



TEXAS COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1998

**From The Office Of State Auditor
Claire McCaskill**

Report No. 99-98
October 21, 1999

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

October 1999

IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Texas, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Texas County was a financial and compliance audit of various county operating funds.

The audit includes some matters upon which the county should consider and take appropriate corrective action.

Copies of the audit are available upon request.

YELLOW SHEET

TEXAS COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS**

To the County Commission
and
Officeholders of Texas County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Texas County, Missouri, as of and for the years ended December 31, 1998 and 1997, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

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

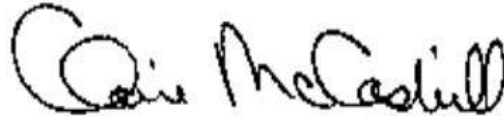
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Texas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county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

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Texas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 1998 and 1997, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

Texas County, Missouri, has not presented the disclosures required by Governmental Accounting Standards Board (GASB) Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*,

as amended by GASB Technical Bulletin 99-1, that the GASB has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that the county is or will be year 2000-compliant, that the county's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the county does business are or will become year 2000-compliant.

In accordance with *Government Auditing Standards*, we also have issued our report dated June 23, 1999, 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.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill
State Auditor

June 23, 1999 (fieldwork completion date)



CLAIRE C. McCASKILL
Missouri State Auditor

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

To the County Commission
and
Officeholders of Texas County, Missouri

We have audited the special-purpose financial statements of various funds of Texas County, Missouri, as of and for the years ended December 31, 1998 and 97, and have issued our report thereon dated June 23, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

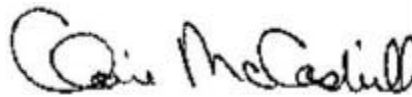
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Texas County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Texas County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of

performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters..

This report is intended for the information of the management of Texas County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is written in a cursive, flowing style. The first name "Claire" is written with a large, looped 'C' and a small 'i'. The last name "McCaskill" is written with a large 'M' and a series of connected letters.

Claire McCaskill
State Auditor

June 23, 1999 (fieldwork completion date)

Financial Statements

Exhibit A-1

TEXAS COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 637,033	1,159,988	1,270,167	526,854
Special Road and Bridge	153,787	915,552	917,478	151,861
Assessment	0	158,999	158,999	0
Law Enforcement Training	6,480	9,149	8,754	6,875
Prosecuting Attorney Training	99	3,914	3,885	128
WRI-TEX 911	429,783	323,820	357,509	396,094
Recorders User Fees	17,919	12,643	21,736	8,826
Law Enforcement Operations	12,454	17,231	12,949	16,736
Rescue Unit	14,675	746	2,467	12,954
Domestic Violence	16,418	3,321	3,050	16,689
Prosecuting Attorney Bad Check	9,558	16,727	17,320	8,965
Computerization	3,802	0	3,802	0
Local Emergency Preparedness Committee	15,349	2,341	6,566	11,124
Garner Covert Memorial Trust	14,578	835	40	15,373
Health Center	97,485	398,525	378,026	117,984
Habilitation Services	68,482	140,923	140,345	69,060
Block Grant	0	4,564	4,525	39
Circuit Clerk Interest	32,803	1,815	1,342	33,276
Law Library	2,365	4,375	1,198	5,542
Associate Circuit Division Interest	3,949	1,116	0	5,065
Probate Division Interest	367	25	5	387
Total	\$ 1,537,386	3,176,609	3,310,163	1,403,832

