



SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Grundy County, Missouri

The Office of the State Auditor contracted for an audit of Grundy County's financial statements for the year ended December 31, 2022, 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.

Scott Fitzpatrick
State Auditor

October 2023
Report No. 2023-071



Scott Fitzpatrick
Missouri State Auditor

RECOMMENDATION SUMMARY

Recommendations in the contracted audit of Grundy County

2022-001

The county implement internal controls to ensure that the Schedule of Expenditures of Federal Awards (SEFA) completely and accurately state the expenditures of federal awards of the county each year, such as performing a reconciliation between the SEFA and underlying accounting records. Federal reimbursement grants should be reported on the SEFA based on reimbursable expenditures made during the year.

ANNUAL FINANCIAL REPORT

GRUNDY COUNTY, MISSOURI

For the Year Ended
December 31, 2022

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

KANSAS CITY

GRUNDY COUNTY, MISSOURI

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
List of Elected Officials 2022	i
FINANCIAL SECTION	
Independent Auditor's Report	ii
BASIC FINANCIAL STATEMENTS:	
Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis	1
Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds	2
Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis	15
Notes to the Financial Statements	16
COMPLIANCE SECTION	
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 <i>Government Auditing Standards</i>	25
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	27
Schedule of Expenditures of Federal Awards	30
Notes to the Schedule of Expenditures of Federal Awards	31
Schedule of Findings and Questioned Costs	32
Management's Response to Auditor's Findings	35
• Summary Schedule of Prior Audit Findings	
• Corrective Action Plan	

INTRODUCTORY SECTION

GRUNDY COUNTY, MISSOURI
List of Elected Officials 2022

County Commission

Presiding Commissioner – Phillip Ray

Commissioner, First District – Don Sager

Commissioner, Eastern District – Brad Chumbley

Other Elected Officials

Assessor – Nathaniel Curtis

Circuit Clerk/Recorder – Becky Stanturf

Collector/Treasurer – Barbara Harris

County Clerk – Betty Spickard

Coroner – Dewayne Slater

Prosecuting Attorney – Kelly W. Puckett

Public Administrator – Adria Moore

Sheriff – Rodney W. Herring

FINANCIAL SECTION

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Grundy County, Missouri

Opinion

We have audited the accompanying financial statements of Grundy 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, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year 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 Grundy County, Missouri, as of December 31, 2022, and their respective cash receipts and disbursements, and budgetary results for the year 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 Grundy County, Missouri, as of December 31, 2022, or the changes in financial position thereof for the year 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 Grundy 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 Grundy 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 and pervasive.

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 Grundy 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 Grundy 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 9, 2023, on our consideration of Grundy 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 Grundy 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 9, 2023

