



**NICOLE GALLOWAY, CPA**  
**Missouri State Auditor**

To the County Commission  
and  
Officeholders of Adair County, Missouri

The Office of the State Auditor contracted for an audit of Adair County's financial statements for the 2 years ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

Nicole R. Galloway, CPA  
State Auditor

September 2022  
Report No. 2022-079



**Nicole Galloway, CPA**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Adair County

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#### Treasurer Stale Checks

The Treasurer resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

ANNUAL FINANCIAL REPORT

**ADAIR COUNTY, MISSOURI**

For the Years Ended  
December 31, 2021 and 2020

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**McBRIDE, LOCK & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
KANSAS CITY

ADAIR COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

ADAIR COUNTY, MISSOURI  
List of Elected Officials 2020-2021

*County Commission*

Presiding Commissioner – Mark Shahan

Commissioner, First District – William J. King

Commissioner, Second District – Mark Thompson

*Other Elected Officials*

Assessor – Kent Bryant

Circuit Clerk – Linda Decker

Collector – Sonja Harden

County Clerk – Sandra Collop

Coroner – Brian C. Noe

Prosecuting Attorney – Matt Wilson

Public Administrator – Rhonda Noe

Recorder – Pat Shoush

Sheriff – Eldon Grissom

Treasurer – Lori J. Smith

## **FINANCIAL SECTION**

## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Adair County, Missouri

#### **Opinion**

We have audited the accompanying financial statements of Adair County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2020 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Adair County, Missouri, as of December 31, 2020 and 2021, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Adair County, Missouri, as of December 31, 2020 and 2021, or the changes in financial position thereof for the years then ended.

#### **Basis for Opinion**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Adair County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Adair County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri Law. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Adair County, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Adair County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated August 2, 2022, on our consideration of Adair County, Missouri'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 solely 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 effectiveness of Adair County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 2, 2022