TEXAS COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 1997

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 665,216	1,072,926	1,101,109	637,033
Special Road and Bridge	126,613	924,211	897,037	153,787
Assessment	0	155,448	155,448	0
Law Enforcement Training	7,011	7,109	7,640	6,480
Prosecuting Attorney Training	120	2,594	2,615	99
WRI-TEX 911	395,019	343,953	309,189	429,783
Recorders User Fees	20,631	11,294	14,006	17,919
Law Enforcement Operations	24,058	5,937	17,541	12,454
Rescue Unit	13,800	875	0	14,675
Domestic Violence	14,996	3,522	2,100	16,418
Prosecuting Attorney Bad Check	5,419	15,254	11,115	9,558
Computerization	11,327	125	7,650	3,802
Local Emergency Preparedness Committee	5,796	12,686	3,133	15,349
Garner Covert Memorial Trust	13,922	776	120	14,578
Health Center	154,013	405,053	461,581	97,485
Habilitation Services	69,053	98,907	99,478	68,482
Circuit Clerk Interest	36,277	2,835	6,309	32,803
Law Library	1,088	3,015	1,738	2,365
Associate Circuit Division Interest	3,044	920	15	3,949
Probate Division Interest	337	30	0	367
	\$ 1,567,740	3,067,470	3,097,824	1,537,386

Exhibit B

TEXAS COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 GENERAL REVENUE FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 40,000	42,245	2,245	45,000	44,002	-998
Sales taxes	601,600	622,853	21,253	561,000	584,954	23,954
Intergovernmental	63,450	150,220	86,770	80,400	141,888	61,488
Charges for services	194,900	235,923	41,023	182,000	194,485	12,485
Interest	23,000	30,282	7,282	22,500	39,577	17,077
Other	47,665	41,042	-6,623	17,000	31,609	14,609
Transfers in	37,200	37,423	223	30,000	36,411	6,411
Total Receipts	1,007,815	1,159,988	#VALUE!	937,900	1,072,926	#VALUE!
DISBURSEMENTS						
County Commission	59,228	57,567	1,661	59,450	59,113	337
County Clerk	88,400	85,555	2,845	88,952	79,585	9,367
Elections	63,000	38,864	24,136	50,000	16,385	33,615
Buildings and grounds	107,752	78,592	29,160	103,342	58,001	45,341
Employee fringe benefits	162,000	128,941	33,059	133,000	126,480	6,520
County Treasurer	53,218	52,799	419	49,598	49,674	-76
County Collector	12,000	11,836	164	15,000	9,021	5,979
County Surveyor	4,500	2,200	2,300	3,700	2,200	1,500
Circuit Clerk/Ex Officio Recorder of Deeds	39,280	37,586	1,694	37,812	37,042	770
Associate Circuit Court	11,260	8,974	2,286	12,060	10,099	1,961
Court administration	51,225	31,797	19,428	50,135	30,035	20,100
Public Administrator	6,900	11,054	-4,154	6,600	6,600	0
Sheriff	174,650	167,658	6,992	214,685	222,491	-7,806
Jail	129,748	158,901	-29,153	121,343	134,213	-12,870
Prosecuting Attorney	75,040	78,801	-3,761	70,180	70,857	-677
Juvenile Officer	67,860	75,037	-7,177	60,000	57,310	2,690
County Coroner	10,064	9,029	1,035	10,050	10,207	-157
Insurance & Bonds	28,000	17,200	10,800	0	22,599	-22,599
Debt service	12,000	11,552	448	12,000	11,853	147
Other	361,083	169,628	191,455	297,254	49,411	247,843
Transfers out	40,335	36,596	3,739	41,243	37,933	3,310
Emergency Fund	30,000	0	30,000	34,800	0	34,800
Total Disbursements	1,587,543	1,270,167	317,376	1,471,204	1,101,109	370,095
RECEIPTS OVER (UNDER) DISBURSEMENTS	-579,728	-110,179	#VALUE!	-533,304	-28,183	#VALUE!
CASH, JANUARY 1	637,033	637,033	0	665,216	665,216	0
CASH, DECEMBER 31	\$ 57,305	526,854	#VALUE!	131,912	637,033	#VALUE!