GRUNDY COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

Fund	Cash and Investments January 1	Receipts	Disbursements	Cash and Investments December 31
General Revenue	\$ 704,097	\$ 1,440,453	\$ 1,724,774	\$ 419,776
Special Road & Bridge	472,397	663,258	866,652	269,003
Assessment	93,941	197,603	155,192	136,352
Ambulance	2,119,772	1,494,223	1,977,897	1,636,098
Law Enforcement Center	166,800	852,052	766,778	252,074
Juvenile Programs	28,355	57,478	58,121	27,712
Juvenile Restitution	1,129	174	-	1,303
Emergency Management Agency	1,769	4,067	5,732	104
Law Enforcement Restitution	21,646	9,989	20,104	11,531
Record Preservation	8,080	4,438	4,469	8,049
Prosecuting Attorney Training	3,486	1,302	813	3,975
Law Enforcement Training	608	1,470	1,630	448
Sheriff Revolving	7,662	2,534	4,412	5,784
Inmate Security	10,654	22,160	19,655	13,159
P.A. Delinquent Sales Tax	786	2	-	788
Deputy Salary	(268)	6,312	7,469	(1,425)
Prosecuting Attorney Bad Check	20,134	4,490	8,453	16,171
Election Services	22,595	38,383	8,886	52,092
Civil Fee	4,236	8,407	8,801	3,842
Recorder's Technology	733	2,383	3,660	(544)
Victims of Domestic Violence	167	511	500	178
911	185,625	703,192	688,528	200,289
Tax Maintenance	42,210	22,403	9,455	55,158
Drug Court Local	42,623	37,943	33,253	47,313
Drug Court Federal	(91)	118,714	123,641	(5,018)
Cemeteries	68,964	3,588	2,845	69,707
Fred Fitch Trust	7,595	1,402	-	8,997
Crippled Children Trust	7,744	97	-	7,841
Cemetery CD's	150,000	-	-	150,000
Fred Fitch Trust CD's	131,423	-	-	131,423
Crippled Children Trust CD's	7,000	-	-	7,000
ARPA	956,881	957,447	956,518	957,810
River Bank Stabilization	52,073	644,835	696,908	-
Opioid Settlement	-	25,462	-	25,462
Senior Citizens Tax Board	1,341	68,695	68,614	1,422
Senate Bill 40 Board	278,262	153,406	160,675	270,993
Total	<u>\$ 5,620,429</u>	<u>\$ 7,548,873</u>	<u>\$ 8,384,435</u>	<u>\$ 4,784,867</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	GENERAL REVENUE FUND	
	Budget	Actual
RECEIPTS		
Property taxes	\$ 276,700	\$ 291,396
Sales taxes	500,000	550,107
Intergovernmental	18,300	44,168
Charges for services	384,100	416,386
Interest	2,000	1,579
Other	101,020	94,817
Transfers in	48,000	42,000
Total Receipts	<u>\$ 1,330,120</u>	<u>\$ 1,440,453</u>
DISBURSEMENTS		
County Commission	\$ 134,210	\$ 126,015
County Clerk	118,420	99,052
Elections	63,600	38,464
Buildings and grounds	166,450	124,011
Employee fringe benefits	310,000	207,050
Treasurer	103,620	92,233
Circuit Court	57,131	40,189
Court Administration	38,222	25,378
Public Administrator	60,290	53,247
Sheriff	427,145	414,451
Prosecuting Attorney	111,200	106,407
Juvenile Officer	64,107	28,182
Coroner	30,350	30,391
Other County government	84,550	79,424
Transfers out	217,200	243,000
Emergency fund	50,000	17,280
Total Disbursements	<u>\$ 2,036,495</u>	<u>\$ 1,724,774</u>
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	\$ (706,375)	\$ (284,321)
CASH AND INVESTMENTS, JANUARY 1	<u>704,097</u>	<u>704,097</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ (2,278)</u></u>	<u><u>\$ 419,776</u></u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	SPECIAL ROAD & BRIDGE FUND		ASSESSMENT FUND		AMBULANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ 65,000	\$ 67,768	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	500,000	550,000
Intergovernmental	500,000	580,171	-	-	-	-
Charges for services	-	-	197,090	184,747	965,275	940,406
Interest	700	965	235	289	4,000	3,817
Other	5,000	14,354	6,500	12,567	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 570,700</u>	<u>\$ 663,258</u>	<u>\$ 203,825</u>	<u>\$ 197,603</u>	<u>\$ 1,469,275</u>	<u>\$ 1,494,223</u>
DISBURSEMENTS						
Salaries	\$ 90,000	\$ 72,708	\$ 115,620	\$ 98,343	\$ 825,000	\$ 748,432
Employee fringe benefits	24,500	19,740	27,400	12,409	125,750	122,435
Materials and supplies	29,800	22,505	6,200	5,180	133,100	125,765
Services and other	33,800	27,983	11,900	6,570	75,900	66,948
Capital outlay	149,500	131,399	38,200	32,690	308,978	290,317
Construction	512,000	574,317	-	-	-	-
Transfers out	24,000	18,000	-	-	624,000	624,000
Total Disbursements	<u>\$ 863,600</u>	<u>\$ 866,652</u>	<u>\$ 199,320</u>	<u>\$ 155,192</u>	<u>\$ 2,092,728</u>	<u>\$ 1,977,897</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (292,900)	\$ (203,394)	\$ 4,505	\$ 42,411	\$ (623,453)	\$ (483,674)
CASH AND INVESTMENTS, JANUARY 1	<u>472,397</u>	<u>472,397</u>	<u>93,941</u>	<u>93,941</u>	<u>2,119,772</u>	<u>2,119,772</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 179,497</u>	<u>\$ 269,003</u>	<u>\$ 98,446</u>	<u>\$ 136,352</u>	<u>\$ 1,496,319</u>	<u>\$ 1,636,098</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	LAW ENFORCEMENT CENTER FUND		JUVENILE PROGRAMS FUND		JUVENILE RESTITUTION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	500,000	549,997	-	-	-	-
Intergovernmental	76,000	61,270	52,000	55,358	-	-
Charges for services	-	-	-	-	-	-
Interest	150	403	-	-	-	-
Other	10,000	382	8,000	2,120	1,130	174
Transfers in	210,000	240,000	-	-	-	-
Total Receipts	<u>\$ 796,150</u>	<u>\$ 852,052</u>	<u>\$ 60,000</u>	<u>\$ 57,478</u>	<u>\$ 1,130</u>	<u>\$ 174</u>
DISBURSEMENTS						
Salaries	\$ 250,000	\$ 258,508	\$ 18,000	\$ -	\$ -	\$ -
Employee fringe benefits	57,500	58,910	1,450	-	-	-
Materials and supplies	23,700	17,729	-	-	-	-
Services and other	131,475	104,753	48,020	58,121	1,130	-
Capital outlay	329,000	326,878	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 791,675</u>	<u>\$ 766,778</u>	<u>\$ 67,470</u>	<u>\$ 58,121</u>	<u>\$ 1,130</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 4,475	\$ 85,274	\$ (7,470)	\$ (643)	\$ -	\$ 174
CASH AND INVESTMENTS, JANUARY 1	<u>166,800</u>	<u>166,800</u>	<u>28,355</u>	<u>28,355</u>	<u>1,129</u>	<u>1,129</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 171,275</u>	<u>\$ 252,074</u>	<u>\$ 20,885</u>	<u>\$ 27,712</u>	<u>\$ 1,129</u>	<u>\$ 1,303</u>

