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Missouri State Auditor

Randolph County



September 2009
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Office of the
Missouri State Auditor
Susan Montee, JD, CPA

September 2009

The following findings were included in our audit report of Randolph County.

The county's budget documents indicated actual disbursements of several funds exceeded amounts budgeted. The more significant examples include the Randolph County Road and Bridge Fund, the Sheriff Fund, the Justice Center Fund, and the Prosecuting Attorney Bad Check Fund. The prior audit report also indicated the county significantly overspent the budgets of several county funds. In addition, the Sheriff Revolving Fund was not established or budgeted as required by state law, and the fees collected for processing concealed weapon permit applications or renewals are maintained by the Sheriff outside the county treasury.

The County Commission pays county credit card statements without supporting documentation for some charges and proper review and approval by county officials. Vehicle usage logs are not prepared for county vehicles used by the County Clerk, a maintenance employee, or the Road and Bridge department. The county's written overtime and compensatory time policy, excluding the Sheriff's department, is not in compliance with the Fair Labor Standards Act. The Sheriff's department does not document the review and approval of deputies' timesheets, and timesheets are not prepared and submitted to the County Clerk for two assistant prosecuting attorneys. Physical inventories of capital assets are not performed by some county officials.

Property tax system procedures need improvement. The County Clerk does not verify the current or delinquent property taxes the County Collector is charged with collecting; and although the County Clerk maintains information regarding taxes charged and collected, and additions and abatements, the information is not summarized and used to review the County Collector's annual settlement.

Several concerns were noted with accounting controls and procedures in the Sheriff's department. One bookkeeper is primarily responsible for receipting, recording, and depositing all monies and for preparing all checks and bank reconciliations. In addition, receipt slips are not issued for fees received to process applications for concealed weapon permits or renewals.

Procedures are not in place in the Prosecuting Attorney's office to identify month-end liabilities and reconcile to the restitution bank account. As of December 31, 2008, the reconciled cash balance of \$2,092 exceeded the identified liabilities by \$1,007.

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YELLOW SHEET

RANDOLPH COUNTY

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STATE AUDITOR'S REPORT



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Randolph County

We have audited certain operations of Randolph County in fulfillment of our responsibilities under Section 29.230, RSMo. In addition, McBride, Lock and Associates, Certified Public Accountants, has been engaged to audit the financial statements of Randolph County for the 2 years ended December 31, 2008. The scope of our audit included, but was not necessarily limited to, the 2 years ended December 31, 2008. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations, including certain revenues and expenditures.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, as well as certain external parties; and testing selected transactions.

We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We also tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting

instances of noncompliance significant to those provisions. 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. Abuse, which refers to behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

The accompanying Management Advisory Report presents our findings arising from our audit of Randolph County.



Susan Montee, JD, CPA
State Auditor

The following auditors participated in the preparation of this report:

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MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

RANDOLPH COUNTY
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1. Budgetary Practices

The county's budgeting practices are in need of improvement. We noted the following issues in regards to the county's budgets.

- A. The county's budget documents indicated actual disbursements of several funds exceeded amounts budgeted. Other county officials, including the Prosecuting Attorney and Sheriff, are involved in approving disbursements for some of these funds. Although monthly reports comparing budgeted and actual receipts and disbursements are available for these funds, the budgets were still exceeded and no budget amendments were made. The prior report also indicated the county significantly overspent the budgets of several county funds.

The more significant examples include:

Fund	Year Ended December 31,	
	2008	2007
Randolph County Road and Bridge	\$ 20,939	58,428
Sheriff	22,761	N/A
Justice Center	73,890	N/A
Prosecuting Attorney Bad Check	16,885	N/A

The County Commission stated the Randolph County Road and Bridge Fund budget was exceeded due to a disaster declaration in 2008 and unforeseen additional revenue in 2007. A review of the county's 2008 and 2007 published financial statements for the Sheriff Fund noted an additional \$28,694 was spent on patrol cars in 2008 over 2007; however, the 2008 budget was based on 2007 actual disbursements. A review of the county's 2009 Justice Center Fund budget document noted prisoner food costs were \$55,522 over budgeted amounts and repairs to the Justice Center were \$16,826 over budgeted amounts. In addition, the budgets of the Prosecuting Attorney Training Fund and the Prosecuting Attorney Grant Fund were exceeded by smaller amounts in 2008 and 2007.

