



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Crawford County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Crawford County, and issues a separate report on that audit. In addition, in cooperation with the county, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2008, 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

July 2010
Report No. 2010-73

ANNUAL FINANCIAL REPORT

CRAWFORD COUNTY, MISSOURI

For the Years Ended
December 31, 2008 and 2007

CRAWFORD COUNTY, MISSOURI

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

List of Elected Officials	i
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FINANCIAL SECTION

Independent Auditors' Report	ii
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BASIC FINANCIAL STATEMENTS:

Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis	1
Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – All Governmental Funds – Regulatory Basis	2
Notes to Financial Statements	16

COMPLIANCE SECTION

AUDITORS' REPORTS PURSUANT TO GOVERNMENTAL AUDITING STANDARDS

Auditors' 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	24
Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	26
Schedule of Expenditures of Federal Awards	28
Notes to Schedule of Federal Expenditures of Federal Awards	29
Schedule of Federal Findings and Questioned Costs	30
Findings and Recommendations	32
Schedule of Prior Year Audit Findings	39

INTRODUCTORY SECTION

CRAWFORD COUNTY, MISSOURI
List of Elected Officials

County Commission

Presiding Commissioner – Ed Worley

Associate Commissioner – John Hewkin

Associate Commissioner – Richard Martin

Other Elected Officials

Assessor – Kerry Summers Sr.

Circuit Clerk, Recorder – Rhonda Jurgens

Collector – Linda Branson

Coroner – Paul Hutson

County Clerk – Connie Smith

Prosecuting Attorney – Sid Pearson

Public Administrator – Franky Todd

Sheriff – Randy Martin

Treasurer – Jessica Easler

Recorder – Sandy Cook

McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the County Commission and
Officeholders of Crawford County, Missouri

We have audited the accompanying financial statements of Crawford County, Missouri as of and for the years ended December 31, 2008 and 2007, 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 an opinion on these financial statements based on our audits.

Except as explained in the fifth paragraph below, 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, Crawford 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 Crawford County, Missouri, as of December 31, 2008 and 2007, or the changes in its financial position for the years then ended.

As described more fully in Note 8, the County has not maintained adequate accounting records for the year ended December 31, 2006, and we were unable to form an opinion regarding the amounts at which cash is recorded in the accompanying financial statements as of January 1, 2007.

In our opinion, except for the effects on the 2007 financial statements of such adjustments, if any, as might have been determined to be necessary had we been able to substantiate the recorded cash balances as of January 1, 2007, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash balances of the funds of Crawford County, Missouri, as of December 31, 2008 and 2007, and the receipts, 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 May 7, 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 read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crawford 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
May 7, 2010

FINANCIAL SECTION

CRAWFORD COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2007 AND 2008

Fund	Cash January 1, 2007 (Note 8)	Receipts 2007	Disbursements 2007	Cash December 31, 2007	Receipts 2008	Disbursements 2008	Cash December 31, 2008
General Revenue	\$ 327,635	\$ 2,538,944	\$ 2,585,704	\$ 280,875	\$ 2,653,258	\$ 2,656,005	\$ 278,128
Special Road and Bridge	637,030	2,245,568	2,156,229	726,369	2,294,700	2,268,477	752,592
Assessment	95,323	266,881	294,126	68,078	263,374	246,798	84,654
Children's Trust	1,269	1,621	2,890	-	1,183	1,183	-
Tax Maintenance	32,104	52,847	35,216	49,735	42,905	40,220	52,420
Records Preservation	21,536	14,962	11,030	25,468	13,244	10,692	28,020
Law Enforcement Training	9,113	7,126	6,255	9,984	8,199	6,525	11,658
Prosecuting Attorney Bad Check	8,435	20,409	19,819	9,025	15,472	15,550	8,947
Prosecuting Attorney Training	1,104	1,117	1,811	410	1,309	942	777
Prosecuting Attorney Tax Collection	1,980	853	1,748	1,085	18,202	2,259	17,028
Courthouse and Jail Capital Improvement	251,154	141,587	123,342	269,399	146,635	217,942	198,092
Law Enforcement Equipment	65,734	63,030	47,751	81,013	141,636	118,147	104,502
American Disability Act	58,501	2,432	4,285	56,648	4,081	3,391	57,338
Inmate Security	10,436	4,454	-	14,890	6,228	2,625	18,493
Sheriff Special	42,607	53,159	45,021	50,745	72,782	83,216	40,311
Family Access	1,134	-	-	1,134	85	-	1,219
Election Services	16,733	434	11,255	5,912	1,496	2,307	5,101
Recorder's Technology	10,302	7,594	7,725	10,171	6,813	10,496	6,488
County Jail Project	115,853	1,734,042	1,801,954	47,941	2,030,883	1,963,342	115,482
Sheriff's Revolving	12,415	7,881	10,000	10,296	18,875	6,241	22,930
Law Enforcement Restitution	47,844	50,327	35,302	62,869	60,458	60,672	62,655
Scenic Railway	50,000	51,842	28,833	73,009	3,162	45,277	30,894
Global Imaging System	-	136,598	125,802	10,796	22,768	30,160	3,404
E911 Communications	357,063	431,478	438,436	350,105	434,139	427,181	357,063
Senior Citizen Services	21,229	113,083	101,731	32,581	116,135	101,603	47,113
Criminal Cost	49,831	184,514	106,062	128,283	186,440	273,731	40,992
Total	<u>\$ 2,246,365</u>	<u>\$ 8,132,783</u>	<u>\$ 8,002,327</u>	<u>\$ 2,376,821</u>	<u>\$ 8,564,462</u>	<u>\$ 8,594,982</u>	<u>\$ 2,346,301</u>

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

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

	GENERAL FUND			
	Year Ended December 31,			
	2007		2008	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 280,000	\$ 168,987	\$ 253,000	\$ 274,729
Sales taxes	980,000	955,278	950,000	943,673
Intergovernmental	646,101	765,570	760,519	706,823
Charges for services	524,000	481,015	531,291	503,520
Interest	14,000	11,220	10,000	23,717
Other	334,300	105,126	133,060	150,795
Transfers in	60,891	51,748	50,500	50,001
Total Receipts	<u>\$ 2,839,292</u>	<u>\$ 2,538,944</u>	<u>\$ 2,688,370</u>	<u>\$ 2,653,258</u>
DISBURSEMENTS				
County Commission	\$ 104,952	\$ 100,334	\$ 98,652	\$ 99,912
County Clerk	100,090	105,149	108,363	93,797
Elections	78,138	79,037	153,792	179,422
Buildings and grounds	90,447	95,505	100,773	101,682
Employee fringe benefits	17,558	15,691	14,500	6,578
Treasurer	48,822	50,047	49,425	49,146
Collector	123,256	133,669	114,965	135,843
Recorder of Deeds	89,203	89,117	100,827	92,946
Circuit Clerk	20,064	19,822	20,433	22,124
Associate Circuit Court	16,409	15,424	16,363	12,964
Court administration	15,047	10,638	12,550	7,224
Public Administrator	44,774	44,776	49,689	45,184
Sheriff	517,008	534,855	591,635	582,041
Jail	240,000	83,454	-	-
Prosecuting Attorney	275,038	278,501	287,181	293,210
Juvenile Officer	67,982	68,487	68,988	69,366
Coroner	37,753	33,371	38,802	32,570
Other general revenue	368,015	377,049	381,828	384,615
Health and welfare	396,793	426,469	437,275	421,725
Debt Services	23,008	24,309	23,891	25,656
Emergency fund	-	-	79,751	-
Total Disbursements	<u>\$ 2,674,357</u>	<u>\$ 2,585,704</u>	<u>\$ 2,749,683</u>	<u>\$ 2,656,005</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ 164,935	\$ (46,760)	\$ (61,313)	\$ (2,747)
CASH, JANUARY 1	<u>327,635</u>	<u>327,635</u>	<u>280,875</u>	<u>280,875</u>
CASH, DECEMBER 31	<u>\$ 492,570</u>	<u>\$ 280,875</u>	<u>\$ 219,562</u>	<u>\$ 278,128</u>

