



SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Madison County, Missouri

The Office of the State Auditor contracted for an audit of Madison County's financial statements for the 2 years 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.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is written in a cursive style with a large, stylized "F".

Scott Fitzpatrick
State Auditor

February 2024
Report No. 2024-014



Recommendations in the contracted audit of Madison County

2022-001	The county develop the required internal control documentation. In addition, we recommend studying the COSO (Committee of Sponsoring Organizations) internal control guidance and tools as a means to begin the process. Once this documentation is complete, those charged with governance have a responsibility to understand the controls and ensure they are operating effectively.
2022-002	The county address various risks in the environment, including the risk of fraud occurring by performing assessments to identify, analyze and manage these risks.
2022-003	The Treasurer and County Clerk improve the segregation of duties and internal controls with the disbursement process, thereby reducing the chance errors or fraud will go undetected.
2022-004	The county improve the documentation of employee pay rates and ensure that pay rate changes for employees are approved and documented. Additionally, we recommend the county ensure all timesheets are reviewed prior to payroll distribution.
2022-005	The Collector ensure all required forms, such as Form 205, Collector's Annual Settlement, are filed with the Missouri Department of Revenue as prescribed by state statute.
2022-006	The county ensure compliance with state statutes by adopting a budget for each county fund and by refraining from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to finance the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.
2022-007	The county implement internal controls to ensure that the schedule of expenditures of federal awards (SEFA) completely and accurately states the expenditures of federal awards of the county each year.

ANNUAL FINANCIAL REPORT

MADISON COUNTY, MISSOURI

For the Years Ended
December 31, 2022 and 2021

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS
KANSAS CITY

MADISON COUNTY, MISSOURI

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INTRODUCTORY SECTION

MADISON COUNTY, MISSOURI
List of Elected Officials 2021-2022

County Commission

Presiding Commissioner – Jason Green
Commissioner, 1st District – Tom Stephens
Commissioner, 2nd District – Larry Kemp

Other Elected Officials

Assessor – Paula Francis
Circuit Clerk – Tania Hermann
Collector – Debby Boone
County Clerk – Donal Firebaugh
Coroner – Collin Follis
Prosecuting Attorney – M. Dwight Robbins
Public Administrator – Carol LaChance
Recorder – Sandra Ivison
Sheriff – Katy McCutcheon
Treasurer – Jessica Stevens

FINANCIAL SECTION

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Madison County, Missouri

Opinion

We have audited the accompanying financial statements of Madison 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, 2021 and 2022, 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 Madison County, Missouri, as of December 31, 2021 and 2022, 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 Madison County, Missouri, as of December 31, 2021 and 2022, 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 Madison 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 Madison 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 Madison 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 Madison 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 September 27, 2023, on our consideration of Madison 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 Madison 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
September 27, 2023

MADISON COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund	Cash and Cash Equivalents	Receipts	Disbursements	Cash and Cash Equivalents	Receipts	Disbursements	Cash and Cash Equivalents
	January 1, 2021			December 31, 2021			December 31, 2022
General Revenue	\$ 184,842	\$ 1,589,527	\$ 1,422,810	\$ 351,559	\$ 1,378,561	\$ 1,307,904	\$ 422,216
Special Road & Bridge	138,251	2,091,713	2,051,913	178,051	1,628,319	1,638,704	167,666
Assessment	60,610	218,383	206,368	72,625	215,150	196,448	91,327
E-911	4,699	359,318	352,280	11,737	384,873	389,497	7,113
Law Enforcement	72,627	990,307	905,648	157,286	1,025,957	1,111,032	72,211
Sheriff's Revolving	3,729	9,911	9,741	3,899	3,000	6,882	17
Law Enforcement Training	1,198	2,176	1,942	1,432	2,139	3,400	171
Restitution	10,792	50,648	32,184	29,256	52,586	32,384	49,458
Prosecuting Attorney Training	1,779	2,033	3,046	766	1,947	1,548	1,165
Prosecuting Attorney Administrative Handling	31,539	5,044	7,475	29,108	2,866	7,080	24,894
Inmate Security	8,350	4,332	1,641	11,041	3,995	984	14,052
Domestic Violence	2,742	1,227	-	3,969	1,221	-	5,190
Recorder of Deeds User	46,196	36,937	15,370	67,763	31,405	60,893	38,275
Collector Tax Maintenance	8,919	24,681	16,978	16,622	22,213	22,201	16,634
Election Services	-	45,632	4,707	40,925	65,575	63,919	42,581
Over Under	463	157	-	620	108	-	728
Tax Increment Financing	545,506	1,011,801	761,022	796,285	1,058,308	874,978	979,615
Tax Increment Financing Reserve	175,000	-	-	175,000	-	-	175,000
CARES Act	976,488	2,075	978,563	-	-	-	-
ARPA	-	1,174,099	-	1,174,099	1,344,122	1,164,340	1,353,881
Court Annex Project	-	-	-	-	2,458,440	2,458,440	-
Madison County Sheriff's Office Equipment	181	-	-	181	-	-	181
Opioid Settlement	-	-	-	-	41,422	-	41,422
Senate Bill 40 Board	309,590	269,005	207,267	371,328	281,935	298,573	354,690
Total	<u>\$ 2,583,501</u>	<u>\$ 7,889,006</u>	<u>\$ 6,978,955</u>	<u>\$ 3,493,552</u>	<u>\$ 10,004,142</u>	<u>\$ 9,639,207</u>	<u>\$ 3,858,487</u>

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

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

GENERAL REVENUE FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 175,000	\$ 230,283	\$ 220,000	\$ 184,453
Sales taxes	700,000	755,583	800,000	798,103
Intergovernmental	63,836	68,469	48,380	51,573
Charges for services	227,970	236,096	224,450	233,543
Interest	1,000	753	700	96
Other	5	5	-	4
Transfers in	138,000	298,338	146,000	110,789
Total Receipts	<u>\$ 1,305,811</u>	<u>\$ 1,589,527</u>	<u>\$ 1,439,530</u>	<u>\$ 1,378,561</u>
DISBURSEMENTS				
County Commission	\$ 90,000	\$ 92,141	\$ 93,000	\$ 94,719
County Clerk	79,794	85,431	110,441	86,317
Elections	39,500	-	-	-
Buildings and grounds	537,000	299,347	647,900	217,283
Employee fringe benefits	73,200	126,206	167,000	118,864
Treasurer	49,908	47,864	53,108	49,368
Collector	81,641	84,165	90,016	89,171
Recorder of Deeds	69,343	72,479	76,821	72,379
Circuit Clerk	30,250	13,335	48,000	34,570
Court administration	-	49,084	50,936	51,916
Public Administrator	39,487	37,902	40,250	35,392
Prosecuting Attorney	111,769	109,755	116,777	112,163
Juvenile Office	48,900	-	-	-
Coroner	51,561	56,200	59,578	59,429
Health and welfare	-	-	-	-
Debt Service	90,000	-	-	-
Other County Government	2,820	-	2,819	-
Transfers out	-	348,901	-	286,333
Emergency fund	38,000	-	-	-
Total Disbursements	<u>\$ 1,433,173</u>	<u>\$ 1,422,810</u>	<u>\$ 1,556,646</u>	<u>\$ 1,307,904</u>
RECEIPTS OVER (UNDER)			(0)	
DISBURSEMENTS	\$ (127,362)	\$ 166,717	\$ (117,116)	\$ 70,657
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>184,842</u>	<u>184,842</u>	<u>351,559</u>	<u>351,559</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 57,480</u></u>	<u><u>\$ 351,559</u></u>	<u><u>\$ 234,443</u></u>	<u><u>\$ 422,216</u></u>

