



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Webster County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Webster County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2012, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Davis, Lynn & Moots, P.C., Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Thomas A. Schweich".

Thomas A. Schweich
State Auditor

August 2013
Report No. 2013-081

WEBSTER COUNTY, MISSOURI

FINANCIAL STATEMENTS

Years Ended December 31, 2012 and 2011

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	3
FINANCIAL STATEMENTS	
Statements of Receipts, Disbursements, and Changes in Cash and Investment Balances – All Governmental Funds – Regulatory Basis	
Year Ended December 31, 2012	5
Year Ended December 31, 2011	6
Comparative Statements of Receipts, Disbursements and Changes in Cash and Investment Balances – Budget and Actual – All Governmental Funds – Regulatory Basis	
Years Ended December 31, 2012 and 2011	7
Statements of Assets and Liabilities Arising from Cash Transactions – Agency Funds – Regulatory Basis	
December 31, 2012	22
December 31, 2011	23
Notes to the Financial Statements	25
SUPPLEMENTARY SCHEDULE AND AUDITORS' REPORT	
Independent 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 <i>Government Auditing Standards</i>	35
Schedule of Findings and Responses	
Years Ended December 31, 2012 and 2011	37



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INDEPENDENT AUDITORS' REPORT

Webster County Commission
Webster County
Marshfield, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Webster County, Missouri, which comprise the cash and investment balances of each fund as of December 31, 2012 and 2011, and the related receipts, disbursements and budgetary results for each fund for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by Missouri law. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Webster County Commission
Webster County
Marshfield, Missouri

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statements are prepared by Webster County, Missouri, on the basis of accounting practices prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between this regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Webster County, Missouri, as of December 31, 2012 and 2011, the changes in its financial position, or, where applicable, its cash flows for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and investment balances of the governmental and agency funds of Webster County, Missouri, as of December 31, 2012 and 2011, and the receipts, disbursements and budgetary results of the governmental funds for the years then ended, on the basis of accounting as described in Note A.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2013, on our consideration of Webster County, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Webster County, Missouri's internal control over financial reporting and compliance.

Davis, Lynn & Moots, PC

DAVIS, LYNN & MOOTS, P.C.
June 21, 2013

WEBSTER COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT
BALANCES – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
Year Ended December 31, 2012

FUND	Cash and Investment Balance	Receipts	Disbursements	Cash and Investment Balance
	January 1			December 31
General Revenue	\$ 774,685	\$ 3,949,952	\$ 3,335,670	\$ 1,388,967
Special Road and Bridge	111,158	1,670,640	1,627,347	154,451
Assessment	1,179	357,749	328,007	30,921
Law Enforcement Restitution	5,505	2,880	-	8,385
Sheriff	52,591	52,693	36,726	68,558
Sheriff Revolving	20,131	26,570	29,636	17,065
Law Enforcement Training -				
Prosecuting Attorney	711	815	1,244	282
Local Emergency Planning Committee	9,219	63,573	31,892	40,900
Recorder's Fee	85,763	15,432	7,160	94,035
Law Enforcement Training - Sheriff	253	3,212	2,450	1,015
Election Services	10,985	13,180	9,920	14,245
Capital Improvement	299,805	1,614,654	1,680,946	233,513
Road and Bridge Sales Tax	1,481,519	423,025	99,547	1,804,997
POST	-	1,534	1,534	-
Prosecuting Attorney Delinquent Tax Fee	4,714	12,013	15,526	1,201
DARE	2,953	3,377	5,294	1,036
Recorder's Equipment	17,141	7,897	5,625	19,413
Tax Maintenance	35,190	36,850	64,415	7,625
Children's Trust	1,534	1,191	600	2,125
Prosecuting Attorney Bad Check Fee	91	40,820	39,985	926
Senior Citizens Services	29,584	185,498	157,839	57,243
Paving	-	-	-	-
Homelessness Prevention Grant	1,471	1,141	2,612	-
Lunar Lane Cemetery	859	-	-	859
Developmentally Disabled Board	63,840	277,425	266,148	75,117
Sweetbriar NID	-	66,409	65,349	1,060
Sweetbriar NID Reserve	-	5,000	-	5,000
TOTAL	\$ 3,010,881	\$ 8,833,530	\$ 7,815,472	\$ 4,028,939

See accompanying notes.

WEBSTER COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT
BALANCES – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
Year Ended December 31, 2011

FUND	Cash and Investment Balance	Receipts	Disbursements	Cash and Investment Balance
	January 1			December 31
General Revenue	\$ 514,696	\$ 3,536,357	\$ 3,276,368	\$ 774,685
Special Road and Bridge	25,573	1,841,604	1,756,019	111,158
Assessment	23,149	337,092	359,062	1,179
Law Enforcement Restitution	3,826	1,679	-	5,505
Sheriff	56,832	50,902	55,143	52,591
Sheriff Revolving	32,179	20,567	32,615	20,131
Law Enforcement Training -				
Prosecuting Attorney	112	876	277	711
Local Emergency Planning Committee	8,623	8,092	7,496	9,219
Recorder's Fee	85,679	13,921	13,837	85,763
Law Enforcement Training - Sheriff	1,953	5,430	7,130	253
Election Services	8,003	22,129	19,147	10,985
Capital Improvement	236,799	1,671,858	1,608,852	299,805
Road and Bridge Sales Tax	1,343,095	455,509	317,085	1,481,519
POST	-	3,804	3,804	-
Prosecuting Attorney Delinquent Tax Fee	5,666	3,057	4,009	4,714
DARE	1,590	3,794	2,431	2,953
Recorder's Equipment	51,879	7,187	41,925	17,141
Tax Maintenance	36,146	39,325	40,281	35,190
Children's Trust	1,787	1,247	1,500	1,534
Prosecuting Attorney Bad Check Fee	875	37,597	38,381	91
Senior Citizens Services	67,621	174,824	212,861	29,584
Paving	-	1,950	1,950	-
Homelessness Prevention Grant	1,204	25,151	24,884	1,471
Lunar Lane Cemetery	859	-	-	859
Developmentally Disabled Board	129,581	259,702	325,443	63,840
Sweetbriar NID	-	-	-	-
Sweetbriar NID Reserve	-	-	-	-
TOTAL	\$ 2,637,727	\$ 8,523,654	\$ 8,150,500	\$ 3,010,881

See accompanying notes.