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

CRAWFORD 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,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 490,000	\$ 510,854	\$ 516,000	\$ 521,936	\$ -	\$ -	\$ -	\$ -
Sales taxes	775,000	730,437	736,000	719,688	-	-	-	-
Intergovernmental	837,000	822,301	806,000	720,986	265,000	259,359	253,000	256,066
Charges for services	1,200	345	400	1,325	2,300	2,535	2,500	-
Interest	56,000	36,660	32,000	58,547	5,000	4,669	5,000	7,308
Other	9,040	144,971	10,450	272,218	-	318	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,168,240</u>	<u>\$ 2,245,568</u>	<u>\$ 2,100,850</u>	<u>\$ 2,294,700</u>	<u>\$ 272,300</u>	<u>\$ 266,881</u>	<u>\$ 260,500</u>	<u>\$ 263,374</u>
DISBURSEMENTS								
Salaries	\$ 675,500	\$ 628,595	\$ 645,191	\$ 656,731	\$ 172,189	\$ 172,321	\$ 175,148	\$ 175,158
Employee fringe benefits	136,500	122,950	144,000	135,388	-	-	-	-
Materials and Supplies	480,000	515,621	510,000	576,384	22,407	21,025	21,250	20,675
Services and Other	867,300	839,063	560,700	598,697	41,103	100,780	50,000	40,965
Capital Outlay	280,000	-	356,000	221,441	-	-	-	-
Construction	55,000	-	55,000	9,836	-	-	-	-
Transfers out	50,000	50,000	50,000	70,000	-	-	-	10,000
Total Disbursements	<u>\$ 2,544,300</u>	<u>\$ 2,156,229</u>	<u>\$ 2,320,891</u>	<u>\$ 2,268,477</u>	<u>\$ 235,699</u>	<u>\$ 294,126</u>	<u>\$ 246,398</u>	<u>\$ 246,798</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (376,060)	\$ 89,339	\$ (220,041)	\$ 26,223	\$ 36,601	\$ (27,245)	\$ 14,102	\$ 16,576
CASH, JANUARY 1	<u>637,030</u>	<u>637,030</u>	<u>726,369</u>	<u>726,369</u>	<u>69,375</u>	<u>95,323</u>	<u>68,078</u>	<u>68,078</u>
CASH, DECEMBER 31	<u>\$ 260,970</u>	<u>\$ 726,369</u>	<u>\$ 506,328</u>	<u>\$ 752,592</u>	<u>\$ 105,976</u>	<u>\$ 68,078</u>	<u>\$ 82,180</u>	<u>\$ 84,654</u>

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

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

	CHILDREN'S TRUST FUND				TAX MAINTENANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 36,500	\$ 43,791	\$ 46,000	\$ 41,112
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,300	1,621	1,500	1,170	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	40	-	-	13	700	1,206	1,200	1,793
Other	-	-	-	-	-	7,850	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,340</u>	<u>\$ 1,621</u>	<u>\$ 1,500</u>	<u>\$ 1,183</u>	<u>\$ 37,200</u>	<u>\$ 52,847</u>	<u>\$ 47,200</u>	<u>\$ 42,905</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	1,144	15,000	13,066
Services and Other	1,000	2,890	1,500	1,183	40,300	34,072	9,000	22,145
Capital Outlay	-	-	-	-	-	-	-	5,009
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,000</u>	<u>\$ 2,890</u>	<u>\$ 1,500</u>	<u>\$ 1,183</u>	<u>\$ 40,300</u>	<u>\$ 35,216</u>	<u>\$ 24,000</u>	<u>\$ 40,220</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 340	\$ (1,269)	\$ -	\$ -	\$ (3,100)	\$ 17,631	\$ 23,200	\$ 2,685
CASH, JANUARY 1	<u>1,269</u>	<u>1,269</u>	<u>-</u>	<u>-</u>	<u>32,104</u>	<u>32,104</u>	<u>49,735</u>	<u>49,735</u>
CASH, DECEMBER 31	<u><u>\$ 1,609</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 29,004</u></u>	<u><u>\$ 49,735</u></u>	<u><u>\$ 72,935</u></u>	<u><u>\$ 52,420</u></u>

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

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

	RECORDS PRESERVATION FUND				LAW ENFORCEMENT TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	11,000	13,904	12,000	11,281	-	-	-	-
Charges for services	-	-	-	-	700	363	300	288
Interest	500	1,058	-	1,963	-	391	-	805
Other	-	-	-	-	62,730	6,372	6,000	7,106
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 11,500</u>	<u>\$ 14,962</u>	<u>\$ 12,000</u>	<u>\$ 13,244</u>	<u>\$ 63,430</u>	<u>\$ 7,126</u>	<u>\$ 6,300</u>	<u>\$ 8,199</u>
DISBURSEMENTS								
Salaries	\$ -	\$ 2,376	\$ 3,000	\$ 825	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	181	230	63	-	-	-	-
Materials and Supplies	250	-	-	-	-	-	-	-
Services and Other	5,000	8,473	15,000	9,804	9,000	6,255	6,000	6,525
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,250</u>	<u>\$ 11,030</u>	<u>\$ 18,230</u>	<u>\$ 10,692</u>	<u>\$ 9,000</u>	<u>\$ 6,255</u>	<u>\$ 6,000</u>	<u>\$ 6,525</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 6,250	\$ 3,932	\$ (6,230)	\$ 2,552	\$ 54,430	\$ 871	\$ 300	\$ 1,674
CASH, JANUARY 1	<u>-</u>	<u>21,536</u>	<u>25,468</u>	<u>25,468</u>	<u>9,113</u>	<u>9,113</u>	<u>9,984</u>	<u>9,984</u>
CASH, DECEMBER 31	<u>\$ 6,250</u>	<u>\$ 25,468</u>	<u>\$ 19,238</u>	<u>\$ 28,020</u>	<u>\$ 63,543</u>	<u>\$ 9,984</u>	<u>\$ 10,284</u>	<u>\$ 11,658</u>

