote Act Requirements Payments		1,056	613
	Poll Worker Training Program		1,075	2,341
U. S. DEPARTMENT OF HOMELAND SECURITY				
	Passed through State Department of Public Safety:			
	State Emergency Management Agency			
97.036	Public Assistance Grants	FEMA-1736-DR-MO	4,955	37,165
	Public Assistance Grants	FEMA-1847-DR-MO	11,018	
	Public Assistance Grants	FEMA-1749-DR-MO		166,219
97.042	Emergency Management Performance Grants		6,188	1,604
97.053	Citizens Corp. Grant			2,854
Total Expenditures of Federal Awards			\$ 74,053	\$ 723,957

BARTON COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditure of Federal Awards (the Schedule) summarizes activity of the County's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B – MATCHING REQUIREMENTS

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally funded programs. The expenditure of non-Federal matching funds is not included on the Schedule.

NOTE C – SUBRECIPIENTS

The County provided no federal awards to sub-recipients during the years ended December 31, 2009 and 2008.

BARTON COUNTY, MISSOURI
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 2009 AND 2008

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of Auditors' Report Issued: Unqualified

Internal Control Over Financial Reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None Reported
- Noncompliance material to financial statements noted? ☒ Yes ☐ No

Federal Awards:

Internal Control Over Major Programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ 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? ☐ Yes ☒ No

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$300,000

Auditee Qualified as low-risk: ☐ Yes ☒ No

SECTION II – FINANCIAL STATEMENT FINDINGS

See findings on pages 26, as follows:

1. Budgetary Controls
2. Accounting for Transfers
3. Timely Filing of the Collector's Annual Settlement

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION IV – FOLLOW-UP ON PRIOR YEAR'S FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

FINDINGS AND RECOMMENDATIONS

BARTON COUNTY, MISSOURI
FINDINGS AND RECOMMENDATIONS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

None

ITEMS OF NONCOMPLIANCE

1. Budgetary Controls

Condition: The County Commission did not exercise adequate budgetary control over a number of funds during the audit period. Two significant areas of concern were noted. They are:

- a) During the audit period, there were 6 different funds for which expenditures were approved for payment which exceed the approved budget. These funds were:
- Law Enforcement Sales Tax – 2008
 - Prosecuting Attorney Training – 2008
 - Law Enforcement Training – 2009
 - Local Use Sales Tax – 2008
 - L.E.P.C. – 2008 and 2009
 - Sheriff's Discretionary – 2008 and 2009

RSMo 50.740 prohibits expenditures in excess of the approved budgets.

- b) Deficit cash positions

Two funds during the audit period reported expended cash in excess of the cash balance in the fund. The funds and amounts for which this occurred are as follows:

<u>Fund</u>	<u>Year</u>	<u>Negative Balance</u>
Law Enforcement Sales Tax	2008	\$ 88,084
Law Enforcement Training	2009	3,832

Use of funds in excess of available balances creates an implicit borrowing on other funds which can also result in statutory violations pertaining to the use of those funds.

Budgetary controls are significant to the proper management and custodianship of county funds. Compliance with statutory requirements related to budgets will improve controls over county funds and help maintain the integrity of the budget process.

Recommendation: We recommend that the County adopt complete formal budgets for all funds as required by law. We also recommend the County strictly adhere to the authorized spending limits as documented in the adopted County budget. If spending needs are deemed to make the existing budgetary authority inappropriate, appropriate procedures should be undertaken to amend the budget in a public meeting. Finally, the County Commission should not authorize any expenditure which results in, or increases the negative cash balance of a fund.

County's Response: We will make efforts to comply.

Auditor's Evaluation: The response is appropriate to correct the concern.

OTHER MATTERS

In planning and performing our audit of the financial statements of Barton County, Missouri (the County) as of and for the years ended December 31, 2008 and 2009, in accordance with generally accepted government auditing standards, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are summarized below. We previously reported on the County's internal control in our report dated July 26, 2010. (A separate report dated July 26, 2010 contains our report on significant deficiencies in the County's internal control). This document does not affect our report dated July 26, 2010.

2. Accounting for Transfers

Condition: The financial statements of the County as presented in the annual budget document present transfers between funds. However, in 2008 we noted that some transfers were mislabeled as salary reimbursements or "reimbursement – other funds". We also noted that transfers were properly accounted for in 2009.

The financial statements included in this report have been adjusted so that transfers in and out between funds are equal as of December 31, 2008 and 2009.

