



SUSAN MONTEE, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Polk County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Polk County, and issues a separate report on that audit. In addition, in cooperation with the county, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2007, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Officer CPA Firm LLC, Certified Public Accountants, is attached.

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

Susan Montee, CPA
State Auditor

November 2008
Report No. 2008-77

POLK COUNTY, MISSOURI
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2007 AND 2006

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INDEPENDENT AUDITORS REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS

To the County Commission
and
Officeholders of Polk County, Missouri

We have audited the accompanying Statements of Receipts, Disbursements, and Changes in Cash-Variou s Funds and Comparative Statement of Receipts, Disbursements, and Changes in Cash Budget and Actual-Variou s Funds of Polk County, Missouri, as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these financial statements based on our 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed more fully in Note 1, these financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Polk County, Missouri, as of December 31, 2007 and 2006, or the changes in its financial position for the years then ended.

In our opinion, the 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 Polk 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, 2007 and 2006, on the basis of accounting discussed in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated August 6, 2008, 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 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements, taken as a whole, that are referred to in the first paragraph. 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 Government and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements, taken as a whole, that were prepared on the basis of accounting discussed in Note 1.

Officer CPA Firm LLC

Springfield, Missouri
August 6, 2008

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

To the County Commission
and
Officeholders of Polk County, Missouri

We have audited the financial statements of various funds of Polk County, Missouri, as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated August 6, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of various funds of Polk County, Missouri, we considered the county's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of providing an opinion on the effectiveness of the county's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the county's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the county's ability to initiate, authorize, record, process, or report financial data reliably in accordance with applicable accounting principles such that there is more than a remote likelihood that a misstatement of the county's financial statements that is more than inconsequential will not be prevented or detected by the county's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting. The significant deficiency is identified on page 26.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the county's internal control.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of various funds of Polk County, Missouri, are free of material misstatement, we performed tests of the county's 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*.

However, we noted certain matters which are described in the Management Letter.

This report is intended for the information and use of the management of Polk County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials.

Officer CPA Firm LLC

Springfield, Missouri
August 6, 2008

POLK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUND
 YEAR ENDED DECEMBER 31, 2007

Fund	Cash, January 1	Receipts	Disbursements	Cash December 31
General Revenue	\$ 1,553,595	1,690,556	1,326,485	1,917,666
Special Road and Bridge	-	2,410,924	2,329,724	81,200
Assessment	64,176	282,196	264,273	82,099
Law Enforcement Training	12,814	12,218	9,449	15,583
Prosecuting Attorney Training	7,542	1,750	2,750	6,542
Law Enforcement Sales Tax	31,463	1,950,273	1,981,736	-
Capital Improvement Sales tax	123,837	1,408,261	841,998	690,100
Emergency 911	5	234,704	230,882	3,827
Child Support Enforcement	2,919	135,095	138,014	-
Prosecuting Attorney Bad Check	6,795	21,654	26,966	1,483
Recorder User Fee	7,212	23,618	20,454	10,376
Prosecuting Attorney Delinquent Tax	-	479	-	479
Sheriff Civil Fees	41,688	50,094	46,115	45,667
Special Trust	180	7,940	8,050	70
Moore Cemetery Trust	4,428	236	300	4,364
Recycling Project	-	25,590	25,590	-
Local Emergency Planning Committee	10,027	2,524	1,557	10,994
Juvenile Detention Center	52,433	34,904	30,000	57,337
Veterans Memorial	2,870	166	-	3,036
Election Services	10,933	6,733	4,102	13,564
Collector Tax Maintenance	24,648	25,080	20,657	29,071
Drug Court	39,275	120,774	74,085	85,964
Senate Bill 40 Board	64,037	52,286	41,076	75,247
Sheriff Special Operations	4,219	-	-	4,219
Law Library	6,157	16,814	15,023	7,948
Circuit Clerk Interest	5,628	12,445	5,100	12,973
Circuit Clerk Family Justice Fund	4,428	8,000	1,900	10,528
Senior Service Tax Fund	15,549	125,707	97,792	43,464
Law Enforcement Restitution Fund	8,118	15,740	-	23,858
				-
Total	\$ 2,104,976	8,676,761	7,544,078	3,237,659

See accompanying notes to the financial statements.

POLK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUND
 YEAR ENDED DECEMBER 31, 2006