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

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

	PROSECUTING ATTORNEY BAD CHECK FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	16,300	20,136	21,000	14,778	1,350	1,111	1,500	1,266
Interest	50	263	150	694	-	6	6	43
Other	-	10	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 16,350</u>	<u>\$ 20,409</u>	<u>\$ 21,150</u>	<u>\$ 15,472</u>	<u>\$ 1,350</u>	<u>\$ 1,117</u>	<u>\$ 1,506</u>	<u>\$ 1,309</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	16,000	19,819	22,305	15,550	1,900	1,811	1,900	942
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 16,000</u>	<u>\$ 19,819</u>	<u>\$ 22,305</u>	<u>\$ 15,550</u>	<u>\$ 1,900</u>	<u>\$ 1,811</u>	<u>\$ 1,900</u>	<u>\$ 942</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 350	\$ 590	\$ (1,155)	\$ (78)	\$ (550)	\$ (694)	\$ (394)	\$ 367
CASH, JANUARY 1	<u>8,435</u>	<u>8,435</u>	<u>9,025</u>	<u>9,025</u>	<u>1,104</u>	<u>1,104</u>	<u>410</u>	<u>410</u>
CASH, DECEMBER 31	<u>\$ 8,785</u>	<u>\$ 9,025</u>	<u>\$ 7,870</u>	<u>\$ 8,947</u>	<u>\$ 554</u>	<u>\$ 410</u>	<u>\$ 16</u>	<u>\$ 777</u>

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

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

	PROSECUTING ATTORNEY TAX COLLECTION FUND				COURTHOUSE & JAIL CAPITAL IMPROVEMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	135,000	129,857	130,000	127,004
Intergovernmental	-	-	-	-	20,000	-	-	-
Charges for services	1,200	809	1,000	17,380	-	-	-	-
Interest	20	44	50	822	12,000	11,730	5,000	16,631
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	3,000
Total Receipts	<u>\$ 1,220</u>	<u>\$ 853</u>	<u>\$ 1,050</u>	<u>\$ 18,202</u>	<u>\$ 167,000</u>	<u>\$ 141,587</u>	<u>\$ 135,000</u>	<u>\$ 146,635</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	30,000	53,924	195,000	133,886
Services and Other	-	-	-	-	218,000	69,418	80,700	84,056
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	2,000	1,748	2,000	2,259	-	-	-	-
Total Disbursements	<u>\$ 2,000</u>	<u>\$ 1,748</u>	<u>\$ 2,000</u>	<u>\$ 2,259</u>	<u>\$ 248,000</u>	<u>\$ 123,342</u>	<u>\$ 275,700</u>	<u>\$ 217,942</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (780)	\$ (895)	\$ (950)	\$ 15,943	\$ (81,000)	\$ 18,245	\$ (140,700)	\$ (71,307)
CASH, JANUARY 1	<u>1,980</u>	<u>1,980</u>	<u>1,085</u>	<u>1,085</u>	<u>251,154</u>	<u>251,154</u>	<u>269,399</u>	<u>269,399</u>
CASH, DECEMBER 31	<u><u>\$ 1,200</u></u>	<u><u>\$ 1,085</u></u>	<u><u>\$ 135</u></u>	<u><u>\$ 17,028</u></u>	<u><u>\$ 170,154</u></u>	<u><u>\$ 269,399</u></u>	<u><u>\$ 128,699</u></u>	<u><u>\$ 198,092</u></u>

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

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

	LAW ENFORCEMENT EQUIPMENT FUND				AMERICAN DISABILITY ACT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	4,910	5,000	10,892	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	2,956	2,000	6,937	3,000	2,432	2,000	4,081
Other	47,000	55,164	57,500	123,807	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 47,000</u>	<u>\$ 63,030</u>	<u>\$ 64,500</u>	<u>\$ 141,636</u>	<u>\$ 3,000</u>	<u>\$ 2,432</u>	<u>\$ 2,000</u>	<u>\$ 4,081</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	60,000	44,938	65,000	66,261	-	-	-	-
Services and Other	3,000	2,813	-	51,886	10,000	4,285	10,000	3,391
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 63,000</u>	<u>\$ 47,751</u>	<u>\$ 65,000</u>	<u>\$ 118,147</u>	<u>\$ 10,000</u>	<u>\$ 4,285</u>	<u>\$ 10,000</u>	<u>\$ 3,391</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (16,000)	\$ 15,279	\$ (500)	\$ 23,489	\$ (7,000)	\$ (1,853)	\$ (8,000)	\$ 690
CASH, JANUARY 1	<u>65,734</u>	<u>65,734</u>	<u>81,013</u>	<u>81,013</u>	<u>58,501</u>	<u>58,501</u>	<u>56,648</u>	<u>56,648</u>
CASH, DECEMBER 31	<u>\$ 49,734</u>	<u>\$ 81,013</u>	<u>\$ 80,513</u>	<u>\$ 104,502</u>	<u>\$ 51,501</u>	<u>\$ 56,648</u>	<u>\$ 48,648</u>	<u>\$ 57,338</u>

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

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

	INMATE SECURITY FUND				SHERIFF SPECIAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	4,000	3,934	4,000	4,969	50,000	51,546	50,000	69,767
Charges for services	-	-	-	-	-	-	-	-
Interest	100	520	500	1,259	2,000	1,613	1,000	3,015
Other	-	-	-	-	17,200	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 4,100	\$ 4,454	\$ 4,500	\$ 6,228	\$ 69,200	\$ 53,159	\$ 51,000	\$ 72,782
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	4,000	2,625	80,000	45,021	52,000	67,874
Capital Outlay	-	-	-	-	1,000	-	23,000	15,342
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 4,000	\$ 2,625	\$ 81,000	\$ 45,021	\$ 75,000	\$ 83,216
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 4,100	\$ 4,454	\$ 500	\$ 3,603	\$ (11,800)	\$ 8,138	\$ (24,000)	\$ (10,434)
CASH, JANUARY 1	10,436	10,436	14,890	14,890	42,607	42,607	50,745	50,745
CASH, DECEMBER 31	<u>\$ 14,536</u>	<u>\$ 14,890</u>	<u>\$ 15,390</u>	<u>\$ 18,493</u>	<u>\$ 30,807</u>	<u>\$ 50,745</u>	<u>\$ 26,745</u>	<u>\$ 40,311</u>

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

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

	FAMILY ACCESS FUND				ELECTION SERVICES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	1,113
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	85	500	434	500	383
Other	-	-	-	-	2,000	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 2,500</u>	<u>\$ 434</u>	<u>\$ 500</u>	<u>\$ 1,496</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	10,000	11,255	5,000	2,307
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 11,255</u>	<u>\$ 5,000</u>	<u>\$ 2,307</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 85	\$ (7,500)	\$ (10,821)	\$ (4,500)	\$ (811)
CASH, JANUARY 1	<u>1,134</u>	<u>1,134</u>	<u>1,134</u>	<u>1,134</u>	<u>16,733</u>	<u>16,733</u>	<u>5,912</u>	<u>5,912</u>
CASH, DECEMBER 31	<u>\$ 1,134</u>	<u>\$ 1,134</u>	<u>\$ 1,134</u>	<u>\$ 1,219</u>	<u>\$ 9,233</u>	<u>\$ 5,912</u>	<u>\$ 1,412</u>	<u>\$ 5,101</u>