Recommendation: In order to ensure that transfers are properly reported and are in balance (transfers to other funds equal transfers from other funds), we recommend the transfers be clearly identified as transfers and presented in the budget within the Transfer category. Other types of transactions should not be presented in the Transfers Category.

County Response: Efforts will be made to see that transfers made match budgeted amounts.

Auditor's Evaluation: The response is appropriate to correct the concern.

3. Timely Filing of the Collector's Settlement

Condition: The Collector filed annual settlements later than the due date of the first Monday in March in 2008, 2009 and 2010. The settlement for the period ending February 29, 2008 was filed on July 21, 2008. The settlement for the period ending February 28, 2009 was filed on April 1, 2009. The settlement for the period ending February 28, 2010 was filed on March 19, 2010.

Recommendation: We recommend that the County Collector establish procedures to ensure that future settlements are submitted by the required date.

County's Response: Steps are being implemented to comply.

Auditor's Evaluation: The response is appropriate to correct the concern.

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

In accordance with Government Auditing Standards, this section reports the auditors' follow-up on action taken by Barton County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2007 and 2006.

1. State Statutes provide that the duties of property assessment, property tax billing and property tax collection be handled by separate offices within the counties. This separation is designed to eliminate the ability of any one official to initiate and conceal an irregularity with respect to property taxes. The property tax system at Barton County is not in accordance with the statutes and does not provide for separation of incompatible functions. While the Assessor determines and documents the original assessed values, subsequent changes to those values can be made by the Collector. Because the Collector can access the property tax system and adjust tax bills, any cash collection that was not recorded or deposited could be concealed by simply abating the tax bill.

Status – Resolved. Subsequent changes to assessed values can no longer be changed by the Collector. The Governmentor system password protects the Assessor's information that is provided to the Collector.

2. Checks are listed as outstanding on the month-end bank statement that are not actually written until the following month. The Collector records these checks as though they were written in the month prior to their actual date and reduces the recorded cash balance accordingly. This practice results in inaccurate accounting records and a misstatement of the month-end cash balance for the Collector. We understand the importance of reconciling cash to the Collector's Monthly Settlement, however, a reconciliation between cash in the bank and cash per the accounting records at month-end should also be prepared.

Status – This finding is resolved. The Collector begins with the ending balance per bank statement and then makes several adjustments to bring the cash balance to zero. One of these adjustments is the total for the Collector's monthly settlement. This amount represents present tax collections that have already been deposited into the Collector's bank account, and that have already been obligated to be distributed in the following month to various county entities. This is done so that the Collector can identify, and justify all the items that make up the bank account balance and also ensures that all transactions have been properly recorded. Because the Collector's reconciliation is unique and organized to reconcile the bank statement to zero, this gave the prior auditor the impression that the Collector is recording checks in one month and writing them in the next.

3. Goods and services are procured by individual department heads and invoices are forwarded to the County Clerk. The County Clerk then enters all invoices into the computer system. Next, all checks for that period are printed and signed by the County Clerk and Treasurer. The invoices, a summary of all invoices for that period, and signed checks are taken to the Commission for review and approval, and for the Presiding Commissioner to sign. The invoices are not initialed, cancelled or stamped "Paid" when they are approved.

Status – Resolved. All invoices tested were stamped “Paid” and initialed.

4. The Sheriff’s office seeks and retains bid information regarding fuel for the Sheriff’s Department. The bid for fuel has generally been awarded to the only gas station in the town that allows for twenty-four hour access to gas. A component of the service provided is the issuance to each Sheriff’s Department officer of a fuel charge card to purchase gas at this station. However, a review of the contract between the County and the gas station revealed that the contract does not limit use of the charge card to fuel and other patrol car necessities.

Status – Resolved. The County discontinued of fuel cards to purchase fuel with the local gas station. This has been replaced with Voyager Cards, per contract, which can be used all over the state and for fuel purchases only. A review of invoices revealed no indication of purchases for other than fuel.

5. The County Clerk’s office does not prepare or retain written job descriptions for all employees. We were informed by the County Clerk that the County had no written job descriptions. Such documentation provides guidance for employees as to their job requirements and the County’s expectations. Job descriptions also can be useful as a training tool, for performance evaluations, for purposes of setting and reviewing compensation, and as documentation of agreed-upon employee duties in the event of a dispute.

Status - This finding is resolved. Job descriptions for staff positions were provided.