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

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

	SPECIAL ROAD & BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 385,000	\$ 377,994	\$ 385,000	\$ 383,678	\$ -	\$ -	\$ -	\$ -
Sales taxes	660,000	696,199	740,000	734,549	-	-	-	-
Intergovernmental	482,150	961,177	509,110	475,829	178,000	174,840	176,000	171,919
Charges for services	3,000	55,660	8,250	34,210	6,450	3,243	4,900	3,207
Interest	1,300	683	700	53	200	300	300	24
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	40,000	40,000	40,000	40,000
Total Receipts	\$ 1,531,450	\$ 2,091,713	\$ 1,643,060	\$ 1,628,319	\$ 224,650	\$ 218,383	\$ 221,200	\$ 215,150
DISBURSEMENTS								
Salaries	\$ 363,000	\$ 478,142	\$ 470,000	\$ 337,277	\$ 112,541	\$ 112,828	\$ 116,559	\$ 112,035
Employee fringe benefits	109,190	82,013	59,300	141,114	38,235	44,643	45,975	35,272
Materials and supplies	127,675	134,728	131,850	220,712	19,600	17,237	26,000	6,466
Services and other	6,110	6,681	6,460	7,459	31,786	30,004	27,380	41,004
Capital outlay	349,000	521,207	357,300	234,556	1,515	1,656	1,700	1,671
Construction	553,500	682,928	621,000	581,015	-	-	-	-
Transfers out	138,000	146,214	138,000	116,571	-	-	-	-
Total Disbursements	\$ 1,646,475	\$ 2,051,913	\$ 1,783,910	\$ 1,638,704	\$ 203,677	\$ 206,368	\$ 217,614	\$ 196,448
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (115,025)	\$ 39,800	\$ (140,850)	\$ (10,385)	\$ 20,973	\$ 12,015	\$ 3,586	\$ 18,702
CASH AND CASH EQUIVALENTS, JANUARY 1	138,251	138,251	178,051	178,051	60,610	60,610	72,625	72,625
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 23,226	\$ 178,051	\$ 37,201	\$ 167,666	\$ 81,583	\$ 72,625	\$ 76,211	\$ 91,327

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

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

	E-911 FUND				LAW ENFORCEMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	700,000	755,583	800,000	798,103
Intergovernmental	96,000	95,262	166,000	96,266	186,020	210,764	182,020	189,042
Charges for services	78,600	78,995	79,100	78,600	24,500	23,738	20,900	38,788
Interest	100	61	45	7	385	222	220	24
Other	-	-	-	-	-	-	-	-
Transfers in	160,000	185,000	200,000	210,000	-	-	-	-
Total Receipts	<u>\$ 334,700</u>	<u>\$ 359,318</u>	<u>\$ 445,145</u>	<u>\$ 384,873</u>	<u>\$ 910,905</u>	<u>\$ 990,307</u>	<u>\$ 1,003,140</u>	<u>\$ 1,025,957</u>
DISBURSEMENTS								
Salaries	\$ 199,900	\$ 215,086	\$ 239,700	\$ 256,917	\$ 466,700	\$ 469,954	\$ 501,000	\$ 464,054
Employee fringe benefits	60,375	56,222	58,900	47,929	103,200	54,971	57,100	151,619
Materials and supplies	2,100	3,876	4,100	3,751	80,480	98,507	99,300	104,223
Services and other	36,250	43,378	43,200	50,526	105,840	67,323	180,300	65,704
Capital outlay	26,000	33,718	34,000	30,374	25,200	23,248	29,200	53,089
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	185,000	191,645	195,000	272,343
Total Disbursements	<u>\$ 324,625</u>	<u>\$ 352,280</u>	<u>\$ 379,900</u>	<u>\$ 389,497</u>	<u>\$ 966,420</u>	<u>\$ 905,648</u>	<u>\$ 1,061,900</u>	<u>\$ 1,111,032</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 10,075	\$ 7,038	\$ 65,245	\$ (4,624)	\$ (55,515)	\$ 84,659	\$ (58,760)	\$ (85,075)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>4,699</u>	<u>4,699</u>	<u>11,737</u>	<u>11,737</u>	<u>72,627</u>	<u>72,627</u>	<u>157,286</u>	<u>157,286</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 14,774</u>	<u>\$ 11,737</u>	<u>\$ 76,982</u>	<u>\$ 7,113</u>	<u>\$ 17,112</u>	<u>\$ 157,286</u>	<u>\$ 98,526</u>	<u>\$ 72,211</u>

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

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

	SHERIFF'S REVOLVING FUND				LAW ENFORCEMENT TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	8,500	9,900	9,900	3,000	1,800	2,174	2,175	2,139
Interest	10	11	10	-	4	2	2	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 8,510</u>	<u>\$ 9,911</u>	<u>\$ 9,910</u>	<u>\$ 3,000</u>	<u>\$ 1,804</u>	<u>\$ 2,176</u>	<u>\$ 2,177</u>	<u>\$ 2,139</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	800	491	800	272	1,400	-	1,400	657
Services and other	8,100	9,250	10,700	6,610	1,600	1,942	2,000	2,743
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 8,900</u>	<u>\$ 9,741</u>	<u>\$ 11,500</u>	<u>\$ 6,882</u>	<u>\$ 3,000</u>	<u>\$ 1,942</u>	<u>\$ 3,400</u>	<u>\$ 3,400</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (390)	\$ 170	\$ (1,590)	\$ (3,882)	\$ (1,196)	\$ 234	\$ (1,223)	\$ (1,261)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>3,729</u>	<u>3,729</u>	<u>3,899</u>	<u>3,899</u>	<u>1,198</u>	<u>1,198</u>	<u>1,432</u>	<u>1,432</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,339</u>	<u>\$ 3,899</u>	<u>\$ 2,309</u>	<u>\$ 17</u>	<u>\$ 2</u>	<u>\$ 1,432</u>	<u>\$ 209</u>	<u>\$ 171</u>