WEBSTER COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
GENERAL REVENUE FUND						
RECEIPTS						
Sales taxes	\$ 2,237,077	\$ 2,210,495	\$ (26,582)	\$ 2,237,077	\$ 2,237,077	\$ -
Property taxes	27,637	34,698	7,061	27,900	28,621	721
Charges for services	640,933	677,096	36,163	595,366	654,387	59,021
Intergovernmental	387,597	341,609	(45,988)	629,243	531,386	(97,857)
Interest	17,750	21,250	3,500	18,000	17,384	(616)
Other	20,321	655,857	635,536	33,100	44,537	11,437
Transfers in	1,000	8,947	7,947	24,331	22,965	(1,366)
TOTAL RECEIPTS	3,332,315	3,949,952	617,637	3,565,017	3,536,357	(28,660)
DISBURSEMENTS						
Collector of Revenue	120,249	107,100	13,149	119,795	110,327	9,468
Treasurer	55,200	55,050	150	55,732	55,709	23
Recorder of Deeds	110,031	108,723	1,308	109,023	107,988	1,035
County Commission	110,860	108,081	2,779	110,860	106,221	4,639
Emergency Management	125,077	91,747	33,330	163,697	147,657	16,040
Public Administrator	52,247	55,534	(3,287)	82,136	81,191	945
Election and Voter Registration	176,265	218,477	(42,212)	123,225	122,133	1,092
County Clerk	119,662	119,706	(44)	122,286	119,355	2,931
Building and Grounds	140,628	141,238	(610)	163,193	145,412	17,781
Drug Court	22,200	17,637	4,563	22,235	19,203	3,032
Associate Circuit Court	67,274	51,092	16,182	66,174	59,922	6,252
Court Administration	103,741	83,411	20,330	120,389	68,859	51,530
Circuit Clerk	87,500	60,062	27,438	86,200	61,013	25,187
Coroner	31,027	36,500	(5,473)	31,027	30,254	773
Prosecuting Attorney	313,077	302,821	10,256	286,449	317,945	(31,496)
Sheriff	901,221	1,059,524	(158,303)	949,496	954,999	(5,503)
Jail	455,063	429,025	26,038	472,243	463,297	8,946
Surveyor	6,440	2,850	3,590	3,440	3,200	240
Other General County Government	267,951	231,429	36,522	403,664	229,558	174,106
Transfers out	61,700	55,663	6,037	73,545	72,125	1,420
TOTAL DISBURSEMENTS	3,327,413	3,335,670	(8,257)	3,564,809	3,276,368	288,441
RECEIPTS OVER DISBURSEMENTS	4,902	614,282	609,380	208	259,989	259,781
CASH AND INVESTMENT BALANCE, January 1	774,685	774,685	-	514,696	514,696	-
CASH AND INVESTMENT BALANCE, December 31	\$ 779,587	\$ 1,388,967	\$ 609,380	\$ 514,904	\$ 774,685	\$ 259,781

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
SPECIAL ROAD AND BRIDGE FUND						
RECEIPTS						
Sales taxes	\$ 869,393	\$ 885,539	\$ 16,146	\$ 864,940	\$ 870,556	\$ 5,616
Property taxes	594,158	618,712	24,554	571,377	580,499	9,122
Intergovernmental	185,142	152,657	(32,485)	291,300	182,250	(109,050)
Interest	2,250	4,839	2,589	4,000	2,671	(1,329)
Other	32,400	8,893	(23,507)	40,200	32,705	(7,495)
Transfers in	10,000	-	(10,000)	180,000	172,923	(7,077)
TOTAL RECEIPTS	1,693,343	1,670,640	(22,703)	1,951,817	1,841,604	(110,213)
DISBURSEMENTS						
Salaries	622,779	604,331	18,448	689,450	647,002	42,448
Employee fringe benefits	161,342	145,138	16,204	178,800	156,346	22,454
Repairs and maintenance	129,950	156,426	(26,476)	142,500	116,609	25,891
Road and bridge construction	150,000	160,007	(10,007)	162,500	185,071	(22,571)
Road and bridge materials	51,500	24,704	26,796	101,600	79,888	21,712
Highways and roads	136,500	126,721	9,779	136,500	136,574	(74)
Insurance	35,000	15,876	19,124	35,000	33,568	1,432
Supplies	378,600	376,835	1,765	424,650	381,216	43,434
Other	17,370	17,309	61	18,200	19,445	(1,245)
Transfers out	-	-	-	-	300	(300)
TOTAL DISBURSEMENTS	1,683,041	1,627,347	55,694	1,889,200	1,756,019	133,181
RECEIPTS OVER DISBURSEMENTS	10,302	43,293	32,991	62,617	85,585	22,968
CASH AND INVESTMENT BALANCE, January 1	111,158	111,158	-	25,573	25,573	-
CASH AND INVESTMENT BALANCE, December 31	\$ 121,460	\$ 154,451	\$ 32,991	\$ 88,190	\$ 111,158	\$ 22,968

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Charges for services	\$ 215,500	\$ 227,680	\$ 12,180	\$ 227,000	\$ 214,992	\$ (12,008)
Intergovernmental	64,961	57,150	(7,811)	73,148	64,960	(8,188)
Interest	1,000	1,016	16	-	848	848
Other	10,500	25,903	15,403	1,500	12,547	11,047
Transfers in	46,000	46,000	-	43,745	43,745	-
TOTAL RECEIPTS	337,961	357,749	19,788	345,393	337,092	(8,301)
DISBURSEMENTS						
Assessor	337,372	328,007	9,365	359,893	359,062	831
TOTAL DISBURSEMENTS	337,372	328,007	9,365	359,893	359,062	831
RECEIPTS OVER (UNDER) DISBURSEMENTS	589	29,742	29,153	(14,500)	(21,970)	(7,470)
CASH AND INVESTMENT BALANCE, January 1	1,179	1,179	-	23,149	23,149	-
CASH AND INVESTMENT BALANCE, December 31	\$ 1,768	\$ 30,921	\$ 29,153	\$ 8,649	\$ 1,179	\$ (7,470)
<u>LAW ENFORCEMENT</u>						
<u>RESTITUTION FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ 2,789	\$ 2,789	\$ 2,500	\$ 1,625	\$ (875)
Interest	-	91	91	100	54	(46)
TOTAL RECEIPTS	-	2,880	2,880	2,600	1,679	(921)
DISBURSEMENTS						
Sheriff	-	-	-	2,500	-	2,500
TOTAL DISBURSEMENTS	-	-	-	2,500	-	2,500
RECEIPTS OVER DISBURSEMENTS	-	2,880	2,880	100	1,679	1,579
CASH AND INVESTMENT BALANCE, January 1	5,505	5,505	-	3,826	3,826	-
CASH AND INVESTMENT BALANCE, December 31	\$ 5,505	\$ 8,385	\$ 2,880	\$ 3,926	\$ 5,505	\$ 1,579

