



**WARREN COUNTY, MISSOURI  
TWO YEARS ENDED DECEMBER 31, 2000**

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

**Report No. 2001-40  
May 21, 2001  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)**

**AUDIT REPORT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

May 2001

[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Warren, 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 Warren 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

WARREN COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>	
<hr/> <u>FINANCIAL SECTION</u> <hr/>		
State Auditor's Reports: .....	2-6	
Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4	
Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	5-6	
Financial Statements: .....	7-16	
<u>Exhibit</u>	<u>Description</u>	
A-1	Statement of Receipts, Disbursements, and Changes in Cash - Various Funds Year Ended December 31, 2000 .....	8
A-2	Year Ended December 31, 1999 .....	9
B	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual - Various Funds, Years Ended December 31, 2000 and 1999 .....	10-16
Notes to the Financial Statements .....	17-20	
Supplementary Schedule: .....	21-23	
Schedule of Expenditures of Federal Awards, Years Ended December 31, 2000 and 1999 .....	22-23	
Notes to the Supplementary Schedule .....	24-26	
<hr/> <u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u> <hr/>		
State Auditor's Report: .....	28-30	
Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 .....	29-30	

WARREN COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u>	
Schedule:.....	31-33
Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action), Years Ended December 31, 2000 and 1999.....	32-33
Section I - Summary of Auditor's Results.....	32-33
Section II - Financial Statement Findings.....	33
Section III - Federal Award Findings and Questioned Costs.....	33
Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	34-35
Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133 .....	36-38
<u>SECTION ON OTHER MATTERS</u>	
Letter on Other Matters.....	40

FINANCIAL SECTION

State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS

To the County Commission  
and  
Officeholders of Warren County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Warren County, Missouri, as of and for the years ended December 31, 2000 and 1999, 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 the 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 Warren 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 Warren 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 Warren 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,

2000 and 1999, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated March 8, 2001, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.



Claire McCaskill  
State Auditor

March 8, 2001 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Debra S. Lewis, CPA
In-Charge Auditor:	Darrick A. Fulton
Audit Staff:	A. Dailey Carl E. Zilch, Jr.



**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 Warren County, Missouri

We have audited the special-purpose financial statements of various funds of Warren County, Missouri, as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 8, 2001. 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 Warren 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 certain immaterial instances 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 Warren 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 other matters 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 Warren County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

March 8, 2001 (fieldwork completion date)

## Financial Statements

Exhibit A-1

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

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 863,062	2,357,552	1,895,140	1,325,474
Special Road and Bridge	929,050	1,387,011	1,595,316	720,745
Assessment	21,456	286,975	290,134	18,297
Law Enforcement	199,403	1,828,776	2,020,364	7,815
Officer's Training	13,331	17,464	11,998	18,797
Prosecuting Attorney Training	6,214	3,348	0	9,562
Capital Improvement	890,539	1,076,175	539,188	1,427,526
Prosecuting Attorney Delinquent Tax	13,572	2,320	40	15,852
Prosecuting Attorney Bad Check	33,401	39,094	17,278	55,217
Recorder's User Fees	36,063	18,536	23,564	31,035
Sheriff's Civil Fees	424	34,796	24,552	10,668
Road and Bridge Capital	102,950	314,660	0	417,610
Prosecuting Attorney Forfeiture	3,130	263	0	3,393
Election Services	0	2,777	144	2,633
Domestic Violence	0	2,232	2,232	0
Sheriff's Forfeiture	450	27	477	0
Senate Bill 40 Board	188,824	346,274	340,403	194,695
Circuit Clerk Interest	21,925	12,551	1,892	32,584
Associate Circuit Division Interest	10,695	7,277	6,551	11,421
Law Library	10,256	13,495	11,109	12,642
Family Access	77	2	79	0
DARE	10,555	2,131	2,000	10,686
Total	\$ 3,355,377	7,753,736	6,782,461	4,326,652