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

GRUNDY COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2022

	EMERGENCY MANAGEMENT AGENCY FUND		LAW ENFORCEMENT RESTITUTION FUND		RECORD PRESERVATION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	3,588	1,065	-	-	-	-
Charges for services	-	-	-	-	3,000	4,423
Interest	5	2	40	41	10	15
Other	120	-	15,000	9,948	-	-
Transfers in	5,200	3,000	-	-	2,000	-
Total Receipts	<u>\$ 8,913</u>	<u>\$ 4,067</u>	<u>\$ 15,040</u>	<u>\$ 9,989</u>	<u>\$ 5,010</u>	<u>\$ 4,438</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	6,183	3,061	30,000	20,104	5,000	4,469
Capital outlay	2,720	2,671	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 8,903</u>	<u>\$ 5,732</u>	<u>\$ 30,000</u>	<u>\$ 20,104</u>	<u>\$ 5,000</u>	<u>\$ 4,469</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 10	\$ (1,665)	\$ (14,960)	\$ (10,115)	\$ 10	\$ (31)
CASH AND INVESTMENTS, JANUARY 1	<u>1,769</u>	<u>1,769</u>	<u>21,646</u>	<u>21,646</u>	<u>8,080</u>	<u>8,080</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 1,779</u>	<u>\$ 104</u>	<u>\$ 6,686</u>	<u>\$ 11,531</u>	<u>\$ 8,090</u>	<u>\$ 8,049</u>

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

GRUNDY COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY TRAINING FUND		LAW ENFORCEMENT TRAINING FUND		SHERIFF REVOLVING FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	1,400	1,293	2,400	1,468	8,000	2,520
Interest	5	9	1	2	20	14
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 1,405</u>	<u>\$ 1,302</u>	<u>\$ 2,401</u>	<u>\$ 1,470</u>	<u>\$ 8,020</u>	<u>\$ 2,534</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	1,200	813	3,000	1,630	15,600	4,412
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,200</u>	<u>\$ 813</u>	<u>\$ 3,000</u>	<u>\$ 1,630</u>	<u>\$ 15,600</u>	<u>\$ 4,412</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 205	\$ 489	\$ (599)	\$ (160)	\$ (7,580)	\$ (1,878)
CASH AND INVESTMENTS, JANUARY 1	<u>3,486</u>	<u>3,486</u>	<u>608</u>	<u>608</u>	<u>7,662</u>	<u>7,662</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 3,691</u></u>	<u><u>\$ 3,975</u></u>	<u><u>\$ 9</u></u>	<u><u>\$ 448</u></u>	<u><u>\$ 82</u></u>	<u><u>\$ 5,784</u></u>