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

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

	RESTITUTION FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	34,000	50,623	51,000	52,579	1,500	2,029	2,500	1,947
Interest	34	25	25	7	7	4	400	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 34,034</u>	<u>\$ 50,648</u>	<u>\$ 51,025</u>	<u>\$ 52,586</u>	<u>\$ 1,507</u>	<u>\$ 2,033</u>	<u>\$ 2,900</u>	<u>\$ 1,947</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	200	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	41,500	32,184	46,600	32,184	2,000	3,046	3,500	1,548
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 41,500</u>	<u>\$ 32,184</u>	<u>\$ 46,600</u>	<u>\$ 32,384</u>	<u>\$ 2,000</u>	<u>\$ 3,046</u>	<u>\$ 3,500</u>	<u>\$ 1,548</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (7,466)	\$ 18,464	\$ 4,425	\$ 20,202	\$ (493)	\$ (1,013)	\$ (600)	\$ 399
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>10,792</u>	<u>10,792</u>	<u>29,256</u>	<u>29,256</u>	<u>1,779</u>	<u>1,779</u>	<u>766</u>	<u>766</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,326</u>	<u>\$ 29,256</u>	<u>\$ 33,681</u>	<u>\$ 49,458</u>	<u>\$ 1,286</u>	<u>\$ 766</u>	<u>\$ 166</u>	<u>\$ 1,165</u>

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

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

	PROSECUTING ATTORNEY ADMINISTRATIVE HANDLING FUND				INMATE SECURITY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	2,200	4,975	5,100	2,861	3,000	4,312	4,400	3,993
Interest	-	69	70	5	50	20	20	2
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,200</u>	<u>\$ 5,044</u>	<u>\$ 5,170</u>	<u>\$ 2,866</u>	<u>\$ 3,050</u>	<u>\$ 4,332</u>	<u>\$ 4,420</u>	<u>\$ 3,995</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	400	-	400	-	-	-	-	-
Services and other	25,465	7,475	25,600	7,080	8,000	1,641	8,000	984
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 25,865</u>	<u>\$ 7,475</u>	<u>\$ 26,000</u>	<u>\$ 7,080</u>	<u>\$ 8,000</u>	<u>\$ 1,641</u>	<u>\$ 8,000</u>	<u>\$ 984</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (23,665)	\$ (2,431)	\$ (20,830)	\$ (4,214)	\$ (4,950)	\$ 2,691	\$ (3,580)	\$ 3,011
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>31,539</u>	<u>31,539</u>	<u>29,108</u>	<u>29,108</u>	<u>8,350</u>	<u>8,350</u>	<u>11,041</u>	<u>11,041</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 7,874</u>	<u>\$ 29,108</u>	<u>\$ 8,278</u>	<u>\$ 24,894</u>	<u>\$ 3,400</u>	<u>\$ 11,041</u>	<u>\$ 7,461</u>	<u>\$ 14,052</u>

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

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

	DOMESTIC VIOLENCE FUND				RECORDER OF DEEDS USER FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,188	1,220	1,220	1,220	27,200	36,822	28,000	31,394
Interest	13	7	7	1	160	115	120	11
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,201</u>	<u>\$ 1,227</u>	<u>\$ 1,227</u>	<u>\$ 1,221</u>	<u>\$ 27,360</u>	<u>\$ 36,937</u>	<u>\$ 28,120</u>	<u>\$ 31,405</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	10,500	-	4,200	4,803
Services and other	1,000	-	1,000	-	4,800	-	50,000	40,426
Capital outlay	-	-	-	-	12,500	15,370	20,003	15,664
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 27,800</u>	<u>\$ 15,370</u>	<u>\$ 74,203</u>	<u>\$ 60,893</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 201	\$ 1,227	\$ 227	\$ 1,221	\$ (440)	\$ 21,567	\$ (46,083)	\$ (29,488)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>2,742</u>	<u>2,742</u>	<u>3,969</u>	<u>3,969</u>	<u>46,196</u>	<u>46,196</u>	<u>67,763</u>	<u>67,763</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 2,943</u>	<u>\$ 3,969</u>	<u>\$ 4,196</u>	<u>\$ 5,190</u>	<u>\$ 45,756</u>	<u>\$ 67,763</u>	<u>\$ 21,680</u>	<u>\$ 38,275</u>

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

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

	COLLECTOR TAX MAINTENANCE FUND				ELECTION SERVICES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,508	-	17,739
Charges for services	22,000	24,649	25,000	22,208	-	4,584	26,600	33,050
Interest	35	32	32	5	-	40	40	7
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	39,500	-	14,779
Total Receipts	<u>\$ 22,035</u>	<u>\$ 24,681</u>	<u>\$ 25,032</u>	<u>\$ 22,213</u>	<u>\$ -</u>	<u>\$ 45,632</u>	<u>\$ 26,640</u>	<u>\$ 65,575</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	3,790
Materials and supplies	2,050	23	2,000	303	-	1,551	20,000	34,151
Services and other	8,500	2,299	9,000	3,837	-	2,106	18,400	15,703
Capital outlay	13,000	14,656	15,000	18,061	-	1,050	8,000	10,275
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 23,550</u>	<u>\$ 16,978</u>	<u>\$ 26,000</u>	<u>\$ 22,201</u>	<u>\$ -</u>	<u>\$ 4,707</u>	<u>\$ 46,400</u>	<u>\$ 63,919</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (1,515)	\$ 7,703	\$ (968)	\$ 12	\$ -	\$ 40,925	\$ (19,760)	\$ 1,656
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>8,919</u>	<u>8,919</u>	<u>16,622</u>	<u>16,622</u>	<u>-</u>	<u>-</u>	<u>40,925</u>	<u>40,925</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 7,404</u>	<u>\$ 16,622</u>	<u>\$ 15,654</u>	<u>\$ 16,634</u>	<u>\$ -</u>	<u>\$ 40,925</u>	<u>\$ 21,165</u>	<u>\$ 42,581</u>