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

Exhibit A-2

WARREN COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 434,941	2,136,887	1,708,766	863,062
Special Road and Bridge	571,131	1,489,068	1,131,149	929,050
Assessment	9,814	274,687	263,045	21,456
Law Enforcement	70,510	2,054,466	1,925,573	199,403
Officer's Training	8,675	15,557	10,901	13,331
Prosecuting Attorney Training	3,549	2,711	46	6,214
Capital Improvement	649,944	1,031,777	791,182	890,539
Prosecuting Attorney Delinquent Tax	11,005	2,567	0	13,572
Prosecuting Attorney Bad Check	37,258	19,519	23,376	33,401
Recorder's User Fees	34,770	20,199	18,906	36,063
Sheriff's Civil Fees	3,394	31,515	34,485	424
Road and Bridge Capital	50,000	52,950	0	102,950
Prosecuting Attorney Forfeiture	2,954	176	0	3,130
Domestic Violence	0	2,627	2,627	0
Sheriff's Forfeiture	423	27	0	450
Senate Bill 40 Board	102,339	345,598	259,113	188,824
Circuit Clerk Interest	26,245	5,750	10,070	21,925
Associate Circuit Division Interest	7,400	5,113	1,818	10,695
Law Library	5,528	14,014	9,286	10,256
Family Access	25	52	0	77
RADE	54	0	54	0
DARE	7,626	5,429	2,500	10,555
Total	\$ 2,037,585	7,510,689	6,192,897	3,355,377

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

Exhibit B

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>TOTALS - VARIOUS FUNDS</b>						
RECEIPTS	\$ 7,702,538	7,751,603	49,065	7,130,493	7,488,540	358,047
DISBURSEMENTS	9,261,171	6,780,382	2,480,789	7,916,656	6,178,430	1,738,226
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,558,633)	971,221	2,529,854	(786,163)	1,310,110	2,096,273
CASH, JANUARY 1	3,343,528	3,344,745	1,217	2,023,446	2,023,929	483
CASH, DECEMBER 31	1,784,895	4,315,966	2,531,071	1,237,283	3,334,039	2,096,756
<b>GENERAL REVENUE FUND</b>						
RECEIPTS						
Property taxes	250,000	249,835	(165)	225,000	251,349	26,349
Sales taxes	1,000,000	1,015,135	15,135	910,000	962,185	52,185
Intergovernmental	142,000	142,582	582	159,300	140,707	(18,593)
Charges for services	622,800	616,257	(6,543)	597,600	614,659	17,059
Interest	30,000	79,054	49,054	24,000	34,783	10,783
Other	228,390	254,689	26,299	151,100	133,204	(17,896)
Total Receipts	2,273,190	2,357,552	84,362	2,067,000	2,136,887	69,887
DISBURSEMENTS						
County Commission	87,612	83,836	3,776	87,862	82,665	5,197
County Clerk	152,945	135,672	17,273	136,105	115,595	20,510
Elections	80,000	56,485	23,515	15,700	11,598	4,102
Buildings and grounds	305,000	182,280	122,720	300,000	220,720	79,280
County Treasurer	37,410	36,010	1,400	40,672	39,961	711
County Collector	154,989	139,313	15,676	144,696	128,893	15,803
Ex Officio Recorder of Deeds	63,424	62,105	1,319	60,562	52,946	7,616
Circuit Clerk	19,350	15,140	4,210	20,900	19,571	1,329
Associate Circuit Court	21,701	20,812	889	27,068	23,989	3,079
Court administration	7,900	8,076	(176)	7,800	4,549	3,251
Public Administrator	20,010	12,570	7,440	15,554	14,020	1,534
Sanitation Officer	84,659	78,524	6,135	84,098	75,431	8,667
Prosecuting Attorney	219,884	209,263	10,621	212,041	193,293	18,748
Juvenile Officer	111,277	59,674	51,603	131,595	114,805	16,790
County Coroner	29,164	20,638	8,526	26,864	15,382	11,482
Court Reporter	9,600	810	8,790	1,150	416	734
County Nurse	194,174	120,831	73,343	143,347	124,367	18,980
Surveyor	1,550	1,216	334	1,410	775	635
Emergency Manager	6,520	6,496	24	5,800	5,739	61
Planning and Zoning Administration	166,931	82,854	84,077	78,937	56,938	21,999
Transfers out	353,100	325,000	28,100	340,000	150,000	190,000
Emergency Fund	200,000	0	200,000	65,000	0	65,000
Total Disbursements	2,684,125	1,895,140	788,985	2,248,037	1,708,766	539,271
RECEIPTS OVER (UNDER) DISBURSEMENTS	(410,935)	462,412	873,347	(181,037)	428,121	609,158
CASH, JANUARY 1	863,062	863,062	0	435,051	434,941	(110)
CASH, DECEMBER 31	452,127	1,325,474	873,347	254,014	863,062	609,048