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

GRUNDY COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2022

	INMATE SECURITY FUND		P.A. DELINQUENT SALES TAX FUND		DEPUTY SALARY FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	13,000	22,132	-	-	7,869	6,312
Interest	20	28	1	2	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 13,020</u>	<u>\$ 22,160</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 7,869</u>	<u>\$ 6,312</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 3,600	\$ 4,272
Employee fringe benefits	-	-	-	-	500	327
Materials and supplies	-	-	-	-	-	-
Services and other	23,000	19,655	-	-	3,500	2,870
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 23,000</u>	<u>\$ 19,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,600</u>	<u>\$ 7,469</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (9,980)	\$ 2,505	\$ 1	\$ 2	\$ 269	\$ (1,157)
CASH AND INVESTMENTS, JANUARY 1	<u>10,654</u>	<u>10,654</u>	<u>786</u>	<u>786</u>	<u>(268)</u>	<u>(268)</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 674</u>	<u>\$ 13,159</u>	<u>\$ 787</u>	<u>\$ 788</u>	<u>\$ 1</u>	<u>\$ (1,425)</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	PROSECUTING ATTORNEY BAD CHECK FUND		ELECTION SERVICES FUND		CIVIL FEE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	5,500	4,450	6,000	38,322	10,000	8,399
Interest	35	40	20	61	10	8
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 5,535</u>	<u>\$ 4,490</u>	<u>\$ 6,020</u>	<u>\$ 38,383</u>	<u>\$ 10,010</u>	<u>\$ 8,407</u>
DISBURSEMENTS						
Salaries	\$ 8,035	\$ 6,777	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	500	518	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	2,500	1,158	3,600	2,393	14,000	8,801
Capital outlay	-	-	8,000	6,493	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 11,035</u>	<u>\$ 8,453</u>	<u>\$ 11,600</u>	<u>\$ 8,886</u>	<u>\$ 14,000</u>	<u>\$ 8,801</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (5,500)	\$ (3,963)	\$ (5,580)	\$ 29,497	\$ (3,990)	\$ (394)
CASH AND INVESTMENTS, JANUARY 1	<u>20,134</u>	<u>20,134</u>	<u>22,595</u>	<u>22,595</u>	<u>4,236</u>	<u>4,236</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 14,634</u>	<u>\$ 16,171</u>	<u>\$ 17,015</u>	<u>\$ 52,092</u>	<u>\$ 246</u>	<u>\$ 3,842</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	RECORDER'S TECHNOLOGY FUND		VICTIMS OF DOMESTIC VIOLENCE FUND		911 FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	4,500	2,382	500	510	85,000	102,735
Interest	2	1	1	1	100	457
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	600,000	600,000
Total Receipts	<u>\$ 4,502</u>	<u>\$ 2,383</u>	<u>\$ 501</u>	<u>\$ 511</u>	<u>\$ 685,100</u>	<u>\$ 703,192</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	4,500	3,660	501	500	182,000	174,273
Capital outlay	-	-	-	-	623,500	514,255
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 4,500</u>	<u>\$ 3,660</u>	<u>\$ 501</u>	<u>\$ 500</u>	<u>\$ 805,500</u>	<u>\$ 688,528</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 2	\$ (1,277)	\$ -	\$ 11	\$ (120,400)	\$ 14,664
CASH AND INVESTMENTS, JANUARY 1	<u>733</u>	<u>733</u>	<u>167</u>	<u>167</u>	<u>185,625</u>	<u>185,625</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 735</u>	<u>\$ (544)</u>	<u>\$ 167</u>	<u>\$ 178</u>	<u>\$ 65,225</u>	<u>\$ 200,289</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	TAX MAINTENANCE FUND		DRUG COURT LOCAL FUND		DRUG COURT FEDERAL FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	47,500	37,943	190,000	118,714
Charges for services	20,000	22,294	-	-	-	-
Interest	90	109	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 20,090</u>	<u>\$ 22,403</u>	<u>\$ 47,500</u>	<u>\$ 37,943</u>	<u>\$ 190,000</u>	<u>\$ 118,714</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 47,876	\$ 51,549
Employee fringe benefits	-	-	-	-	2,525	2,563
Materials and supplies	3,500	2,521	-	-	-	-
Services and other	17,000	5,907	47,500	33,253	136,000	65,123
Capital outlay	5,500	1,027	-	-	3,000	4,406
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 26,000</u>	<u>\$ 9,455</u>	<u>\$ 47,500</u>	<u>\$ 33,253</u>	<u>\$ 189,401</u>	<u>\$ 123,641</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (5,910)	\$ 12,948	\$ -	\$ 4,690	\$ 599	\$ (4,927)
CASH AND INVESTMENTS, JANUARY 1	<u>42,210</u>	<u>42,210</u>	<u>42,623</u>	<u>42,623</u>	<u>(91)</u>	<u>(91)</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 36,300</u>	<u>\$ 55,158</u>	<u>\$ 42,623</u>	<u>\$ 47,313</u>	<u>\$ 508</u>	<u>\$ (5,018)</u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	CEMETERIES FUND		FRED FITCH TRUST FUND		CRIPPLED CHILDREN TRUST FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	3,400	3,588	2,000	1,402	150	97
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 3,400</u>	<u>\$ 3,588</u>	<u>\$ 2,000</u>	<u>\$ 1,402</u>	<u>\$ 150</u>	<u>\$ 97</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	7,900	2,845	4,000	-	300	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 7,900</u>	<u>\$ 2,845</u>	<u>\$ 4,000</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (4,500)	\$ 743	\$ (2,000)	\$ 1,402	\$ (150)	\$ 97
CASH AND INVESTMENTS, JANUARY 1	<u>68,964</u>	<u>68,964</u>	<u>7,595</u>	<u>7,595</u>	<u>7,744</u>	<u>7,744</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 64,464</u></u>	<u><u>\$ 69,707</u></u>	<u><u>\$ 5,595</u></u>	<u><u>\$ 8,997</u></u>	<u><u>\$ 7,594</u></u>	<u><u>\$ 7,841</u></u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	CEMETERY CD'S FUND		FRED FITCH TRUST CD's FUND		CRIPPLED CHILDREN TRUST CD'S FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH AND INVESTMENTS, JANUARY 1	<u>150,000</u>	<u>150,000</u>	<u>131,423</u>	<u>131,423</u>	<u>7,000</u>	<u>7,000</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 150,000</u></u>	<u><u>\$ 150,000</u></u>	<u><u>\$ 131,423</u></u>	<u><u>\$ 131,423</u></u>	<u><u>\$ 7,000</u></u>	<u><u>\$ 7,000</u></u>