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SHERIFF FUND</u>						
RECEIPTS						
Intergovernmental	\$ 50,000	\$ 51,635	\$ 1,635	\$ 50,000	\$ 50,000	\$ -
Interest	750	863	113	902	902	-
Other	-	195	195	-	-	-
TOTAL RECEIPTS	50,750	52,693	1,943	50,902	50,902	-
DISBURSEMENTS						
Sheriff	50,450	36,726	13,724	61,500	55,143	6,357
TOTAL DISBURSEMENTS	50,450	36,726	13,724	61,500	55,143	6,357
RECEIPTS OVER (UNDER) DISBURSEMENTS	300	15,967	15,667	(10,598)	(4,241)	6,357
CASH AND INVESTMENT BALANCE, January 1						
	52,591	52,591	-	56,832	56,832	-
CASH AND INVESTMENT BALANCE, December 31						
	\$ 52,891	\$ 68,558	\$ 15,667	\$ 46,234	\$ 52,591	\$ 6,357
<u>SHERIFF REVOLVING FUND</u>						
RECEIPTS						
Charges for services	\$ 20,000	\$ 26,195	\$ 6,195	\$ 12,000	\$ 20,091	\$ 8,091
Intergovernmental	10,000	-	(10,000)	-	-	-
Interest	500	375	(125)	500	476	(24)
TOTAL RECEIPTS	30,500	26,570	(3,930)	12,500	20,567	8,067
DISBURSEMENTS						
Sheriff	30,000	29,636	364	12,500	10,784	1,716
Transfers out	-	-	-	21,831	21,831	-
TOTAL DISBURSEMENTS	30,000	29,636	364	34,331	32,615	1,716
RECEIPTS OVER (UNDER) DISBURSEMENTS	500	(3,066)	(3,566)	(21,831)	(12,048)	9,783
CASH AND INVESTMENT BALANCE, January 1						
	20,131	20,131	-	32,179	32,179	-
CASH AND INVESTMENT BALANCE, December 31						
	\$ 20,631	\$ 17,065	\$ (3,566)	\$ 10,348	\$ 20,131	\$ 9,783

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>LAW ENFORCEMENT TRAINING - PROSECUTING ATTORNEY FUND</u>						
RECEIPTS						
Charges for services	\$ 800	\$ 806	\$ 6	\$ 1,250	\$ 871	\$ (379)
Interest	-	9	9	100	5	(95)
Other	1,000	-	(1,000)	100	-	(100)
TOTAL RECEIPTS	1,800	815	(985)	1,450	876	(574)
DISBURSEMENTS						
Prosecuting Attorney	1,800	1,244	556	1,000	277	723
TOTAL DISBURSEMENTS	1,800	1,244	556	1,000	277	723
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(429)	(429)	450	599	149
CASH AND INVESTMENT BALANCE, January 1	711	711	-	112	112	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 711</u>	<u>\$ 282</u>	<u>\$ (429)</u>	<u>\$ 562</u>	<u>\$ 711</u>	<u>\$ 149</u>
<u>LOCAL EMERGENCY PLANNING COMMITTEE FUND</u>						
RECEIPTS						
Intergovernmental	\$ 34,000	\$ 63,324	\$ 29,324	\$ 4,100	\$ 7,995	\$ 3,895
Interest	86	245	159	-	97	97
Other	-	4	4	-	-	-
TOTAL RECEIPTS	34,086	63,573	29,487	4,100	8,092	3,992
DISBURSEMENTS						
Emergency management	40,445	31,892	8,553	12,650	7,496	5,154
TOTAL DISBURSEMENTS	40,445	31,892	8,553	12,650	7,496	5,154
RECEIPTS OVER (UNDER) DISBURSEMENTS	(6,359)	31,681	38,040	(8,550)	596	9,146
CASH AND INVESTMENT BALANCE, January 1	9,219	9,219	-	8,623	8,623	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 2,860</u>	<u>\$ 40,900</u>	<u>\$ 38,040</u>	<u>\$ 73</u>	<u>\$ 9,219</u>	<u>\$ 9,146</u>

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>RECORDER'S FEE FUND</u>						
RECEIPTS						
Charges for services	\$ 12,700	\$ 14,196	\$ 1,496	\$ 16,000	\$ 12,812	\$ (3,188)
Interest	1,000	1,236	236	500	1,109	609
TOTAL RECEIPTS	13,700	15,432	1,732	16,500	13,921	(2,579)
DISBURSEMENTS						
Recorder of Deeds	10,426	7,160	3,266	32,150	13,837	18,313
TOTAL DISBURSEMENTS	10,426	7,160	3,266	32,150	13,837	18,313
RECEIPTS OVER (UNDER) DISBURSEMENTS	3,274	8,272	4,998	(15,650)	84	15,734
CASH AND INVESTMENT BALANCE, January 1	85,763	85,763	-	85,679	85,679	-
CASH AND INVESTMENT BALANCE, December 31	\$ 89,037	\$ 94,035	\$ 4,998	\$ 70,029	\$ 85,763	\$ 15,734
<u>LAW ENFORCEMENT TRAINING - SHERIFF FUND</u>						
RECEIPTS						
Charges for services	\$ 3,500	\$ 3,205	\$ (295)	\$ 4,286	\$ 3,482	\$ (804)
Interest	25	7	(18)	-	30	30
Transfers in	-	-	-	2,500	1,918	(582)
TOTAL RECEIPTS	3,525	3,212	(313)	6,786	5,430	(1,356)
DISBURSEMENTS						
Sheriff	3,525	2,450	1,075	7,786	7,130	656
TOTAL DISBURSEMENTS	3,525	2,450	1,075	7,786	7,130	656
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	762	762	(1,000)	(1,700)	(700)
CASH AND INVESTMENT BALANCE, January 1	253	253	-	1,953	1,953	-
CASH AND INVESTMENT BALANCE, December 31	\$ 253	\$ 1,015	\$ 762	\$ 953	\$ 253	\$ (700)

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Charges for services	\$ 11,400	\$ 4,438	\$ (6,962)	\$ 5,150	\$ 6,027	\$ 877
Intergovernmental	1,700	1,902	202	15,838	15,718	(120)
Interest	100	143	43	50	121	71
Other	-	334	334	250	183	(67)
Transfers in	2,400	6,363	3,963	-	80	80
TOTAL RECEIPTS	15,600	13,180	(2,420)	21,288	22,129	841
DISBURSEMENTS						
Elections	15,990	9,920	6,070	21,638	19,147	2,491
TOTAL DISBURSEMENTS	15,990	9,920	6,070	21,638	19,147	2,491
RECEIPTS OVER (UNDER) DISBURSEMENTS	(390)	3,260	3,650	(350)	2,982	3,332
CASH AND INVESTMENT BALANCE, January 1	10,985	10,985	-	8,003	8,003	-
CASH AND INVESTMENT BALANCE, December 31	\$ 10,595	\$ 14,245	\$ 3,650	\$ 7,653	\$ 10,985	\$ 3,332
<u>CAPITAL IMPROVEMENT FUND</u>						
RECEIPTS						
Sales taxes	\$ 1,316,133	\$ 1,300,462	\$ (15,671)	\$ 1,316,143	\$ 1,316,133	\$ (10)
Intergovernmental	545,000	156,680	(388,320)	183,675	306,398	122,723
Interest	6,250	5,110	(1,140)	6,250	6,177	(73)
Other	118,000	152,402	34,402	47,500	43,150	(4,350)
TOTAL RECEIPTS	1,985,383	1,614,654	(370,729)	1,553,568	1,671,858	118,290
DISBURSEMENTS						
Capital outlay	2,193,493	1,680,946	512,547	1,460,601	1,484,183	(23,582)
Transfers out	-	-	-	145,000	124,669	20,331
TOTAL DISBURSEMENTS	2,193,493	1,680,946	512,547	1,605,601	1,608,852	(3,251)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(208,110)	(66,292)	141,818	(52,033)	63,006	115,039
CASH AND INVESTMENT BALANCE, January 1	299,805	299,805	-	236,799	236,799	-
CASH AND INVESTMENT BALANCE, December 31	\$ 91,695	\$ 233,513	\$ 141,818	\$ 184,766	\$ 299,805	\$ 115,039