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

Exhibit C

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
SPECIAL ROAD AND BRIDGE FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 900,000	907,670	7,670	810,000	915,775	105,775
Charges for services	0	70	70	100	0	-100
Interest	5,000	7,812	2,812	1,000	8,436	7,436
Total Receipts	905,000	915,552	10,552	811,100	924,211	113,111
DISBURSEMENTS						
Distribution to townships	850,150	868,806	-18,656	862,312	853,684	8,628
Road sign project	20,850	13,369	7,481	0	15,435	-15,435
Insurance	2,000	766	1,234	0	1,088	-1,088
Construction, repair, and maintenance	79,235	7,229	72,006	0	0	0
Transfers out	27,000	27,308	-308	0	26,830	-26,830
Total Disbursements	979,235	917,478	61,757	862,312	897,037	-34,725
RECEIPTS OVER (UNDER) DISBURSEMENTS	-74,235	-1,926	72,309	-51,212	27,174	78,386
CASH, JANUARY 1	153,787	153,787	0	126,613	126,613	0
CASH, DECEMBER 31	\$ 79,552	151,861	72,309	75,401	153,787	78,386

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

Exhibit D

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

Year Ended December 31,						
1998				1997		
		Variance				Variance
		Favorable				Favorable
		(Unfavorable)				(Unfavorable)
Budget	Actual			Budget	Actual	
RECEIPTS						
Intergovernmental	\$ 124,535	117,508	-7,027	118,142	114,834	-3,308
Interest	500	1,104	604	500	765	265
Other	2,000	3,792	1,792	500	1,916	1,416
Transfers in	38,835	36,595	-2,240	39,243	37,933	-1,310
Total Receipts	165,870	158,999	-6,871	158,385	155,448	-2,937
DISBURSEMENTS						
Assessor	165,870	158,999	6,871	158,385	155,448	2,937
Total Disbursements	165,870	158,999	6,871	158,385	155,448	2,937
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	\$ 0	0	0	0	0	0

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

Exhibit E

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT TRAINING FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	1,800	1,758	-42	0	0	0
Charges for services	\$ 6,000	7,036	1,036	7,500	6,725	-775
Interest	500	355	-145	100	384	284
Total Receipts	8,300	9,149	849	7,600	7,109	-491
DISBURSEMENTS						
Sheriff	14,780	8,754	6,026	14,611	7,640	6,971
Total Disbursements	14,780	8,754	6,026	14,611	7,640	6,971
RECEIPTS OVER (UNDER) DISBURSEMENTS	-6,480	395	6,875	-7,011	-531	6,480
CASH, JANUARY 1	6,480	6,480	0	7,011	7,011	0
CASH, DECEMBER 31	\$ 0	6,875	6,875	0	6,480	6,480

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

Exhibit F

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY TRAINING FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	1,300	3,066	1,766	2,600	2,579	-21
Interest		100	22	-78	10	15	5
Other		0	826	826	0	0	0
Total Receipts		1,400	3,914	2,514	2,610	2,594	-16
DISBURSEMENTS							
Prosecuting Attorney		1,499	3,885	-2,386	2,730	2,615	115
Total Disbursements		1,499	3,885	-2,386	2,730	2,615	115
RECEIPTS OVER (UNDER) DISBURSEMENTS		-99	29	128	-120	-21	99
CASH, JANUARY 1		99	99	0	120	120	0
CASH, DECEMBER 31	\$	0	128	128	0	99	99