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

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

	RECORDER'S TECHNOLOGY FUND				COUNTY JAIL PROJECT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	900,000	865,568	850,000	852,703
Intergovernmental	-	-	-	-	-	41,449	278,000	-
Charges for services	12,375	7,048	6,875	6,181	795,000	717,075	800,000	894,813
Interest	-	546	-	632	13,000	3,661	3,500	6,828
Other	-	-	-	-	4,000	227	500	3,017
Transfers in	-	-	-	-	240,000	106,062	-	273,522
Total Receipts	<u>\$ 12,375</u>	<u>\$ 7,594</u>	<u>\$ 6,875</u>	<u>\$ 6,813</u>	<u>\$ 1,952,000</u>	<u>\$ 1,734,042</u>	<u>\$ 1,932,000</u>	<u>\$ 2,030,883</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 693,168	\$ 689,711	\$ 793,800	\$ 828,393
Employee fringe benefits	-	-	-	-	146,882	139,753	151,016	149,773
Materials and Supplies	-	-	-	-	700	4,100	5,800	3,499
Services and Other	2,000	7,725	1,800	10,496	964,158	968,390	940,000	981,677
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,000</u>	<u>\$ 7,725</u>	<u>\$ 1,800</u>	<u>\$ 10,496</u>	<u>\$ 1,804,908</u>	<u>\$ 1,801,954</u>	<u>\$ 1,890,616</u>	<u>\$ 1,963,342</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 10,375	\$ (131)	\$ 5,075	\$ (3,683)	\$ 147,092	\$ (67,912)	\$ 41,384	\$ 67,541
CASH, JANUARY 1	<u>10,302</u>	<u>10,302</u>	<u>10,171</u>	<u>10,171</u>	<u>115,853</u>	<u>115,853</u>	<u>47,941</u>	<u>47,941</u>
CASH, DECEMBER 31	<u>\$ 20,677</u>	<u>\$ 10,171</u>	<u>\$ 15,246</u>	<u>\$ 6,488</u>	<u>\$ 262,945</u>	<u>\$ 47,941</u>	<u>\$ 89,325</u>	<u>\$ 115,482</u>

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

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

	SHERIFF'S REVOLVING FUND				LAW ENFORCEMENT RESTITUTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,000	7,490	5,000	17,420	-	-	-	-
Interest	300	391	300	1,455	3,000	1,989	1,000	4,660
Other	-	-	-	-	30,000	48,338	43,000	55,798
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,300</u>	<u>\$ 7,881</u>	<u>\$ 5,300</u>	<u>\$ 18,875</u>	<u>\$ 33,000</u>	<u>\$ 50,327</u>	<u>\$ 44,000</u>	<u>\$ 60,458</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	10,000	10,000	5,000	6,241	30,000	35,302	24,750	50,672
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	10,000
Total Disbursements	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 5,000</u>	<u>\$ 6,241</u>	<u>\$ 30,000</u>	<u>\$ 35,302</u>	<u>\$ 24,750</u>	<u>\$ 60,672</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (6,700)	\$ (2,119)	\$ 300	\$ 12,634	\$ 3,000	\$ 15,025	\$ 19,250	\$ (214)
CASH, JANUARY 1	<u>12,415</u>	<u>12,415</u>	<u>10,296</u>	<u>10,296</u>	<u>47,844</u>	<u>47,844</u>	<u>62,869</u>	<u>62,869</u>
CASH, DECEMBER 31	<u>\$ 5,715</u>	<u>\$ 10,296</u>	<u>\$ 10,596</u>	<u>\$ 22,930</u>	<u>\$ 50,844</u>	<u>\$ 62,869</u>	<u>\$ 82,119</u>	<u>\$ 62,655</u>

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

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

	SCENIC RAILWAY FUND				GLOBAL IMAGING SYSTEM FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	1,842	1,000	3,120	-	317	-	300
Other	-	50,000	50,000	42	142,000	136,281	-	3,001
Transfers in	-	-	-	-	-	-	-	19,467
Total Receipts	<u>\$ -</u>	<u>\$ 51,842</u>	<u>\$ 51,000</u>	<u>\$ 3,162</u>	<u>\$ 142,000</u>	<u>\$ 136,598</u>	<u>\$ -</u>	<u>\$ 22,768</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	28,833	30,000	45,277	142,000	125,802	-	30,160
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 28,833</u>	<u>\$ 30,000</u>	<u>\$ 45,277</u>	<u>\$ 142,000</u>	<u>\$ 125,802</u>	<u>\$ -</u>	<u>\$ 30,160</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ 23,009	\$ 21,000	\$ (42,115)	\$ -	\$ 10,796	\$ -	\$ (7,392)
CASH, JANUARY 1	<u>50,000</u>	<u>50,000</u>	<u>73,009</u>	<u>73,009</u>	<u>-</u>	<u>-</u>	<u>10,796</u>	<u>10,796</u>
CASH, DECEMBER 31	<u>\$ 50,000</u>	<u>\$ 73,009</u>	<u>\$ 94,009</u>	<u>\$ 30,894</u>	<u>\$ -</u>	<u>\$ 10,796</u>	<u>\$ 10,796</u>	<u>\$ 3,404</u>

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

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

	E911 COMMUNICATIONS				SENIOR CITIZEN SERVICES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 112,432	\$ 100,000	\$ 115,393
Sales taxes	415,705	415,705	425,495	425,495	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	11,934	11,934	5,310	5,310	-	651	600	692
Other	3,839	3,839	3,334	3,334	-	-	-	50
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 431,478</u>	<u>\$ 431,478</u>	<u>\$ 434,139</u>	<u>\$ 434,139</u>	<u>\$ 100,000</u>	<u>\$ 113,083</u>	<u>\$ 100,600</u>	<u>\$ 116,135</u>
DISBURSEMENTS								
Salaries	\$ 221,094	\$ 221,094	\$ 216,856	\$ 216,856	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	3,202	3,202	5,494	5,494	-	-	-	-
Services and Other	228,493	214,140	230,995	204,831	101,731	101,731	109,000	101,603
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 452,789</u>	<u>\$ 438,436</u>	<u>\$ 453,345</u>	<u>\$ 427,181</u>	<u>\$ 101,731</u>	<u>\$ 101,731</u>	<u>\$ 109,000</u>	<u>\$ 101,603</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (21,311)	\$ (6,958)	\$ (19,206)	\$ 6,958	\$ (1,731)	\$ 11,352	\$ (8,400)	\$ 14,532
CASH, JANUARY 1	<u>357,063</u>	<u>357,063</u>	<u>350,105</u>	<u>350,105</u>	<u>21,229</u>	<u>21,229</u>	<u>32,581</u>	<u>32,581</u>
CASH, DECEMBER 31	<u>\$ 335,752</u>	<u>\$ 350,105</u>	<u>\$ 330,899</u>	<u>\$ 357,063</u>	<u>\$ 19,498</u>	<u>\$ 32,581</u>	<u>\$ 24,181</u>	<u>\$ 47,113</u>