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>ROAD AND BRIDGE</u>						
<u>SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	\$ 394,690	\$ 390,015	\$ (4,675)	\$ 394,690	\$ 394,690	\$ -
Charges for services	3,200	3,555	355	4,600	3,162	(1,438)
Intergovernmental	12,186	-	(12,186)	46,000	31,461	(14,539)
Interest	26,500	28,675	2,175	26,500	26,196	(304)
Other	-	780	780	-	-	-
TOTAL RECEIPTS	436,576	423,025	(13,551)	471,790	455,509	(16,281)
DISBURSEMENTS						
Capital outlay	105,872	99,547	6,325	298,038	293,831	4,207
Transfers out	-	-	-	25,000	23,254	1,746
TOTAL DISBURSEMENTS	105,872	99,547	6,325	323,038	317,085	5,953
RECEIPTS OVER DISBURSEMENTS	330,704	323,478	(7,226)	148,752	138,424	(10,328)
CASH AND INVESTMENT BALANCE, January 1	1,481,519	1,481,519	-	1,343,095	1,343,095	-
CASH AND INVESTMENT BALANCE, December 31	\$ 1,812,223	\$ 1,804,997	\$ (7,226)	\$ 1,491,847	\$ 1,481,519	\$ (10,328)
<u>POST FUND</u>						
RECEIPTS						
Intergovernmental	\$ -	\$ 1,534	\$ 1,534	\$ -	\$ 3,804	\$ 3,804
TOTAL RECEIPTS	-	1,534	1,534	-	3,804	3,804
DISBURSEMENTS						
Sheriff	-	1,534	(1,534)	-	1,886	(1,886)
Transfers out	-	-	-	-	1,918	(1,918)
TOTAL DISBURSEMENTS	-	1,534	(1,534)	-	3,804	(3,804)
RECEIPTS OVER DISBURSEMENTS	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, January 1	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>PROSECUTING ATTORNEY</u>						
<u>DELINQUENT TAX FEE FUND</u>						
RECEIPTS						
Intergovernmental	\$ 21,950	\$ 11,952	\$ (9,998)	\$ 4,250	\$ 3,002	\$ (1,248)
Interest	50	61	11	-	55	55
TOTAL RECEIPTS	22,000	12,013	(9,987)	4,250	3,057	(1,193)
DISBURSEMENTS						
Prosecuting Attorney	22,000	7,826	14,174	1,750	1,555	195
Transfers out	-	7,700	(7,700)	2,500	2,454	46
TOTAL DISBURSEMENTS	22,000	15,526	6,474	4,250	4,009	241
RECEIPTS (UNDER)						
DISBURSEMENTS						
	-	(3,513)	(3,513)	-	(952)	(952)
CASH AND INVESTMENT						
BALANCE, January 1	4,714	4,714	-	5,666	5,666	-
CASH AND INVESTMENT						
BALANCE, December 31	\$ 4,714	\$ 1,201	\$ (3,513)	\$ 5,666	\$ 4,714	\$ (952)
<u>DARE FUND</u>						
RECEIPTS						
Interest	\$ 15	\$ 27	\$ 12	\$ 30	\$ 14	\$ (16)
Other	4,000	50	(3,950)	250	480	230
Transfers in	3,300	3,300	-	3,300	3,300	-
TOTAL RECEIPTS	7,315	3,377	(3,938)	3,580	3,794	214
DISBURSEMENTS						
Sheriff	7,300	5,294	2,006	3,300	2,431	869
TOTAL DISBURSEMENTS	7,300	5,294	2,006	3,300	2,431	869
RECEIPTS OVER (UNDER)						
DISBURSEMENTS						
	15	(1,917)	(1,932)	280	1,363	1,083
CASH AND INVESTMENT						
BALANCE, January 1	2,953	2,953	-	1,590	1,590	-
CASH AND INVESTMENT						
BALANCE, December 31	\$ 2,968	\$ 1,036	\$ (1,932)	\$ 1,870	\$ 2,953	\$ 1,083

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>RECORDER'S EQUIPMENT FUND</u>						
RECEIPTS						
Charges for services	\$ 6,800	\$ 7,643	\$ 843	\$ 7,000	\$ 6,792	\$ (208)
Interest	400	254	(146)	500	395	(105)
TOTAL RECEIPTS	7,200	7,897	697	7,500	7,187	(313)
DISBURSEMENTS						
Recorder of Deeds	10,000	5,625	4,375	45,000	41,925	3,075
TOTAL DISBURSEMENTS	10,000	5,625	4,375	45,000	41,925	3,075
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,800)	2,272	5,072	(37,500)	(34,738)	2,762
CASH AND INVESTMENT BALANCE, January 1	17,141	17,141	-	51,879	51,879	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 14,341</u>	<u>\$ 19,413</u>	<u>\$ 5,072</u>	<u>\$ 14,379</u>	<u>\$ 17,141</u>	<u>\$ 2,762</u>
<u>TAX MAINTENANCE FUND</u>						
RECEIPTS						
Charges for services	\$ 54,000	\$ 36,665	\$ (17,335)	\$ 36,000	\$ 38,940	\$ 2,940
Interest	-	185	185	-	385	385
TOTAL RECEIPTS	54,000	36,850	(17,150)	36,000	39,325	3,325
DISBURSEMENTS						
Collector	72,300	64,415	7,885	39,523	40,281	(758)
TOTAL DISBURSEMENTS	72,300	64,415	7,885	39,523	40,281	(758)
RECEIPTS (UNDER) DISBURSEMENTS	(18,300)	(27,565)	(9,265)	(3,523)	(956)	2,567
CASH AND INVESTMENT BALANCE, January 1	35,190	35,190	-	36,146	36,146	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 16,890</u>	<u>\$ 7,625</u>	<u>\$ (9,265)</u>	<u>\$ 32,623</u>	<u>\$ 35,190</u>	<u>\$ 2,567</u>