Budget documents are an essential tool for the efficient management of county finances. If there are valid reasons which require excess disbursements (i.e., emergencies and unforeseen occurrences or revenues), amendments should be made prior to the excess disbursements following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's office.

- B. The Sheriff Revolving Fund was not established or budgeted as required by state law, and the fees collected for processing concealed weapon permit applications or renewals are maintained by the Sheriff outside the county treasury. The Sheriff collected approximately \$9,200, \$5,000, and \$400 for concealed weapon permit applications for the years ending December 2008, 2007, and 2006, respectively.

Section 571.101, RSMo, authorizes the Sheriff to charge non-refundable fees for processing a first time application and a renewal for a concealed weapon permit which shall be paid to the county treasury to the credit of the Sheriff Revolving Fund. In addition, Chapter 50, RSMo, requires counties to prepare annual budgets for all funds and prohibits the expenditure of public funds without an approved budget that has been filed with the State Auditor's office. By establishing the Sheriff Revolving Fund which is maintained by the county treasury and preparing a budget for the fund, the County Commission will be able to more effectively monitor overall financial resources and make budgetary decisions.

WE RECOMMEND the County Commission:

- A. Along with the Sheriff and the Prosecuting Attorney review budget to actual reports carefully and refrain from approving disbursements which exceed budgeted amounts. In addition, procedures should be implemented to ensure budgets are properly amended, the amendments are made prior to incurring the actual disbursements, and valid reasons which necessitate excess disbursements are documented.
- B. And the Treasurer establish the Sheriff Revolving Fund as required by state law and ensure the appropriate fees are remitted to the county treasury from the Sheriff on a monthly basis. In addition, a budget should be prepared for this fund.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *We will continue to work with the Sheriff and Prosecuting Attorney to ensure their budgets are not exceeded. In addition, procedures will be considered to ensure budgets are properly amended in accordance with the audit recommendation.*
- B. *In accordance with the audit recommendation, the Sheriff Revolving Fund has been established and all appropriate fees have been remitted to the County Treasurer.*

The Sheriff provided the following responses:

- A. *I will do what I can to work with the Commission.*
- B. *The Sheriff Revolving Fund has been turned over to the County Treasurer.*

The Prosecuting Attorney provided the following written response:

- A. *The statutory provisions governing the budgeting process are directed specifically at certain revenues under the control and supervision of the County Commissioners. Other specific funding statutes that generate administrative fees, not tax revenues, for example, within the child support area, assessor's office, sheriff's department and the prosecutor's office are not covered under the definitions of those budgeting statutes and therefore are not subject to the same budgeting processes. Please note that the specific provisions of the bad check fund provide an independent process for the accounting of expenditures of administrative fees generated through the prosecution of bad checks. These fees are not tax dollars and are not generated through the general revenue tax of the county. However, by virtue of the bad check statute at 570.120 RSMo, specific authority for review of these funds is granted to the auditors. Had the legislators intended for these specific funds to be subject to the general provisions governing county budgets, the language would have provided this avenue. Instead, specifically, the statute offers an alternative method of review to the state auditor.*

AUDITOR'S COMMENT

While receipts of the Prosecuting Attorney Bad Check Fund are administrative fees, they are generated by the Prosecuting Attorney in his capacity as a county official. As authorized by Section 570.120, RSMo, the fees are to be used for office expenses, salaries, and other lawful expenses incurred by the Prosecuting Attorney in operation of his office, and any revenues not required for those purposes may be placed in the General Revenue Fund of the county. Budget documents are an essential tool for the efficient management of funds held by a county official; however, to be effective, budgeted and actual disbursements should be monitored and amendments prepared if valid reasons arise.