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

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

CRIMINAL COST FUND				
Year Ended December 31,				
	2007		2008	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	125,000	181,231	150,000	179,811
Interest	-	3,283	4,000	6,629
Other	-	-	-	-
Transfers in	-	-	-	-
Total Receipts	<u>\$ 125,000</u>	<u>\$ 184,514</u>	<u>\$ 154,000</u>	<u>\$ 186,440</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	-	-	-	-
Capital Outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	130,000	106,062	150,000	273,731
Total Disbursements	<u>\$ 130,000</u>	<u>\$ 106,062</u>	<u>\$ 150,000</u>	<u>\$ 273,731</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (5,000)	\$ 78,452	\$ 4,000	\$ (87,291)
CASH, JANUARY 1	<u>49,831</u>	<u>49,831</u>	<u>128,283</u>	<u>128,283</u>
CASH, DECEMBER 31	<u><u>\$ 44,831</u></u>	<u><u>\$ 128,283</u></u>	<u><u>\$ 132,283</u></u>	<u><u>\$ 40,992</u></u>

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

CRAWFORD COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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 Crawford County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, offices, and districts that are considered by the Missouri State Auditor's Office to comprise the County's legal entity. The financial statements also include the E-911 Board which is a separate legal entity within the County that is required by the Missouri State Auditor's Office to be included in the County's reporting entity for financial reporting purposes. The Senate Bill 40 Board is audited and separately reported on by other independent auditors and is not presented in the accompanying financial statements. Requests for copies of those financial statements should be directed to the Senate Bill 40 Board.

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.

Fiduciary (Agency) Funds - Certain 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 for the benefit of external parties, are held in fiduciary (agency) funds which are custodial in nature,

and are not reported on the accompanying financial statements.

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 adopts 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. Adoption of a formal budget for each fund is required by law, and the budgets adopted by the County are presented in the accompanying financial statements. Budgets were not adopted in 2007 for the Scenic Railway Fund, or in 2008 for the Global Imaging Fund and Family Access Fund.

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

	<u>2008</u>	<u>2007</u>
Assessment	X	X
Children's Trust	NA	X
Tax Maintenance	X	NA
Records Preservation	NA	X
Law Enforcement Training	X	NA
Prosecuting Attorney Bad Check	NA	X
Prosecuting Attorney Tax Collection	X	NA
Law Enforcement Equipment	X	NA
Sheriff's Special	X	NA
Elections Services	NA	X
County Jail Project	X	NA
Recorder's Technology	X	X
Sheriff's Revolving	X	NA
Law Enforcement Restitution	X	X
Scenic Railway	X	X
Global Imaging	X	NA
Criminal Cost	X	NA

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 2008 and 2007, for purposes of taxation was:

	<u>2008</u>	<u>2007</u>
Real Estate	\$ 182,907,120	\$ 179,220,950
Personal Property	58,547,865	58,260,780

During 2008 and 2007 the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2008 and 2007, for purposes of County taxation, as follows:

	2008	2007
General Revenue Fund	\$ 0.1054	\$ 0.0912
Special Road and Bridge	0.2007	0.1995
Senior Citizens	0.0456	0.0453

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 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, 2008 and 2007, the carrying amounts of the County's deposits were \$2,346,301 and \$2,376,821, respectively, and the bank balances were \$2,733,100 and \$2,759,281, respectively. Of the bank balances, \$536,577 and \$338,746 for December 31, 2008 and December 31, 2007, respectively, were covered by federal depository insurance and \$2,196,523 and \$2,420,535, respectively, 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, 2008 and 2007 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, Senior Citizens and Sheltered Workshop funds. These amounts, totaled to \$7,039,508 and \$5,120,310 at December 31, 2008 and 2007, respectively. The pledged collateral as of December 31, 2008 and 2007 was \$7,565,563 and \$5,262,951 respectively for the County Collector.

3. COUNTY EMPLOYEES' RETIREMENT FUND - CERF

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

A. 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.

B. 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, or a reduced benefit annuity at age 55. 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.

C. Funding Policy

Pursuant to State Statutes, CERF is partially funded from a portion of delinquent property tax penalties and other penalties and fees. Further, a contribution to CERF of 6% of gross compensation is required for all participants hired on or after February 2002. A contribution of 4% of compensation is required of employees hired before February 2002. The source of funding of these contributions is determined by each county. During 2008 and 2007, the County collected and remitted to CERF employee contributions of approximately \$237,007 and \$269,871, respectively, for the years then ended, equal to the required contributions.

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 60 days of accrued sick/personal time. Personal leave accrues at one half day per complete calendar month of employment up to 60 days. Upon termination, the employee is not compensated for accrued sick/personal time. Vacation time is accrued for every full-time employee, and accrues at the rate of one week per year after the first year, two week per year after two years, three weeks per year after ten years and four weeks per year after fifteen years with a maximum carryover of 5 days to the next calendar year.

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 Association of Counties Self-Insured Workers' Compensation and Insurance 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. LONG TERM DEBT

The County had the following debt outstanding at December 31, 2008:

\$3,375,000 in 2001 Series Jail Project, Insured Leasehold Revenue Bonds due in annual installments of \$195,000 beginning in 2009 increasing incrementally to \$340,000 at maturity on November 1, 2021. Interest is paid annually at 3.85% beginning in 2009 increasing incrementally to 5.00% until maturity on November 1, 2021.

\$575,000 in 2002 Series Jail Project, Insured Leasehold Revenue Bonds due in annual installments of \$30,000 beginning in 2009 increasing incrementally to \$55,000 at maturity on November 1, 2012. Interest is paid annually at 5.25% until maturity on November 1, 2022.

8. BEGINNING BALANCE ADJUSTMENT

In their report on the County's financial statements for the years ended December 31, 2006 and 2005, the prior auditors reported that internal controls and accounting records were inadequate to allow them to form an opinion on the fairness of those financial statements. Specifically, at December 31, 2006, cash balances were understated on the County's financial statements due to certain cash and checks that were retained by the then County Treasurer and not deposited until 2007. Management identified \$426,504 of such un-deposited receipts, and adjusted cash and revenues to record those receipts in fiscal year 2006. Support as to the completeness of this amount is not available and the County lacks accounting records sufficient to support an assertion that all revenues have been properly recorded and deposited at December 31, 2006.