Exhibit B

WARREN COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>SPECIAL ROAD AND BRIDGE FUND</u></b>						
<b>RECEIPTS</b>						
Property taxes	526,000	516,229	(9,771)	470,000	519,512	49,512
Intergovernmental	817,000	792,813	(24,187)	922,000	917,871	(4,129)
Interest	22,000	57,425	35,425	15,000	38,677	23,677
Other	20,000	20,544	544	12,000	13,008	1,008
<b>Total Receipts</b>	<b>1,385,000</b>	<b>1,387,011</b>	<b>2,011</b>	<b>1,419,000</b>	<b>1,489,068</b>	<b>70,068</b>
<b>DISBURSEMENTS</b>						
Salaries	250,000	204,107	45,893	210,000	182,957	27,043
Employee fringe benefits	59,125	42,976	16,149	52,100	38,570	13,530
Supplies	60,000	53,280	6,720	56,000	32,797	23,203
Insurance	20,000	11,469	8,531	20,000	12,401	7,599
Road and bridge materials	340,000	383,983	(43,983)	240,000	58,348	181,652
Equipment repairs	40,000	45,292	(5,292)	40,000	26,906	13,094
Non Reimbursed Construction	100,000	22,655	77,345	200,000	37,557	162,443
Equipment purchases	200,000	134,615	65,385	100,000	21,847	78,153
Hired Machinery	40,000	13,511	26,489	40,000	35,621	4,379
Road Oil	200,000	103,384	96,616	200,000	155,258	44,742
Gravel	330,000	208,332	121,668	300,000	232,001	67,999
New Bridges	150,000	42,873	107,127	250,000	229,847	20,153
Dust Abatement	15,000	12,676	2,324	7,000	7,622	(622)
Other	23,000	16,163	6,837	23,000	9,417	13,583
Transfers out	300,000	300,000	0	50,000	50,000	0
<b>Total Disbursements</b>	<b>2,127,125</b>	<b>1,595,316</b>	<b>531,809</b>	<b>1,788,100</b>	<b>1,131,149</b>	<b>656,951</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(742,125)</b>	<b>(208,305)</b>	<b>533,820</b>	<b>(369,100)</b>	<b>357,919</b>	<b>727,019</b>
<b>CASH, JANUARY 1</b>	<b>929,050</b>	<b>929,050</b>	<b>0</b>	<b>571,131</b>	<b>571,131</b>	<b>0</b>
<b>CASH, DECEMBER 31</b>	<b>186,925</b>	<b>720,745</b>	<b>533,820</b>	<b>202,031</b>	<b>929,050</b>	<b>727,019</b>
<b><u>ASSESSMENT FUND</u></b>						
<b>RECEIPTS</b>						
Intergovernmental	270,200	273,743	3,543	244,000	262,785	18,785
Interest	3,000	4,870	1,870	2,000	3,134	1,134
Other	9,500	8,362	(1,138)	7,500	8,768	1,268
Transfers in	8,600	0	(8,600)	40,000	0	(40,000)
<b>Total Receipts</b>	<b>291,300</b>	<b>286,975</b>	<b>(4,325)</b>	<b>293,500</b>	<b>274,687</b>	<b>(18,813)</b>
<b>DISBURSEMENTS</b>						
Assessor	312,700	290,134	22,566	302,950	263,045	39,905
<b>Total Disbursements</b>	<b>312,700</b>	<b>290,134</b>	<b>22,566</b>	<b>302,950</b>	<b>263,045</b>	<b>39,905</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(21,400)</b>	<b>(3,159)</b>	<b>18,241</b>	<b>(9,450)</b>	<b>11,642</b>	<b>21,092</b>
<b>CASH, JANUARY 1</b>	<b>21,456</b>	<b>21,456</b>	<b>0</b>	<b>9,814</b>	<b>9,814</b>	<b>0</b>
<b>CASH, DECEMBER 31</b>	<b>56</b>	<b>18,297</b>	<b>18,241</b>	<b>364</b>	<b>21,456</b>	<b>21,092</b>