2. County Policies and Procedures
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Controls over credit card, cellular telephone and pager, and vehicle usage; payroll records; and capital assets are in need of improvement. In addition, the county's written overtime and compensatory time policy is not in compliance with the Fair Labor Standards Act (FLSA).

- A. The County Commission pays county credit card statements without supporting documentation for some charges and proper review and approval by county officials. Each county department is provided two county credit cards (a VISA credit card and a store credit card) to be used for training fees, supplies, and fuel purchases. In addition, the County Clerk maintains another store credit card which can be used by any county official to purchase supplies. Total payments on these credit cards were approximately \$32,000 in 2008 and \$30,900 in 2007. The County Clerk receives monthly credit card statements from the vendors. He reviews each statement against receipts obtained from county officials for charges made; however, if receipts are missing for charges on the billing statement, the

County Clerk does not follow up with county officials responsible for the charges. Our review of 12 statements for these 3 credit cards noted 133 charges, totaling approximately \$8,000, which were not adequately supported by receipts. In addition, the statements were not reviewed and approved by the county officials who made the purchases; however, some county officials approved individual receipts.

To ensure the validity and propriety of disbursements and compliance with statutory provisions, adequate supporting documentation should be obtained for each charge and statement reviews should be performed by all county officials who make county credit card purchases.

- B. The County Commission pays cellular telephone and pager bills without requiring detailed reviews by county officials of actual calls and pages. Therefore, the County Commission has no assurance disbursements for cellular telephones and pagers are reasonable. In addition, some employees are assigned both cellular telephones and pagers, which may be unnecessary. The county spent approximately \$7,500 in 2008 and \$4,700 in 2007 for cellular telephone use and approximately \$1,400 in both 2008 and 2007 for pager use.

While cellular telephones and pagers can increase employee productivity, they are also costly. Detailed statements showing actual calls and pages should be reviewed for propriety and assurance calls are exclusively for county business. In addition, the County Commission should address the need for some employees to utilize both cellular telephones and pagers.

- C. Vehicle usage logs are not prepared for county vehicles used by the County Clerk, a maintenance employee, and the Road and Bridge department. The Road and Bridge supervisor records the odometer readings of each county road and bridge vehicle on a monthly basis and reviews the mileage driven each month for reasonableness; however, daily usage logs are not maintained. Adequate vehicle usage logs would allow the county to effectively monitor the use of vehicles and determine if maintenance and fuel costs for vehicles are reasonable and represent legitimate and appropriate expenses.
- D. The county's written overtime and compensatory time policy, excluding the Sheriff's department, is not in compliance with the FLSA. The policy allows each county official or department head to allow straight time off for overtime worked if the straight time is awarded within the month in which the excess time is earned. The FLSA requires the county to pay overtime or provide compensatory time at time and one half to any nonexempt employees who work more than 40 hours during a normal work week. In addition, the county's written policy does not address the maximum amount of compensatory time an employee may accumulate. The FLSA states an employee can accumulate a maximum of 240 hours of compensatory time (160 hours worked). Hours exceeding this threshold

must be paid in wages on the next pay date. The County Commission should clarify its policy to ensure compliance with the FLSA.

- E. The Sheriff's department does not document the review and approval of deputies' timesheets. In addition, timesheets are not prepared and submitted to the County Clerk for all employees of the Prosecuting Attorney's office.

Weekly timesheets for deputies in the Sheriff's department are reviewed by the office bookkeeper when they are entered into a monthly summary timesheet maintained for each employee. Neither the weekly nor monthly timesheets are signed by direct supervisors to document review and approval. The monthly summary timesheet is submitted to the County Clerk's office as support for payroll disbursements. The Sheriff stated he performs periodic reviews of the weekly timesheets and reviews each monthly summary timesheet; however, these reviews are not documented.