ADAIR COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2020 AND 2021

Fund	Cash and Cash Equivalents January 1, 2020	Receipts 2020	Disbursements 2020	Cash and Cash Equivalents December 31, 2020	Receipts 2021	Disbursements 2021	Cash and Cash Equivalents December 31, 2021
General Revenue	\$ 707,487	\$ 2,979,529	\$ 2,968,504	\$ 718,512	\$ 3,488,716	\$ 2,996,609	\$ 1,210,619
Special Road and Bridge	2,576,129	2,905,684	3,354,807	2,127,006	3,233,002	3,826,721	1,533,287
Assessment	223,842	468,961	366,284	326,519	516,248	430,522	412,245
Financial Emergency	341,108	5,533	-	346,641	5,517	-	352,158
Law Enforcement Services	904,935	968,290	1,034,991	838,234	1,066,183	1,035,998	868,419
E-911 Emergency	101,047	1,639	-	102,686	1,634	-	104,320
E-911 Reserve	14,602	246,671	255,145	6,128	175,320	181,445	3
Countryside	118,365	1,920	-	120,285	1,838	10,000	112,123
Domestic Violence	54,202	3,631	-	57,833	3,653	57,833	3,653
Election Administration	32,911	2,972	698	35,185	6,858	686	41,357
HAVA	-	22,407	22,407	-	-	-	-
Recorder User	36,034	8,227	990	43,271	10,492	21,593	32,170
Recorder Technical	44,607	5,169	4,000	45,776	5,798	4,000	47,574
Collector Tax	159,104	28,449	16,773	170,780	31,731	21,944	180,567
Law Enforcement General	152,792	2,293,570	2,086,264	360,098	2,470,749	2,217,460	613,387
Law Enforcement Training	7,942	2,891	1,911	8,922	3,434	3,198	9,158
Sheriff Civil	56,871	14,310	2,775	68,406	15,989	288	84,107
Sheriff Revolving	10,774	10,636	10,564	10,846	15,523	11,227	15,142
Inmate Detainee Security	35,974	4,613	-	40,587	6,121	357	46,351
Prosecuting Attorney Training	9,894	2,335	361	11,868	3,287	860	14,295
Prosecuting Attorney Delinquent	10,455	893	-	11,348	268	-	11,616
Prosecuting Attorney Admin	28,710	69,580	80,515	17,775	146,488	146,960	17,303
Law Enforcement Restitution	149,618	25,750	16,056	159,312	32,176	-	191,488
Multi-Co. Child Support Enforcement	851	120,225	107,412	13,664	106,491	106,320	13,835
Juvenile Justice	500	57,824	57,710	614	55,440	51,387	4,667
Juvenile Grant Operations	6,806	245,104	251,907	3	263,173	263,176	-
COVID-19 Relief	-	2,996,122	2,040,564	955,558	4,218	959,776	-
ARPA	-	-	-	-	2,478,112	80,000	2,398,112
Megatronics Grant	-	-	-	-	227,137	227,137	-
Capital Improvement Tax	-	-	-	-	82,233	-	82,233
Capital Improvement Project	-	-	-	-	1,385,383	1,385,383	-
Total	<u>\$ 5,785,560</u>	<u>\$ 13,492,935</u>	<u>\$ 12,680,638</u>	<u>\$ 6,597,857</u>	<u>\$ 15,843,212</u>	<u>\$ 14,040,880</u>	<u>\$ 8,400,189</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL REVENUE FUND Year Ended December 31,				
	2020		2021	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 347,173	\$ 346,090	\$ 293,733	\$ 352,652
Sales taxes	1,900,000	1,908,144	1,900,000	2,098,006
Intergovernmental	128,290	122,179	109,999	107,116
Charges for services	485,424	516,071	484,770	567,088
Interest	4,500	16,157	10,000	17,634
Other	70,500	70,888	153,104	113,097
Transfers in	10,000	-	230,000	233,123
Total Receipts	<u>\$ 2,945,887</u>	<u>\$ 2,979,529</u>	<u>\$ 3,181,606</u>	<u>\$ 3,488,716</u>
DISBURSEMENTS				
County Commission	\$ 120,752	\$ 123,803	\$ 152,009	\$ 137,872
County Clerk	196,675	187,393	212,784	193,363
Elections	165,850	191,525	70,350	50,650
Buildings and grounds	243,887	184,978	403,440	246,469
Employee fringe benefits	576,258	513,831	662,989	633,973
Treasurer	117,241	107,905	114,266	110,338
Collector	172,585	156,386	169,638	156,602
Recorder of Deeds	179,052	142,282	179,517	158,283
Circuit Clerk	43,000	20,238	43,000	23,877
Court administration	292,520	260,759	196,082	146,321
Public Administrator	188,021	171,063	187,691	174,649
Prosecuting Attorney	376,893	378,921	387,468	387,800
Coroner	19,421	19,374	20,471	20,471
Other County government	454,208	343,783	478,073	388,561
Health and welfare	93,080	66,263	102,299	59,830
Transfers out	95,000	100,000	85,000	85,000
Emergency fund	88,231	-	91,397	22,550
Total Disbursements	<u>\$ 3,422,674</u>	<u>\$ 2,968,504</u>	<u>\$ 3,556,474</u>	<u>\$ 2,996,609</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (476,787)	\$ 11,025	\$ (374,868)	\$ 492,107
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>707,487</u>	<u>707,487</u>	<u>718,512</u>	<u>718,512</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 230,700</u>	<u>\$ 718,512</u>	<u>\$ 343,644</u>	<u>\$ 1,210,619</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 898,262	\$ 929,327	\$ 943,000	\$ 1,007,210	\$ -	\$ -	\$ -	\$ -
Sales taxes	450,000	402,326	400,000	417,991	-	-	-	-
Intergovernmental	2,253,161	1,402,426	2,210,398	1,604,550	154,000	173,926	154,000	190,011
Charges for services	53,200	101,574	59,200	75,237	168,000	191,909	175,000	213,717
Interest	30,000	44,500	43,000	38,116	1,600	5,238	2,500	6,598
Other	10,900	25,531	93,457	81,341	7,700	12,888	19,582	18,611
Transfers in	-	-	-	8,557	85,000	85,000	85,000	87,311
Total Receipts	<u>\$ 3,695,523</u>	<u>\$ 2,905,684</u>	<u>\$ 3,749,055</u>	<u>\$ 3,233,002</u>	<u>\$ 416,300</u>	<u>\$ 468,961</u>	<u>\$ 436,082</u>	<u>\$ 516,248</u>
DISBURSEMENTS								
Salaries	\$ 621,476	\$ 595,373	\$ 679,186	\$ 667,549	\$ 272,504	\$ 222,417	\$ 273,326	\$ 218,877
Employee fringe benefits	282,740	245,169	316,670	248,618	119,468	96,440	117,175	93,738
Materials and supplies	1,710,500	1,129,428	2,731,670	1,589,440	3,700	2,224	3,200	3,104
Services and other	244,100	203,269	306,000	206,097	113,250	23,815	121,950	93,415
Capital outlay	707,000	593,993	684,120	354,249	24,000	21,388	24,000	21,388
Construction	1,275,000	587,575	661,540	760,768	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 4,840,816</u>	<u>\$ 3,354,807</u>	<u>\$ 5,379,186</u>	<u>\$ 3,826,721</u>	<u>\$ 532,922</u>	<u>\$ 366,284</u>	<u>\$ 539,651</u>	<u>\$ 430,522</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (1,145,293)	\$ (449,123)	\$ (1,630,131)	\$ (593,719)	\$ (116,622)	\$ 102,677	\$ (103,569)	\$ 85,726
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>2,576,129</u>	<u>2,576,129</u>	<u>2,127,006</u>	<u>2,127,006</u>	<u>223,842</u>	<u>223,842</u>	<u>326,519</u>	<u>326,519</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,430,836</u>	<u>\$ 2,127,006</u>	<u>\$ 496,875</u>	<u>\$ 1,533,287</u>	<u>\$ 107,220</u>	<u>\$ 326,519</u>	<u>\$ 222,950</u>	<u>\$ 412,245</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	FINANCIAL EMERGENCY FUND				LAW ENFORCEMENT SERVICES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	950,000	953,509	950,000	1,048,564
Intergovernmental	-	-	-	-	-	-	4,657	3,932
Charges for services	-	-	-	-	-	-	-	-
Interest	3,300	5,533	3,300	5,517	8,000	14,730	10,000	13,480
Other	-	-	-	-	100	51	308	-
Transfers in	-	-	-	-	-	-	-	207
Total Receipts	\$ 3,300	\$ 5,533	\$ 3,300	\$ 5,517	\$ 958,100	\$ 968,290	\$ 964,965	\$ 1,066,183
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600	\$ 3,000
Employee fringe benefits	-	-	-	-	-	-	1,057	871
Materials and supplies	-	-	-	-	9,000	7,910	9,200	9,091
Services and other	-	-	-	-	99,500	77,081	89,700	83,036
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	950,000	950,000	950,000	940,000
Total Disbursements	\$ -	\$ -	\$ -	\$ -	\$ 1,058,500	\$ 1,034,991	\$ 1,053,557	\$ 1,035,998
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 3,300	\$ 5,533	\$ 3,300	\$ 5,517	\$ (100,400)	\$ (66,701)	\$ (88,592)	\$ 30,185
CASH AND CASH EQUIVALENTS, JANUARY 1	341,108	341,108	346,641	346,641	904,935	904,935	838,234	838,234
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 344,408	\$ 346,641	\$ 349,941	\$ 352,158	\$ 804,535	\$ 838,234	\$ 749,642	\$ 868,419