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

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

	OVER UNDER FUND				TAX INCREMENT FINANCING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	18	156	150	108	1,000,000	737,195	1,050,000	758,629
Charges for services	-	-	-	-	-	-	-	-
Interest	2	1	2	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	274,606	-	299,679
Total Receipts	<u>\$ 20</u>	<u>\$ 157</u>	<u>\$ 152</u>	<u>\$ 108</u>	<u>\$ 1,000,000</u>	<u>\$ 1,011,801</u>	<u>\$ 1,050,000</u>	<u>\$ 1,058,308</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	200	-	946,000	761,022	960,000	761,022
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	113,956
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 946,000</u>	<u>\$ 761,022</u>	<u>\$ 960,000</u>	<u>\$ 874,978</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 20	\$ 157	\$ (48)	\$ 108	\$ 54,000	\$ 250,779	\$ 90,000	\$ 183,330
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>463</u>	<u>463</u>	<u>620</u>	<u>620</u>	<u>545,506</u>	<u>545,506</u>	<u>796,285</u>	<u>796,285</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 483</u>	<u>\$ 620</u>	<u>\$ 572</u>	<u>\$ 728</u>	<u>\$ 599,506</u>	<u>\$ 796,285</u>	<u>\$ 886,285</u>	<u>\$ 979,615</u>

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

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

	TAX INCREMENT FINANCING RESERVE FUND				CARES ACT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	870	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	1,205	-	-
Total Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,075	\$ -	\$ -
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	-	-	976,488	224,126	-	-
Capital outlay	-	-	-	-	-	602,548	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	151,889	-	-
Total Disbursements	\$ -	\$ -	\$ -	\$ -	\$ 976,488	\$ 978,563	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ (976,488)	\$ (976,488)	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	175,000	175,000	175,000	175,000	976,488	976,488	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ -	\$ -	\$ -	\$ -

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

	ARPA FUND				COURT ANNEX PROJECT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	1,173,976	1,174,079	1,343,799	-	-	-	1,501,596
Charges for services	-	-	-	-	-	-	-	-
Interest	-	123	125	323	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	956,844
Total Receipts	\$ -	\$ 1,174,099	\$ 1,174,204	\$ 1,344,122	\$ -	\$ -	\$ -	\$ 2,458,440
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	1,173,976	-	-	-	-	2,458,440
Capital outlay	-	-	-	207,496	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	956,844	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 1,173,976	\$ 1,164,340	\$ -	\$ -	\$ -	\$ 2,458,440
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ 1,174,099	\$ 228	\$ 179,782	\$ -	\$ -	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	1,174,099	1,174,099	-	-	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 1,174,099	\$ 1,174,327	\$ 1,353,881	\$ -	\$ -	\$ -	\$ -

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

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

	MADISON COUNTY SHERIFF'S OFFICE EQUIPMENT FUND				OPIOID SETTLEMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2021		2022		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	41,422
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,422</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>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,422
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>181</u>	<u>181</u>	<u>181</u>	<u>181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 181</u>	<u>\$ 181</u>	<u>\$ 181</u>	<u>\$ 181</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,422</u>

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

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

SENATE BILL 40 BOARD FUND				
Year Ended December 31,				
	2021		2022	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 250,000	\$ 257,055	\$ 260,000	\$ 264,585
Sales taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest	2,500	-	900	-
Other	11,400	11,950	9,300	17,350
Transfers in	-	-	-	-
Total Receipts	<u>\$ 263,900</u>	<u>\$ 269,005</u>	<u>\$ 270,200</u>	<u>\$ 281,935</u>
DISBURSEMENTS				
Salaries	\$ -	\$ 12,420	\$ 33,000	\$ 37,977
Employee fringe benefits	-	-	-	-
Materials and supplies	-	-	-	-
Services and other	191,367	182,179	211,334	176,069
Capital outlay	-	-	-	-
Construction	4,800	12,668	50,000	84,527
Transfers out	-	-	-	-
Total Disbursements	<u>\$ 196,167</u>	<u>\$ 207,267</u>	<u>\$ 294,334</u>	<u>\$ 298,573</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ 67,733	\$ 61,738	\$ (24,134)	\$ (16,638)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>305,590</u>	<u>309,590</u>	<u>371,328</u>	<u>371,328</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 373,323</u>	<u>\$ 371,328</u>	<u>\$ 347,194</u>	<u>\$ 354,690</u>

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

MADISON COUNTY, MISSOURI
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2021 AND 2022

Fund/Account	Cash and Cash Equivalents	Receipts	Disbursements	Cash and Cash Equivalents	Receipts	Disbursements	Cash and Cash Equivalents
	January 1, 2021	2021	2021	December 31, 2021	2022	2022	December 31, 2022
Treasurer Capital School	\$ 29,068	\$ 107,025	\$ 103,900	\$ 32,193	\$ 161,089	\$ 154,638	\$ 38,644
Treasurer CDBG Water Grant	-	208,502	208,502	-	-	-	-
Treasurer CERF	-	200,735	200,735	-	202,006	202,006	-
Treasurer Cherokee Pass Volunteer Fire Department	-	-	-	-	22,694	22,694	-
Treasurer District School	46	5,935,800	5,935,844	2	6,085,755	6,085,753	4
Treasurer Health Department Grant	-	6,942	6,942	-	17,457	17,457	-
Treasurer Madison County Health Department	-	331,159	331,159	-	343,628	343,628	-
Treasurer Transfer Fund	2,499	624,002	619,051	7,450	284,398	288,650	3,198
Treasurer Wire Transfer	-	336,271	336,267	4	368,798	368,802	-
Treasurer Madison County Service Coordination	-	255,682	255,682	-	260,135	260,135	-
Treasurer Overplus	35,357	5,575	13,442	27,490	6,206	6,263	27,433
Treasurer Ozark Regional Library	59	260,263	260,229	93	261,164	261,254	3
Treasurer Payroll Fund	12,393	1,961,345	1,962,614	11,124	2,111,725	2,110,468	12,381
Treasurer Unclaimed Fees	849	2,440	2,617	672	34	37	669
Collector	6,367,089	8,542,976	8,685,916	6,224,149	9,218,012	8,785,106	6,657,055
Collector Protest	14,636	25,842	31,028	9,450	19,799	18,981	10,268
Recorder of Deeds	963	108,910	109,873	-	103,568	103,568	-
Prosecuting Attorney Bad Check	450	16,353	16,753	50	7,858	7,412	496
Prosecuting Attorney Restitution Account	10	12,791	12,791	10	31,579	27,274	4,315
Sheriff	50	104,563	103,708	905	135,732	135,165	1,472
Sheriff Jail Commissary	2,514	806	3,185	135	-	135	-
Public Administrator	288,134	249,943	145,463	392,614	197,548	205,279	384,883
Total	<u>\$ 6,754,117</u>	<u>\$ 19,297,925</u>	<u>\$ 19,345,701</u>	<u>\$ 6,706,341</u>	<u>\$ 19,839,185</u>	<u>\$ 19,404,705</u>	<u>\$ 7,140,821</u>

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

MADISON COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Madison 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, Treasurer, Coroner, County Clerk, Prosecuting Attorney, Public Administrator, Recorder 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 Madison 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.
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. No formal budget was adopted in 2021 for the ARPA Fund or in 2022 for the Court Annex Project Fund.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	2022	2021
Special Road & Bridge Fund	N/A	✓
Assessment Fund	N/A	✓
E-911 Fund	✓	✓
Law Enforcement Fund	✓	N/A
Sheriff's Revolving Fund	N/A	✓
Prosecuting Attorney Training Fund	N/A	✓
Election Services Fund	✓	✓
CARES Act Fund	N/A	✓

Senate Bill 40 Board sets budget thresholds on a fiscal year ending June 30 each year. Budgets included in the financial statements present the fiscal year budget amounts. However, actual cash balances, receipts and disbursements are presented for the calendar year. Actual expenditures of the Senate Bill 40 Board Fund did not exceed the budgeted amounts for either fiscal year, 2021 or 2022.