WARREN COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>LAW ENFORCEMENT FUND</u></b>						
<b>RECEIPTS</b>						
Sales Tax	1,000,000	1,015,289	15,289	920,000	971,954	51,954
Intergovernmental	42,756	64,904	22,148	91,196	95,631	4,435
Charges for services	480,000	325,169	(154,831)	555,000	755,230	200,230
Interest	8,000	10,933	2,933	3,500	11,508	8,008
Other	103,000	87,481	(15,519)	92,000	70,143	(21,857)
Transfers in	344,500	325,000	(19,500)	300,000	150,000	(150,000)
Total Receipts	1,978,256	1,828,776	(149,480)	1,961,696	2,054,466	92,770
<b>DISBURSEMENTS</b>						
Sheriff	1,153,577	1,105,656	47,921	1,099,443	1,044,564	54,879
Jail	1,024,026	914,708	109,318	927,203	881,009	46,194
Total Disbursements	2,177,603	2,020,364	157,239	2,026,646	1,925,573	101,073
RECEIPTS OVER (UNDER) DISBURSEMENTS	(199,347)	(191,588)	7,759	(64,950)	128,893	193,843
CASH, JANUARY 1	199,403	199,403	0	70,382	70,510	128
CASH, DECEMBER 31	56	7,815	7,759	5,432	199,403	193,971
<b><u>OFFICER'S TRAINING FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	18,000	16,120	(1,880)	12,000	14,946	2,946
Interest	500	1,344	844	400	533	133
Other	0	0	0	0	78	78
Total Receipts	18,500	17,464	(1,036)	12,400	15,557	3,157
<b>DISBURSEMENTS</b>						
Sheriff	15,600	11,998	3,602	12,400	10,901	1,499
Total Disbursements	15,600	11,998	3,602	12,400	10,901	1,499
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,900	5,466	2,566	0	4,656	4,656
CASH, JANUARY 1	13,331	13,331	0	8,808	8,675	(133)
CASH, DECEMBER 31	16,231	18,797	2,566	8,808	13,331	4,523
<b><u>PROSECUTING ATTORNEY TRAINING FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	2,800	2,737	(63)	3,000	2,441	(559)
Interest	250	611	361	100	270	170
Total Receipts	3,050	3,348	298	3,100	2,711	(389)
<b>DISBURSEMENTS</b>						
Prosecuting Attorney	4,500	0	4,500	4,500	46	4,454
Total Disbursements	4,500	0	4,500	4,500	46	4,454
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,450)	3,348	4,798	(1,400)	2,665	4,065
CASH, JANUARY 1	6,214	6,214	0	3,549	3,549	0
CASH, DECEMBER 31	4,764	9,562	4,798	2,149	6,214	4,065