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

Exhibit G

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
WRI-TEX 911 FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	315,525	300,056	-15,469	284,000	315,975	31,975
Interest		23,000	23,764	764	23,000	26,436	3,436
Other		1,000	0	-1,000	0	1,542	1,542
Total Receipts		339,525	323,820	-15,705	307,000	343,953	36,953
DISBURSEMENTS							
Salaries		207,000	195,598	11,402	175,475	182,626	-7,151
Office expenditures		11,100	9,057	2,043	10,800	9,242	1,558
Equipment		118,352	68,049	50,303	99,298	2,814	96,484
Mileage and training		6,200	5,065	1,135	6,200	3,968	2,232
Administration expense		10,000	0	10,000	10,000	2,310	7,690
Mapping		1,000	0	1,000	1,000	32,340	-31,340
Installation and service charges		68,000	69,362	-1,362	65,000	66,158	-1,158
Other		5,200	263	4,937	5,100	150	4,950
Transfers out		10,200	10,115	85	10,000	9,581	419
Total Disbursements		437,052	357,509	79,543	382,873	309,189	73,684
RECEIPTS OVER (UNDER) DISBURSEMENTS		-97,527	-33,689	63,838	-75,873	34,764	110,637
CASH, JANUARY 1		429,783	429,783	0	393,146	395,019	1,873
CASH, DECEMBER 31	\$	332,256	396,094	63,838	317,273	429,783	112,510

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

Exhibit H

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
RECORDERS USER FEES FUND

Year Ended December 31,						
1998			1997			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 10,000	11,740	1,740	10,000	9,950	-50
Interest	1,000	903	-97	1,000	1,344	344
Total Receipts	11,000	12,643	1,643	11,000	11,294	294
DISBURSEMENTS						
Recorder	28,919	21,736	7,183	31,631	14,006	17,625
Total Disbursements	28,919	21,736	7,183	31,631	14,006	17,625
RECEIPTS OVER (UNDER) DISBURSEMENTS	-17,919	-9,093	8,826	-20,631	-2,712	17,919
CASH, JANUARY 1	17,919	17,919	0	20,631	20,631	0
CASH, DECEMBER 31	\$ 0	8,826	8,826	0	17,919	17,919

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

Exhibit I

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT OPERATIONS FUND

Year Ended December 31,						
1998			1997			
		Variance			Variance	
		Favorable			Favorable	
	Budget	Actual	(Unfavorable)	Budget	Actual	(Unfavorable)
RECEIPTS						
Intergovernmental	\$ 18,705	16,485	-2,220	8,125	5,374	-2,751
Interest	500	746	246	100	563	463
Total Receipts	19,205	17,231	-1,974	8,225	5,937	-2,288
DISBURSEMENTS						
Sheriff	31,259	12,949	18,310	32,283	17,541	14,742
Total Disbursements	31,259	12,949	18,310	32,283	17,541	14,742
RECEIPTS OVER (UNDER) DISBURSEMENTS	-12,054	4,282	16,336	-24,058	-11,604	12,454
CASH, JANUARY 1	12,454	12,454	0	24,058	24,058	0
CASH, DECEMBER 31	\$ 400	16,736	16,336	0	12,454	12,454

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

Exhibit J

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
RESCUE UNIT FUND

Year Ended December 31,						
1998			1997			
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
RECEIPTS						
Intergovernmental	\$ 0	0	0	13,000	0	-13,000
Interest	500	746	246	100	875	775
Other	500	0	-500	100	0	-100
Total Receipts	1,000	746	-254	13,200	875	-12,325
DISBURSEMENTS						
Rescue Unit	15,675	2,467	13,208	27,000	0	27,000
Total Disbursements	15,675	2,467	13,208	27,000	0	27,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	-14,675	-1,721	12,954	-13,800	875	14,675
CASH, JANUARY 1	14,675	14,675	0	13,800	13,800	0
CASH, DECEMBER 31	\$ 0	12,954	12,954	0	14,675	14,675

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

Exhibit K

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
DOMESTIC VIOLENCE FUND

Year Ended December 31,						
1998			1997			
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
RECEIPTS						
Charges for services	2,500	2,430	-70	2,300	2,540	240
Interest	900	891	-9	500	982	482
Total Receipts	3,400	3,321	-79	2,800	3,522	722
DISBURSEMENTS						
Domestic Violence Shelter	19,818	3,050	16,768	17,796	2,100	15,696
Total Disbursements	19,818	3,050	16,768	17,796	2,100	15,696
RECEIPTS OVER (UNDER) DISBURSEMENTS	-16,418	271	16,689	-14,996	1,422	16,418
CASH, JANUARY 1	16,418	16,418	0	14,996	14,996	0
CASH, DECEMBER 31	\$ 0	16,689	16,689	0	16,418	16,418