- 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 2022 and 2021, for purposes of taxation were:

	2022	2021
Real Estate	\$ 95,790,279	\$ 94,701,740
Personal Property	44,355,256	34,187,895
Railroad and Utilities	5,959,925	5,856,716
Total	<u>\$ 146,105,460</u>	<u>\$ 134,746,351</u>

For calendar years 2022 and 2021, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2022	2021
General Revenue	\$ 0.1545	\$ 0.1340
Special Road & Bridge	0.2900	0.2900
Senate Bill 40 Board	0.1967	0.1967

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, 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 Cash Equivalents 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.

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:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 3,858,487	\$ 3,840,869	\$ 750,000
Cash and Cash Equivalents - Fiduciary Funds	\$ 7,140,821	\$ 6,822,759	\$ 650,664

At December 31, 2021, the County had the following cash and investment balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 3,493,552	\$ 3,430,751	\$ 750,000
Cash and Cash Equivalents - Fiduciary Funds	\$ 6,706,341	\$ 5,949,840	\$ 650,664

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2022 and 2021 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 and 2021, the County collected and remitted to CERF employee withholdings of \$90,951 and \$81,958, respectively for the years 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 and \$3,366, respectively, for the years ended December 31, 2022 and 2021.

C. Other Retirement Plan

Effective January 1, 2000, CERF also administers a defined contribution plan that qualifies under the Internal Revenue Code as a Section 457 tax exempt deferred compensation plan. CERF members are eligible to participate in the voluntary plan which is paid by a deduction from employee's salary.

Each year CERF's Board of Directors determines if matching contributions from the pension plan trust funds will be made to the 457 plan for those who have met the applicable service criteria during the plan year. The matching contribution is limited to 50% of a member's voluntary contributions to the 457 plan, to a maximum of 3% of the member's compensation. Members vest in the matching portion of contributions allocated to their respective accounts after five years of creditable service.

Employee contributions collected and remitted by the County for the years ended December 31, 2022 and 2021 were \$34,439 and \$37,446, respectively.

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 either 42 hours or 48 hours of sick leave per year for employees who work 35 hours, or 40 hours per week, respectively. There is no maximum amount of sick time than can be accrued. Sick leave is earned after 90 days of full-time employment. Upon termination, employees will not be compensated for any unused sick time.

Vacation time is made available in whole on the employee's anniversary date. Vacation time is five days for employees with one year of service; ten days for employees with two to fifteen years of service; 15 days for employees with sixteen to twenty years of service; and 20 days for employees with 20 or more years of service. Employees are allowed to carry over up to 30 days of vacation into a new employment year. Upon termination, employees are compensated for any unused vacation time up to the maximum amount of vacation time allotted.

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.

C. Litigation

The County was involved in pending litigation as of the audit report date. The County's management and legal counsel anticipate that potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.

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. On December 12, 2013 the County authorized issuance of the Tax Increment Finance Note, Series 2013. The Note was issued as a "draw down loan," in an aggregate principal amount not to exceed \$5,000,000 at an interest rate of 2.99%. This was originally financed through the Missouri Department of Transportation, Division of Finance. In December 2016, the Note was transferred to First State Bank and the principal amount of the note was modified with a total credit limit not to exceed \$7,000,000. The debt is repaid through annual principal payments and semi-annual interest payments. As of December 31, 2022, the unpaid principal balance for the Tax Increment Note was \$1,070,261.

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

	Balance			Balance	Interest
Description	12/31/2020	Additions	Payments	12/31/2021	Paid
2013 TIF	\$ 2,461,140	\$ -	\$ (685,507)	\$ 1,775,633	\$ 65,514

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

	Balance			Balance	Interest
Description	12/31/2021	Additions	Payments	12/31/2022	Paid
2013 TIF	\$ 1,775,633	\$ -	\$ (705,372)	\$ 1,070,261	\$ 45,650

- B. In January 2022, the County issued Certificates of Participation (COPS) in the amount of \$1,525,000. The Series 2022 COPS were issued on behalf of the County to pay the cost of acquiring, constructing, renovating, and installing the Madison County Courthouse Annex Project. The Certificates mature February 15, 2037, but are subject to early redemption and payment at a 100% redemption price of the principal amount plus accrued interest. The tax-exempt COPS were issued at a fixed interest rate of 2.25%. The debt is repaid through annual payments and semi-annual interest payments.

The future payments for the County's long-term debts as of December 31, 2022 are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 811,082	\$ 58,053	\$ 869,135
2024	433,936	36,529	470,465
2025	90,000	29,363	119,363
2026	90,000	27,338	117,338
2027	95,000	25,256	120,256
2028-2032	505,000	93,094	598,094
2033-2036	570,000	32,625	602,625
Totals	<u>\$ 2,595,018</u>	<u>\$ 302,258</u>	<u>\$ 2,897,276</u>

8. CAPITAL LEASES

- A. In April 2017, the County entered into two capital leases with Caterpillar Financial Services Corporation for two 120M2AWD Motor Graders for a total of \$210,975 each. The leases called for five annual payments of \$26,118 each and a final payment of \$107,760 each, in May 2023 at an interest rate of 3.77%.

- B. In May 2018, the County entered into a 62 month capital lease with FS Leasing LLC to purchase two Ford F-150's for the sheriff's department, for a total of \$60,752 at an interest rate of 3.62%. The lease requires 20 quarterly payments of \$3,357 with a final payment due July 2023.
- C. In April 2019, the County entered into a capital lease with First State Community Bank to purchase a John Deere Motor Grader 662G for \$200,000. The lease calls for five annual payments of \$44,681 at an interest rate of 3.75% beginning April 2020 and a final payment due April of 2024.
- D. In May 2021, the County entered into a capital lease with Tag Truck Center of Sikeston, MO to purchase a 2021 Freightliner Dump Truck for \$100,120. The lease calls for three annual lease payments of \$34,736 with and interest rate of 2.00%. The first payment due May 2022 and the final payment due May 2024.
- E. In September 2022, the County entered into a capital lease with First State Community Bank to purchase two Ford Explorer SUV's for a total of \$87,676 at an interest rate of 3.74%. The lease calls for five annual lease payments of \$19,581 with payments beginning September 2023 and the final payment in September 2027.