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>CHILDREN'S TRUST FUND</u>						
RECEIPTS						
Charges for services	\$ 1,000	\$ 1,170	\$ 170	\$ 1,000	\$ 1,235	\$ 235
Interest	18	21	3	25	12	(13)
TOTAL RECEIPTS	1,018	1,191	173	1,025	1,247	222
DISBURSEMENTS						
Other	600	600	-	1,500	1,500	-
TOTAL DISBURSEMENTS	600	600	-	1,500	1,500	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	418	591	173	(475)	(253)	222
CASH AND INVESTMENT BALANCE, January 1	1,534	1,534	-	1,787	1,787	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 1,952</u>	<u>\$ 2,125</u>	<u>\$ 173</u>	<u>\$ 1,312</u>	<u>\$ 1,534</u>	<u>\$ 222</u>
<u>PROSECUTING ATTORNEY BAD CHECK FEE FUND</u>						
RECEIPTS						
Charges for services	\$ 117,500	\$ 26,991	\$ (90,509)	\$ 40,000	\$ 29,333	\$ (10,667)
Intergovernmental	6,000	5,297	(703)	5,075	5,532	457
Interest	15	398	383	100	18	(82)
Other	-	434	434	-	260	260
Transfers in	-	7,700	7,700	-	2,454	2,454
TOTAL RECEIPTS	123,515	40,820	(82,695)	45,175	37,597	(7,578)
DISBURSEMENTS						
Prosecuting Attorney	121,000	32,910	88,090	27,925	37,381	(9,456)
Transfers out	2,500	7,075	(4,575)	14,000	1,000	13,000
TOTAL DISBURSEMENTS	123,500	39,985	83,515	41,925	38,381	3,544
RECEIPTS OVER (UNDER) DISBURSEMENTS	15	835	820	3,250	(784)	(4,034)
CASH AND INVESTMENT BALANCE, January 1	91	91	-	875	875	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 106</u>	<u>\$ 926</u>	<u>\$ 820</u>	<u>\$ 4,125</u>	<u>\$ 91</u>	<u>\$ (4,034)</u>

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SENIOR CITIZENS SERVICES FUND</u>						
RECEIPTS						
Property taxes	\$ 168,600	\$ 177,091	\$ 8,491	\$ 170,300	\$ 165,599	\$ (4,701)
Interest	1,500	1,496	(4)	3,200	1,382	(1,818)
Other	5,000	6,911	1,911	1,500	7,843	6,343
TOTAL RECEIPTS	175,100	185,498	10,398	175,000	174,824	(176)
DISBURSEMENTS						
Senior services	191,840	157,839	34,001	226,320	212,861	13,459
TOTAL DISBURSEMENTS	191,840	157,839	34,001	226,320	212,861	13,459
RECEIPTS OVER (UNDER) DISBURSEMENTS	(16,740)	27,659	44,399	(51,320)	(38,037)	13,283
CASH AND INVESTMENT BALANCE, January 1	29,584	29,584	-	67,621	67,621	-
CASH AND INVESTMENT BALANCE, December 31	\$ 12,844	\$ 57,243	\$ 44,399	\$ 16,301	\$ 29,584	\$ 13,283
<u>PAVING FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 1,650	\$ 1,650
Transfers in	-	-	-	-	300	300
TOTAL RECEIPTS	-	-	-	-	1,950	1,950
DISBURSEMENTS						
Paving	-	-	-	-	1,950	(1,950)
TOTAL DISBURSEMENTS	-	-	-	-	1,950	(1,950)
RECEIPTS OVER DISBURSEMENTS	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, January 1	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>HOMELESSNESS PREVENTION</u>						
<u>GRANT FUND</u>						
RECEIPTS						
Intergovernmental	\$ -	\$ 1,141	\$ 1,141	\$ -	\$ 25,151	\$ 25,151
TOTAL RECEIPTS	-	1,141	1,141	-	25,151	25,151
DISBURSEMENTS						
Other	-	740	(740)	-	24,750	(24,750)
Transfers out	-	1,872	(1,872)	-	134	(134)
TOTAL DISBURSEMENTS	-	2,612	(2,612)	-	24,884	(24,884)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(1,471)	(1,471)	-	267	267
CASH AND INVESTMENT BALANCE, January 1	1,471	1,471	-	1,204	1,204	-
CASH AND INVESTMENT BALANCE, December 31	\$ 1,471	\$ -	\$ (1,471)	\$ 1,204	\$ 1,471	\$ 267
<u>LUNAR LANE</u>						
<u>CEMETERY FUND</u>						
RECEIPTS						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL RECEIPTS	-	-	-	-	-	-
DISBURSEMENTS						
Cemetery	-	-	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-	-	-
RECEIPTS OVER DISBURSEMENTS	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, January 1	859	859	-	859	859	-
CASH AND INVESTMENT BALANCE, December 31	\$ 859	\$ 859	\$ -	\$ 859	\$ 859	\$ -

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>DEVELOPMENTALLY DISABLED</u>						
<u>BOARD FUND</u>						
RECEIPTS						
Property taxes	\$ 263,785	\$ 276,007	\$ 12,222	\$ 259,265	\$ 257,388	\$ (1,877)
Interest	1,500	1,418	(82)	2,100	2,314	214
TOTAL RECEIPTS	265,285	277,425	12,140	261,365	259,702	(1,663)
DISBURSEMENTS						
Developmentally disabled	295,475	266,148	29,327	350,971	325,443	25,528
TOTAL DISBURSEMENTS	295,475	266,148	29,327	350,971	325,443	25,528
RECEIPTS OVER (UNDER) DISBURSEMENTS	(30,190)	11,277	41,467	(89,606)	(65,741)	23,865
CASH AND INVESTMENT BALANCE, January 1	63,840	63,840	-	129,581	129,581	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 33,650</u>	<u>\$ 75,117</u>	<u>\$ 41,467</u>	<u>\$ 39,975</u>	<u>\$ 63,840</u>	<u>\$ 23,865</u>
<u>SWEETBRIAR NID FUND</u>						
RECEIPTS						
Taxes	\$ -	\$ 11,409	\$ 11,409	\$ -	\$ -	\$ -
Bond proceeds	-	55,000	55,000	-	-	-
TOTAL RECEIPTS	-	66,409	66,409	-	-	-
DISBURSEMENTS						
Capital outlay	-	54,761	(54,761)	-	-	-
Debt service	-	10,588	(10,588)	-	-	-
TOTAL DISBURSEMENTS	-	65,349	(65,349)	-	-	-
RECEIPTS OVER DISBURSEMENTS	-	1,060	1,060	-	-	-
CASH AND INVESTMENT BALANCE, January 1	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ -</u>	<u>\$ 1,060</u>	<u>\$ 1,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCES – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2012			2011		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SWEETBRIAR NID</u>						
<u>RESERVE FUND</u>						
RECEIPTS						
Bond proceeds	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -
TOTAL RECEIPTS	-	5,000	5,000	-	-	-
DISBURSEMENTS						
Debt service	-	-	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-	-	-
RECEIPTS OVER DISBURSEMENTS	-	5,000	5,000	-	-	-
CASH AND INVESTMENT BALANCE, January 1	-	-	-	-	-	-
CASH AND INVESTMENT BALANCE, December 31	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -

See accompanying notes.