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

GRUNDY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	ARPA FUND		RIVER BANK STABILIZATION FUND		OPIOID SETTLEMENT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	956,624	956,624	794,000	644,835	-	-
Charges for services	-	-	-	-	-	-
Interest	-	823	-	-	-	-
Other	-	-	-	-	-	25,462
Transfers in	-	-	-	-	-	-
Total Receipts	<u>\$ 956,624</u>	<u>\$ 957,447</u>	<u>\$ 794,000</u>	<u>\$ 644,835</u>	<u>\$ -</u>	<u>\$ 25,462</u>
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	956,624	956,518	794,000	696,908	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	<u>\$ 956,624</u>	<u>\$ 956,518</u>	<u>\$ 794,000</u>	<u>\$ 696,908</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 929	\$ -	\$ (52,073)	\$ -	\$ 25,462
CASH AND INVESTMENTS, JANUARY 1	<u>956,881</u>	<u>956,881</u>	<u>52,073</u>	<u>52,073</u>	<u>-</u>	<u>-</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 956,881</u></u>	<u><u>\$ 957,810</u></u>	<u><u>\$ 52,073</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 25,462</u></u>

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

GRUNDY COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2022

	SENIOR CITIZENS TAX BOARD FUND		SENATE BILL 40 BOARD FUND	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 63,479	\$ 68,695	\$ 110,000	\$ 136,511
Sales taxes	-	-	-	-
Intergovernmental	-	-	4,704	4,704
Charges for services	-	-	-	-
Interest	-	-	2,830	2,147
Other	-	-	6,000	10,044
Transfers in	-	-	-	-
Total Receipts	<u>\$ 63,479</u>	<u>\$ 68,695</u>	<u>\$ 123,534</u>	<u>\$ 153,406</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ 44,000	\$ 44,213
Employee fringe benefits	-	-	4,000	3,964
Materials and supplies	66	94	15,000	14,910
Services and other	487	68,520	102,375	97,588
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ 553</u>	<u>\$ 68,614</u>	<u>\$ 165,375</u>	<u>\$ 160,675</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 62,926	\$ 81	\$ (41,841)	\$ (7,269)
CASH AND INVESTMENTS, JANUARY 1	<u>1,341</u>	<u>1,341</u>	<u>278,262</u>	<u>278,262</u>
CASH AND INVESTMENTS, DECEMBER 31	<u><u>\$ 64,267</u></u>	<u><u>\$ 1,422</u></u>	<u><u>\$ 236,421</u></u>	<u><u>\$ 270,993</u></u>