The future payments for the County's capital leases as of December 31, 2022 are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2023	\$ 302,076	\$ 21,258	\$ 323,334
2024	93,401	5,388	98,789
2025	17,733	1,848	19,581
2026	18,396	1,185	19,581
2027	18,866	715	19,581
Totals	<u>\$ 450,472</u>	<u>\$ 30,394</u>	<u>\$ 480,866</u>

9. OPERATING LEASES

In August of 2019, the Assessor's office entered into a 63-month lease with Canon Financial Services, Inc. to purchase a copier with a final payment due November 1, 2024 with a monthly payment of \$107. The lease has an end-of-term purchase option for \$1.

In December of 2019 the County Clerk's office entered into a 60-month lease with Quadient Leasing, USA to lease a postage machine through December of 2024 at a monthly payment of \$349.

The future payments for the County's operating leases as of December 31, 2022 are as follows:

Fiscal Year Ending December 31,	Amount
2023	\$ 5,472
2024	5,365

10. CHANGE IN REPORTING ENTITY

The County has changed the definition of the reporting entity at January 1, 2021 to exclude Madison County Services Coordination, Inc (MCSC) – Targeted Case Management which was a portion of Senate Bill 40 Board Fund, This change had the effect of decreasing the County’s cash balances at January 1, 2021 by \$365,612.

The County has changed the definition of fiduciary funds at January 1, 2021 to include funds controlled by the Public Administrator. This change had the effect of increasing the fiduciary cash balance at January 1, 2021 by \$288,134.

11. 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 September 27, 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 Madison 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 Madison 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, 2021 and 2022, 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 Madison County, Missouri's basic financial statements and have issued our report thereon dated September 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Madison 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 Madison County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Madison 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 certain deficiencies in internal control described in the accompanying schedule of findings and questioned

costs as items 2022-001, 2022-002, 2022-003, 2022-004, and 2022-007 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison 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 two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying schedule of findings and questioned costs as item 2022-005 and 2022-006.

Madison County, Missouri's Response to Findings

Madison County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Madison 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 them.

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
September 27, 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 Madison County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Madison 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 Madison County, Missouri's major federal programs for the years ended December 31, 2021 and 2022. Madison 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, Madison 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, 2021 and 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 Madison 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 Madison 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 Madison 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 Madison 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 Madison 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 Madison 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 Madison 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 Madison 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-007 to be a significant deficiency.

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.

Government Auditing Standards required the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County'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
September 27, 2023

MADISON 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,	
			2021	2022	2020	2021
	U.S. DEPARTMENT OF AGRICULTURE					
10.665	Passed through Missouri Office of Administration - Schools and Roads - Grants to States	n/a	\$ 27,341	\$ 33,641	\$ 48,083	\$ 59,161
	U.S. DEPARTMENT OF THE INTERIOR					
15.226	Payment in Lieu of Taxes	n/a	108,449	110,789	-	-
15.438	National Forest Acquired Lands	n/a	13,153	19,812	39,458	59,435
	U.S. DEPARTMENT OF TRANSPORTATION					
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B062(011)	280,132	1,910	-	-
	U.S. DEPARTMENT OF TREASURY					
21.019	Passed through Missouri State Treasurer - COVID-19 - Coronavirus Relief Fund	n/a	978,563	-	-	-
21.027	Direct Program - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	n/a	-	1,164,340	-	-
	U.S. ENVIRONMENTAL PROTECTION AGENCY					
66.039	Passed through Southeast Missouri Regional Planning & Economic Development Commission - Diesel Emissions Reduction Act	DE-97784601-0	39,846	-	-	-
66.802	Superfund State, Political Subdivision and Indian Tribe Site-Specific Cooperative Agreement		6,942	17,457	-	-
	U.S. ELECTION ASSISTANCE COMMISSION					
90.401	Passed through Missouri Secretary of State Help America Vote Act Requirement Payments	n/a	1,508	-	-	-
	U.S. DEPARTMENT OF HOMELAND SECURITY					
97.036	Passed through Missouri Department of Public Safety Disaster Grants - Public Assistance Grants	#4317	87,678	7,999	-	-
97.067	Homeland Security Grant Program	2017-PF-37(PWSD#1)	173,422	-	-	-
Total Expenditures of Federal Awards			<u>\$ 1,717,034</u>	<u>\$ 1,355,948</u>	<u>\$ 87,541</u>	<u>\$ 118,596</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

MADISON COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2021 AND 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Madison County, Missouri for the years ended December 31, 2022 and 2021. 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.

MADISON COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2021 AND 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? X Yes 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>
21.019	COVID-19 – Coronavirus Relief Fund
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

2022-001: Documentation of Internal Control Procedures

Criteria: Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, *Statements on Auditing Standards: Clarification and Recodification*, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

Condition: Documentation of the County's internal controls has not been prepared for the Sheriff and Assessor.

Cause: The County did not prepare the required documentation for the Sheriff and Assessor.

Effect: Without adequate documentation of internal controls, the County may not be able to ensure controls are in place, communicated and operating effectively.

Recommendation: We recommend the County develop the required internal control documentation. In addition, we recommend studying the COSO (Committee of Sponsoring Organizations) internal control guidance and tools as a means to begin the process. Once this documentation is complete, those charged with governance have a responsibility to understand the controls and ensure they are operating effectively.

County's Response: We were previously uncertain of how to correct this.

Auditor's Evaluation: The response is not sufficient to correct the concern. The County should develop the required internal control documentation.

2022-002: Documentation of Fraud Risk Assessment

Criteria: Antifraud programs and controls are the policies and procedures put in place by an organization to help ensure that management directives are carried out. They are part of the overall system of internal control established to achieve reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: There is no formal fraud risk assessment in place for the Sheriff and Assessor.

Cause: The County is not performing the necessary risk assessments or documenting those assessments.

Effect: A lack of an appropriate risk assessment process may result in certain risks not being identified by the County's management. Opportunities to commit and conceal a fraud or irregularity may go undetected by management without proper assessment procedures.

Recommendation: We recommend the County address various risks in the environment, including the risk of fraud occurring by performing assessments to identify, analyze and manage these risks.

County's Response: We were previously uncertain of what was required.

Auditor's Evaluation: The response is not sufficient to correct the concern. A risk assessment process should be performed and documented.

2022-003: Cash Disbursement Procedures

Criteria: A system of proper internal controls requires a segregation of duties of physical custody of assets, recording transactions, and authorizing transactions.