WARREN COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>CAPITAL IMPROVEMENT FUND</u></b>						
<b>RECEIPTS</b>						
Sales tax	1,000,000	1,015,512	15,512	920,000	980,236	60,236
Interest	31,000	59,986	28,986	20,000	29,553	9,553
Other	0	677	677	7,000	21,988	14,988
Total Receipts	1,031,000	1,076,175	45,175	947,000	1,031,777	84,777
<b>DISBURSEMENTS</b>						
Equipment	200,000	5,406	194,594	100,000	21,324	78,676
Bond principal and interest payments	630,000	505,598	124,402	604,650	582,083	22,567
Capital construction	200,000	28,184	171,816	100,000	29,228	70,772
Loan payment	0	0	0	170,000	158,547	11,453
Total Disbursements	1,030,000	539,188	490,812	974,650	791,182	183,468
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,000	536,987	535,987	(27,650)	240,595	268,245
CASH, JANUARY 1	890,539	890,539	0	649,944	649,944	0
CASH, DECEMBER 31	891,539	1,427,526	535,987	622,294	890,539	268,245
<b><u>PROSECUTING ATTORNEY DELINQUENT TAX FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	1,500	1,139	(361)	1,300	1,871	571
Interest	700	1,181	481	700	696	(4)
Total Receipts	2,200	2,320	120	2,000	2,567	567
<b>DISBURSEMENTS</b>						
Prosecuting Attorney	7,500	40	7,460	7,500	0	7,500
Total Disbursements	7,500	40	7,460	7,500	0	7,500
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,300)	2,280	7,580	(5,500)	2,567	8,067
CASH, JANUARY 1	13,572	13,572	0	11,005	11,005	0
CASH, DECEMBER 31	8,272	15,852	7,580	5,505	13,572	8,067
<b><u>PROSECUTING ATTORNEY BAD CHECK FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	18,000	15,608	(2,392)	15,000	17,125	2,125
Intergovernmental	16,000	15,438	(562)	0	0	0
Interest	2,500	4,118	1,618	700	2,394	1,694
Other	0	3,930	3,930	0	0	0
Total Receipts	36,500	39,094	2,594	15,700	19,519	3,819
<b>DISBURSEMENTS</b>						
Prosecuting Attorney	45,999	17,278	28,721	35,823	23,376	12,447
Total Disbursements	45,999	17,278	28,721	35,823	23,376	12,447
RECEIPTS OVER (UNDER) DISBURSEMENTS	(9,499)	21,816	31,315	(20,123)	(3,857)	16,266
CASH, JANUARY 1	33,401	33,401	0	37,182	37,258	76
CASH, DECEMBER 31	23,902	55,217	31,315	17,059	33,401	16,342

WARREN COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>RECORDER'S USER FEES FUND</u></b>						
RECEIPTS						
Charges for services	20,000	16,302	(3,698)	16,000	17,968	1,968
Interest	2,000	2,234	234	2,000	2,231	231
Total Receipts	22,000	18,536	(3,464)	18,000	20,199	2,199
DISBURSEMENTS						
Ex Officio Recorder of Deeds	26,000	23,564	2,436	39,000	18,906	20,094
Total Disbursements	26,000	23,564	2,436	39,000	18,906	20,094
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,000)	(5,028)	(1,028)	(21,000)	1,293	22,293
CASH, JANUARY 1	36,063	36,063	0	34,770	34,770	0
CASH, DECEMBER 31	32,063	31,035	(1,028)	13,770	36,063	22,293
<b><u>SHERIFF'S CIVIL FEES FUND</u></b>						
RECEIPTS						
Charges for services	31,000	34,498	3,498	35,200	31,293	(3,907)
Interest	200	298	98	800	222	(578)
Total Receipts	31,200	34,796	3,596	36,000	31,515	(4,485)
DISBURSEMENTS						
Sheriff	31,000	24,552	6,448	36,000	34,485	1,515
Total Disbursements	31,000	24,552	6,448	36,000	34,485	1,515
RECEIPTS OVER (UNDER) DISBURSEMENTS	200	10,244	10,044	0	(2,970)	(2,970)
CASH, JANUARY 1	424	424	0	3,394	3,394	0
CASH, DECEMBER 31	624	10,668	10,044	3,394	424	(2,970)
<b><u>ROAD AND BRIDGE CAPITAL FUND</u></b>						
RECEIPTS						
Interest	3,500	14,660	11,160	1,500	2,950	1,450
Transfers in	300,000	300,000	0	50,000	50,000	0
Total Receipts	303,500	314,660	11,160	51,500	52,950	1,450
DISBURSEMENTS						
Real estate purchases	100,000	0	100,000	100,000	0	100,000
Capital construction	300,000	0	300,000	0	0	0
Total Disbursements	400,000	0	400,000	100,000	0	100,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(96,500)	314,660	411,160	(48,500)	52,950	101,450
CASH, JANUARY 1	102,950	102,950	0	50,000	50,000	0
CASH, DECEMBER 31	6,450	417,610	411,160	1,500	102,950	101,450

