



SCOTT FITZPATRICK

MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Wayne County, Missouri

The Office of the State Auditor contracted for an audit of Wayne County's financial statements for the year ended December 31, 2023, 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 Stopp & VanHoy, CPAs and Business Advisors, is attached.

A handwritten signature in black ink that reads "Scott Fitzpatrick".

Scott Fitzpatrick
State Auditor

December 2025
Report No. 2025-100



Recommendations in the contracted audit of Wayne County

2023-001	The county prepare a budget for all required funds and periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.
2023-002	In order to ensure that transfers are properly budgeted and in balance, we recommend transfers in always be accompanied by an equal transfer out and that the transfers can be clearly identified on the annual budget.
2023-003	The Collector and Treasurer implement procedures to periodically review bank balances and work with the bank to ensure that public funds are adequately secured, especially at December 31 since this is the due date for property taxes.
2024-004	The county implement internal controls to ensure that suspension and debarment assessments are performed during the procurement and contracting phase. In addition, sufficient documentation should be retained to evidence suspension and debarment verification is performed.

**The County of Wayne
Greenville, Missouri
Independent Auditor's Reports and Financial Statements
December 31, 2023**



**The County of Wayne
Greenville, Missouri
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Independent Auditor's Report

To the County Commission and
Officeholders of Wayne County, Missouri

Report on the Audit of the Financial Statements***Opinions***

We have audited the accompanying financial statements of Wayne County, Missouri, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Wayne County, Missouri's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash balances of each fund of Wayne County, Missouri as of December 31, 2023, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the basis of accounting practices 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 do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of Wayne County, Missouri as of December 31, 2023, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Wayne 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 opinions.

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

As described in Note 1 of the financial statements, the financial statements are prepared by Wayne County, Missouri on the basis of accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 the financial statements in accordance with accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws. 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wayne County, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities 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 opinions. 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 GAAS 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 GAAS 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 Wayne County, Missouri'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 Wayne 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wayne County, Missouri's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards 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. Such 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 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 have also issued our report dated August 8, 2025 on our consideration of Wayne 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 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 Wayne County, Missouri's internal control over financial reporting and compliance.



St. Louis, Missouri
August 8, 2025

The County of Wayne
Greenville, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2023

<u>Fund</u>	Cash and Equivalents January 1, 2023	Receipts 2023	Disbursements 2023	Cash and Equivalents December 31, 2023
General Revenue	\$ 715,497	\$ 3,424,666	\$ 3,332,850	\$ 807,313
Special Road and Bridge	154,211	1,940,803	1,982,442	112,572
Assessment	1,228	205,163	193,916	12,475
Prosecuting Attorney Training	8,761	1,933	1,608	9,086
Law Enforcement Training	2,351	2,111	1,750	2,712
American Rescue Plan Act (ARPA)	727,087	10,129	381,943	355,273
Senate Bill 40 Board	283,902	152,742	119,216	317,428
Election Services	46,122	4,875	9,825	41,172
CDBG-SEMA-FEMA	-	26,249	26,249	-
Flood Control	-	22,766	22,766	-
Forest Reserve	-	252,965	252,965	-
Inmate Security	6,911	44,572	42,977	8,506
Law Enforcement Restitution	36,841	84,015	88,331	32,525
Pros. Attorney Law Enforcement	181	30,365	30,496	50
Recorder's User Fee	31,111	37,589	29,298	39,402
Sheriff's Revolving	4,415	2,210	3,742	2,883
Sheriff's Seizure	649	-	-	649
Special Election Account	-	25,235	25,235	-
Prosecuting Attorney Administrative Handling	10,717	2,662	12,506	873
Special Trust	-	550	-	550
Tax Maintenance	2,265	20,922	10,499	12,688
Title III	15,446	31,147	15,180	31,413
Sheriff Agency	26,668	29,523	34,632	21,559
Sheriff's Civil	13,340	17,423	17,505	13,258
Landfill Closure	13,750	69	-	13,819
Local Assistance and Tribal Consistency	570,809	580,920	100,000	1,051,729
Wayne County Improvement Corporation	65,025	50,089	43,984	71,130
Total	<u>\$ 2,737,287</u>	<u>\$ 7,001,693</u>	<u>\$ 6,779,915</u>	<u>\$ 2,959,065</u>

See Notes to the Financial Statements

**The County of Wayne
Greenville, Missouri**
Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the year ended December 31, 2023

	General Revenue Fund	
	Budget	Actual
Receipts		
Property Taxes	\$ 12,000	\$ 10,547
Sales Taxes	1,586,000	1,812,455
Intergovernmental	509,213	489,184
Charges for Services	320,800	317,711
Interest	4,800	5,712
Other Receipts	648,000	704,734
Transfers In	110,847	84,323
Total Receipts	<hr/> 3,191,660	<hr/> 3,424,666
Disbursements		
County Commission	101,836	94,294
County Clerk	95,101	90,058
Elections	93,541	83,288
Building and Grounds	76,423	71,815
Employee Fringe Benefits	385,150	307,134
Treasurer	44,500	43,971
Collector	101,210	102,286
Recorder of Deeds	72,340	69,761
Circuit Clerk	25,450	11,392
Court Administration	5,772	3,333
Public Administrator	51,450	49,908
Sheriff	721,715	720,443
Jail	749,989	753,932
Prosecuting Attorney	240,171	238,529
Juvenile Officer	53,628	53,628
Coroner	28,860	23,978
Courthouse Renovation	200,000	31,163
Jury	105,000	1,801
Emergency Management	2,600	2,600
Other Disbursements	246,517	365,406
Transfers Out	165,787	214,130
Emergency Fund	100,000	-
Total Disbursements	<hr/> 3,667,040	<hr/> 3,332,850
Receipts Over (Under) Disbursements	\$ (475,380)	\$ 91,816
Cash and Equivalents, Jan 1	<hr/> 715,497	<hr/> 715,497
Cash and Equivalents, Dec 31	<hr/> \$ 240,117	<hr/> \$ 807,313

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Special Road and Bridge Fund	
	Budget	Actual
Receipts		
Property Taxes	\$ 167,000	\$ 182,730
Sales Taxes	537,000	573,737
Intergovernmental	1,918,740	802,770
Charges for Services	-	-
Interest	700	1,396
Other Receipts	10,000	88,819
Transfers In	287,000	291,351
Total Receipts	<hr/> 2,920,440	<hr/> 1,940,803
Disbursements		
Salaries	496,385	528,438
Employee Fringe Benefits	137,025	131,551
Supplies	495,000	520,393
Insurance	70,000	41,988
Road and Bridge Materials	380,000	502,835
Equipment Purchases	65,000	6,000
Road and Bridge Construction	1,298,909	127,545
Debt Service	123,692	123,692
Other Disbursements	-	-
Transfers Out	-	-
Total Disbursements	<hr/> 3,066,011	<hr/> 1,982,442
Receipts Over (Under) Disbursements	\$ (145,571)	\$ (41,639)
Cash and Equivalents, Jan 1	<hr/> 154,211	<hr/> 154,211
Cash and Equivalents, Dec 31	<hr/> \$ 8,640	<hr/> \$ 112,572

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Assessment Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	- -	- -
Intergovernmental	167,695	160,045
Charges for Services	8,000	6,410
Interest	- -	280
Other Receipts	100	- -
Transfers In	38,428	38,428
Total Receipts	<hr/> 214,223	<hr/> 205,163
<u>Disbursements</u>		
Salaries	132,904	122,727
Employee Fringe Benefits	32,000	27,272
Materials and Supplies	15,800	16,404
Services	30,850	25,129
Other Disbursements	- -	- -
Capital Outlay	3,788	2,384
Transfers Out	- -	- -
Total Disbursements	<hr/> 215,342	<hr/> 193,916
Receipts Over (Under) Disbursements	\$ (1,119)	\$ 11,247
Cash and Equivalents, Jan 1	<hr/> 1,228	<hr/> 1,228
Cash and Equivalents, Dec 31	<hr/> \$ 109	<hr/> \$ 12,475

**The County of Wayne
Greenville, Missouri**
Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the year ended December 31, 2023

	Prosecuting Attorney Training Fund		Law Enforcement Training Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	4,000	1,933	2,800	2,084
Interest	-	-	-	27
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	4,000	1,933	2,800	2,111
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	7,000	1,608	3,000	1,750
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	7,000	1,608	3,000	1,750
Receipts Over (Under) Disbursements	\$ (3,000)	\$ 325	\$ (200)	\$ 361
Cash and Equivalents, Jan 1	8,761	8,761	2,351	2,351
Cash and Equivalents, Dec 31	<u>\$ 5,761</u>	<u>\$ 9,086</u>	<u>\$ 2,151</u>	<u>\$ 2,712</u>