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	E-911 EMERGENCY FUND				E-911 RESERVE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	92,000	246,499	285,000	175,257
Interest	1,000	1,639	1,000	1,634	40	172	75	63
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,000</u>	<u>\$ 1,639</u>	<u>\$ 1,000</u>	<u>\$ 1,634</u>	<u>\$ 92,040</u>	<u>\$ 246,671</u>	<u>\$ 285,075</u>	<u>\$ 175,320</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	25,000	-	25,000	-	100,000	255,145	291,000	181,445
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 255,145</u>	<u>\$ 291,000</u>	<u>\$ 181,445</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (24,000)	\$ 1,639	\$ (24,000)	\$ 1,634	\$ (7,960)	\$ (8,474)	\$ (5,925)	\$ (6,125)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>101,047</u>	<u>101,047</u>	<u>102,686</u>	<u>102,686</u>	<u>14,602</u>	<u>14,602</u>	<u>6,128</u>	<u>6,128</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 77,047</u>	<u>\$ 102,686</u>	<u>\$ 78,686</u>	<u>\$ 104,320</u>	<u>\$ 6,642</u>	<u>\$ 6,128</u>	<u>\$ 203</u>	<u>\$ 3</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	COUNTRYSIDE FUND				DOMESTIC VIOLENCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	3,800	2,741	5,000	3,492
Interest	1,100	1,920	1,100	1,838	500	890	50	161
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,100</u>	<u>\$ 1,920</u>	<u>\$ 1,100</u>	<u>\$ 1,838</u>	<u>\$ 4,300</u>	<u>\$ 3,631</u>	<u>\$ 5,050</u>	<u>\$ 3,653</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	10,000	10,000	-	-	62,883	57,833
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,883</u>	<u>\$ 57,833</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 1,100	\$ 1,920	\$ (8,900)	\$ (8,162)	\$ 4,300	\$ 3,631	\$ (57,833)	\$ (54,180)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>118,365</u>	<u>118,365</u>	<u>120,285</u>	<u>120,285</u>	<u>54,202</u>	<u>54,202</u>	<u>57,833</u>	<u>57,833</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 119,465</u>	<u>\$ 120,285</u>	<u>\$ 111,385</u>	<u>\$ 112,123</u>	<u>\$ 58,502</u>	<u>\$ 57,833</u>	<u>\$ -</u>	<u>\$ 3,653</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	ELECTION ADMINISTRATION FUND				HAVA FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	22,407	-	-
Charges for services	4,500	2,424	4,500	6,280	-	-	-	-
Interest	300	548	300	578	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,800</u>	<u>\$ 2,972</u>	<u>\$ 4,800</u>	<u>\$ 6,858</u>	<u>\$ -</u>	<u>\$ 22,407</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	8,000	698	10,500	686	-	22,407	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 8,000</u>	<u>\$ 698</u>	<u>\$ 10,500</u>	<u>\$ 686</u>	<u>\$ -</u>	<u>\$ 22,407</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (3,200)	\$ 2,274	\$ (5,700)	\$ 6,172	\$ -	\$ -	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>32,911</u>	<u>32,911</u>	<u>35,185</u>	<u>35,185</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 29,711</u>	<u>\$ 35,185</u>	<u>\$ 29,485</u>	<u>\$ 41,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER USER FUND				RECORDER TECHNICAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	6,000	7,604	6,000	9,778	3,500	4,451	3,500	5,090
Interest	100	623	500	714	250	718	600	708
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,100</u>	<u>\$ 8,227</u>	<u>\$ 6,500</u>	<u>\$ 10,492</u>	<u>\$ 3,750</u>	<u>\$ 5,169</u>	<u>\$ 4,100</u>	<u>\$ 5,798</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	40,981	990	40,981	21,593	19,500	4,000	19,500	4,000
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 40,981</u>	<u>\$ 990</u>	<u>\$ 40,981</u>	<u>\$ 21,593</u>	<u>\$ 19,500</u>	<u>\$ 4,000</u>	<u>\$ 19,500</u>	<u>\$ 4,000</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (34,881)	\$ 7,237	\$ (34,481)	\$ (11,101)	\$ (15,750)	\$ 1,169	\$ (15,400)	\$ 1,798
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>36,034</u>	<u>36,034</u>	<u>43,271</u>	<u>43,271</u>	<u>44,607</u>	<u>44,607</u>	<u>45,776</u>	<u>45,776</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,153</u>	<u>\$ 43,271</u>	<u>\$ 8,790</u>	<u>\$ 32,170</u>	<u>\$ 28,857</u>	<u>\$ 45,776</u>	<u>\$ 30,376</u>	<u>\$ 47,574</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	COLLECTOR TAX FUND				LAW ENFORCEMENT GENERAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	950,000	953,518	950,000	1,048,622
Intergovernmental	-	-	-	-	9,600	14,465	15,894	13,153
Charges for services	45,000	25,729	45,000	28,253	206,000	310,047	346,000	387,226
Interest	1,600	2,720	1,600	2,857	1,000	3,584	1,000	7,357
Other	-	-	622	-	65,550	61,956	84,331	55,610
Transfers in	-	-	-	621	950,000	950,000	940,000	958,781
Total Receipts	<u>\$ 46,600</u>	<u>\$ 28,449</u>	<u>\$ 47,222</u>	<u>\$ 31,731</u>	<u>\$ 2,182,150</u>	<u>\$ 2,293,570</u>	<u>\$ 2,337,225</u>	<u>\$ 2,470,749</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 1,154,742	\$ 1,112,146	\$ 1,123,468	\$ 1,069,123
Employee fringe benefits	-	-	-	-	490,545	437,648	506,724	441,096
Materials and supplies	14,000	13,755	14,000	13,247	38,100	34,308	44,565	43,931
Services and other	54,000	3,018	54,000	8,697	578,250	498,562	666,228	558,429
Capital outlay	-	-	-	-	73,304	3,600	128,000	104,881
Construction	-	-	-	-	-	-	-	-
Transfers out	10,000	-	10,000	-	-	-	-	-
Total Disbursements	<u>\$ 78,000</u>	<u>\$ 16,773</u>	<u>\$ 78,000</u>	<u>\$ 21,944</u>	<u>\$ 2,334,941</u>	<u>\$ 2,086,264</u>	<u>\$ 2,468,985</u>	<u>\$ 2,217,460</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (31,400)	\$ 11,676	\$ (30,778)	\$ 9,787	\$ (152,791)	\$ 207,306	\$ (131,760)	\$ 253,289
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>159,104</u>	<u>159,104</u>	<u>170,780</u>	<u>170,780</u>	<u>152,792</u>	<u>152,792</u>	<u>360,098</u>	<u>360,098</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 127,704</u>	<u>\$ 170,780</u>	<u>\$ 140,002</u>	<u>\$ 180,567</u>	<u>\$ 1</u>	<u>\$ 360,098</u>	<u>\$ 228,338</u>	<u>\$ 613,387</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND				SHERIFF CIVIL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,060	1,036	1,060	829	-	-	-	-