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

GRUNDY COUNTY, MISSOURI
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

Fund/Account	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Cash Equivalents December 31
Treasurer Schools	\$ 17,164	\$ 57,184	\$ 62,541	\$ 11,807
Treasurer School Overplus	1,300	7,304	986	7,618
Treasurer Unclaimed Fees	227	-	-	227
Treasurer Undistributed	66,365	38,437	104,304	498
Treasurer Marion TWP Road bond	9,930	32,356	16,628	25,658
Treasurer Jackson TWP Road Bond	19	499	-	518
Treasurer CERF	-	188,157	179,451	8,706
Treasurer Task Force Seizures	150,159	666,747	43,263	773,643
Treasurer Ambulance Classic Checking	-	542,438	542,438	-
Treasurer Special Elections	-	15,526	15,526	-
Collector's Now Checking	6,058,042	13,420,977	10,955,218	8,523,801
Collector's Payment Plan	1,126	17,896	18,221	801
Prosecuting Attorney	4,805	62,987	59,563	8,229
Recorder	7,387	74,086	77,063	4,410
Sheriff's Account	1,342	73,198	74,013	527
Sheriff Inmate (Commissary)	8,475	49,914	52,678	5,711
Public Administrator	189,705	562,477	542,758	209,424
Total	<u>\$ 6,516,046</u>	<u>\$ 15,810,183</u>	<u>\$ 12,744,651</u>	<u>\$ 9,581,578</u>

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

GRUNDY COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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 Grundy 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 and all funds under their control.

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. However, the County budgeted a negative ending fund balance for the General Revenue Fund.
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.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Special Road and Bridge and Senior Citizens Tax Board Funds.

- 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 September 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 2022, for purposes of taxation were:

Real Estate	\$ 77,365,440
Personal Property	40,073,362
Railroad and Utilities	<u>29,067,864</u>
Total	<u>\$ 146,506,666</u>

For calendar year 2022, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.2080
Senate Bill 40 Board	0.1000
Senior Citizens Tax Board	0.0500

In addition to the levies above, the Special Road & Bridge Fund receives 5% of property tax amounts collected on behalf of township road districts within the county.

F. Cash Deposits and Investments

Deposits and investments 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, or any instrumentality thereof, certain municipal bonds authorized by Missouri statute, or time certificates of deposit. 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 investment 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.

The Deputy Salary, Recorder's Technology and Drug Court Federal funds had a deficit fund balance at the end of 2022. The negative cash balance represents implicit borrowing from other pooled funds.

2. CASH AND INVESTMENTS

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 Investments" caption. Investments consist of certificates of deposit with original maturities that are greater 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, 2022, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents - Governmental Funds	\$ 4,256,345	\$ 4,620,325	\$ 315,970
Investments	528,522	528,522	240,324
Total Governmental Funds	<u>\$ 4,784,867</u>	<u>\$ 5,148,847</u>	<u>\$ 556,294</u>
Cash and Cash Equivalents - Fiduciary Funds	\$ 9,581,578	\$ 5,928,800	\$ 483,576

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 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.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. 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.

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, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. During 2022, the County collected and remitted to CERF employee withholdings of \$91,322 for the year then ended.

B. 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 \$3,366 for the year ended December 31, 2022.

C. Other Retirement Plan

Grundy County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2022 were \$44,046.

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 full-time employees with four hours per calendar month worked of compensated personal leave, up to a maximum of 360 hours. Ambulance employees earn six hours per calendar month worked of personal leave. Full-time employees may receive compensation for 50% of accrued personal leave upon termination of employment. Vacation time is accrued for every full-time employee beginning with the second year of employment at a rate of one to four weeks per year based on length of employment. Any days not used by the end of the year will be lost. Hourly personnel working in the Grundy County Detention Center may carry over no more than 12 hours of vacation. Upon separation due to resignation, death, or termination, an employee may receive compensation for unused accrued vacation leave.

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 participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

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, 2022:

- A. During 2006, Certificates of Participation (COPS) in the amount of \$4,995,000 were issued by First Bank of Missouri on behalf of the County for the construction of a new law enforcement facility. During 2016, the county refinanced the debt by paying off the Series 2006 COPS and issuing new COPS in the amount of \$3,465,000. Under the new COPS, the county makes semi-annual interest payments on June 1 and December 1 of each year, with annual principal payments on December 1. The interest rate varies between .8% and 2.7%. Future payments on the COPS are as follows.

