



**Thomas A. Schweich**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of Miller County

Financial Condition	As noted in our two prior audits, the financial condition of the Jail Fund and Special Road and Bridge Fund remains poor, and the financial condition of the Enhanced 911 (E911) Fund has deteriorated. In addition, the amount of General Revenue Fund and Capital Improvements Sales Tax Fund monies used to support these other funds has increased significantly over the past several years. As a result, the General Revenue Fund is also in poor financial condition and the Capital Improvement Sales Tax Fund may not have the monies needed to pay off outstanding debt.
Sales Tax Procedures	Some capital improvement sales tax revenue was spent on road and bridge related purposes that is not allowed under state law. In addition, the county could not provide documentation showing how capital improvement sales tax revenues transferred to the Jail Fund and E911 Fund were spent in accordance with state law. The county did not sufficiently reduce the property tax levy to offset 50 percent of sales tax monies received by \$453,793 during 2013. The County Clerk's annual sales tax reduction calculations were incorrect and the 2013 tax levy reductions were improperly reported to the State Auditor's office.
Property Tax System and Controls and Procedures	The County Collector and his staff have unlimited access to all information in the property tax system, can make changes to individual tax records, and can delete or void receipt transactions after they are completed. In addition, County Collector personnel cannot generate a report of voided transactions. Neither the County Clerk and County Commission adequately review additions and abatements entered into the property tax system by the County Collector or adequately review the financial activities of the County Collector. As a result of the significant control weaknesses identified, there is little assurance property tax monies are accounted for properly.
County Collector Procedures	As of June 2014, the County Collector had not prepared annual settlements of property taxes for the years ended February 28, 2013, and 2014. The County Collector does not prepare monthly lists of liabilities for the main collection bank account, and consequently, liabilities are not compared to the reconciled bank balance. The County Collector maintains an inactive bank account of \$1,092 that should be closed.
Sheriff Accounting Controls and Procedures	Despite similar concerns in our prior audits, the Sheriff has not established adequate controls and procedures and significant weaknesses continue to exist. The Sheriff has not adequately segregated accounting duties and does not perform adequate supervisory reviews. The Sheriff's office does not adequately bill, pursue collection of, or track amounts due from other counties for the boarding of prisoners, and is not billing some defendants. The Sheriff lacks proper controls and procedures for receipting and depositing monies to ensure all monies are accounted for properly. Bank reconciliations procedures were not adequate and monthly lists of liabilities are not prepared to compare to the reconciled bank balances. The Sheriff does not maintain adequate records over seized property, and personnel do not periodically back up the data in the computerized accounting system.

Prosecuting Attorney Controls and Procedures	The Prosecuting Attorney has not established adequate segregation of duties over accounting functions, or established proper controls or procedures for receipting, depositing, and transmitting monies to the County Treasurer. The Prosecuting Attorney does not routinely follow up on outstanding checks and maintains a trust bank account with an unidentified balance of \$5,227 at December 31, 2013.
Public Administrator Salary	The County Commission has not set the Public Administrator's salary in accordance with state law, and as a result, is underpaying the Public Administrator \$20,000 annually. Pursuant to Section 473.742, RSMo, the Public Administrator's salary is based upon the average number of open cases, which was 43, and should be \$45,000.
Passport Fees	The Recorder of Deeds collected approximately \$18,360 in passport processing fees, but there is no authority for the Recorder of Deeds to collect this fee. Moreover, state law mandates that any such fees shall be used only for the maintenance of the courthouse or to fund operations of the circuit court, but the county does not track how these monies are spent.
Capital Assets	As similarly noted in several of our prior audits, the County Clerk has not updated capital asset records since 2003, and these records lack sufficient detail. Some capital asset are not numbered, tagged, or otherwise identified as county property, and the county does not adequately identify capital asset purchases and dispositions throughout the year
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 **Poor**.\*

\*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.

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