Charges for services	1,900	1,714	1,900	2,464	17,000	13,318	17,000	14,815
Interest	50	141	50	141	175	992	175	1,174
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,010</u>	<u>\$ 2,891</u>	<u>\$ 3,010</u>	<u>\$ 3,434</u>	<u>\$ 17,175</u>	<u>\$ 14,310</u>	<u>\$ 17,175</u>	<u>\$ 15,989</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	10,000	2,775	10,000	-
Services and other	3,600	1,911	3,600	3,198	1,000	-	1,000	288
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,600</u>	<u>\$ 1,911</u>	<u>\$ 3,600</u>	<u>\$ 3,198</u>	<u>\$ 11,000</u>	<u>\$ 2,775</u>	<u>\$ 11,000</u>	<u>\$ 288</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (590)	\$ 980	\$ (590)	\$ 236	\$ 6,175	\$ 11,535	\$ 6,175	\$ 15,701
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>7,942</u>	<u>7,942</u>	<u>8,922</u>	<u>8,922</u>	<u>56,871</u>	<u>56,871</u>	<u>68,406</u>	<u>68,406</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 7,352</u>	<u>\$ 8,922</u>	<u>\$ 8,332</u>	<u>\$ 9,158</u>	<u>\$ 63,046</u>	<u>\$ 68,406</u>	<u>\$ 74,581</u>	<u>\$ 84,107</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF REVOLVING FUND				INMATE DETAINEE SECURITY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	6,500	10,511	16,400	15,328	6,700	4,000	6,700	5,440
Interest	150	125	150	195	125	613	125	681
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,650</u>	<u>\$ 10,636</u>	<u>\$ 16,550</u>	<u>\$ 15,523</u>	<u>\$ 6,825</u>	<u>\$ 4,613</u>	<u>\$ 6,825</u>	<u>\$ 6,121</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	15,000	9,407	10,500	10,130	-	-	-	-
Services and other	1,000	1,157	1,700	1,097	500	-	500	357
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 16,000</u>	<u>\$ 10,564</u>	<u>\$ 12,200</u>	<u>\$ 11,227</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 357</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (9,350)	\$ 72	\$ 4,350	\$ 4,296	\$ 6,325	\$ 4,613	\$ 6,325	\$ 5,764
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>10,774</u>	<u>10,774</u>	<u>10,846</u>	<u>10,846</u>	<u>35,974</u>	<u>35,974</u>	<u>40,587</u>	<u>40,587</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,424</u>	<u>\$ 10,846</u>	<u>\$ 15,196</u>	<u>\$ 15,142</u>	<u>\$ 42,299</u>	<u>\$ 40,587</u>	<u>\$ 46,912</u>	<u>\$ 46,351</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND				PROSECUTING ATTORNEY DELINQUENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	500	2,159	500	3,076	50	718	200	87
Interest	60	176	100	211	75	175	75	181
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 560</u>	<u>\$ 2,335</u>	<u>\$ 600</u>	<u>\$ 3,287</u>	<u>\$ 125</u>	<u>\$ 893</u>	<u>\$ 275</u>	<u>\$ 268</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	500	361	1,000	860	-	-	500	-
Services and other	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 500</u>	<u>\$ 361</u>	<u>\$ 1,000</u>	<u>\$ 860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 60	\$ 1,974	\$ (400)	\$ 2,427	\$ 125	\$ 893	\$ (225)	\$ 268
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>9,894</u>	<u>9,894</u>	<u>11,868</u>	<u>11,868</u>	<u>10,455</u>	<u>10,455</u>	<u>11,348</u>	<u>11,348</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 9,954</u>	<u>\$ 11,868</u>	<u>\$ 11,468</u>	<u>\$ 14,295</u>	<u>\$ 10,580</u>	<u>\$ 11,348</u>	<u>\$ 11,123</u>	<u>\$ 11,616</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY ADMIN FUND				LAW ENFORCEMENT RESTITUTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	172,000	68,619	170,000	146,075	40,000	23,167	40,000	29,415
Interest	200	349	200	413	600	2,583	2,000	2,761
Other	200	612	200	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 172,400</u>	<u>\$ 69,580</u>	<u>\$ 170,400</u>	<u>\$ 146,488</u>	<u>\$ 40,600</u>	<u>\$ 25,750</u>	<u>\$ 42,000</u>	<u>\$ 32,176</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	1,000	-	1,000	-	-	-	-	-
Services and other	174,500	80,515	175,500	146,960	42,000	16,056	55,000	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 175,500</u>	<u>\$ 80,515</u>	<u>\$ 176,500</u>	<u>\$ 146,960</u>	<u>\$ 42,000</u>	<u>\$ 16,056</u>	<u>\$ 55,000</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (3,100)	\$ (10,935)	\$ (6,100)	\$ (472)	\$ (1,400)	\$ 9,694	\$ (13,000)	\$ 32,176
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>28,710</u>	<u>28,710</u>	<u>17,775</u>	<u>17,775</u>	<u>149,618</u>	<u>149,618</u>	<u>159,312</u>	<u>159,312</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 25,610</u>	<u>\$ 17,775</u>	<u>\$ 11,675</u>	<u>\$ 17,303</u>	<u>\$ 148,218</u>	<u>\$ 159,312</u>	<u>\$ 146,312</u>	<u>\$ 191,488</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	MULTI-CO. CHILD SUPPORT ENFORCEMENT FUND				JUVENILE JUSTICE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	119,311	105,051	119,311	104,653	61,191	57,824	61,191	55,440
Charges for services	-	-	-	-	-	-	-	-
Interest	130	174	130	239	-	-	-	-
Other	1,100	-	1,100	1,599	-	-	-	-
Transfers in	10,000	15,000	-	-	-	-	-	-
Total Receipts	<u>\$ 130,541</u>	<u>\$ 120,225</u>	<u>\$ 120,541</u>	<u>\$ 106,491</u>	<u>\$ 61,191</u>	<u>\$ 57,824</u>	<u>\$ 61,191</u>	<u>\$ 55,440</u>
DISBURSEMENTS								
Salaries	\$ 75,829	\$ 75,836	\$ 75,829	\$ 74,620	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	33,482	26,254	33,851	26,145	-	-	-	-
Materials and supplies	1,500	822	1,000	603	-	-	-	-
Services and other	15,800	4,500	21,300	4,952	61,191	57,710	61,191	51,387
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 126,611</u>	<u>\$ 107,412</u>	<u>\$ 131,980</u>	<u>\$ 106,320</u>	<u>\$ 61,191</u>	<u>\$ 57,710</u>	<u>\$ 61,191</u>	<u>\$ 51,387</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 3,930	\$ 12,813	\$ (11,439)	\$ 171	\$ -	\$ 114	\$ -	\$ 4,053
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>851</u>	<u>851</u>	<u>13,664</u>	<u>13,664</u>	<u>500</u>	<u>500</u>	<u>614</u>	<u>614</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 4,781</u>	<u>\$ 13,664</u>	<u>\$ 2,225</u>	<u>\$ 13,835</u>	<u>\$ 500</u>	<u>\$ 614</u>	<u>\$ 614</u>	<u>\$ 4,667</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.



ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	JUVENILE GRANT OPERATIONS FUND				COVID-19 RELIEF FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	271,368	245,104	271,368	262,643	-	2,973,240	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	22,882	-	4,218
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	530	-	-	-	-
Total Receipts	<u>\$ 271,368</u>	<u>\$ 245,104</u>	<u>\$ 271,368</u>	<u>\$ 263,173</u>	<u>\$ -</u>	<u>\$ 2,996,122</u>	<u>\$ -</u>	<u>\$ 4,218</u>
DISBURSEMENTS								
Salaries	\$ 197,645	\$ 190,676	\$ 197,645	\$ 195,025	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	73,723	61,231	73,723	68,151	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	-	-	-	2,040,564	-	846,165
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	113,611
Total Disbursements	<u>\$ 271,368</u>	<u>\$ 251,907</u>	<u>\$ 271,368</u>	<u>\$ 263,176</u>	<u>\$ -</u>	<u>\$ 2,040,564</u>	<u>\$ -</u>	<u>\$ 959,776</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ (6,803)	\$ -	\$ (3)	\$ -	\$ 955,558	\$ -	\$ (955,558)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>6,806</u>	<u>6,806</u>	<u>3</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>955,558</u>	<u>955,558</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 6,806</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 955,558</u>	<u>\$ 955,558</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	ARPA FUND				MEGATRONICS GRANT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	2,641,291	2,461,290	-	-	500,000	227,137
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	20,500	16,822	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ 2,661,791	\$ 2,478,112	\$ -	\$ -	\$ 500,000	\$ 227,137
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	-	-	-	-	500,000	227,137
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	100,000	80,000	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 100,000	\$ 80,000	\$ -	\$ -	\$ 500,000	\$ 227,137
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ 2,561,791	\$ 2,398,112	\$ -	\$ -	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	-	-	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ -	\$ 2,561,791	\$ 2,398,112	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	CAPITAL IMPROVEMENT TAX FUND				CAPITAL IMPROVEMENT PROJECT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2020		2021		2020		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	100,000	82,225	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	500	8	-	-	-	-
Other	-	-	-	-	-	-	1,300,000	1,385,383
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ 100,500	\$ 82,233	\$ -	\$ -	\$ 1,300,000	\$ 1,385,383
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	1,300,000	1,314,864
Transfers out	-	-	-	-	-	-	-	70,519
Total Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000	\$ 1,385,383
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ 100,500	\$ 82,233	\$ -	\$ -	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	-	-	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ -	\$ 100,500	\$ 82,233	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