WEBSTER COUNTY, MISSOURI
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS
December 31, 2012

	Collector of Revenue Fund	Recorder Fund	Sheriff's Office Bond Fund	Sheriff's Office CCW Fund	Sheriff's Office Civil Fee Fund	Unclaimed Fund	Fines Fund	Excess Land Fund	Total
ASSETS									
Cash and cash equivalents	\$ 6,944,710	\$ 26,659	\$ 9	\$ 2,436	\$ 9,831	\$ 23,356	\$ 27,308	\$ 18,674	\$ 7,052,983
TOTAL ASSETS	\$ 6,944,710	\$ 26,659	\$ 9	\$ 2,436	\$ 9,831	\$ 23,356	\$ 27,308	\$ 18,674	\$ 7,052,983
LIABILITIES									
Due to other funds	\$ 497,221	\$ 21,823	\$ 9	\$ 2,436	\$ 9,791	\$ -	\$ -	\$ -	\$ 531,280
Due to other governments	6,446,221	4,836	-	-	-	-	-	-	6,451,057
Due to schools	-	-	-	-	-	-	27,308	18,674	45,982
Due to others	1,268	-	-	-	40	23,356	-	-	24,664
TOTAL LIABILITIES	\$ 6,944,710	\$ 26,659	\$ 9	\$ 2,436	\$ 9,831	\$ 23,356	\$ 27,308	\$ 18,674	\$ 7,052,983

See accompanying notes.

WEBSTER COUNTY, MISSOURI
 STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS
 December 31, 2011

	Collector of Revenue Fund	Recorder Fund	Sheriff's Office Bond Fund	Sheriff's Office CCW Fund	Prosecuting Attorney Bad Check Fund	Prosecuting Attorney Delinquent Tax Fund
ASSETS						
Cash and cash equivalents	\$ 9,193,015	\$ 21,865	\$ 6	\$ 1,941	\$ 19,883	\$ 7,099
TOTAL ASSETS	\$ 9,193,015	\$ 21,865	\$ 6	\$ 1,941	\$ 19,883	\$ 7,099
LIABILITIES						
Due to other funds	\$ 651,442	\$ 18,118	\$ 6	\$ 1,941	\$ 5,816	\$ 7,099
Due to other governments	8,527,961	3,747	-	-	-	-
Due to schools	-	-	-	-	-	-
Due to others	13,612	-	-	-	14,067	-
TOTAL LIABILITIES	\$ 9,193,015	\$ 21,865	\$ 6	\$ 1,941	\$ 19,883	\$ 7,099

See accompanying notes.

WEBSTER COUNTY, MISSOURI
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS
(CONTINUED)
December 31, 2011

	Prosecuting Attorney Restitution Fund	Sheriff's Office Civil Fee Fund	Unclaimed Fund	Fines Fund	Excess Land Fund	Total
ASSETS						
Cash and cash equivalents	\$ 3,090	\$ 10,317	\$ 7,249	\$ 36,700	\$ 7,700	\$ 9,308,865
TOTAL ASSETS	\$ 3,090	\$ 10,317	\$ 7,249	\$ 36,700	\$ 7,700	\$ 9,308,865
LIABILITIES						
Due to other funds	\$ 2,129	\$ 10,269	\$ -	\$ -	\$ -	\$ 696,820
Due to other governments	-	48	-	-	-	8,531,756
Due to schools	-	-	-	36,700	7,700	44,400
Due to others	961	-	7,249	-	-	35,889
TOTAL LIABILITIES	\$ 3,090	\$ 10,317	\$ 7,249	\$ 36,700	\$ 7,700	\$ 9,308,865

See accompanying notes.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

As discussed further in Note A, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

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

The financial statements referred to above include only the primary government of Webster County, Missouri, which consists of all funds, organizations, agencies, departments, and offices that comprise the County’s legal entity.

Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Statements of Receipts, Disbursements and Changes in Cash and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts and Disbursements – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency 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. The following funds are used by the County:

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 Funds – Fiduciary funds (agency funds) are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, or other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector and other officeholders.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The financial statements are prepared on the regulatory 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 measureable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

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. Adjustments made during the year were not significant and are reflected in the budget information in the financial statements. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. Budgets are prepared and adopted on the cash basis of accounting.
9. Although adoption of a formal budget is required by law, the County did not adopt a formal budget for the following funds:
 - a. POST Fund
 - b. Paving Fund
 - c. Homelessness Prevention Grant Fund
 - d. Lunar Lane Cemetery Fund
 - e. Sweetbriar NID Fund
 - f. Sweetbriar NID Reserve Fund
10. Section 50.740 RSMo, prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts in the Capital Improvement Fund and Tax Maintenance Fund in 2011 and the General Revenue Fund in 2012.

Cash and Investments

The County pools cash and investment resources of various funds in the County Treasurer’s office in order to facilitate the management of cash and investments. Cash and investments applicable to a particular fund are readily identifiable. Some County offices also hold cash and investments in their own separate bank accounts as required by state statute. The balance in the pooled cash account is available to meet current operating requirements. State statutes require that County deposits be fully collateralized in the name of the County. As of December 31, 2012 and 2011, all bank balances on deposit are entirely insured or collateralized with securities.

NOTE B – INVESTMENTS

The County’s investments at December 31, 2012, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Certificate of Deposit	8/10/2013	\$ 715,954
Certificate of Deposit	8/10/2013	1,483,047
		<u>\$ 2,199,001</u>

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE B – CASH AND INVESTMENTS (continued)

The County’s investments at December 31, 2011, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Certificate of Deposit	8/10/2013	\$ 703,176
Certificate of Deposit	8/10/2013	1,456,579
		<u>\$ 2,159,755</u>

Certificates of Deposit

Certificates of deposit are classified as investments but are considered deposits for custodial risk determination. State statutes require that the County’s deposits be collateralized in the name of the County by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2012 and 2011, all certificates are entirely insured or collateralized with securities.

The County does not have a policy on interest rate risk.

NOTE C – CLAIMS, JUDGMENTS AND CONTINGENCIES

Federal and State Grants

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2012 and 2011, significant amounts of grant disbursements have not been audited by grantor governments, but the County believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the County.

NOTE D – PENSION PLAN – CERF

STATE OF MISSOURI COUNTY EMPLOYEES' RETIREMENT FUND

Plan Description

Webster County participates in the County Employees' Retirement Fund (CERF), a cost-sharing multiple-employer pension plan. CERF is a defined benefit pension plan which provides retirement and death benefits to plan members and beneficiaries. CERF was created and is governed by state statute, RSMo. 50.1000 to 50.1300. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

The County Employees' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to CERF Plan Administrator, 2121 Schotthill Woods Drive, Jefferson City, MO 65101.

Funding Policy

Webster County's full-time employees hired before February 25, 2002, are required by state statute to contribute 2% of annual payroll to the pension plan. Webster County's full-time employees hired after February 25, 2002, are required by state statute to contribute 6% of annual covered payroll to the pension plan. The County is required by state statute to remit the fees collected under RSMo. Sections 52.290, 150.150, 137.280, 137.345 and Chapters 59 and 54, RSMo, plus interest. The required contributions have been made.