Fund	Cash, January 1	Receipts	Disbursements	Cash December 31
General Revenue	\$ 1,277,440	1,512,276	1,236,121	1,553,595
Special Road and Bridge	17,200	2,482,572	2,499,772	(0)
Assessment	34,478	247,740	218,042	64,176
Law Enforcement Training	13,995	10,950	12,131	12,814
Prosecuting Attorney Training	7,216	1,680	1,354	7,542
Law Enforcement Sales Tax	50,233	1,822,768	1,841,538	31,463
Capital Improvement Sales tax	35,100	1,368,672	1,279,935	123,837
Emergency 911	16,390	214,479	230,864	5
Child Support Enforcement	-	136,174	133,255	2,919
Prosecuting Attorney Bad Check	13,337	27,069	33,611	6,795
Recorder User Fee	12,270	28,620	33,678	7,212
Prosecuting Attorney Delinquent Tax	-	-	-	-
Sheriff Civil Fees	38,768	42,468	39,548	41,688
Special Trust	135	8,545	8,500	180
Moore Cemetery Trust	4,342	286	200	4,428
Recycling Project	-	24,255	24,255	-
Local Emergency Planning Committee	8,802	5,157	3,932	10,027
Juvenile Detention Center	61,725	47,362	56,654	52,433
Veterans Memorial	2,799	71	-	2,870
Election Services	10,014	3,896	2,977	10,933
Collector Tax Maintenance	17,949	23,002	16,303	24,648
Drug Court	12,925	59,491	33,141	39,275
Senate Bill 40 Board	50,672	48,306	34,941	64,037
Sheriff Special Operations	4,219	-	-	4,219
Law Library	5,222	15,757	14,822	6,157
Circuit Clerk Interest	5,844	7,116	7,332	5,628
Circuit Clerk Family Justice Fund	-	6,540	2,112	4,428
Senior Service Tax Fund	-	15,549	-	15,549
Law Enforcement Restitution Fund	-	8,118	-	8,118
Total	\$ 1,701,074	8,168,919	7,765,018	2,104,975

NOTE: For year ended 12/31/06, the Health Department is no longer included in the County's financial statements.

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
TOTALS - VARIOUS FUNDS						
RECEIPTS	\$ 9,858,497	8,676,761	(1,181,736)	8,722,259	8,168,919	(553,340)
DISBURSEMENTS	10,176,406	7,544,079	(2,632,327)	9,344,313	7,765,018	(1,579,295)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(317,909)	1,132,682	1,450,591	(622,054)	403,901	1,025,955
CASH, JANUARY 1	2,103,778	2,104,976	1,198	1,701,897	1,701,075	(822)
CASH, DECEMBER 31	1,785,869	3,237,658	1,451,789	1,079,843	2,104,976	1,025,133
GENERAL REVENUE FUND						
RECEIPTS						
Property taxes	749,000	817,127	68,127	690,500	753,261	62,761
Intergovernmental	209,718	213,583	3,865	648,650	72,924	(575,726)
Charges for services	431,110	423,312	(7,798)	418,400	429,625	11,225
Interest	90,000	125,569	35,569	40,000	89,885	49,885
Other	64,650	75,665	11,015	72,609	118,381	45,772
Transfers In	56,600	35,300	(21,300)	48,500	48,200	(300)
Total Receipts	1,601,078	1,690,556	89,478	1,918,659	1,512,276	(406,383)
DISBURSEMENTS						
County Commission	116,470	117,421	951	113,454	112,638	(816)
County Clerk	92,688	83,784	(8,904)	87,378	84,421	(2,957)
Elections	122,536	100,786	(21,750)	253,662	254,953	1,291
Building and grounds	261,074	185,884	(75,190)	570,688	132,492	(438,196)
Employee fringe benefits	68,000	72,076	4,076	64,500	61,778	(2,722)
County Treasurer	77,045	66,721	(10,324)	67,290	61,742	(5,548)
County Collector	115,592	108,423	(7,169)	115,219	106,038	(9,181)
Recorder of Deeds	102,932	96,270	(6,662)	96,942	90,280	(6,662)
Circuit Clerk	79,100	36,821	(42,279)	65,300	48,842	(16,458)
Public Administrator	55,200	52,563	(2,637)	55,134	53,371	(1,763)
Other	232,326	185,550	(46,776)	396,245	172,037	(224,208)
Transfers out	399,748	220,187	(179,561)	405,647	57,529	(348,118)
Emergency Fund	43,200		(43,200)	58,100		(58,100)
Total Disbursements	1,765,911	1,326,486	(439,425)	2,349,559	1,236,121	(1,113,438)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(164,833)	364,070	528,903	(430,900)	276,155	707,055
CASH, JANUARY 1	1,553,595	1,553,595	-	1,282,513	1,277,440	(5,073)
CASH, DECEMBER 31	1,388,762	1,917,665	528,903	851,613	1,553,595	701,982
Sheriff Special Operations						
RECEIPTS						
Charges for Services		-	-			-
Total Receipts	-	-	-	-	-	-
DISBURSEMENTS						
Other			-			-
Total Disbursements	-	-	-	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	-	-
CASH, JANUARY 1	4,219	4,219	-	4,219	4,219	-
CASH, DECEMBER 31	4,219	4,219	-	4,219	4,219	-

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property Taxes	375,000	423,906	48,906	359,000	396,454	37,454
Intergovernmental	1,953,658	1,322,925	(630,733)	974,000	991,416	17,416
Interest	3,000	5,662	2,662	2,000	3,040	1,040
Other	1,000	8,431	7,431		10,155	10,155
Transfers In	1,235,587	650,000	(585,587)	1,147,900	1,081,507	(66,393)
Total Receipts	<u>3,568,245</u>	<u>2,410,924</u>	<u>(1,157,321)</u>	<u>2,482,900</u>	<u>2,482,572</u>	<u>(328)</u>
DISBURSEMENTS						
Salaries	551,276	514,329	(36,947)	583,082	537,679	(45,403)
Employee fringe benefits	164,000	158,192	(5,808)	169,200	155,377	(13,823)
Supplies	279,900	245,860	(34,040)	261,700	274,310	12,610
Insurance	45,000	42,869	(2,131)	45,000	41,074	(3,926)
Road and bridge materials	997,000	958,491	(38,509)	1,026,200	1,072,700	46,500
Equipment repairs	95,000	125,593	30,593	95,000	92,541	(2,459)
Uniform rental	8,500	8,406	(94)	8,500	10,957	2,457
Equipment purchases	80,000	78,451	(1,549)	80,000	87,219	7,219
Construction, repair, and maintenance	1,000	994	(6)	2,000	705	(1,295)
Other	1,061,450	67,409	(994,041)	98,250	95,741	(2,509)
Distributions to road districts	132,000	129,130	(2,870)	131,128	131,469	341
Total Disbursements	<u>3,415,126</u>	<u>2,329,724</u>	<u>(1,085,402)</u>	<u>2,500,060</u>	<u>2,499,772</u>	<u>(288)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	153,119	81,200	(71,919)	(17,160)	(17,200)	(40)
CASH, JANUARY 1	-	-	-	17,200	17,200	-
CASH, DECEMBER 31	<u>153,119</u>	<u>81,200</u>	<u>(71,919)</u>	<u>40</u>	<u>-</u>	<u>(40)</u>
<u>ASSESSMENT</u>						
RECEIPTS						
Intergovernmental	238,155	245,264	7,109	234,300	214,404	(19,896)
Interest	3,600	6,628	3,028	1,300	3,540	2,240
Other	1,500	1,711	211	2,100	1,522	(578)
Transfers in	28,593	28,593	-	28,274	28,274	-
Total Receipts	<u>271,848</u>	<u>282,196</u>	<u>10,348</u>	<u>265,974</u>	<u>247,740</u>	<u>(18,234)</u>
DISBURSEMENTS						
Assessor	334,480	264,273	(70,207)	254,400	218,042	(36,358)
Total Disbursements	<u>334,480</u>	<u>264,273</u>	<u>(70,207)</u>	<u>254,400</u>	<u>218,042</u>	<u>(36,358)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(62,632)	17,923	80,555	11,574	29,698	18,124
CASH, JANUARY 1	64,176	64,176	-	34,479	34,478	(1)
CASH, DECEMBER 31	<u>1,544</u>	<u>82,099</u>	<u>80,555</u>	<u>46,053</u>	<u>64,176</u>	<u>18,123</u>

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>LAW ENFORCEMENT TRAINING</u>						
RECEIPTS						
Intergovernmental	4,000	3,056	(944)	2,500	3,621	1,121
Charges for services	7,000	6,939	(61)	6,500	6,678	178
Interest	600	714	114	300	645	345
Other		1,509	1,509		6	6
Total Receipts	<u>11,600</u>	<u>12,218</u>	<u>618</u>	<u>9,300</u>	<u>10,950</u>	<u>1,650</u>
DISBURSEMENTS						
Sheriff	18,500	9,449	(9,051)	13,000	12,131	(869)
Total Disbursements	<u>18,500</u>	<u>9,449</u>	<u>(9,051)</u>	<u>13,000</u>	<u>12,131</u>	<u>(869)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(6,900)	2,769	9,669	(3,700)	(1,181)	2,519
CASH, JANUARY 1	12,815	12,814	(1)	13,995	13,995	-
CASH, DECEMBER 31	<u>5,915</u>	<u>15,583</u>	<u>9,668</u>	<u>10,295</u>	<u>12,814</u>	<u>2,519</u>
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for services	1,679	1,750	71	1,800	1,680	(120)
Total Receipts	<u>1,679</u>	<u>1,750</u>	<u>71</u>	<u>1,800</u>	<u>1,680</u>	<u>(120)</u>
DISBURSEMENTS						
Prosecuting Attorney	2,800	2,750	(50)	2,725	1,354	(1,371)
Total Disbursements	<u>2,800</u>	<u>2,750</u>	<u>(50)</u>	<u>2,725</u>	<u>1,354</u>	<u>(1,371)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,121)	(1,000)	121	(925)	326	1,251
CASH, JANUARY 1	7,542	7,542	-	7,216	7,216	-
CASH, DECEMBER 31	<u>6,421</u>	<u>6,542</u>	<u>121</u>	<u>6,291</u>	<u>7,542</u>	<u>1,251</u>
<u>LAW ENFORCEMENT SALES TAX FUND</u>						
RECEIPTS						
Sales tax	1,300,000	1,381,136	81,136	1,297,000	1,361,946	64,946
Intergovernmental	197,500	5,876	(191,624)	24,156	46,448	22,292
Charges for services	184,800	217,852	33,052	155,000	188,877	33,877
Interest	5,200	5,566	366	2,500	5,282	2,782
Other	180,000	157,404	(22,596)	165,000	197,659	32,659
Transfers In	355,694	182,439	(173,255)	363,419	22,556	(340,863)
Total Receipts	<u>2,223,194</u>	<u>1,950,273</u>	<u>(272,921)</u>	<u>2,007,075</u>	<u>1,822,768</u>	<u>(184,307)</u>
DISBURSEMENTS						
Sheriff	834,264	806,269	(27,995)	911,365	832,253	(79,112)
Jail	732,500	553,106	(179,394)	546,040	462,998	(83,042)
Prosecuting Attorney	244,696	236,121	(8,575)	230,560	239,894	9,334
Juvenile Office	44,940	43,891	(1,049)	48,241	41,418	(6,823)
County Coroner	31,535	25,154	(6,381)	28,710	20,796	(7,914)
Employee fringe benefits & misc	300,223	312,195	11,972	237,420	244,179	6,759
Emergency Fund	66,500		(66,500)	49,900		(49,900)
Transfer Out		5,000	5,000			-
Total Disbursements	<u>2,254,658</u>	<u>1,981,736</u>	<u>(272,922)</u>	<u>2,052,236</u>	<u>1,841,538</u>	<u>(210,698)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(31,464)	(31,463)	1	(45,161)	(18,770)	26,391
CASH, JANUARY 1	31,464	31,463	(1)	45,161	50,233	5,072
CASH, DECEMBER 31	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,463</u>	<u>31,463</u>
<u>Law Enforcement Restitution Fund</u>						
RECEIPTS						
Charges for services	8,000	15,302	7,302	15,000	8,118	(6,882)
Interest		438	438			
Total Receipts	<u>8,000</u>	<u>15,740</u>	<u>7,740</u>	<u>15,000</u>	<u>8,118</u>	<u>(6,882)</u>
DISBURSEMENTS						
Other	15,000		(15,000)	15,000		(15,000)
Total Disbursements	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,000)	15,740	22,740	-	8,118	8,118
CASH, JANUARY 1	8,118	8,118	-	-	-	-
CASH, DECEMBER 31	<u>1,118</u>	<u>23,858</u>	<u>22,740</u>	<u>-</u>	<u>8,118</u>	<u>8,118</u>

See accompanying notes to the financial statements.

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>CAPITAL IMPROVEMENT SALES TAX FUND</u>						
RECEIPTS						
Sales Tax	1,300,000	1,381,132	81,132	1,298,000	1,361,921	63,921
Interest	6,750	27,129	20,379	4,000	6,751	2,751
Total Receipts	<u>1,306,750</u>	<u>1,408,261</u>	<u>101,511</u>	<u>1,302,000</u>	<u>1,368,672</u>	<u>66,672</u>
DISBURSEMENTS						
Distributions to road and bridge fund	1,235,587	650,000	(585,587)	1,147,900	1,081,507	(66,393)
Special Road Districts	195,000	191,998	(3,002)	189,000	198,428	9,428
Total Disbursements	<u>1,430,587</u>	<u>841,998</u>	<u>(588,589)</u>	<u>1,336,900</u>	<u>1,279,935</u>	<u>(56,965)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(123,837)</u>	<u>566,263</u>	<u>690,100</u>	<u>(34,900)</u>	<u>88,737</u>	<u>123,637</u>
CASH, JANUARY 1	<u>123,837</u>	<u>123,837</u>	<u>-</u>	<u>35,100</u>	<u>35,100</u>	<u>-</u>
CASH, DECEMBER 31	<u>-</u>	<u>690,100</u>	<u>690,100</u>	<u>200</u>	<u>123,837</u>	<u>123,637</u>
<u>EMERGENCY 911 FUND</u>						
RECEIPTS						
Intergovernmental	213,910	234,474	20,564	240,805	214,179	(26,626)
Interest	300	230	(70)	200	300	100
Total Receipts	<u>214,210</u>	<u>234,704</u>	<u>20,494</u>	<u>241,005</u>	<u>214,479</u>	<u>(26,526)</u>
DISBURSEMENTS						
Emergency 911 Central Dispatch	214,215	230,882	16,667	257,395	230,864	(26,531)
Total Disbursements	<u>214,215</u>	<u>230,882</u>	<u>16,667</u>	<u>257,395</u>	<u>230,864</u>	<u>(26,531)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(5)</u>	<u>3,822</u>	<u>3,827</u>	<u>(16,390)</u>	<u>(16,385)</u>	<u>5</u>
CASH, JANUARY 1	<u>5</u>	<u>5</u>	<u>-</u>	<u>16,390</u>	<u>16,390</u>	<u>-</u>
CASH, DECEMBER 31	<u>-</u>	<u>3,827</u>	<u>3,827</u>	<u>-</u>	<u>5</u>	<u>5</u>
<u>DRUG COURT</u>						
RECEIPTS						
Intergovernmental	40,000	69,660	29,660	19,000	34,321	15,321
Other	26,000	36,114	10,114	19,000	10,170	(8,830)
Transfers In	28,000	15,000	(13,000)	5,000	15,000	10,000
Total Receipts	<u>94,000</u>	<u>120,774</u>	<u>26,774</u>	<u>43,000</u>	<u>59,491</u>	<u>16,491</u>
DISBURSEMENTS						
Other	77,900	74,085	(3,815)	45,700	33,141	(12,559)
Total Disbursements	<u>77,900</u>	<u>74,085</u>	<u>(3,815)</u>	<u>45,700</u>	<u>33,141</u>	<u>(12,559)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>16,100</u>	<u>46,689</u>	<u>30,589</u>	<u>(2,700)</u>	<u>26,350</u>	<u>29,050</u>
CASH, JANUARY 1	<u>39,275</u>	<u>39,275</u>	<u>-</u>	<u>12,925</u>	<u>12,925</u>	<u>-</u>
CASH, DECEMBER 31	<u>55,375</u>	<u>85,964</u>	<u>30,589</u>	<u>10,225</u>	<u>39,275</u>	<u>29,050</u>