ADAIR COUNTY, MISSOURI  
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2020 AND 2021

Fund/Account	Cash and Investments January 1, 2020	Receipts 2020	Disbursements 2020	Cash and Investments December 31, 2020	Receipts 2021	Disbursements 2021	Cash and Investments December 31, 2021
Treasurer CERF	\$ 8,332	\$ 268,952	\$ 277,283	\$ 1	\$ 279,967	\$ 279,963	\$ 5
Treasurer Unclaimed Fees	9,423	2,454	4,279	7,598	33	-	7,631
Treasurer Unappropriated School	33,903	71,881	81,140	24,644	120,300	111,514	33,430
Treasurer Criminal Costs	-	240,268	240,268	-	376,513	376,513	-
Treasurer Milliken Cemetery	29,851	2,643	-	32,494	2,738	-	35,232
Treasurer Overplus Tax	6,780	219	-	6,999	-	-	6,999
Treasurer District Schools	-	13,651,406	13,651,406	-	15,263,098	15,263,098	-
Treasurer Health Department	-	660,752	660,752	-	879,842	879,842	-
Treasurer Library	-	478,618	478,618	-	520,897	520,897	-
Treasurer Nursing Home District	-	541	541	-	3,119	3,119	-
Treasurer Cities	-	2,480	2,480	-	14,669	14,669	-
Treasurer La Plata Fire	-	34,414	34,414	-	34,132	34,132	-
Treasurer Senate Bill 40	-	478,618	478,618	-	520,897	520,897	-
Treasurer Deputy Sheriff Supplemental	650	6,955	7,185	420	7,665	8,085	-
Collector	12,226,682	20,449,721	19,612,993	13,063,410	22,315,778	21,791,831	13,587,357
Recorder	32,955	168,922	185,141	16,736	186,186	190,347	12,575
County Clerk Election	146	29,481	28,385	1,242	36,947	38,043	146
Sheriff Office	13,007	101,124	114,131	-	116,534	110,871	5,663
Sheriff Bonds	-	79,431	79,431	-	166,421	166,421	-
Sheriff Crime	2,120	-	-	2,120	-	-	2,120
Sheriff Inmate	20,679	109,164	109,826	20,017	167,099	159,401	27,715
Public Administrator	2,377,071	2,105,074	1,805,552	2,676,593	2,809,308	1,890,451	3,595,450
Total	<u>\$ 14,761,599</u>	<u>\$ 38,943,118</u>	<u>\$ 37,852,443</u>	<u>\$ 15,852,274</u>	<u>\$ 43,822,143</u>	<u>\$ 42,360,094</u>	<u>\$ 17,314,323</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

ADAIR COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adair County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, Circuit Clerk, Collector, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder, Sheriff and Treasurer.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Adair County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk (other than the portion that is funded by the General Revenue Fund) and all funds under their control. The County has a Developmental Disability Board which obtains separate audits, therefore, it has been excluded from the scope of our audit.

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. 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.

### D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before January 15, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law. However, the County did not adopt formal budgets for the HAVA and COVID-19 Relief Funds in 2020.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	2021	2020
E-911 Reserve	N/A	✓
Capital Improvement Project	✓	N/A

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2021 and 2020, for purposes of taxation were:

	2021	2020
Real Estate	\$ 284,658,614	\$ 221,007,821
Personal Property	82,319,843	75,565,429
Railroad and Utilities	48,710,573	46,819,315
Total	<u>\$ 415,689,030</u>	<u>\$ 343,392,565</u>

For calendar years 2021 and 2020, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2021	2020
General Revenue	\$ 0.1230	\$ 0.0944
Special Road and Bridge	0.2647	0.2755

#### F. Cash Deposits and Cash Equivalents

Deposits and cash equivalents are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and cash equivalent balances are presented in Note 2.

#### G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and

long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

## 2. CASH AND CASH EQUIVALENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" caption. Cash and cash equivalents include deposits and short-term investments with maturities that are less than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, the County had the following cash and cash equivalent and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 8,400,189	\$ 9,637,678	\$ 250,000
Cash and Cash Equivalents	\$ 15,570,993	\$ 14,836,340	\$ 1,913,794
Investments	<u>1,743,330</u>	<u>1,743,330</u>	<u>-</u>
Total Fiduciary Funds	<u>\$ 17,314,323</u>	<u>\$ 16,579,670</u>	<u>\$ 1,913,794</u>

At December 31, 2020, the County had the following cash and cash equivalent and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 6,597,857	\$ 7,509,423	\$ 250,000
Cash and Cash Equivalents	\$ 14,265,841	\$ 12,896,011	\$ 1,371,763
Investments	<u>1,586,433</u>	<u>1,586,433</u>	<u>-</u>
Total Fiduciary Funds	<u>\$ 15,852,274</u>	<u>\$ 14,482,444</u>	<u>\$ 1,371,763</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2021 and 2020 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name, except for \$239,859 and \$14,663 held by the Public Administrator for one ward in one bank in excess of \$250,000. The Public Administrator also holds funds in certain investments that are not subject to FDIC coverage.