NOTE E – ASSESSED VALUATION, TAX LEVY AND LEGAL DEBT MARGIN

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and are payable by December 31.

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE E – ASSESSED VALUATION, TAX LEVY AND LEGAL DEBT MARGIN (continued)

The 2012 and 2011 assessed valuation of the tangible taxable property (excluding railroad and utilities) and the tax levies per \$100 assessed valuation of that property were as follows:

	<u>2012</u>	<u>2011</u>
ASSESSED VALUATION		
Real estate	\$ 259,611,950	\$ 252,521,300
Personal property	<u>67,455,094</u>	<u>62,960,022</u>
	<u><u>\$ 327,067,044</u></u>	<u><u>\$ 315,481,322</u></u>
TAX LEVY		
Special Road and Bridge	\$.1874	\$.1860
Developmentally Disabled Board	.0789	.0783
Senior Citizens Services	<u>.0500</u>	<u>.0499</u>
	<u><u>\$.3163</u></u>	<u><u>\$.3142</u></u>

The legal debt margin at December 31, 2012 and December 31, 2011, is computed as follows:

	<u>2012</u>	<u>2011</u>
Constitutional debt limit	\$ 32,706,704	\$ 31,548,132
General obligation bonds payable	<u>-</u>	<u>-</u>
LEGAL DEBT MARGIN	<u><u>\$ 32,706,704</u></u>	<u><u>\$ 31,548,132</u></u>

Under Article VI, Section 26(b) and (c), Missouri Constitution, the County, by a vote of its qualified electors voting therein, may incur an indebtedness for any purpose authorized by law of the County or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the County.

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE F – 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. The County has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

NOTE G– INTERFUND TRANSFERS

Interfund transfers for the years ended December 31, 2012 and 2011, consisted of the following:

	Transfers In (Out)	
	2012	2011
General Revenue Fund	\$ (46,716)	\$ (49,160)
Special Road and Bridge Fund	-	172,623
Assessment Fund	46,000	43,745
Sheriff Revolving Fund	-	(21,831)
Law Enforcement Training - Sheriff Fund	-	1,918
Election Services Fund	6,363	80
Capital Improvement Fund	-	(124,669)
Road and Bridge Sales Tax Fund	-	(23,254)
POST Fund	-	(1,918)
Prosecuting Attorney Delinquent Tax Fee Fund	(7,700)	(2,454)
DARE Fund	3,300	3,300
Prosecuting Attorney Bad Check Fee Fund	625	1,454
Paving Fund	-	300
Homelessness Prevention Grant Fund	(1,872)	(134)
	<u>\$ -</u>	<u>\$ -</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE H – LONG-TERM DEBT

In August 2012, the County issued \$60,000 in Neighborhood Improvement District Bonds, Series 2012, for the purpose of constructing certain road improvements within Sweetbriar Drive. The revenue bonds shall bear interest at the rate of 2.99%. Principal and interest payments are due annually on March 1 of each year. Annual debt service requirements to amortize the principal on the 2012 NID bonds outstanding at December 31, 2012, are as follows:

Year Ended December 31,	Principal	Interest	Total
2013	\$ 4,941	\$ 837	\$ 5,778
2014	4,941	1,348	6,289
2015	4,941	1,198	6,139
2016	4,941	1,051	5,992
2017	4,941	899	5,840
2018	4,941	749	5,690
2019	4,941	599	5,540
2020	4,941	451	5,392
2021	4,941	300	5,241
2022	4,943	150	5,093
	<u>\$ 49,412</u>	<u>\$ 7,582</u>	<u>\$ 56,994</u>

The following is the changes in long-term debt for the years ended December 31, 2012 and 2011:

	Balance			Balance			Balance
	December 31, 2010	Additions	Retirements	December 31, 2011	Additions	Retirements	December 31, 2012
Capital Lease Obligations							
2009 Road Grader Lease	\$ 93,896	\$ -	\$ 93,896	\$ -	\$ -	\$ -	\$ -
2009 Road Grader Lease	93,896	-	93,896	-	-	-	-
NID Bonds, Series 2012	-	-	-	-	60,000	10,588	49,412
Compensated Absences	<u>87,815</u>	<u>9,521</u>	<u>-</u>	<u>97,336</u>	<u>4,786</u>	<u>-</u>	<u>102,122</u>
	<u>\$ 275,607</u>	<u>\$ 9,521</u>	<u>\$ 187,792</u>	<u>\$ 97,336</u>	<u>\$ 64,786</u>	<u>\$ 10,588</u>	<u>\$ 151,534</u>

WEBSTER COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2012

NOTE I – RESTATEMENT OF BEGINNING CASH AND INVESTMENT BALANCES

Beginning cash and investment balances have been restated to remove the Drug Court account that is no longer considered a special revenue fund, and to include the Local Emergency Planning Committee Fund, Tax Maintenance Fund, Homelessness Prevention Grant Fund, and Lunar Lane Cemetery Fund, which should have been included as special revenue funds in the prior year. Cash and investment balances have also been restated to remove the 911 Emergency Services board, which is considered a separate political subdivision. The restatement is as follows:

Cash and Investment Balance , as previously stated, December 31, 2010	\$ 3,021,699
Drug Court Fund	(21,565)
Local Emergency Planning Committee Fund	8,623
Tax Maintenance Fund	36,146
Homelessness Prevention Grant Fund	1,204
Lunar Lane Cemetery Fund	859
Emergency 911 Fund	<u>(409,239)</u>
Cash and Investment Balance , as restated, January 1, 2011	<u><u>\$ 2,637,727</u></u>

SUPPLEMENTARY SCHEDULES



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**INDEPENDENT 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***

Webster County Commission
Webster County
Marshfield, Missouri

We have audited, 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, the financial statements of Webster County, Missouri, as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise Webster County, Missouri's financial statements, and have issued our report thereon, dated June 21, 2013. In our report, our opinion was modified because the County prepares its financial statements using accounting practices prescribed or permitted by Missouri law, which differs from accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Webster County, Missouri's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Webster County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. They are identified as items 12-1 and 12-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Webster 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Webster County, Missouri's Response to Findings and Other Matters

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

We noted certain other matters that we have reported to management of the County in a separate letter dated June 21, 2013.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Webster County, Missouri's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Webster County, Missouri's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis, Lynn; Moots, PC

DAVIS, LYNN & MOOTS, P.C.
June 21, 2013

WEBSTER COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
Year ended December 31, 2012

12-1 Segregation of Duties

Condition: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Criteria: Duties should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Effect: Risk is present that errors or irregularities in amounts that would be material to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: We realize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

Response: The limited number of available personnel prohibits segregation of incompatible duties.

12-2 Wire Transfers

Condition: The depository agreements with the County banking institutions do not address by whom and to whom a wire transfer may be made. They also do not include special instructions for wire transfers.

Criteria: The County should have written and signed instructions with banking institutions requiring the approval of two authorized individuals before a wire transfer is made and by whom and to whom a wire transfer may be made.

