



Scott Fitzpatrick
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Cedar County

Sales Tax Rollback	The County Clerk did not accurately calculate property tax levy reduction amounts to offset 50 percent of sales tax money received, and levied approximately \$1.2 million in excess property taxes for 2020 through 2023.
County Collector and Property Tax System	<p>Neither the County Clerk nor the County Commission adequately review the financial activities of the County Collector. The account book maintained by the County Clerk was not complete, did not track all taxes charged to the County Collector, and did not agree to the annual settlement submitted by the County Collector. The County Collector's annual settlement for the year ended February 29, 2024, was not accurate. The County Collector reported total distributions that exceeded total collections by about \$400,000. After this was brought to the County Collector's attention, she determined she had misreported approximately \$357,000 in utility collections as delinquent taxes, resulting in an overstatement of total delinquent taxes, understatement of collections, and a discrepancy between total collections and total distributions.</p> <p>The County Clerk did not prepare the back tax, land and personal tax, or railroad and utility tax aggregate abstracts for 2020 through 2023, as required. County Collector's office personnel do not prepare monthly lists of liabilities for the General and Partial Payment bank accounts, and consequently, they do not agree liabilities to the reconciled bank balances. The County Collector incorrectly withheld 2 percent on railroad and utility property taxes collected rather than the allowed 1 percent. As a result, the various political subdivisions did not receive the full amount owed to them and the county deposited the excess commissions into the General Revenue Fund. In total, the County Collector incorrectly withheld approximately \$2,900 from railroad and utility property taxes that she should have disbursed to the political subdivisions.</p>
Public Administrator's Annual Settlements	The Public Administrator did not always file annual settlements timely. The audit work noted for the 3 wards selected that required an annual settlement in 2023, the Public Administrator filed each untimely.
Sheriff's Outstanding Checks	The Sheriff's office has not established procedures to follow up on outstanding checks in the Inmate Trust bank account. As of December 31, 2023, 56 checks, totaling \$1,288, were outstanding for more than 3 years with issue dates ranging from 2014 to 2021.
Sheriff's Compensation	The County Commission authorized mid-term salary increases totaling \$11,719 to the Sheriff in violation of constitutional provisions.
Electronic Communication Policy	The county has not developed a records management and retention policy that includes electronic communication in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission.

Additional Comments	Because counties are managed by several separately elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.
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In the areas audited, the overall performance of this entity was **Fair**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



Recommendations in the audit of Cedar County

Sales Tax Rollback		The County Commission and the County Clerk properly calculate and review property tax rate reductions based on sales tax collections and develop a plan to correct the accumulation of prior over collections of property taxes.
County Collector and Property Tax System	2.1	The County Clerk maintain a complete account book with the County Collector. In addition, the County Clerk and the County Commission should use the account book to review the accuracy and completeness of the County Collector's annual settlements, and the County Clerk should timely file the settlements with the state.
	2.2	The County Collector prepare accurate annual settlements.
	2.3	The County Clerk prepare the back tax, land and personal tax, and railroad and utility tax aggregate abstracts and timely file them with the Department of Revenue and State Tax Commission.
	2.4	The County Collector prepare monthly lists of liabilities and reconcile the lists to the available cash balances. Any differences should be promptly investigated and resolved, and any unidentified money should be disposed of in accordance with state law.
	2.5	The County Collector recalculate tax commissions withheld from railroad and utility property taxes and correct distributions to the various political subdivisions and the General Revenue Fund. The County Collector should also ensure future commission calculations are accurate.
Public Administrator's Annual Settlements		The Public Administrator file annual settlements timely.
Sheriff's Outstanding Checks		The Sheriff establish procedures to routinely investigate outstanding checks. Old outstanding checks should be voided and reissued to payees that can be readily located. If payees cannot be located, the funds should be disposed of in accordance with state law.
Sheriff's Compensation		The County Commission ensure salary increases comply with constitutional provisions and consider various methods for possible recoupment of any midterm salary increases already paid.
Electronic Communication Policy		The County Commission work with other county officials to develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.