In addition, timesheets are not prepared and submitted to the County Clerk for two assistant prosecuting attorneys. As a result, the County Clerk's office does not have sufficient records to ensure the validity of payroll disbursements totaling approximately \$77,400 in 2008 and \$30,700 in 2007.

To ensure the legitimacy of payroll disbursements and demonstrate compliance with the FLSA, the County Commission should require adequate documentation to support all payroll transactions.

- F. Physical inventories of capital assets are not performed by some county officials. The County Clerk maintains capital asset records for all county departments. To update these records, the County Clerk's office sends a memo each year to all county departments requesting they perform inspections and physical inventories and provide inventory worksheets to the County Clerk's office to document these efforts. However, weaknesses were noted with this procedure. For 2008, inventory reports were not on file in the County Clerk's office for the offices of the Prosecuting Attorney, Recorder, Assessor, and Sheriff. The County Clerk stated he did not follow up with any of these offices to ensure physical inventories were completed or to determine why an inventory report was not on file in his office.

Adequate capital asset records are necessary to secure better internal control over county property, meet statutory requirements, and provide a basis for determining adequate insurance coverage on county property. Physical inventories of county property are necessary to ensure the capital asset records are accurate, identify any unrecorded additions and deletions, detect theft of assets, and identify obsolete assets. In addition, Section 49.093, RSMo, provides that the officer or their designee of each county department is responsible for performing periodic inspections and inventories of county property used by their department and for submitting an inventory report to the County Clerk.

Conditions similar to C, E, and F were noted in our prior report.

WE RECOMMEND the County Commission:

- A. Require a thorough review and approval of all county credit card statements prior to approving payment and ensure adequate supporting documentation is maintained.
- B. Require a thorough review of all cellular telephone and pager bills prior to approving payment. In addition, the County Commission should reconsider the need of some employees being assigned both cellular telephones and pagers.
- C. Require vehicle usage logs be maintained for all county vehicles. The logs should be used to monitor the use of county vehicles and determine if maintenance and fuel costs for county vehicles are reasonable and represent legitimate and appropriate expenses.
- D. Revise the county's written overtime and compensatory time policy to ensure compliance with the FLSA.
- E. Require timesheets submitted by the Sheriff's department be signed by the Sheriff or supervisor to document review and approval and require the two assistant prosecuting attorneys to submit timesheets to the County Clerk's office.
- F. And the County Clerk work with other county departments to ensure physical inventories are conducted and reports submitted as required. In addition, the County Clerk should update the overall capital asset records for additions and deletions, and follow up on any discrepancies. Physical inventory records should be retained to support the overall capital asset records.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *We will establish a policy to address the submission of supporting documentation for credit card bills and will issue a memo to all county employees.*
- B. *When billing irregularities occur, we will confer with the applicable department to resolve the issue. The county's cellular telephone plan allows for unlimited calls on all cellular telephones at a flat rate. In addition, unnecessary pagers have been discontinued.*
- C. *A log is now maintained for the election vehicle. The county will develop procedures to address this recommendation for other county vehicles.*
- D. *We are in the process of addressing this recommendation.*

- E. *We acknowledge the ongoing inconsistencies and will continue to make every effort to address the problem.*

The Sheriff provided the following response:

- E. *This has been corrected. I now review the timesheets for each employee weekly and sign off on the timesheets.*

The Prosecuting Attorney provided the following written responses:

- E. *The two Assistant Prosecuting Attorneys are now submitting time sheets to the County Clerk's Office to document holidays, vacations, sick days and related matters.*
- F. *Historically, the County Clerk provides forms to the office holders to provide accurate inventory information for each office. Once provided with the appropriate forms from the County Clerk's Office we will submit the required information.*

The County Commission and County Clerk provided the following response:

- F. *We will continue to emphasize the importance of performing the annual physical inventory.*

3. Property Tax System

Property tax system procedures need improvement. For the year ended February 28, 2009, taxes charged to the County Collector totaled approximately \$24 million.