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 240,000	\$ 47,348	\$ 175,801
2024	245,000	42,908	176,408
2025	250,000	38,008	176,783
2026	255,000	32,758	176,795
2027	265,000	27,148	176,570
2028-2030	825,000	43,185	885,175
Totals	<u>\$ 2,080,000</u>	<u>\$ 231,355</u>	<u>\$ 1,767,531</u>

- B. In October 2018, the County entered into a \$200,430, five-year capital lease for a 2018 John Deere Excavator. The lease calls for annual payments of \$43,736 beginning in March 2019, with an interest rate of 3.8%. In December 2018, the County made a payment of \$50,000 toward the principal of the lease. Per the bank, this amount will be held towards the last payment and does not affect interest or the payment schedule. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ -	\$ 1,601	\$ 1,601
Totals	<u>\$ -</u>	<u>\$ 1,601</u>	<u>\$ 1,601</u>

- C. In April 2020, the County entered into a \$32,176, five-year capital lease for a recording system for the Sheriff's Department. The lease calls for annual payments of \$7,170 beginning in April 2020, with an interest rate of 3.72%. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 6,415	\$ 755	\$ 7,170
2024	6,782	388	7,170
Totals	<u>\$ 13,197</u>	<u>\$ 1,143</u>	<u>\$ 14,340</u>

- D. In June 2020, the County entered into a \$37,179, four-year capital lease for a Chevy Tahoe for the Sheriff's Department. The lease is scheduled to be paid in annual payments of \$10,031, which includes interest of 5.33%. The first payment was made in June 2020 and the final payment is scheduled to be made in June 2023. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 9,523	\$ 508	\$ 10,031
Totals	\$ 9,523	\$ 508	\$ 10,031

- E. In 2022, the County entered into a \$157,610, two-year capital lease for a 2022 John Deere Excavator. The lease calls for a payment of \$57,610 to be made in April 2023 and payments of \$54,226 in December 2023 and 2024, with an interest rate of 7.25%. In December 2022, the County made the first payment of \$57,610 toward the principal of the lease. The schedule of remaining payments is listed below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 49,440	\$ 4,786	\$ 54,226
2024	50,560	3,666	54,226
Totals	\$ 100,000	\$ 8,452	\$ 108,452

The following schedule shows changes in long-term debt during the year ended December 31, 2022:

Description	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Paid
Series 2016 COPS	\$ 2,320,000	\$ -	\$ (240,000)	\$2,080,000	\$ 51,428
2018 JD Excavator	32,729	-	(32,729)	-	3,144
Recording System	19,266	-	(6,069)	13,197	1,102
2020 Chevy Tahoe	18,564	-	(9,041)	9,523	990
2022 JD Excavator	-	157,610	(57,610)	100,000	-

8. OPERATING LEASES

At December 31, 2022, the County has one non-cancellable 60-month lease for copiers. The lease is through May 22, 2024 with a monthly payment of \$671.

Fiscal Year Ending December 31,	Amount
2023	8,052
2024	3,355

9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 9, 2023, the date the financial statements were available to be issued.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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 Grundy 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 Grundy 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, 2022, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Grundy County, Missouri's basic financial statements and have issued our report thereon dated August 9, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Grundy 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 Grundy County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Grundy 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Grundy 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*.

Grundy County, Missouri's Response to Findings

Grundy County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Grundy County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 9, 2023

McBRIDE, LOCK & ASSOCIATES, LLC

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 Grundy County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Grundy 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 Grundy County, Missouri's major federal programs for the year ended December 31, 2022. Grundy 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, Grundy 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 year ended December 31, 2022.

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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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 Grundy 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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a significant deficiency.

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. *Government Auditing Standards* requires the auditor to perform limited procedures on Grundy County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Grundy County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 9, 2023

GRUNDY 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
	U. S. DEPARTMENT OF AGRICULTURE			
10.923	Direct Program - Emergency Watershed Protection Program	NR216424XXXXC021	\$ 442,426	\$ -
	U. S. DEPARTMENT OF JUSTICE			
16.738	Direct Program - Drug Court Discretionary Grant Program	2019-DC-BX-0036	122,782	-
	U. S. DEPARTMENT OF THE TREASURY			
21.027	Direct Program - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	956,518	-
	U. S. DEPARTMENT OF HOMELAND SECURITY			
97.042	Passed through Missouri Department of Public Safety - Emergency Management Performance Grants	EMK-2021-EP-00006-045	630	-
		EMK-2022-EP-00004-042	630	-
		EMK-2020-EP-00004-SL08	120	-
	Total 97.042		<u>1,380</u>	<u>-</u>
	Total Expenditures of Federal Awards		<u>\$ 1,523,106</u>	<u>\$ -</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

GRUNDY COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Grundy County, Missouri for the year ended December 31, 2022. 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.