Exhibit B

WARREN COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>PROSECUTING ATTORNEY FORFEITURE FUND</u></b>						
<b>RECEIPTS</b>						
Interest	150	263	113	100	176	76
Total Receipts	150	263	113	100	176	76
<b>DISBURSEMENTS</b>						
Equipment	1,000	0	1,000	1,000	0	1,000
Training	1,500	0	1,500	1,500	0	1,500
Other	400	0	400	400	0	400
Total Disbursements	2,900	0	2,900	2,900	0	2,900
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,750)	263	3,013	(2,800)	176	2,976
CASH, JANUARY 1	3,130	3,130	0	2,954	2,954	0
CASH, DECEMBER 31	380	3,393	3,013	154	3,130	2,976
<b><u>ELECTION SERVICES FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	6,000	2,677	(3,323)			
Interest	100	100	0			
Total Receipts	6,100	2,777	(3,323)			
<b>DISBURSEMENTS</b>						
Office supplies	2,000	0	2,000			
Equipment	2,000	0	2,000			
Miscellaneous	2,000	144	1,856			
Total Disbursements	6,000	144	5,856			
RECEIPTS OVER (UNDER) DISBURSEMENTS	100	2,633	2,533			
CASH, JANUARY 1	0	0	0			
CASH, DECEMBER 31	100	2,633	2,533			
<b><u>DOMESTIC VIOLENCE FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	4,000	2,232	(1,768)			
Total Receipts	4,000	2,232	(1,768)			
<b>DISBURSEMENTS</b>						
Health and welfare	4,000	2,232	1,768			
Total Disbursements	4,000	2,232	1,768			
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0			
CASH, JANUARY 1	0	0	0			
CASH, DECEMBER 31	0	0	0			
<b><u>SHERIFF'S FORFEITURE FUND</u></b>						
<b>RECEIPTS</b>						
Interest	0	27	27			
Total Receipts	0	27	27			
<b>DISBURSEMENTS</b>						
Equipment	450	477	(27)			
Total Disbursements	450	477	(27)			
RECEIPTS OVER (UNDER) DISBURSEMENTS	(450)	(450)	0			
CASH, JANUARY 1	450	450	0			
CASH, DECEMBER 31	0	0	0			

WARREN COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>SENATE BILL 40 FUND</u></b>						
<b>RECEIPTS</b>						
Property taxes	279,159	327,629	48,470	279,159	329,333	50,174
Loan repayment	9,333	9,333	0	9,338	9,333	(5)
Interest	4,000	9,312	5,312	2,000	6,932	4,932
Total Receipts	292,492	346,274	53,782	290,497	345,598	55,101
<b>DISBURSEMENTS</b>						
Programs	352,850	334,277	18,573	298,650	254,307	44,343
Mileage and training	9,000	2,122	6,878	9,000	2,490	6,510
Other	0	4,004	(4,004)	0	2,316	(2,316)
Total Disbursements	361,850	340,403	21,447	307,650	259,113	48,537
RECEIPTS OVER (UNDER) DISBURSEMENTS	(69,358)	5,871	75,229	(17,153)	86,485	103,638
CASH, JANUARY 1	188,824	188,824	0	102,339	102,339	0
CASH, DECEMBER 31	119,466	194,695	75,229	85,186	188,824	103,638
<b><u>CIRCUIT CLERK INTEREST FUND</u></b>						
<b>RECEIPTS</b>						
Interest	5,000	12,551	7,551	9,000	5,750	(3,250)
Total Receipts	5,000	12,551	7,551	9,000	5,750	(3,250)
<b>DISBURSEMENTS</b>						
Circuit Clerk	5,000	1,892	3,108	25,000	10,070	14,930
Total Disbursements	5,000	1,892	3,108	25,000	10,070	14,930
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	10,659	10,659	(16,000)	(4,320)	11,680
CASH, JANUARY 1	21,925	21,925	0	25,723	26,245	522
CASH, DECEMBER 31	21,925	32,584	10,659	9,723	21,925	12,202
<b><u>ASSOCIATE CIRCUIT DIVISION INTEREST FUND</u></b>						
<b>RECEIPTS</b>						
Interest	4,500	7,277	2,777	4,000	5,113	1,113
Total Receipts	4,500	7,277	2,777	4,000	5,113	1,113
<b>DISBURSEMENTS</b>						
Associate Circuit Judge	8,819	6,551	2,268	5,500	1,818	3,682
Total Disbursements	8,819	6,551	2,268	5,500	1,818	3,682
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,319)	726	5,045	(1,500)	3,295	4,795
CASH, JANUARY 1	10,558	10,695	137	7,400	7,400	0
CASH, DECEMBER 31	6,239	11,421	5,182	5,900	10,695	4,795
<b><u>LAW LIBRARY FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	14,600	13,495	(1,105)			
Total Receipts	14,600	13,495	(1,105)			
<b>DISBURSEMENTS</b>						
Law Library	10,000	11,109	(1,109)			
Total Disbursements	10,000	11,109	(1,109)			
RECEIPTS OVER (UNDER) DISBURSEMENTS	4,600	2,386	(2,214)			
CASH, JANUARY 1	9,176	10,256	1,080			
CASH, DECEMBER 31	\$ 13,776	12,642	(1,134)			

Notes to the Financial Statements

WARREN 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 Warren 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, or the Senate Bill 40 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 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

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

<u>Fund</u>	<u>Years Ended December 31,</u>
Domestic Violence Fund	1999
Sheriff's Forfeiture Fund	1999
Law Library Fund	1999
Family Access Fund	2000 and 1999
RADE Fund	1999
DARE Fund	2000 and 1999

Warrants issued were in excess of budgeted amounts for the Sheriff's Forfeiture Fund and the Law Library Fund for the year ended December 31, 2000. Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

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

The county's published financial statements for the years ended December 31, 2000 and 1999, included all funds presented in the accompanying financial statements.

However, for the Senate Bill 40 Board Fund, the county's published financial statements for the years ended December 31, 2000 and 1999, included only those amounts that passed through the County Treasurer.

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy. The policy permits investment in securities having principal and interest guaranteed by the United States government, collateralized time and demand deposits, and certain tax exempt bonds.

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, 2000 and 1999, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

However, because of significantly higher bank balances at certain times during the year, uninsured and uncollateralized balances existed at those times although not at year-end.

Of the Senate Bill 40 Board's bank balance at December 31, 2000, \$186,054 was covered by federal depository insurance, and \$8,641 was uninsured and uncollateralized.

The Senate Bill 40 Board's deposits at December 31, 1999 were entirely covered by federal depository insurance.

Furthermore, because of significantly higher bank balances at certain times during the year, the amount of uninsured and under collateralized balances were substantially higher at those times than such amount at year end.

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

Supplementary Schedule

Schedule

WARREN COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2000	1999
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state Department of Economic Development -				
14.228	Community Development Block Grants/State's Program	97-ND-11 2000PF007	\$ 147,106 17,413	153,467 0
	Program Total		<u>164,519</u>	<u>153,467</u>
U.S. DEPARTMENT OF JUSTICE				
Direct program:				
16.710	Public Safety Partnership and Community Policing Grants	95CFWX0355-52	57,233	82,040
Passed through:				
State Department of Public Safety -				
16.554	National Criminal History Improvement Program	95-RU-RX-K011	0	15,438
16.592	Local Law Enforcement Block Grants Program	99-LBG-095	8,996	0
Missouri Sheriffs' Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	772	539
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission -				
20.205	Highway Planning and Construction	BRO-109(8)	12,873	227,681
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	0	18
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.268	Immunization Grants	N/A PG0064-9210IAP	19,383 0	15,677 1,281
	Program Total		<u>19,383</u>	<u>16,958</u>

Schedule

WARREN COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2000	1999
	Department of Social Services -			
93.563	Child Support Enforcement	N/A	17,658	15,451
	Department of Health -			
93.575	Child Care and Development Block Grant	PGA067-1210C	2,779	2,576
93.940	HIV Prevention Activities - Health Department Based	N/A	18	13
93.991	Preventive Health and Health Services Block Grant	N/A	231	187
93.994	Maternal and Child Health Services Block Grant to the States	ERO146-9210MCH N/A	0 1,154	8,582 933
	Program Total		<u>1,154</u>	<u>9,515</u>
	Total Expenditures of Federal Awards		<u>\$ 285,616</u>	<u>523,883</u>

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule.

Notes to the Supplementary Schedule

WARREN COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Warren County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Personal Property Program (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt. In addition, amounts for the National Criminal History Improvement Program (CFDA number 16.554) represent the original acquisition cost of equipment

received.