9. CHANGE IN REPORTING ENTITY

The County has changed its definition of the reporting entity, as of January 1, 2007, to include certain component units, specifically E911 Communications and Senior Citizens Services, in the basic financial statements. Funds pertaining to the Circuit Court are considered as part of the State Court system are not, per the State Auditor, part of the county operations, and therefore are not presented herein. The effect of this change is to increase the beginning cash balances as reported on the accompanying financial statements at January 1, 2007, for the 911 Communications and the Senior Citizens Service Funds and reduce cash at the same date by the cash balances of all funds associated with Circuit Court functions.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES

AUDITORS' 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 Crawford County, Missouri

We have audited the accompanying financial statements of Crawford County, Missouri as of and for the years ended December 31, 2008 and 2007, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated May 7, 2010. The report was qualified as to the effects on the 2007 financial statements of the inability to substantiate cash balances at January 1, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered Crawford 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 the Crawford County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Crawford County, Missouri's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Crawford County, Missouri's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Crawford County, Missouri's financial statements that is more than inconsequential will not be prevented or detected by the Crawford County, Missouri's internal control. We consider the deficiencies described in the schedule of findings and recommendations as items 08-2 through 08-6 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and recommendations as item 08-1 to be a material weakness.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crawford 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 certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* that are identified as items 08-7 through 08-8.

We also noted certain matters that we reported to management of Crawford County, Missouri, in the findings and recommendations section as item 08-10 and 08-11.

Crawford 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 Crawford 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
May 7, 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 Crawford County, Missouri

Compliance

We have audited the compliance of Crawford County, Missouri, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2008 and 2007. Crawford County, Missouri's major federal programs are 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 each of its major federal programs is the responsibility of Crawford County, Missouri's management. Our responsibility is to express an opinion on Crawford County, Missouri's compliance based on our audit.

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

In our opinion, Crawford County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2008 and 2007. However, the results of our auditing procedures disclosed one 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 08-9. (See Section III)

Internal Control Over Compliance

The management of Crawford County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Crawford 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, 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 Crawford County, Missouri's internal control over compliance.

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

A control deficiency in a entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 08-9 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by an entity's internal control. We do not consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

Crawford 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 Crawford 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, 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
May 7, 2010

CRAWFORD COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31	
			2007	2008
	U. S. DEPARTMENT OF AGRICULTURE			
	Passed through state Department of Health and Senior Services			
10.557	Special Supplemental Nutrition Program for Women, Infants and Children	ERS045	\$ 94,636	\$ 97,552
10.559	Summer Food Service Program for Children	N/A	440	140
	U.S. DEPARTMENT OF JUSTICE			
	Passed through state Department of Public Safety			
16.575	Crime Victims Assistance	N/A	27,000	0
	U.S. DEPARTMENT OF TRANSPORTATION			
	Passed through state Department of Public Safety			
20.205	Highway Planning and Construction	BRO-028(6)	27,505	0
			0	0
	GENERAL SERVICES ADMINISTRATION			
	Passed through state Office of Administration			
39.003	Donation of Federal Surplus Personal Property	N/A	2,075	289
	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
	Passed through state Department of Health and Senior Services:			
93.268	Immunization Grants	N/A	38,384	39,442
93.283	Center for Disease Control and Prevention - Investigations and Technical Assistance	CCU716971-08	43,260	37,492
93.575	Child Care and Development Block Grant	N/A	3,705	4,985
93.919	Comprehensive Breast and Cervical Cancer Early Detection Program	ERS161	6,921	4,147
93.994	Maternal and Child Health Services Block Grant to the States	AOC08380131	22,570	22,970
	U. S. DEPARTMENT OF HOMELAND SECURITY			
	Passed through State Department of Public Safety			
97.036	Disaster Grants - Public Assistance Grants	FEMA 1749 DR	0	254,802
	Disaster Grants - Public Assistance Grants	FEMA 1809 DR	0	196,774
	Total Expenditures of Federal Awards		<u>\$ 266,496</u>	<u>\$ 658,593</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CRAWFORD COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2008 AND 2007

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, 2008 and 2007.

CRAWFORD COUNTY, MISSOURI
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 2008 AND 2007

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of Auditors' Report Issued: Qualified

Internal Control Over Financial Reporting:

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

Federal Awards:

Internal Control Over Major Programs:

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

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disaster)
93.919	Comprehensive Breast and Cervical Cancer Early Detection Program

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

Auditee Qualified as low-risk: Yes X No

SECTION II – FINANCIAL STATEMENT FINDINGS

See Findings and Recommendations:

- Finding 08-1 – County Treasurer Controls
- Finding 08-2 – Budget Monitoring
- Finding 08-3 – Verification of Collector’s Settlements
- Finding 08-4 – Tax Maintenance Fund Controls
- Finding 08-5 – Emergency 911 Board Accounting Controls
- Finding 08-6 – Supporting Documentation
- Finding 08-7 – Competitive Bidding Procedure
- Finding 08-8 – Some Budgets Not Prepared
- Finding 08-10 – Accounting for Transfers
- Finding 08-11 – Employee Relationships

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Federal Grantor: US Department of Homeland Security
Pass through Grantor: Missouri Department of Public Safety
Federal CFDA Number: 97.036
Program Title: Disaster Grants – Public Assistance Grants
Pass through Entity Identifying Numbers: FEMA 1749DR and FEMA 1809DR
Award Years: 2008
Questioned Costs: None

See Findings and Recommendation Sections, Finding 08-9.

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

SA 06/05-01

Condition: The county failed to maintain adequate supporting documentation for their federal expenditures.

Current Status: Corrected.

SA 06/05-02

Condition: Documentation and lead schedules were not available to auditors during the 2006 and 2005 audits. Missing documents were material with respect to their dollar amount and the limitation to audit testing. Specifically, auditors were unable to obtain support for the adjustments made to fund balances and the disclosure of the County’s accrued leave liability outstanding at December 31, 2006 and 2005.

Current Status: Not implemented – see finding 08-9 in the Schedule of Finding and Questioned Costs.

SA 06/05-03

Condition: Missing money was detected during the review of the County Collector’s Office. Questioned Costs - \$333,398.

Current Status: Similar conditions not noted in current audit. These funds were collected from the bonding agent in 2006.

FINDINGS AND RECOMMENDATIONS

CRAWFORD COUNTY, MISSOURI
FINDINGS AND RECOMMENDATIONS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

08-1. County Treasurer Controls

Condition: The current County Treasurer took control of the treasurer's office on January 1, 2007. The controls in place prior to that date by the then Treasurer were inadequate and allowed for the delay in deposits of over \$400,000. These funds were both on-site at the county courthouse and off-site. The postings of deposits to the various funds maintained by the prior County Treasurer were also found to be inconsistent and inaccurate. The semi-annual report for the period through December 31, 2006 which would define the beginning balances, was not complete. Given the issues present at that time, it would not have been an accurate presentation and is not supported by the records of the treasurer at that date. The semi-annual report is required by RSMo. 54.150.

Recommendation: The current Treasurer has alleviated the concerns existing at the beginning of the audit period.

County's Response: As stated above, we have alleviated the concerns existing at the beginning of the audit period.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

08-2. Budget Monitoring

Condition: The County Commission did not adequately monitor expenditures in relation to budgeted amounts. As a result, actual disbursements exceeded budgeted amounts for numerous funds. For 2008, expenditures exceeded budgeted amounts for 13 funds. For 2007, expenditures exceeded budgeted amounts for 8 funds. Details of the funds are presented in Note 1.D(10) to the Financial Statements.

It appears that the County Commission and other officials responsible for overseeing the County budget did not fully use budget to actual data that was available or simply allowed responsible County officials to overspend their budgets.