- A. The County Clerk does not verify the current or delinquent property taxes the County Collector is charged with collecting. Tax statement information is generated by the county's property tax system vendor based on assessed valuations and tax levies provided by the county. The vendor and the County Collector's office staff verify individual entries in the property tax system for mathematical accuracy; however, this verification is not documented. The County Clerk is statutorily required to extend tax books and charge the County Collector with the amount of taxes to be collected. Such procedures provide for a separation of duties and act as a form of checks and balances.

To ensure the property tax system information is accurate, provide for adequate oversight, and comply with state law, verification of individual entries and overall property tax charges should be performed and documented by the County Clerk. In the event the County Collector continues to verify individual entries in the property tax system, the verification should also be documented.

- B. Although the County Clerk maintains information regarding taxes charged and collected, and additions and abatements, the information is not summarized and

used to review the County Collector's annual settlement. The County Clerk indicated he reviews the monthly settlements for questionable amounts and mathematical accuracy; however, he does not document the reviews. In addition, the County Commissioners stated they review the annual settlement for accuracy by comparing it to the County Collector's monthly settlements and to the budget. However, the County Commission does not document approval of the annual settlements on the annual settlements or in the County Commission meeting minutes.

Section 51.150(2), RSMo, requires the County Clerk to maintain accounts with all persons chargeable with monies payable in to the county treasury. Records which summarize all taxes charged to the County Collector, monthly collections, delinquent credits, abatements and additions, and protested amounts, should be maintained by the County Clerk. Such records would help the County Clerk ensure the amount of taxes charged and credited to the County Collector each year is complete and accurate and could also be used by the County Commission to verify the County Collector's annual settlement.

Similar conditions were noted in a prior audit report.

WE RECOMMEND:

- A. The County Clerk perform and document the verification of the tax statement information generated by the property tax system vendor. If the County Collector continues to verify individual entries, the entries verified should also be documented.
- B. The County Clerk summarize property tax information in a format that he and the County Commission could utilize to verify and document their review of the monthly and annual settlements of the County Collector.

AUDITEE'S RESPONSE

The County Clerk provided the following response:

We will attempt to implement these recommendations.

The County Collector provided the following written response:

- A. *Taxing district levies calculated by the taxing district valuation is calculated on a spreadsheet in total and compared to the system totals, therefore documentation is maintained on the totals. Individual records were checked for accuracy of items charged, checked that all information fed correctly, and that levies and extensions are correct, by all three of us in the Collector's office, but none are logged for retention and that is not a problem to start doing, if required. I only documented the total, since that was what I was charged with, and I keep a copy of that with my charges.*

4.**Sheriff's Accounting Controls and Procedures**

Accounting controls and procedures in the Sheriff's department are in need of improvement. The Sheriff's department collected receipts totaling approximately \$388,700 and \$310,700, in 2008 and 2007, respectively.

- A. One bookkeeper is primarily responsible for receipting, recording, and depositing all monies and for preparing all checks and bank reconciliations. Because this bookkeeper is primarily responsible for all of the accounting functions of the department, routine and thorough supervisory reviews are essential. While the Sheriff performs reviews of checks and supporting documentation prior to signing the checks, he does not perform detailed reviews of other records, such as comparing receipts to deposits and reconciled cash balances to month-end liabilities. Such comparisons would improve the effectiveness of the supervisory review and reduce the possibility of errors and loss or misuse of funds.

Internal controls provide reasonable assurance that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by the Sheriff expanding his supervisory reviews to include the receipting, recording, depositing and reconciling functions.

- B. Receipt slips are not issued for fees received to process applications for concealed weapon permits or renewals. To ensure proper accountability and adequately safeguard monies received, official prenumbered receipt slips should be issued for all monies received, the method of payment should be recorded on the receipt slips, and the composition of the receipt slips issued should be reconciled to the composition of deposits.

WE RECOMMEND the Sheriff:

- A. Expand his supervisory reviews to include periodic documented reviews of the receipting, recording, depositing and reconciling functions performed by the bookkeeper.
- B. Issue prenumbered receipt slips for all monies received, record the method of payment, and reconcile the composition of receipts to the composition of deposits.

AUDITEE'S RESPONSE

The Sheriff provided the following responses:

- A. *I will review this recommendation and take it under advisement.*
- B. *Receipt slips are now issued for these monies.*

5.**Prosecuting Attorney's Accounting Procedures**

Procedures are not in place to identify month-end liabilities and reconcile to the restitution bank account. At our request, the office clerk who handles restitution determined liabilities as of December 31, 2008. However, the reconciled cash balance of \$2,092 exceeded the identified liabilities by \$1,007. Liabilities should be identified monthly and reconciled to the cash balance to ensure records are in balance and sufficient funds are available for the payment of all liabilities. Any unidentified differences should be investigated and resolved.

WE RECOMMEND the Prosecuting Attorney identify liabilities and reconcile to cash balances on a monthly basis. Any unidentified differences should be investigated and resolved.

AUDITEE'S RESPONSE

The Prosecuting Attorney provided the following written response:

Around 2000, the prosecutor's office assumed responsibility for the restitution accounts for the county. However, certain unclaimed balances remained and the claimants could not be identified. Working with the Auditor's Office, the prosecutor's office has arrived at a process that will allow old claims to be turned over to the county treasurer's office for final disposition and allow the prosecutor accounts to be balanced going forward this year.

ORGANIZATION AND
STATISTICAL INFORMATION

RANDOLPH COUNTY
ORGANIZATION AND STATISTICAL INFORMATION

Randolph County is a county-organized, third-class county and is part of the Fourteenth Judicial Circuit. The county seat is Huntsville.

Randolph County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens.

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2009	2008
County-Paid Officials:		
Susan Carter, Presiding Commissioner	\$	30,380
Doug Galaske, Associate Commissioner		28,930
Randall C. Asbury, Associate Commissioner		28,380
Mark Price, Recorder of Deeds		44,857
Jim Sears, County Clerk		44,857
Michael Fusselman, Prosecuting Attorney		67,465
Mark Nichols, Sheriff		50,007
Rebecca Brown, County Treasurer		44,290
Gerald A. Luntsford, County Coroner		15,450
Glenda Winkler, Public Administrator		44,857
Shiela Miller, County Collector, year ended February 28, 2009	45,080	
Richard Tregnago, County Assessor (1), year ended August 31,		46,440

(1) Includes \$688 annual compensation received from the state.

State-Paid Officials:

Peggy Boots, Circuit Clerk	57,566
Cynthia Suter-Crayne, Associate Circuit Judge	107,641

The county entered into a lease purchase agreement with the Randolph County, Missouri, Public Facilities Authority (the "Authority") on January 1, 2004. The terms of the agreement called for the Authority to provide funding for the construction of a justice center project and for the county to lease the justice center from the Authority for lease payments equal to the amount due

to retire the Authority's indebtedness. Leasehold revenue bonds totaling \$6.8 million were issued by the Authority on January 7, 2004, on behalf of the county, and the proceeds of those bonds were used to construct the justice center, which was completed in June 2005. The lease is scheduled to be paid off in 2020. The remaining principal and interest due at December 31, 2008, was \$5,600,000 and \$1,714,003, respectively. The bonds are paid with the revenue generated from the county's capital improvement sales tax which was passed on April 2, 2002, and is in effect until 2020. The Authority also established a trustee, Commerce Bank, N.A., (the "Trustee"). The Trustee receives and oversees disbursement of the bond proceeds, lease payments, sales tax proceeds, and other project income. The Trustee releases monies to the county for purposes of operating and maintaining the justice center if such amounts are not required for the repayment of the bonds issued by the Authority.