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

Exhibit L

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY BAD CHECK FUND

Year Ended December 31,						
1998			1997			
		Variance			Variance	
		Favorable			Favorable	
	Budget	Actual	(Unfavorable)	Budget	Actual	(Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	5,366	5,366	0	0	0
Charges for services	13,000	10,775	-2,225	10,000	14,830	4,830
Interest	400	586	186	100	424	324
Total Receipts	13,400	16,727	3,327	10,100	15,254	5,154
DISBURSEMENTS						
Prosecuting Attorney	22,958	17,320	5,638	15,519	11,115	4,404
Total Disbursements	22,958	17,320	5,638	15,519	11,115	4,404
RECEIPTS OVER (UNDER) DISBURSEMENTS	-9,558	-593	8,965	-5,419	4,139	9,558
CASH, JANUARY 1	9,558	9,558	0	5,419	5,419	0
CASH, DECEMBER 31	\$ 0	8,965	8,965	0	9,558	9,558

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

Exhibit M

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

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Interest		0	0	0	0	125	125
Total Receipts		0	0	0	0	125	125
DISBURSEMENTS							
Other		3,613	3,613	0	11,263	7,650	3,613
Transfers Out		189	189	0	64	0	64
Total Disbursements		3,802	3,802	0	11,327	7,650	3,677
RECEIPTS OVER (UNDER) DISBURSEMENTS		-3,802	-3,802	0	-11,327	-7,525	3,802
CASH, JANUARY 1		3,802	3,802	0	11,327	11,327	0
CASH, DECEMBER 31	\$	0	0	0	0	3,802	3,802

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

Exhibit N

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LOCAL EMERGENCY PREPAREDNESS COMMITTEE FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	4,000	1,715	-2,285	5,000	12,022	7,022
Interest	500	626	126	50	664	614
Total Receipts	4,500	2,341	-2,159	5,050	12,686	7,636
DISBURSEMENTS						
Committee Operation	19,849	6,566	13,283	10,846	3,133	7,713
Total Disbursements	19,849	6,566	13,283	10,846	3,133	7,713
RECEIPTS OVER (UNDER) DISBURSEMENTS	-15,349	-4,225	11,124	-5,796	9,553	15,349
CASH, JANUARY 1	15,349	15,349	0	5,796	5,796	0
CASH, DECEMBER 31	\$ 0	11,124	11,124	0	15,349	15,349

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

Exhibit O

TEXAS COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
GARNER COVERT MEMORIAL TRUST FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 800	835	35
Total Receipts	800	835	35
DISBURSEMENTS			
Indigent grants	1,000	0	1,000
Indigent loans	1,000	0	1,000
Miscellaneous	1,378	40	1,338
Total Disbursements	3,378	40	3,338
RECEIPTS OVER (UNDER) DISBURSEMENTS	-2,578	795	3,373
CASH, JANUARY 1	14,578	14,578	0
CASH, DECEMBER 31	\$ 12,000	15,373	3,373

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

Exhibit P

TEXAS COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 HEALTH CENTER FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 118,792	120,917	2,125	115,904	113,825	-2,079
Intergovernmental	221,105	239,721	18,616	240,656	257,042	16,386
Charges for services	15,100	17,971	2,871	11,200	16,390	5,190
Interest	5,500	7,238	1,738	6,000	6,792	792
Other	10,940	12,678	1,738	8,540	11,004	2,464
Total Receipts	371,437	398,525	27,088	382,300	405,053	22,753
DISBURSEMENTS						
Salaries	313,597	306,879	6,718	290,780	294,551	-3,771
Office expenditures	53,667	45,133	8,534	49,200	53,421	-4,221
Equipment	7,500	6,909	591	11,500	6,398	5,102
Mileage and training	12,175	11,281	894	19,200	14,928	4,272
Other	12,000	7,824	4,176	91,250	92,283	-1,033
Total Disbursements	398,939	378,026	20,913	461,930	461,581	349
RECEIPTS OVER (UNDER) DISBURSEMENTS	-27,502	20,499	48,001	-79,630	-56,528	23,102
CASH, JANUARY 1	97,485	97,485	0	154,213	154,013	-200
CASH, DECEMBER 31	\$ 69,983	117,984	48,001	74,583	97,485	22,902