It was ruled in State ex rel. Strong v. Cribb, 364 Mo. 1122, 273 SW2d246(1954) that strict compliance with county budget law is required by county officials. Such compliance helps ensure that county funds are effectively and appropriately managed. If there are valid reasons which necessitate excess expenditures, budget amendments should be made following the same process by which the annual budget is approved.

Recommendation: We recommend the County Commission closely monitor expenditures in relation to budgeted amounts and discontinue authorizing disbursements when budgeted amounts are exceeded. If valid reasons necessitate excess disbursements, the original budget should be formally amended.

County's Response: We will monitor the budgetary process more closely and amend budgets when justified if expenditures exceed or are expected to exceed budgeted amounts.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-3. Verification of Collector's Settlements

Condition: The County Clerk does not maintain an account book with the County Collector and no evidence was available to indicate that procedures were performed by the County Clerk or the County Commission to verify the County Collector's monthly or annual settlements.

Maintenance of such an account book would help the County ensure that taxes charged and credited to the County Collector are complete and accurate and that the County Collector's annual settlement is accurate. Such procedures would create some checks and balances related to the collection of property taxes. Checks and balances are needed to help detect any errors or irregularities in the property tax collection system. Errors and irregularities have been identified and reported in prior audits of the property tax collection system.

In addition, Section 51.150(2), RSMo 2000, requires the County Clerk to maintain accounts with all persons chargeable with monies payable into the county treasury. This would include monies due from the County Collector. Procedures used by the County Clerk are not in compliance with this statute.

Recommendation: We recommend that the County Clerk maintain an account book with the County Collector for use in verifying the annual settlements of the County Collector.

County's Response: The County Clerk is in the process of setting up an account book with the County Collector. We will review the County Collector's annual settlements and verify amounts presented to the County Clerk's account book.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-4. Tax Maintenance Fund Controls

Condition: Duties related to the Tax Maintenance Fund are not adequately separated. The County Collector performs duties related to preparing and signing checks, accounting, performing bank reconciliations, approving invoices or vouchers for payment and preparing and approving purchase orders. An adequate separation of duties in the disbursement process is essential for an effective system of internal control. Internal controls are essential to prevent and detect errors or irregularities.

Recommendation: We recommend the County Collector establish an effective system of controls over disbursements from the Tax Maintenance Fund. If it is not practicable to provide for an adequate separation of duties, the County Collector should consider transferring the fund to the County Treasurer.

County's Response: Duties were already reassigned in 2008 by Crawford County Collector, Linda Bronson (within the County Collector's office) to improve internal controls over Tax Maintenance Fund disbursements.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-5. Emergency 911 Board Accounting Controls

Condition: Accounting records and budget documents maintained by the E-911 Board contained several apparent errors and inconsistencies as follows:

1. Sales tax revenue as shown on the Board's financial statements for the year ending December 31, 2009 did not agree with sales tax remitted to the Board per the County Treasurer's records. A check received by the Board from the County Treasurer for \$17,155 was not recorded as revenue by the Board. Board records indicate the check was deposited in May 2007 and properly debited to the cash account. The Board indicated that the receipt was erroneously credited to Retained Earnings rather than revenue. This error resulted in a significant understatement of revenue for the year.
2. Budgeted amounts for revenues, expenditures and cash balances contained numerous errors and inconsistencies as follows:
 - Ending balances each year were not carried forward to the next year's beginning balance. For example, the budget balance at December 31, 2007 per the 2008 budget was \$329,568 but the beginning balance at December 31, 2007 in the 2009 budget was \$350,105. The Board was unable to explain this \$20,537 inconsistency.
 - Amounts shown in the budgets for actual revenue, expenditures and cash balances did not agree with amounts shown in the financial statements. For example, expenditures per the budget for 2008 were \$4,336 which are \$7,185 less than expenditures per financial statements. The Board was unable to explain these differences and was unable to provide documentation to support amounts presented in the budget.

Because amounts presented in the budget were not always supported by accounting records, the causes of the discrepancies and inconsistencies are unclear. However, it appears that some of these inconsistencies may have been partially due to alternating the use of the cash basis and accrual basis of accounting for budget preparation. Also, the erroneous recording of sales tax revenue likely affected the accuracy of budget amounts presented for cash.

3. A loan of \$100,008 negotiated in 2006 was not presented on the Balance Sheet because the loan proceeds were recorded as revenue in the first year of the loan.
4. The bank reconciliations for 2007 and 2008 included an 'un-cleared' item for \$1,926 identified as a journal entry dated January 22, 1999.

Recommendation: We recommend the E-911 Board ensure that amounts presented in the budget are supported by accounting records and that revenues and expenditures be consistently recorded in accordance with generally accepted accounting principles. Also, un-cleared items on bank reconciliations over one year old should be investigated and properly removed as appropriate.

County's Response: We are in the process of implementing a new bookkeeping system which should improve the accuracy of accounting records and revenue and expenditure amounts presented in the budget. We will also review any un-cleared items on bank reconciliations on a more current basis.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-6. Supporting Documentation

Condition: Adequate supporting documentation was not always obtained and reviewed by the County Commission. For example, supporting documentation for the purchase of a passenger van costing \$25,971 consisted of only an internally generated payment request. No vendor invoice was available. In another instance, flooring renovations costing \$5,200 were likewise supported with only an internally generated document with no vendor invoice. Adequate supporting documentation for expenditures is needed for the Commission to determine the validity and propriety of expenditures prior to approval for payment.

Recommendation: We recommend that the County Commission ensure that adequate supporting documentation is available for review before approving expenditures for payment.

County's Response: We will exercise more care during the disbursements process to ensure that disbursements are supported by proper documentation.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

ITEMS OF NONCOMPLIANCE

08-7. Competitive Bidding Procedures

Competitive bids were not always solicited for goods and services procured by the County. Our review included 23 purchases which required competitive bids. County Clerk files contained no bid documentation for twelve of these items. One award was made to a vendor without documentation subsequent to the rejection of the initial selection. Examples of items purchased without competitive bids include a Caterpillar motor grader for \$218,006 and a passenger van for \$25,971.

Section 50.660, RSMo, requires the advertisement for bids for any purchase of \$6,000 or more, from any one person, firm, or corporation during any period of 90 days. Competitive bidding helps to assure the County receives fair value for goods and services procured and ensures all interested parties are given an equal opportunity to participate in county business.

Recommendation: We recommend the County Commission solicit bids for all purchases in accordance with state law and maintain adequate documentation of all bids obtained and justification for awards.

County's Response: We plan to develop a written policy regarding bidding procedures and give this to all officeholders. However, we have always tried to obtain bids for all purchases and will continue to do so. We will try to ensure that proper documentation is maintained for all bids.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-8. Some Budgets Not Prepared

Formal budgets were not prepared for the Scenic Railway Fund in 2007 and the Global Imaging Fund and Family Access Fund in 2008. The County Clerk indicated that requests were made for these budgets from responsible officials but no budget was provided.

Chapter 50, RSMo, requires the preparation and filing of annual budgets for all funds to present a complete financial plan for the ensuing year.

Recommendation: We recommend the County Commission ensure budgets are prepared or obtained for all county funds.

County's Response: We will continue to request budgets from other county officials and include those budgets in the County's budget if received.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

08-9. Schedule of Expenditures of Federal Awards

Condition: The County does not have adequate procedures in place to track federal awards for preparation of the SEFA. Total expenditures were understated by \$196,774 for 2008 because receipts data was used to report expenditures on the SEFA for the FEMA Disaster Grants. County records showed that all expenditures related to the FEMA disaster grant for Emergency Protective Measures occurred before the end of October 2008. However, FEMA payments were not received until April 2009. Because expenditure records were not used to report this grant on the SEFA, \$196,774 was not reported for 2008 and the County had incorrectly assumed that no Single Audit was required for this audit period.

An accurate SEFA is needed to ensure that federal financial activity is audited and reported in accordance with federal audit requirements. Failure to follow federal audit requirements could result in future reductions of federal awards. A similar finding was also reported in the prior audit.

Recommendation: We recommend the County Commission ensure that the schedule of expenditures of federal awards is prepared accurately and is complete.

County's Response: We will coordinate with other County officials to ensure that the schedule of expenditures of federal awards is accurate and complete.

Auditors Evaluation: The stated corrective action is responsive to the recommendation.

OTHER MATTERS

In planning and performing our audit of the financial statements of Crawford County, Missouri (the County) as of and for the years ended December 31, 2008 and 2007, 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 an opportunity for strengthening internal controls and operating efficiency. Our comment and suggestion regarding these matters are summarized below. We previously reported on the County's internal control in our report dated May 7, 2010. (A separate report, contained herein, dated May 7, 2010 contains our report on significant deficiencies in the County's internal control). This document does not affect our report dated May 7, 2010.

08-10. Accounting For Transfers

Condition: Transfers-in and transfers-out amounts as presented in the budgets were significantly out of balance. Transfers-out exceeded transfers-in by \$186,580 and \$488,017 for 2007 and 2008 respectively. Transfers were out of balance because some transfers-in were recorded as revenue and some transfers-out were recorded as expenditures or some expenditures were recorded as transfers-out. Incorrectly coding transfer-related transactions can significantly misstate financial results in the budget. Transfers-in should equal transfers-out.

Recommendation: We recommend the County Commission ensure that transactions related to transfers are properly recorded by comparing total transfers-in to total transfers-out and making corrections whenever these accounts are out of balance.

County Response: Transfer transactions will be reviewed to ensure that such transactions are properly recorded.

Auditor's Evaluation: The stated corrective is responsive to the recommendation.

08-11. Employee Relationships

Condition: The daughter of one officeholder is also that officeholder's Deputy. This close relationship can create a conflict of interest situation. Because the Deputy was in her position prior to the election of the officeholder, the County determined that she could retain her Deputy position. Nevertheless, opportunities should be pursued to transfer the Deputy to a position where a potential conflict of interest would be less likely.

Recommendation: We recommend the County Commission seek opportunities to transfer the Deputy to another position within the County.

County's Response: We will watch for opportunities to transfer this person to another equivalent position in the County. However, we believe any such transfer must be voluntary.

Auditor's Evaluation: The stated corrective is responsive to the recommendation.

CRAWFORD 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 Crawford County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2006 and 2005.

FS 06/05-01 – Documentation and lead schedules were not available to auditors during the scope of the 2006, 2005 audits.

Status: *No similar conditions were noted during the current audit.*

FS 06/05-02 – The County exceeded their budgets in the following funds and expenditures:

	2006	2005
General Revenue Fund	\$ 14,863.68	N/A
County Jail Project Fund	9,563.39	72,463.76
Law Enforcement Training Fund	1,809.92	5,676.15
Children's Trust Fund	N/A	1,000.00
Treasurer's Investment (Fines) Fund	234,594.94	315,876.65
Prosecuting Attorney Training Fund	N/A	819.07
Prosecuting Attorney Tax Fund	N/A	2,097.09
National Forest Fund Fund	N/A	15,430.67
Law Enforcement Equipment Fund	38,400.66	7,444.32
Records Preservation Fund	5,549.57	18,207.62
Recorder's Fund for Technology	9,612.10	N/A
Surplus Land Fund	9,087.61	1,614.00

Status: *Condition Not Corrected – See Finding and Recommendation 08-2.*

FS 06/05-03 – Auditors of the county assisted with the preparation of the financial statements and notes to financial statements. Under (SAS) No. 112, conditions necessitating the entity's auditor to provide assistance are at least indicative of a significant deficiency.

Status: *Condition Not Corrected – No current finding cited.*

FS 06/05-04 – Documentation of the County's internal controls has not been prepared. The new SAS 112 considers inadequate documentation of the components of internal control to be at least a significant deficiency.

Status: *Condition Not Specifically Corrected – Statutory controls are considered adequate.*

FS 06/05-05 – No formal fraud risk assessments was in place. Such controls are part of the overall system of internal control.

Status: *Condition Not Corrected – No current finding cited.*

FS 06/05-06 – Lack of sufficient segregation of duties.

Status: *A similar condition was noted during the current audit. See Findings and Recommendation number 08-4.*

FS 06/05-07 – Adequate supporting documentation was not maintained for Federal Expenditures by grant.

Status: *Condition Not Corrected – See Finding and Recommendation number 08-6.*

FS 06/05-08 – During 2005, the County collector's bank accounts were under collateralized by \$122,738.

Status: *Resolved.*

FS 06/05-09 – Excess property taxes were collected during 2006 and 2005. This did not completely represent the state required reduction in property taxes billed due to sales taxes collected.

Status: *A finding similar to this was included in the State Auditor's report for at least their last two audits. The County has not followed the State Auditor's recommendations on this issue. Amounts were not material and this area was otherwise outside of current scope. For these reasons, this area was not reviewed during out audit.*

FS 06/05-10 – Adequate supporting documentation was not maintained for competitive bidding procedures.

Status: *Condition Not Corrected – See Finding and Recommendation number 08-7.*

FS 06/05-11 – The County does not maintain an account book or other records summarizing property tax transactions and changes, and no procedures are performed by the County Commission to review or verify the County Collector's monthly or annual settlements.

Status: *Condition Not Corrected – See Finding and Recommendation number 08-3.*

FS 06/05-12 – Vacation balances have accumulated in excess of maximum amounts allowed by the County's personnel policy for some county employees.

Status: *Outside scope of current audit.*

FS 06/05-13 – An excessive number of old outstanding checks were noted in the bank reconciliation.

Status: *No similar conditions were noted during the current audit.*

FS 06/05-14 – Adequate capital asset records were not maintained.

Status: *Outside scope of current audit.*

FS 06/05-15 – Missing money was detected during the review of the County Collectors office – questioned costs of \$333,398.

Status: *No similar conditions were noted during the current audit. The State Auditor noted this finding in their 2003/2004 report and also issued a report on a special audit performed of the Collector's office in July 2005. The prior audit has repeated the finding. These funds have been collected from the bonding agent in 2006.*