Condition: The County Treasurer has administrative access to the QuickBooks system, enters expenditures into the QuickBooks system, receives all revenue and enters the revenues into the QuickBooks system, prepares and signs checks, attaches the check stub to the cancelled invoice as evidence of payment, as well as completes all bank reconciliations. The County Commission does approve the invoices prior to disbursement. The County Clerk has access to QuickBooks and does receive a check stub for record keeping of every expenditure.

Cause: The Treasurer enters receipts into QuickBooks, processes invoices, enters disbursements into QuickBooks, issues checks and reconciles bank accounts.

Effect: A lack of segregation of duties and adequate oversight may result in errors or fraud that might not be recognized and resolved in a timely manner.

Recommendation: We recommend the Treasurer and County Clerk improve the segregation of duties and internal controls with the disbursement process, thereby reducing the chance errors or fraud will go undetected.

County's Response: We are inquiring of other counties to determine how best to comply with this requirement. We will make changes with this feedback.

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

2022-004: Pay Rate Approval and Documentation

Criteria: A proper system of internal controls dictates that rates of pay, and any changes to the rate of pay, be properly documented and approved by an appropriate official.

Condition: The pay rate for one person from the pay period March 11, 2021, was not supported by an approved Pay Raise Form. The last approved pay rate documented was from October 21, 2020, which was \$.50 (approximately 5%) less per hour than the March 11, 2021 rate being paid. Additionally, three timesheets lacked evidence of supervisory approval. This occurred for pay period October 7, 2021 for two 911 employees and one Sheriff's Office employee.

Cause: The County's internal controls over the payroll process were not consistently followed during the audit period or were not sufficiently designed to prevent errors.

Effect: The lack of documented approved rates of pay could lead to unauthorized changes in employee pay rates. Additionally, the lack of supervisory approval of timesheets could lead to errors in reporting and abuse of County employee policies.

Recommendation: We recommend the County improve the documentation of employee pay rates and ensure that pay rate changes for employees are approved and documented. Additionally, we recommend the County ensure all timesheets are reviewed prior to payroll distribution.

County's Response: This was done by the former Deputy Clerk. The current Deputy Clerk ensures required documentation is completed and maintained.

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

ITEMS OF NONCOMPLIANCE

2022-005: Collector's Annual Settlements

Criteria: Section 139.190, RSMo requires the Collector to submit an annual settlement to the County Commission, and upon examination and approval by the Commission, the annual settlement is to be certified by the Clerk and filed with the Missouri Department of Revenue.

Condition: The Collector submitted a monthly register of tax collections to the Clerk and Treasurer. However, Form 205, Collector's Annual Settlement was prepared, but not filed with the Missouri Department of Revenue as required for the years ended February 28, 2021, and February 28, 2023.

Cause: The Collector completed the Forms and submitted them to the Treasurer but did not ensure the Treasurer submitted them to the Missouri Department of Revenue.

Effect: The Collector was not in compliance with state statutes.

Recommendation: We recommend the Collector ensure all required forms, such as Form 205, Collector's Annual Settlement, are filed with the Missouri Department of Revenue as prescribed by state statute.

County's Response: The former Treasurer failed to send the 2021 Form 205 and the current Treasurer was not aware of the requirement. This will be completed going forward.

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

2022-006: Budgetary Compliance

Criteria: Section 50.540, RSMo, requires the preparation of a budget for all County funds. Section 50.740, RSMo prohibits expenditures in excess of the approved budget.

Condition: A budget was not prepared for the Court Annex Project Fund in 2022 or the ARPA Fund in 2021. Expenditures exceeded budgeted appropriations for three funds in 2022 and seven funds in 2021. The detailed list of funds can be found in Notes 1.D.7 and 1.D.10 to the financial statements.

Cause: The County did not prepare formal budgets for all County funds and did not adequately review and amend budgeted expenditures of each fund to ensure actual expenditures did not exceed the budget amounts.

Effect: In order to ensure the integrity of the budgeting process, a budget must be adopted for each County fund and the spending limits should be adhered to.

Recommendation: We recommend the County ensure compliance with state statutes by adopting a budget for each County fund and by refraining from approving expenditures in excess of budgeted amounts. In the event that the originally adopted budget is inadequate to finance the current-year unforeseen expenditures, budgetary amendments should be discussed in a public meeting and formally adopted by the County Commission.

County's Response: Sometimes bills for these departments come at the last minute and need paid, too late for a budget amendment.

Auditor's Evaluation: The response is not sufficient to correct the concern. The County should ensure compliance with state statutes by adopting a budget for each County fund and by refraining from approving expenditures in excess of budgeted amounts.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-007: Internal Control Over Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Agriculture, U.S. Department of the Interior, U.S. Department of Transportation, U.S. Department of Treasury, Environmental Protection Agency, Election Assistance Commission, Election Assistance Commission, U.S. Department of Health and Human Services, and U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Office of Administration, Missouri Department of Transportation, Missouri State Treasurer, Southeast Missouri Regional Planning & Economic Development Commission, Missouri Secretary of State and Missouri Department of Public Safety

Federal Assistance Listing Number: 10.665, 15.226, 15.438, 20.205, 20.616, 20.703, 21.019, 21.027, 66.039, 66.802, 90.401, 97.036 and 97.067

Program Title: Schools and Roads – Grants to States; Payment in Lieu of Taxes, National Forest Acquired Lands; Highway Planning and Construction; National Priority Safety Programs; COVID-19 - Coronavirus Relief Fund; COVID-19 – Coronavirus State and Local Fiscal Recovery Funds; Diesel Emissions Reduction Act; Superfund State, Political Subdivision and Indian Tribe Site-Specific Cooperative Agreement; Help America Vote Act Requirement Payments; Homeland Security Grant Program

Pass-through Entity Identifying Number: BRO-B062(011), EPA-OAP-OTAQ-20-02, DE-97784601-0, 97750001, #4317, 2017-PF-37(PWSD#1)

Award Year: 2021 and 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.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2022 and 2023 annual budget documents contained errors in amounts of federal expenditures reported. Discrepancies in amounts reported on the 2021 SEFA and amount supported by underlying accounting records are summarized as follows:

Federal Agency	ALN	Program	Original SEFA	Supported	Difference
USDA	10.665	Schools and Roads - Grants to States	\$ -	\$ 27,341	\$ (27,341)
DOI	15.226	Payments in Lieu of Taxes	-	108,449	(108,449)
DOI	15.438	National Forest Acquired Lands	-	13,153	(13,153)
DOT	20.616	National Priority Safety Programs	74,925	-	74,925
DOT	20.703	State Grant - Deputy Supplementary Salary	10,129	-	10,129
DOT	20.703	MODOT State Grant -DWI	7,050	-	7,050
Treasury	21.019	COVID-19 - Coronavirus Relief Fund	-	978,563	(978,563)
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	1,173,976	-	1,173,976
EPA	66.039	Diesel Emissions Reduction Act	-	39,846	(39,846)
HHS	93.991	Preventative Health and Health Services Block Grant	1,205	-	1,205
DHS	97.067	Homeland Security Grant Program	20,802	173,422	(152,620)