Effect: Risk is present that unauthorized wire transfers may be made.

Recommendation: The County should include in future depository agreements with its banking institutions, who is authorized to make wire transfers for the County, to whom wire transfers are allowed, and require two authorized signatures for approval.

Response: The County will update its depository agreements with its banking institutions to include who is authorized to make wire transfers for the County, to whom wire transfers are allowed, and require two authorized signatures for approval.



DAVIS, LYNN &
MOOTS, P.C.
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Webster County Commission
Webster County
Marshfield, Missouri

In planning and performing our audit of the basic financial statements of Webster County, Missouri for the years ended December 31, 2012 and 2011, we considered the County's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 in the 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*, we identified deficiencies in internal control over financial reporting that we consider to be material weaknesses.

In addition to the material weaknesses discussed in the 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*, we became aware of additional matters to bring to your attention. The following paragraphs summarize our comments and suggestions regarding these matters.

1. Budgetary Compliance

The County was not in compliance with the budgetary statute, Chapter 50, RSMo, in 2011 and 2012 as the County did not adopt budgets for the POST Fund, Paving Fund, Homelessness Prevention Grant Fund, Lunar Lane Cemetery Fund, Sweetbriar NID Fund, and Sweetbriar NID Reserve Fund. Actual disbursements exceeded budgeted disbursements in 2011 in the Capital Improvement Fund and Tax Maintenance Fund. In 2012, actual disbursements exceeded budgeted disbursements in the General Revenue Fund.

We Recommend:

The County adopt a budget for all funds, review expenditures during the year and amend the budget as necessary to ensure compliance with the budgetary statute (Chapter 50, RSMo).

2. Bank Depository Agreements

As a custodian of public monies, we believe the County should review certain elements of depository agreements with the County's banking institutions to ensure proper controls are in place regarding the deposits and bank wires. The County has a responsibility for the safety of County monies and the depository agreements are often not reviewed and updated appropriately.

We Recommend:

- a. The County determine that the depository agreement with the banking institution has instructions regarding when a check is valid and may be honored by the institution. If more than one signature is required on checks, then the depository agreement should reflect that requirement.
- b. The County determine that the depository agreement specify the persons authorized to make wire transfers and to whom they may be made. This is necessary to prevent unauthorized wire transfers of County funds.
- c. The County determine that the depository agreement has procedures for opening new accounts in order to prevent unauthorized accounts from being opened under the County's name.

3. Disbursement Procedures

Currently the County does not require two signatures on checks from some of the County's Bank accounts. Coupled with the lack of segregation of duties, this creates an environment in which County assets could be misappropriated and the misappropriation would not be discovered in a timely manner.

We Recommend:

The County institute a policy requiring two signatures on all checks for all County disbursements.

4. Bank Statement Review

Currently, the Treasurer has access to all phases of certain transactions and prepares the bank reconciliations for the County's main checking account.

We Recommend:

The County appoint someone other than the Treasurer review the bank statements and bank reconciliations on a monthly basis.

5. Payroll Processing

The County utilizes direct deposit to employees for all payroll disbursements and the payroll is processed by one person who does the direct deposit without having someone not involved in the process review the direct deposit listing.

We Recommend:

The County assign someone not involved in the payroll process to review the listing for direct deposit payroll and initial the listing prior to the disbursement of funds. The approved listing should be retained to indicate the approval of the disbursement of funds.

6. Patient Protection and Affordable Care Act

In August 2010, the United States Congress passed H.R. 3590 Patient Protection and Affordable Care Act. The Act affects many sectors of the private-sector economy and government including establishing individual responsibilities regarding health coverage as well as employer responsibilities for providing health coverage. Employer responsibilities include: automatic enrollment for employees of larger employers, employer requirement to inform employees of coverage options, shared responsibilities for employers, reporting of employer health insurance coverage, offering of exchange-participating qualified health plans through cafeteria plans. The effective date for the employer responsibilities section of the Act is for months beginning after December 31, 2013. Due to the many provisions and complexity of the Act, governments may need to obtain outside counsel from its attorney and health insurance provider to determine the steps necessary to properly implement the provisions of this Act.

We Recommend:

Management become familiar with the requirements of the Act and consider obtaining outside counsel to comply with the new Act and avoid potential penalties and unwanted costs associated with this Act.

7. Tax Maintenance Fund

The County currently maintains a Tax Maintenance Fund for the benefit of the Collector's Office. Although the monies are to be used for the benefit of the Collector's office, these monies represent County funds. Therefore the same policies of the County regarding budgeting, receipts, and disbursements should be followed for these funds as with other funds of the County.

We Recommend:

The County require receipts and disbursements from these funds to be budgeted and the approval process for receipts and disbursements out of these funds should follow the same procedures as with other County funds.

8. Prosecuting Attorney Bad Check Fund

During the audit process, we noted that during 2012, the Prosecuting Attorney closed the Bad Check and Restitution bank accounts and relinquished the payment to agencies responsibility to the County Treasurer. The collection of the paid bad checks along with the fees are processed by the Prosecuting Attorney's office and then delivered to the County Treasurer to be recorded in the general ledger and deposited into the bank account. The Treasurer distributes the bad checks paid to the victim and the fees to other funds and agencies. The County Treasurer is recording the entire amount received as revenues and the amounts paid out as expenditures in the County Prosecuting Attorney Bad Check Fund. Amounts collected as restitution and fees to other agencies are not County revenue, nor County expenditures. Also, RSMo Chapter 570.120 requires that the amount collected as Prosecuting Attorney fees be deposited into a separate interest-bearing fund to be used as directed by the Prosecuting Attorney.

We Recommend:

The County Treasurer create two funds for the Prosecuting Attorney's bad check collections. One agency-type fund shall be used to collect the restitution and other agency (pass-thru) moneys that are not County revenues. The other special revenue-type fund shall be used for the collection of Prosecuting Attorney fees which are County revenues, and can thus be expended by the Prosecuting Attorney in accordance with RSMo Chapter 570.120. This will prevent the inflation of revenues and expenditures recorded by the County Treasurer and will also provide for a better reconciliation process to be sure all restitution and fees have been paid appropriately.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

We appreciate this opportunity to serve as Webster County's independent auditor and the courtesies and assistance extended to us by the County's employees.

Davis, Lynn; Moots, PC

DAVIS, LYNN & MOOTS, P.C.
June 21, 2013



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Webster County Commission
Webster County
Marshfield, Missouri

We have audited the financial statements of Webster County, Missouri, for the years ended December 31, 2012 and 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 23, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Webster County, Missouri, are described in Note A to the financial statements. All significant transactions have been recognized in the financial statements in the proper period. The County converted from the modified cash basis of accounting to the regulatory basis of accounting during the years ended December 31, 2012 and 2011. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

- Investments
- Fund Balance

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 21, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the County Commission and management of Webster County, Missouri, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Davis, Lynn & Moots, PC

DAVIS, LYNN & MOOTS, P.C.
June 21, 2013