### 3. COUNTY EMPLOYEES' RETIREMENT PLANS

#### A. Missouri Local Government Employees Retirement System (LAGERS)

##### 1) Plan Description

Adair County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334, or by the following website, [www.molagers.org](http://www.molagers.org).

##### 2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

##### 3) Funding Policy

Full-time employees of Adair County do not contribute to the pension plan. The January 1st statutorily required contribution rates were 15.1% and 14.9% (General), and 19.7% and 19.2% (Police) of annual covered payroll for 2021 and 2020 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2021 and 2020, the County contributed \$489,686 and \$464,591 to LAGERS.

#### B. County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

##### 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires

the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 25, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 25, 2002, is not required to make contributions. During 2021 and 2020, the County collected and remitted to CERF employee withholdings and fees collected of \$279,963 and \$277,283, respectively, for the years then ended.

## C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$11,628 and \$10,659, respectively, for the years ended December 31, 2021 and 2020.

#### 4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

#### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

##### A. Compensated Absences

The County provides regular full-time 40 hour employees with vacation leave for each month of service from 40 hours to 160 hours per year depending on length of employment. Regular full-time 35 hour employees earn vacation leave of 35 to 140 hours per year depending upon length of service. Vacation hours can be accrued up to a maximum of 175 hours for 35 hour employees and 200 hours for 40 hour employees. Upon termination, employees are compensated for any unused vacation time. The County provides regular full-time employees with 48 (35 hour) or 60 (40 hour) hours of sick leave per year up to a maximum of 420 (35 hour) or 480 (40 hour) hours. Upon termination, employees are not compensated for any unused sick time.

##### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

#### 6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. The County purchases workers' compensation insurance through this fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

#### 7. LONG-TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2021:

- A. In June 2000, the County entered into a lease purchase agreement in the amount of \$1,900,000 for a term of 20 years for the purpose of constructing a juvenile justice center. In June 2011,

the lease purchase agreement was amended to obtain a lower interest rate of 3.9%. The amended lease term was for nine years with an annual lease payment of \$151,085. The final payment was made in June 2020.

- B. In September 2021, the County entered into an \$88,287 lease purchase agreement for the purpose of acquiring a track loader for the Road and Bridge department. The lease has an interest rate of 2.99% with two annual payments of \$27,123 and a final payment in 2024 of \$38,960.

Fiscal Year Ending December 31,	Principal	Interest	Total
2022	\$ 24,446	\$ 2,677	\$ 27,123
2023	25,188	1,935	27,123
2024	38,653	307	38,960
Totals	<u>\$ 88,287</u>	<u>\$ 4,919</u>	<u>\$ 93,206</u>

- C. In October 2021, the County entered into an \$8,000,000 lease purchase agreement for the purpose of making repairs and renovations to the County courthouse. The lease has an interest rate of 2.25% with a final payment due on September 1, 2032. The original lease called for semi-annual payments of \$411,477 on March 1 and September 1 each year. The first addendum to the lease was entered in February 2022 which changed the semi-annual payments to \$419,105 after an initial payment of \$222,563 on March 1, 2022.

Fiscal Year Ending December 31,	Principal	Interest	Total
2022	\$ 531,355	\$ 110,313	\$ 641,668
2023	673,936	164,275	838,211
2024	689,185	149,026	838,211
2025	704,779	133,432	838,211
2026	720,725	117,486	838,211
2027-2031	3,855,745	335,308	4,191,053
2032	824,275	13,936	838,211
Totals	<u>\$ 8,000,000</u>	<u>\$ 1,023,776</u>	<u>\$ 9,023,776</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2021:

Description	Balance 12/31/2020	Additions	Payments	Balance 12/31/2021	Interest Paid
Capital Improvement Project	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	\$ -
Track Loader	-	88,287	-	88,287	-

The following schedule shows changes in long-term debt during the year ended December 31, 2020:

<u>Description</u>	<u>Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u>	<u>Interest</u>
	<u>12/31/2019</u>			<u>12/31/2020</u>	<u>Paid</u>
Juvenile Justice Center	\$ 145,399	\$ -	\$ (145,399)	\$ -	\$ 5,686

#### 8. OPERATING LEASES

At December 31, 2021, the County had three non-cancellable leases for temporary office space during the renovation of the courthouse. The County had a six month lease through March 1, 2022 with a monthly payment of \$1,700 and an option to renew for another six months for office space for the Collector and Assessor. The County had a six month lease through March 1, 2022 with a monthly payment of \$850 and an option to renew for another six months for office space for the Recorder. The County had a six month lease through April 15, 2022 with an option to renew for another six months for office space for the circuit court. This lease calls for monthly payments of \$1,000 for the first six months, and payments of \$1,450 for the second six months beginning April 15, 2022. The lease also calls for payments of \$2,000 per month for utility expenses.