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
PROSECUTING ATTORNEY DELINQUENT TAX FUND						
RECEIPTS						
Charge for services	2,000	479	(1,521)	-	-	-
Total Receipts	2,000	479	(1,521)	-	-	-
DISBURSEMENTS						
Prosecuting Attorney	-	-	-	-	-	-
Total Disbursements	-	-	-	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,000	479	(1,521)	-	-	-
CASH, JANUARY 1	-	-	-	-	-	-
CASH, DECEMBER 31	2,000	479	(1,521)	-	-	-
SHERIFF CIVIL FEES FUND						
RECEIPTS						
Intergovernmental	40,000	47,732	7,732	38,000	36,897	(1,103)
Interest	2,000	2,362	362	1,000	2,071	1,071
Other	-	-	-	-	3,500	3,500
Total Receipts	42,000	50,094	8,094	39,000	42,468	3,468
DISBURSEMENTS						
Sheriff	75,000	46,115	(28,885)	75,000	39,548	(35,452)
Total Disbursements	75,000	46,115	(28,885)	75,000	39,548	(35,452)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(33,000)	3,979	36,979	(36,000)	2,920	38,920
CASH, JANUARY 1	41,688	41,688	-	38,768	38,768	-
CASH, DECEMBER 31	8,688	45,667	36,979	2,768	41,688	38,920
SPECIAL TRUST FUND						
RECEIPTS						
Intergovernmental	7,500	7,000	(500)	-	7,500	7,500
Charges for services	1,000	940	(60)	1,000	1,045	45
Total Receipts	8,500	7,940	(560)	1,000	8,545	7,545
DISBURSEMENTS						
Domestic Violence Shelter	8,500	8,050	(450)	1,000	8,500	7,500
Total Disbursements	8,500	8,050	(450)	1,000	8,500	7,500
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(110)	(110)	-	45	45
CASH, JANUARY 1	180	180	-	135	135	-
CASH, DECEMBER 31	180	70	(110)	135	180	45
MOORE CEMETERY TRUST FUND						
RECEIPTS						
Charges for Services	-	-	-	-	-	-
Interest	200	236	36	100	286	186
Total Receipts	200	236	36	100	286	186
DISBURSEMENTS						
Transfers out	600	300	(300)	350	200	(150)
Total Disbursements	600	300	(300)	350	200	(150)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(400)	(64)	336	(250)	86	336
CASH, JANUARY 1	4,428	4,428	-	4,342	4,342	-
CASH, DECEMBER 31	4,028	4,364	336	4,092	4,428	336

See accompanying notes to the financial statements.

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
CHILD SUPPORT ENFORCEMENT FUND						
RECEIPTS						
Intergovernmental	146,106	134,859	(11,247)	141,686	136,065	(5,621)
Other		141	141		109	109
Transfers in	10,000	95	(9,905)	10,000		(10,000)
Total Receipts	<u>156,106</u>	<u>135,095</u>	<u>(21,011)</u>	<u>151,686</u>	<u>136,174</u>	<u>(15,512)</u>
DISBURSEMENTS						
Other	148,046	138,014	(10,032)	141,686	133,255	(8,431)
Total Disbursements	<u>148,046</u>	<u>138,014</u>	<u>(10,032)</u>	<u>141,686</u>	<u>133,255</u>	<u>(8,431)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	8,060	(2,919)	(10,979)	10,000	2,919	(7,081)
CASH, JANUARY 1	2,919	2,919	-	-	-	-
CASH, DECEMBER 31	<u>10,979</u>	<u>-</u>	<u>(10,979)</u>	<u>10,000</u>	<u>2,919</u>	<u>(7,081)</u>
PROSECUTING ATTORNEY BAD CHECK FUND						
RECEIPTS						
Charges for services	25,000	20,647	(4,353)	25,000	25,216	216
Interest	1,000	1,007	7	500	1,205	705
Other	1,000		(1,000)	270	648	378
Total Receipts	<u>27,000</u>	<u>21,654</u>	<u>(5,346)</u>	<u>25,770</u>	<u>27,069</u>	<u>1,299</u>
DISBURSEMENTS						
Prosecuting Attorney	1,000	436	(564)	32,200	1,055	(31,145)
Transfers out	32,000	26,530	(5,470)		32,556	32,556
Total Disbursements	<u>33,000</u>	<u>26,966</u>	<u>(6,034)</u>	<u>32,200</u>	<u>33,611</u>	<u>1,411</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(6,000)	(5,312)	688	(6,430)	(6,542)	(112)
CASH, JANUARY 1	6,796	6,795	(1)	13,337	13,337	-
CASH, DECEMBER 31	<u>796</u>	<u>1,483</u>	<u>687</u>	<u>6,907</u>	<u>6,795</u>	<u>(112)</u>
RECORDER USER FEE FUND						
RECEIPTS						
Charges for services	28,200	23,304	(4,896)	28,000	27,919	(81)
Interest	800	314	(486)	500	701	201
Total Receipts	<u>29,000</u>	<u>23,618</u>	<u>(5,382)</u>	<u>28,500</u>	<u>28,620</u>	<u>120</u>
DISBURSEMENTS						
Recorder of Deeds	36,000	20,454	(15,546)	38,000	33,678	(4,322)
Total Disbursements	<u>36,000</u>	<u>20,454</u>	<u>(15,546)</u>	<u>38,000</u>	<u>33,678</u>	<u>(4,322)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,000)	3,164	10,164	(9,500)	(5,058)	4,442
CASH, JANUARY 1	7,212	7,212	-	12,270	12,270	-
CASH, DECEMBER 31	<u>212</u>	<u>10,376</u>	<u>10,164</u>	<u>2,770</u>	<u>7,212</u>	<u>4,442</u>

See accompanying notes to the financial statements.

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
RECYCLING PROJECT FUND						
RECEIPTS						
Transfers in	27,461	25,590	(1,871)	25,154	24,255	(899)
Total Receipts	27,461	25,590	(1,871)	25,154	24,255	(899)
DISBURSEMENTS						
Other	27,461	25,590	(1,871)	25,154	24,255	(899)
Total Disbursements	27,461	25,590	(1,871)	25,154	24,255	(899)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	-	-
CASH, JANUARY 1	-	-	-	-	-	-
CASH, DECEMBER 31	-	-	-	-	-	-
LOCAL EMERGENCY PLANNING COMMISSION FUND						
RECEIPTS						
Intergovernmental		2,459	2,459			-
Charge for services	5,000	65	(4,935)	4,784	5,157	373
Total Receipts	5,000	2,524	(2,476)	4,784	5,157	373
DISBURSEMENTS						
Other	7,150	1,557	(5,593)	7,650	3,932	(3,718)
Total Disbursements	7,150	1,557	(5,593)	7,650	3,932	(3,718)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,150)	967	3,117	(2,866)	1,225	4,091
CASH, JANUARY 1	10,026	10,027	1	8,802	8,802	-
CASH, DECEMBER 31	7,876	10,994	3,118	5,936	10,027	4,091
JUVENILE DETENTION CENTER FUND						
RECEIPTS						
Intergovernmental	34,100	34,904	804	54,660	47,362	(7,298)
Total Receipts	34,100	34,904	804	54,660	47,362	(7,298)
DISBURSEMENTS						
Juvenile Detention Center	56,007		(56,007)	73,273	13,654	(59,619)
Transfers Out	30,000	30,000	-	43,000	43,000	-
Total Disbursements	86,007	30,000	(56,007)	116,273	56,654	(59,619)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(51,907)	4,904	56,811	(61,613)	(9,292)	52,321
CASH, JANUARY 1	52,433	52,433	-	61,725	61,725	-
CASH, DECEMBER 31	526	57,337	56,811	112	52,433	52,321

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

	Year Ended December 31,					
	2007			2006		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>VETERANS MEMORIAL FUND</u>						
RECEIPTS						
Interest	70	166	96	60	71	11
Total Receipts	70	166	96	60	71	11
DISBURSEMENTS						
Other	200		(200)	200		(200)
Total Disbursements	200	-	(200)	200	-	(200)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(130)	166	296	(140)	71	211
CASH, JANUARY 1	2,870	2,870	-	2,799	2,799	-
CASH, DECEMBER 31	2,740	3,036	296	2,659	2,870	211
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Intergovernmental	3,001	3,001	-			-
Interest	300	555	255	200	418	218
Other	3,000	3,177	177	2,400	3,478	1,078
Total Receipts	6,301	6,733	432	2,600	3,896	1,296
DISBURSEMENTS						
Election services	4,600	4,102	(498)	4,600	2,977	(1,623)
Total Disbursements	4,600	4,102	(498)	4,600	2,977	(1,623)
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,701	2,631	930	(2,000)	919	2,919
CASH, JANUARY 1	10,934	10,933	(1)	10,015	10,014	(1)
CASH, DECEMBER 31	12,635	13,564	929	8,015	10,933	2,918
<u>COLLECTOR TAX MAINTENANCE FUND</u>						
RECEIPTS						
Charges for services	23,500	23,483	(17)	20,000	21,729	1,729
Interest	1,300	1,597	297	500	1,273	773
Total Receipts	24,800	25,080	280	20,500	23,002	2,502
DISBURSEMENTS						
Collector	20,560	15,657	(4,903)	20,000	11,303	(8,697)
Transfer Out	5,000	5,000	-	5,000	5,000	-
Total Disbursements	25,560	20,657	(4,903)	25,000	16,303	(8,697)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(760)	4,423	5,183	(4,500)	6,699	11,199
CASH, JANUARY 1	24,647	24,648	1	17,948	17,949	1
CASH, DECEMBER 31	23,887	29,071	5,184	13,448	24,648	11,200
<u>Circuit Clerk Family Justice Fund</u>						
RECEIPTS						
Interest		350	350			
Charges for services	6,500	7,650	1,150	7,000	6,540	(460)
Total Receipts	6,500	8,000	1,500	7,000	6,540	(460)
DISBURSEMENTS						
Other	10,928	1,900	(9,028)	5,600	2,112	(3,488)
Total Disbursements	10,928	1,900	(9,028)	5,600	2,112	(3,488)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,428)	6,100	10,528	1,400	4,428	3,028
CASH, JANUARY 1	4,428	4,428	-	-	-	-
CASH, DECEMBER 31	-	10,528	10,528	1,400	4,428	3,028

See accompanying notes to the financial statements.

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

	Year Ended		December 31,			
	2007		2006			
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>Circuit Clerk Interest Fund</u>						
RECEIPTS						
Intergovernmental		7,332	7,332			
Interest	5,000	5,113	113	4,200	7,116	2,916
Total Receipts	5,000	12,445	7,445	4,200	7,116	2,916
DISBURSEMENTS						
Other	5,000	5,100	100	10,000	7,332	(2,668)
Total Disbursements	5,000	5,100	100	10,000	7,332	(2,668)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	7,345	7,345	(5,800)	(216)	5,584
CASH, JANUARY 1	5,576	5,628	52	6,670	5,844	(826)
CASH, DECEMBER 31	5,576	12,973	7,397	870	5,628	4,758
<u>SENATE BILL 40 BOARD FUND</u>						
RECEIPTS						
Property taxes	52,500	49,834	(2,666)	42,983	46,239	3,256
Interest	2,100	2,452	352		2,067	2,067
Total Receipts	54,600	52,286	(2,314)	42,983	48,306	5,323
DISBURSEMENTS						
Contracted services	47,500	39,523	(7,977)	19,975	33,427	13,452
Office expenses	1,722	1,553	(169)	1,650	1,514	(136)
Total Disbursements	49,222	41,076	(8,146)	21,625	34,941	13,316
RECEIPTS OVER (UNDER) DISBURSEMENTS	5,378	11,210	5,832	21,358	13,365	(7,993)
CASH, JANUARY 1	64,029	64,037	8	50,666	50,672	6
CASH, DECEMBER 31	69,407	75,247	5,840	72,024	64,037	(7,987)
<u>Circuit Clerk Law Library Fund</u>						
RECEIPTS						
Charge for services	14,000	16,814	2,814	12,000	15,757	3,757
Total Receipts	14,000	16,814	2,814	12,000	15,757	3,757
DISBURSEMENTS						
Other	15,000	15,023	23	13,000	14,822	1,822
Total Disbursements	15,000	15,023	23	13,000	14,822	1,822
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,000)	1,791	2,791	(1,000)	935	1,935
CASH, JANUARY 1	5,017	6,157	1,140	5,222	5,222	-
CASH, DECEMBER 31	4,017	7,948	3,931	4,222	6,157	1,935
<u>Senior Service Tax Fund</u>						
RECEIPTS						
Property taxes	114,955	120,301	5,346	15,549	15,549	-
Other		1,734	1,734			
Interest	300	3,672	3,372			
Total Receipts	115,255	125,707	10,452	15,549	15,549	-
DISBURSEMENTS						
Other	114,955	97,792	(17,163)	-	-	-
Total Disbursements	114,955	97,792	(17,163)	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	300	27,915	27,615	15,549	15,549	-
CASH, JANUARY 1	15,549	15,549	-	-	-	-
CASH, DECEMBER 31	15,849	43,464	27,615	15,549	15,549	-

See accompanying notes to the financial statements.

POLK COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of various funds of Polk 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 Senate Bill 40 Board, or the Emergency 911 Central Dispatch. 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 accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

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.

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Prosecuting Attorney Bad Check Fund	2006
Special Trust Fund	2006
Circuit Clerk Interest Fund	2007
Emergency 911 Fund	2007
Senate Bill 40 Board Fund	2006
Circuit Clerk Law Library Fund	2007, 2006

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.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Capital Improvement Sales Tax Fund	2007 and 2006
Family Justice Fund	2007 and 2006

2. Cash and Investments

Disclosures are provided below to comply with Statement No. 40 of the Governmental Accounting Standards Board, *Deposit and Investment Risk Disclosures*. 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. Investments are securities and other assets acquired primarily for the purpose of obtaining income or profit.

Deposits

In addition to depositing in demand accounts, political subdivisions such as counties have the authority under Section 67.085, RSMo, to place excess funds in certificates of deposit. To protect the safety of county deposits, Section 110.020, RSMo, requires depositories to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities must be of the types specified by Section 30.270, RSMo, for the collateralization of state funds and held by either the county or a financial institution other than the depository bank. Section 67.085, RSMo, also requires certificates of deposit to be insured by the FDIC for 100 percent of their principal and accrued interest. Custodial credit risk is the risk that, if a depository bank fails, Polk County will not be able to recover its deposits or recover collateral securities that are in an outside party's possession.

The county's deposits at December 31, 2006 and 2007 were not exposed to custodial credit risk because they were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

Investments

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. At December 31, 2006 and 2007, the county had no such investments. In addition, Section 30.950, RSMo, requires political subdivisions with 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 adopted such a policy.

Supplementary Schedule

POLK COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2007	2006
U.S. DEPARTMENT OF JUSTICE				
Direct programs:				
16.592	Local Law Enforcement Block Grant	N/A		32,878
16.554	National Criminal History Improvement Program	N/A		4,613
Passed through:				
16579	State Department of Public Safety - Byrne Formula Grant Program			8,956
U.S. DEPARTMENT OF TRANSPORTATION				
20.205	Passed through state Highway and Transportation Commission - Highway Planning and Construction	BRO-84	21,139	73,663
Program Total			<u>0</u>	<u>73,663</u>
ELECTIONS ASSISTANCE COMMISSION				
90.401	Passed through the Office of Secretary of State Help America Vote Act Requirements Payment	N/A	104,962	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
93.563	Passed through state Department of Health and Senior Services: Passed through Department of Social Services: Child Support Enforcement	N/A	134,859	136,065
14.231	U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Passed through State Department of Social Services Emergency Shelter Grants Program	N/A	7,000	7,500
U. S. DEPARTMENT OF HOMELAND SECURITY				
97.036	Passed through State Department of Public Safety Public Assistance Grants	FEMA 167-99167-00	69,607	
97.036	Public Assistance Grants	1728	324,455	
97.042	Emergency Management Performance Grants	N/A	11,327	11,156
97.051	State and Local All Hazards Emergency Operations	N/A	3,394	5,156
83.548	Hazard Mitigation Grant	FEMA 1412DR-MO	40,446	
Total Expenditures of Federal Awards			<u>717,189</u>	<u>279,987</u>

POLK 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 Polk 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.

Because Polk County expended no noncash awards for the years ended December 31, 2007 and 2006, the schedule includes expenditures of cash awards only.

C. Basis of Accounting

The schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$7,000 and \$7,500 to a subrecipient under the Emergency Shelter Grants Program (CFDA 14.231) during the years ended December 31, 2007 and 2006 respectively.

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 Polk County, Missouri

Compliance

We have audited the compliance of Polk 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, 2007 and 2006. 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, Polk 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, 2007 and 2006.

Internal Control Over Compliance

The management of Polk 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, but not for the purpose of expressing an opinion on the effectiveness of the county's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the county's internal control over compliance.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended for the information and use of the management of Polk County, federal awarding agencies and pass-through entities; and other applicable government officials.

Officer CPA Firm LLC

Springfield, Missouri
August 6, 2008

POLK COUNTY, MISSOURI
SCHEDULE OF AUDITOR'S RESULTS AND FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2007 AND 2006

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

 Significant deficiencies identified that are
 not considered to be material weaknesses? ___ x ___ yes _____ 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

 Significant deficiencies identified that are
 not considered to be material weaknesses? _____ yes ___ x ___ none reported

Type of auditors 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>
90.401	Help America Vote Act Requirements Payment
97.036	Public Assistance Grants
83.548	Hazard Mitigation Grant

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

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

Financial Statement Findings

The assessor's office prepares the property tax assessed valuation, additions, property abatements and gives this to the collector's office. The collector's office prepares property tax billings and collects the taxes. The clerk's office is to prepare a reconciliation of those assessed with billed and collected. During our audit, we were not able to verify the amounts billed with the amounts collected. We recommend that all three offices work together to implement procedures to ensure that all that are assessed, are collected and accounted for.

Federal Award Findings and Questioned Costs

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

None

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

Financial Statement Findings

Finding:

The assessor's office prepares the property tax assessed valuation, additions, property abatements and gives this to the collector's office. The collector's office prepares property tax billings and collects the taxes. The clerk's office is to prepare a reconciliation of those assessed with billed and collected. During our audit, we were not able to verify the amounts billed with the amounts collected. We recommend all three offices to work together to implement procedures to ensure that all that are assessed are collected and accounted for.

Status:

Not implemented and the same finding exists for the 2006 and 2007.

OMB Circular A-133 Findings:

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.

The prior audit report issued for the two years ended December 31, 2005, included no audit findings required to be reported for an audit of federal awards.

To the County Commission,

In planning and performing our audit of the financial statements of Polk County as of and for the years ended December 31, 2007 and 2006, in accordance with auditing standards generally accepted in the United States of America, we considered the county's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly we do not express an opinion on the effectiveness of the Organization's internal control.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control:

Property Tax Receipts

The assessor's office prepares the property tax assessed valuation, additions, property abatements and gives this to the collector's office. The collector's office prepares property tax billings and collects the taxes. The clerk's office is to prepare a reconciliation of those assessed with billed and collected. During our audit, we were not able to verify the amounts billed with the amounts collected. We recommend that all three offices work together to implement procedures to ensure that all that are assessed, are collected and accounted for.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the above deficiencies constitute a material weakness.

During the performance of our audit we observed several other areas of your organization not related to the internal control structure. The following suggestion hopefully will improve the efficiency and accuracy of your financial and statistical records.

Standardized Filing System for Grants

To improve the required documentation for grants, we suggest that a checklist be developed and given to all individuals responsible for federal grants. Such checklist should include the required documents such as grant applications, grant agreements, requests for funds forms, invoices and copies of checks, status reports, budgets and prevailing wage reporting if applicable.

Integrated Accounting System

As discussed in the previous biennial report, to improve the internal accounting records and efficiency of year end reports, we suggest that the county use the same accounting software for the Treasurer's receipts, payroll and accounts payable functions.

Purchasing

We recommend improvements to safeguarding of county equipment and materials by conducting independent surprise inventory counts. This will help eliminate or deter the personal use of county property. In addition, some inventory items may need better security such as the fuel tanks in a fenced and locked area.

This communication is intended solely for the information and use of management, the county commission and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Officer CPA Firm LLC

Springfield, MO
August 6, 2008