NOTE C – SUBRECIPIENTS

The County did not pass any federal awards through to subrecipients during the year ended December 31, 2022.

GRUNDY COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022

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? X Yes 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? X Yes 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? X Yes No

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

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

See finding 2022-001 below

ITEMS OF NONCOMPLIANCE

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-001: Internal Control Over Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Agriculture, U.S. Department of Justice, U.S. Department of the Treasury and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Public Safety

Federal Assistance Listing Number: 10.923, 16.738, 21.027 and 97.042

Program Title: Emergency Watershed Protection Program; Drug Court Discretionary Grant Program; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Emergency Management Performance grants

Pass-through Entity Identifying Number: NR216424XXXXC021, 2019-DC-BX-0036, EMK-2021-EP-00006-045, EMK-2022-EP-00004-042, EMK-2020-EP-00004-SL08

Award Year: 2022

Questioned Costs: None

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program. The County has not implemented proper internal controls to ensure the completeness and accuracy of the SEFA.

This finding was noted in the prior audit for the year ended December 31, 2021 as item 2021-001.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2022 annual budget documents contained errors in amounts of federal expenditures reported. Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting

records are summarized as follows:

<u>Agency</u>	<u>ALN</u>	<u>Program</u>	<u>SEFA</u>	<u>Supported</u>	<u>Difference</u>
USDA	10.923	Emergency Watershed Protection Program	\$ -	\$ 442,426	\$ (442,426)
DOJ	16.738	Drug Court Discretionary Grant Program	118,714	122,782	(4,068)
Treasury	21.027	COVID-19 - Coronavirus State and	-	956,518	(956,518)
EAC	90.404	Local Fiscal Recovery Funds	14,395	-	(14,395)
		Election Security Grant			
DHS	97.042	Emergency Management	-	1,380	(1,380)
		Performance Grants			

Cause: The County Clerk did not prepare an accurate SEFA for the year ending December 31, 2022. This was caused by the reporting of the receipt of federal funds rather than the amount expended.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for the year ended December 31, 2022.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year, such as performing a reconciliation between the SEFA and underlying accounting records. Federal reimbursement grants should be reported on the SEFA based on reimbursable expenditures made during the year.

County's Response: The SEFA monies had been reported wrong in the past. With this being my first year as County Clerk and my first experience with the budget I also went by what was reported in the past. I am working toward correcting this mistake and tracking the money better so it can be reported correctly.

Auditor's Evaluation: The response is appropriate to correct the concern.

MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:

- **Summary Schedule of Prior Audit Findings**
 - **Corrective Action Plan**

**CLERK OF THE COUNTY COMMISSION
OF GRUNDY COUNTY**

700 Main, Courthouse 2nd Floor
Trenton, MO 64683

Ph: 660-359-4040 ext. 4 Fax: 660-359-6786

E-mail: grundyclerk@grundycountymo.com

Courtney Campbell, County Clerk

Rosie Gray, Clerk

**GRUNDY COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Grundy County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2021.

2021-001: The schedule of expenditures of federal awards (SEFA) reported by the County in 2021 annual budget documents contained errors in amounts of federal expenditures reported. Expenditures by the County were overstated by \$1,046,502.

Status: Not resolved, see finding 2022-001.

**CLERK OF THE COUNTY COMMISSION
OF GRUNDY COUNTY**

700 Main, Courthouse 2nd Floor
Trenton, MO 64683

Ph: 660-359-4040 ext. 4 Fax: 660-359-6786

E-mail: grundyclerk@grundycountymo.com

Courtney Campbell, County Clerk

Rosie Gray, Clerk

**GRUNDY COUNTY, MISSOURI
CORRECTIVE ACTION PLAN**

Finding Reference Number: 2022-001

Federal Agency: U.S. Department of Agriculture, U.S. Department of Justice, U.S. Department of the Treasury and U.S. Department of Homeland Security

Program Name: Emergency Watershed Protection Program; Drug Court Discretionary Grant Program; COVID-19 Coronavirus State and Local Fiscal Recovery Funds; Emergency Management Performance grants

Assistance Listing Number: 10.923, 16.738, 21.027 and 97.042

Responsible Official: Courtney Campbell, County Clerk

Views of Responsible Individuals:

The SEFA monies had been reported wrong in the past. With this being my first year as County Clerk and my first experience with the budget I also went by what was reported in the past. I am working toward correcting this mistake and tracking the money better so it can be reported correctly.