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

Exhibit Q

TEXAS COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
HABILITATION SERVICES FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Property taxes	\$	110,000	136,948	26,948	93,000	95,782	2,782
Intergovernmental		1,000	1,935	935	2,000	77	-1,923
Interest		2,000	2,040	40	2,000	3,048	1,048
Total Receipts		113,000	140,923	27,923	97,000	98,907	1,907
DISBURSEMENTS							
Contract Services		141,969	138,813	3,156	97,800	97,800	0
Other		3,575	1,532	2,043	68,253	1,678	66,575
Total Disbursements		145,544	140,345	5,199	166,053	99,478	66,575
RECEIPTS OVER (UNDER) DISBURSEMENTS		-32,544	578	33,122	-69,053	-571	68,482
CASH, JANUARY 1		86,449	68,482	-17,967	69,053	69,053	0
CASH, DECEMBER 31	\$	53,905	69,060	15,155	0	68,482	68,482

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

Notes to the Financial Statements

TEXAS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

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

B. Basis of Accounting

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

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1998, the county budget law. These budgets are adopted on the cash basis of accounting.

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

<u>Fund</u>	<u>Years Ended December 31,</u>
Garner Covert Memorial Fund	1997
Block Grant Fund	1998
Circuit Clerk Interest Fund	1998 and 1997
Law Library Fund	1998 and 1997
Associate Circuit Division Interest Fund	1998 and 1997
Probate Division Interest Fund	1998 and 1997

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Special Road and Bridge Fund	1997
Prosecuting Attorney Training Fund	1998

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements for the years ended December 31, 1998 and 1997, did not include the Circuit Clerk Interest Fund, Law Library Fund, Associate Circuit Division Interest fund, and Probate Division Interest Fund.

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1998, effective August 28, 1997, requires political subdivisions with existing authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

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

The county's deposits at December 31, 1998 and 1997, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The Health Center Board's and Habilitation Services Board's deposits at December 31, 1998 and 1997, were entirely covered by federal depository insurance or by collateral securities held by the custodial banks in the applicable board's name.

Schedule

TEXAS COUNTY, MISSOURI
SCHEDULE OF FINDINGS
YEARS ENDED DECEMBER 31, 1998 AND 1997

This schedule includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Follow-Up on Prior Audit Findings

TEXAS COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS

Our prior audit report issued for the two years ended December 31, 1996, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

SECTION ON OTHER MATTERS

TEXAS COUNTY, MISSOURI
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Texas County, Missouri, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated June 23, 1999.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents a matter other than the findings, if any, reported in the accompanying Schedule of Findings. This matter resulted from our audit of the special-purpose financial statements of Texas County but does not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting that is required for an audit performed in accordance with *Government Auditing Standards*. Nevertheless, the county should consider this matter and take appropriate corrective action.

Budgetary Practices

The County Commission did not prepare and approve budget amendments on a timely basis. Budget amendments for 1997 were not approved and filed until January 12, 1998. The county approved disbursements in excess of budgeted amounts for the Special Road and Bridge Fund and the Prosecuting Attorney Training Fund. In addition, several budgets prepared by the county did not adequately reflect the county's anticipated financial position. Appropriations were budgeted to use all available resources. The practice of budgeting to spend all available resources decreases the effectiveness of the budget as a management planning tool and as a control over disbursements.

This Letter on Other Matters is intended for the information of the management of Texas County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.