<u>Fiscal Year Ending</u>	<u>Amount</u>
<u>December 31,</u>	
2022	\$ 50,100

#### 9. CHANGE IN REPORTING ENTITY

The County has changed the definition of the reporting entity at January 1, 2020 to exclude the Deputy Supplemental Fund. The Deputy Supplement Fund is a pass-through fund used to collect and remit fees to the state and therefore will be excluded in the County's financial statements and reported with Fiduciary funds. This change had the effect of decreasing the County's cash balances at January 1, 2020 by \$650.

#### 10. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 2, 2022, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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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 Adair County, Missouri

We have audited, in accordance with the 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, the financial statements of Adair County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2020 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Adair County, Missouri's basic financial statements and have issued our report thereon dated August 2, 2022.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Adair County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Adair County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Adair County, Missouri's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Adair County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 2, 2022



## **McBRIDE, LOCK & ASSOCIATES, LLC**

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**CERTIFIED PUBLIC ACCOUNTANTS**

### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Commission and  
Officeholders of Adair County, Missouri

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Adair County, Missouri's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Adair County, Missouri's major federal programs for the years ended December 31, 2020 and 2021. Adair County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Adair County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2020 and 2021.

##### ***Basis for Opinion on Each Major Federal Program***

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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Adair County, Missouri and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Adair County, Missouri's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Adair County, Missouri's federal programs.

## ***Auditor's Responsibilities for Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Adair County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Adair County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Adair County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Adair County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Adair County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies over compliance. Given these limitations, during our audit we did not identify any

deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
August 2, 2022

ADAIR COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures		Awards Passed-Through to Subrecipients	
			Year Ended December 31,		Year Ended December 31,	
			2020	2021	2020	2021
14.228	U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Passed through Missouri Department of Economic Development - Community Development Block Grant	2019-WF-07	\$ -	\$ 227,137	\$ -	\$ 227,137
16.738	U. S. DEPARTMENT OF JUSTICE Passed through Missouri Department of Public Safety - Edward Byrne Memorial Justice Assistance Grant Program	2017-LLEBG-076 2019-MU-BX-0184-01	9,630 -	- 8,553	- -	- -
	Total 16.738		\$ 9,630	\$ 8,553	-	-
20.205	U. S. DEPARTMENT OF TRANSPORTATION Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B001(50) BRO-B001(51) BRO-B001(52)	15,674 526,375 37,866	- 30,885 678,458	- - -	- - -
	Total 20.205 / Highway Planning and Construction Cluster		\$ 579,915	\$ 709,343	\$ -	\$ -
20.607	Passed through University of Central Missouri - Alcohol Open Container Requirements	20-154-AL-017 20-154-AL-037	1,500 -	- 3,200	- -	- -
	Total 20.607		1,500	\$ 3,200	\$ -	\$ -
20.616	National Priority Safety Programs	20-M2HVE-05-030 21-M2HVE-05-034	200 -	- 1,400	- -	- -
	Total 20.616		200	\$ 1,400	\$ -	\$ -
21.019	U. S. DEPARTMENT OF THE TREASURY Passed through Missouri State Treasurer's Office - COVID-19 - Coronavirus Relief Fund	253	2,040,564	959,776	-	-
21.027	Direct Program - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	N/A	-	80,000	-	-
90.404	ELECTION ASSISTANCE COMMISSION Passed through Missouri Secretary of State - COVID-19 - HAVA Election Security Grants	N/A	20,818	-	-	-
93.563	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Passed through Missouri Department of Social Services - Child Support Enforcement	04MO4005	71,403	70,381	-	-
97.036	U. S. DEPARTMENT OF HOMELAND SECURITY Passed through Missouri Department of Public Safety - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	FEMA DR-4238	77,429	217,763	-	-
	Total Expenditures of Federal Awards		\$ 2,801,459	\$ 2,277,553	\$ -	\$ 227,137

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**ADAIR COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2020 AND 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Adair County, Missouri for the years ended December 31, 2021 and 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

ADAIR COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEARS ENDED DECEMBER 31, 2020 AND 2021

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements:**

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported
- Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards:**

Internal Control Over Major Programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516?      Yes   X   No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction (Cluster)
21.019	COVID-19 - Coronavirus Relief Fund

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk:      Yes   X   No

**SECTION II – FINANCIAL STATEMENTS FINDINGS**

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

None noted

**ITEMS OF NONCOMPLIANCE**

None noted

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

ADAIR COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Adair County, Missouri on the applicable findings in the prior audit report issued for the two years ended December 31, 2019 and 2018.

There were no findings noted in the prior audit report.



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## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

August 2, 2022

To the County Commission  
Adair County, Missouri

We have audited the regulatory basis financial statements of Adair County, Missouri for the years ended December 31, 2021 and 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 14, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Adair County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020 and 2021. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 2, 2022.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2020 and 2021, we considered Adair County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 2, 2022. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

### **Treasurer Stale Checks**

The bank reconciliation of the Treasurer's main checking account for December 31, 2021 included several stale dated checks as outstanding going back as far as 2002. There were 257 checks totaling \$45,683 listed as outstanding on the reconciliation that were written prior to the current audit period. State statutes require

that unclaimed property should be done annually and any unclaimed amounts greater than 5 years (3 years for checks written to government entities) should be turned over to the state unclaimed property. We recommend that the Treasurer resolve the stale dated checks, turn over any funds required to go to unclaimed property, and remove the items from the list of outstanding checks on the bank reconciliation.

#### Other Matters

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not Required Supplementary Information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles prescribed or permitted by Missouri law, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

#### Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Adair County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC