



Scott Fitzpatrick
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Shelby County

Sales Tax Rollback	The county did not properly report property tax levy reductions to the State Auditor's Office (SAO) in 2023, did not accurately calculate property tax levy reduction amounts to offset 50 percent of sales tax money received, and levied approximately \$188,000 in excess property taxes for 2023 through 2024.
Budgets	The County Commission does not adequately monitor budget-to-actual receipts and disbursements. For the year ended December 31, 2024, actual disbursements exceeded budgeted disbursements from 4 funds by a total of \$51,878. The County Commission did not prepare or approve budget amendments before the budgets for these funds were overspent.
Sheriff's Office - Sales Tax	The Sheriff's office did not charge sales tax on the sale of e-cigarettes and nicotine pouches sold to inmates and remit the taxes to the Department of Revenue (DOR). The total sales for these items was \$16,810 during the year ended December 31, 2024. The Sheriff nor his staff were aware they should be collecting sales tax on these items.
Sheriff's Compensation	The County Commission authorized mid-term salary increases to the Sheriff totaling \$28,854 as of December 2024, in violation of constitutional provisions and state law.
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. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.
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.

In the areas audited, the overall performance of this entity was **Good**.*

*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.