Of the amounts for Immunization Grants (CFDA number 93.268), \$19,383 and \$15,677 represent the original acquisition cost of vaccines purchased by the Centers for Disease Control of the U.S. Department of Health and Human Services but distributed to the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$231 and \$187 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,154 and \$933 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. The remaining amounts for Immunization Grants and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$17,413 to a subrecipient under the Community Development Block Grants/State's Program (CFDA number 14.228) during the year ended December 31, 2000.

FEDERAL AWARDS  
SINGLE AUDIT SECTION

State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

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

To the County Commission  
and  
Officeholders of Warren County, Missouri

Compliance

We have audited the compliance of Warren County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2000 and 1999. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

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

In our opinion, Warren County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2000 and 1999.

## Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Warren County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

March 8, 2001 (fieldwork completion date)

Schedule

WARREN COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2000 AND 1999

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? \_\_\_\_\_ yes   x   no

Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   x   none reported

Noncompliance material to the financial statements noted?

\_\_\_\_\_ yes   x   no

Federal Awards

Internal control over major programs:

Material weaknesses identified? \_\_\_\_\_ yes   x   no

Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   x   none reported

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

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?

\_\_\_\_\_ yes   x   no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
14.228	Community Development Block Grants/State's Program
16.710	Public Safety Partnership and Community Policing Grants

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

Auditee qualified as a low-risk auditee?        yes   x   no

### **Section II - Financial Statement Findings**

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

### **Section III - Federal Award Findings and Questioned Costs**

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

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

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Warren County, Missouri, on the applicable finding in our prior audit report issued for the two years ended December 31, 1998.

98-1. Revenues Reconciliation

The County Treasurer recorded monies received on a one-write receipt ledger and entered the receipts onto the county's computer system. The County Clerk did not receive copies of the receipt slips or perform a reconciliation between the manual and computer systems to ensure accuracy.

Recommendation:

The County Clerk perform a monthly reconciliation of revenues with the County Treasurer.

Status:

Partially implemented. While reconciliation procedures were not evident during the audit period, improvements were made in January 2001. While not repeated in the current finding, our recommendation remains as stated above. See additional comments regarding reconciliation procedures in the Letter on Other Matters.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

WARREN COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the county's management.

98-2. Schedule of Expenditures of Federal Awards

Federal Grantor:	U.S. Department of Commerce
Pass- Through Grantor:	Not Applicable
Federal CFDA Number:	11.300
Program Title:	Economic Development - Grants for Public Works and Infrastructure Development
Pass- Through Entity	
Identifying Number:	Not Applicable
Award Year:	1997
Questioned Costs:	Not Applicable
Federal Grantor:	U.S. Department of Justice
Pass- Through Grantor:	Not Applicable
Federal CFDA Number:	16.710
Program Title:	Public Safety Partnership and Community Policing ("Cops") Grants
Pass- Through Entity	
Identifying Number:	Not Applicable
Award Years:	1998 and 1997
Questioned Costs:	Not Applicable

The county did not have a procedure in place to adequately track federal assistance for preparation of the SEFA.

Recommendation:

The County Clerk prepare a complete and accurate schedule of expenditures of federal awards to submit to the State Auditor's Office as part of the annual budget.

Status:

Partially implemented. The county has made significant improvement in preparation of this schedule; however, it still contained errors and omissions. Although this finding is not repeated in the current Schedule of Findings and Questioned Costs, the County Clerk should continue to work to prepare a complete and accurate Schedule of Expenditures of Federal Awards to submit to the State Auditor's Office as part of the annual budget.

SECTION ON OTHER MATTERS

WARREN COUNTY, MISSOURI  
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Warren County, Missouri, as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 8, 2001. We also have audited the compliance of Warren County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 8, 2001.

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

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audit of the special-purpose financial statements of Warren County but do 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 these matters and take appropriate corrective action.

1. Financial Record Reconciliation

The ending cash balance for several funds per the Treasurer's records did not agree to the ending cash balance on the County Clerk's records for both years of the audit period. The County Clerk and County Treasurer did not properly follow-up and correct these differences in the ending cash balances.

2. Budgetary Reporting

The county did not appear to have a reasonable basis for the budgeted amounts for several funds. Budgeted projections clearly exceeded prior historical information and, as a result, the budgets lacked reasonableness and could not be used as a monitoring tool.

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