Discrepancies in amounts reported on the 2022 SEFA and amount supported by underlying accounting records are summarized as follows:

Agency	ALN	Program	SEFA	Supported	Difference
USDA	10.665	Schools and Roads - Grants to States	\$ -	\$ 33,641	\$ (33,641)
DOI	15.226	Payment in Lieu of Taxes	-	110,789	(110,789)
DOI	15.438	National Forest Acquired Lands	-	19,812	(19,812)
DOT	20.205	Highway Planning and Construction	-	1,910	(1,910)
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	-	1,164,340	(1,164,340)
EPA	66.802	Superfund State, Political Subdivision and Indian Tribe Site-Specific Cooperative Agreement	96	17,457	(17,361)
EAC	90.401	Help America Vote Act Required Payments	1,638	-	1,638

Cause: The County has not implemented a proper system of internal control over SEFA preparation, such as a reconciliation to underlying accounting records or having a separate individual review the SEFA for clerical accuracy after it has been prepared. Reasons for discrepancies in individual programs varied.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for both the years ended December 31, 2022 and 2021.

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.

County's Response: The County Clerk takes responsibility. COVID-19 money and ARPA money had me confused. It will be corrected.

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**

MADISON COUNTY COMMISSION

#1 Courthouse Square
Fredericktown, MO 63645

Jason Green
Presiding Commissioner

Tom Stephens
District One

Larry Kemp
District Two

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

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Madison County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2020.

Schedule of State Findings:

I: Actual expenditures exceeded budgeted expenses in the Special Road and Bridge Fund, 911 Fund, Law Enforcement Sales Tax Fund, Law Enforcement Training Fund, Tax Increment Fund and Madison County Sheriff's Office Fund.

Status: Not resolved, see finding 2022-006.

Compliance Findings and Schedule of Findings over Federal Awards:

2020-001: Documentation of the County's internal controls has not been prepared for the Treasurer, Recorder of Deeds, Sheriff, Assessor and Prosecuting Attorney.

Status: Not resolved, see finding 2022-001.

2020-002: There is no formal fraud risk assessment in place for the Treasurer, Recorder of Deeds, Sheriff, Assessor and Prosecuting Attorney.

Status: Not resolved, see finding 2022-002.

MADISON COUNTY COMMISSION

#1 Courthouse Square
Fredericktown, MO 63645

Jason Green
Presiding Commissioner

Tom Stephens
District One

Larry Kemp
District Two

**MADISON COUNTY, MISSOURI
CORRECTIVE ACTION PLAN**

Finding Reference Number: 2022-001

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: Katy McCutchen, Sheriff; Paula Francis, Assessor;

Views of Responsible Individuals: The Prosecuting Attorney and Sheriff plans were sent late for verification.

Finding Reference Number: 2022-002

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: Katy McCutchen, Sheriff; Paula Francis, Assessor; Michael Ligons, Prosecuting Attorney

Views of Responsible Individuals: See above. These offices were not sure of what was needed to do a plan that fulfills the requirement.

Finding Reference Number: 2022-003

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: Jessica Stevens, County Treasurer; Donal Firebaugh, County Clerk

Views of Responsible Individuals: We are working on the issue. I am requesting how other counties abide by the requirement.

Finding Reference Number: 2022-004

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: County Commission; Donal Firebaugh, County Clerk

Views of Responsible Individuals: This was done by the former Deputy Clerk. The current Deputy Clerk that does the payroll function assures that the Department supervisor signs the timesheet and the Commissioners approve the action.

Finding Reference Number: 2022-005

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: Sarah Stephens, County Collector

Views of Responsible Individuals: The former Treasurer failed to send in the 2021 Form 205 and the current (new) Treasurer was unaware of the requirement. The County Clerk failed to notice the omission.

Finding Reference Number: 2022-006

Federal Agency: N/A

Program Name: N/A

ALN Number: N/A

Responsible Official: Donal Firebaugh, County Clerk

Views of Responsible Individuals: Sometimes the bills for these departments come at the last minute and need paid, too late for a budget amendment. E-911 is always needing money in their account at the last minute to meet payroll. Road and Bridge blacktop bills come in unexpectedly with no time to

amend their budget. The County Clerk failed to show the appropriations part of the Election Services Fund, being a new fund this year.

Finding Reference Number: 2022-007

Federal Agency: U.S. Department of Agriculture, U.S. Department of the Interior, U.S. Department of Transportation, U.S. Department of the Treasury, Environmental Protection Agency, U.S. Department of Health and Human Services, and U.S. Department of Homeland Security

Program Name: Schools and Roads – Grants to States; PILT – Payment in Lieu of Taxes, National Forest Acquired Lands; Highway Planning and Construction; National Priority Safety Programs; COVID-19 - Coronavirus Relief Fund; COVID-19 – Coronavirus State and Local Fiscal Recovery Funds; Diesel Emissions Reduction Act; Superfund State, Political Subdivision and Indian Tribe Site-Specific Cooperative Agreement; Help America Vote Act; Homeland Security Grant Program

ALN Number: 10.665, 15.226, 15.438, 20.205, 20.616, 20.703, 21.019, 21.027, 66.039, 66.802, 90.401, 97.036 and 97.067

Responsible Official: Donal Firebaugh, County Clerk

Views of Responsible Individuals: The County Clerk takes responsibility. COVID-19 money and ARPA money had me confused.

Submitted:

DONAL E, FIREBAUGH
Madison County Clerk

September 25, 2023

4151 N. Mulberry Drive, Suite 275
Kansas City, Missouri 64116
T: (816) 221.4559
F: (816) 221.4563
E: Admin@McBrideLock.com

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

September 27, 2023

To the County Commission
Madison County, Missouri

We have audited the accompanying financial statements of Madison County, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Government Funds - Regulatory Basis and the Statements of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis for years ended December 31, 2022 and 2021, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget to Actual – Regulatory Basis for the years ended December 31, 2022 and 2021. 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 July 24, 2023. 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 Madison 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 2021 and 2022. 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 September 27, 2023.

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, 2021 and 2022, we considered Madison 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 September 27, 2023. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

Timeliness of Bill Payment

Late fees of \$7 were paid on one AT&T invoice dated March 12, 2021 and paid on March 29, 2021. The fee was from the prior invoice not being paid in a timely manner.

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 Madison 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