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	American Rescue Plan Act (ARPA) Fund	
	Budget	Actual
Receipts		
Property Taxes	\$ -	\$ -
Sales Taxes	- -	- -
Intergovernmental	- -	- -
Charges for Services	- -	- -
Interest	2,000	10,129
Other Receipts	- -	- -
Transfers In	- -	- -
Total Receipts	<hr/> 2,000	<hr/> 10,129
Disbursements		
Salaries	- -	- -
Employee Fringe Benefits	- -	- -
Materials and Supplies	- -	- -
Services	30,000	30,000
Other Disbursements	- -	15,428
Capital Outlay	699,087	334,681
Transfers Out	- -	1,834
Total Disbursements	<hr/> 729,087	<hr/> 381,943
Receipts Over (Under)		
Disbursements	\$ (727,087)	\$ (371,814)
Cash and Equivalents, Jan 1	<hr/> 727,087	<hr/> 727,087
Cash and Equivalents, Dec 31	<hr/> \$ -	<hr/> \$ 355,273

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Senate Bill 40 Board Fund		Election Services Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ 130,000	\$ 150,632	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	1,200	1,484
Charges for Services	-	-	-	-
Interest	185	2,110	25	47
Other Receipts	-	-	-	-
Transfers In	-	-	3,275	3,344
Total Receipts	130,185	152,742	4,500	4,875
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	200	152	3,000	325
Services	109,895	117,114	9,855	8,642
Other Disbursements	-	-	150	358
Capital Outlay	20,000	1,950	625	500
Transfers Out	-	-	-	-
Total Disbursements	130,095	119,216	13,630	9,825
Receipts Over (Under) Disbursements	\$ 90	\$ 33,526	\$ (9,130)	\$ (4,950)
Cash and Equivalents, Jan 1	283,902	283,902	46,122	46,122
Cash and Equivalents, Dec 31	\$ 283,992	\$ 317,428	\$ 36,992	\$ 41,172

**The County of Wayne
Greenville, Missouri**
Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the year ended December 31, 2023

	CDBG-SEMA-FEMA Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	- -	- -
Intergovernmental	397,000	26,249
Charges for Services	- -	- -
Interest	- -	- -
Other Receipts	- -	- -
Transfers In	- -	- -
Total Receipts	<hr/> 397,000	<hr/> 26,249
<u>Disbursements</u>		
Salaries	- -	- -
Employee Fringe Benefits	- -	- -
Materials and Supplies	- -	- -
Services	- -	- -
Intergovernmental Grants	397,000	26,249
Capital Outlay	- -	- -
Transfers Out	- -	- -
Total Disbursements	<hr/> 397,000	<hr/> 26,249
Receipts Over (Under)		
Disbursements	\$ -	\$ -
Cash and Equivalents, Jan 1	<hr/> - -	<hr/> - -
Cash and Equivalents, Dec 31	<hr/> \$ -	<hr/> \$ -

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Flood Control Fund		Forest Reserve Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	- -	- -	- -	- -
Intergovernmental	55,000	22,766	355,000	252,965
Charges for Services	- -	- -	- -	- -
Interest	- -	- -	- -	- -
Other Receipts	- -	- -	- -	- -
Transfers In	- -	- -	- -	- -
Total Receipts	55,000	22,766	355,000	252,965
<u>Disbursements</u>				
Salaries	- -	- -	- -	- -
Employee Fringe Benefits	- -	- -	- -	- -
Materials and Supplies	- -	- -	- -	- -
Services	- -	- -	- -	- -
Disbursements to Local Governments	52,000	21,999	265,000	189,724
Capital Outlay	- -	- -	- -	- -
Transfers Out	3,000	767	90,000	63,241
Total Disbursements	55,000	22,766	355,000	252,965
Receipts Over (Under) Disbursements	\$ -	\$ -	\$ -	\$ -
Cash and Equivalents, Jan 1	- -	- -	- -	- -
Cash and Equivalents, Dec 31	\$ -	\$ -	\$ -	\$ -

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Inmate Security Fund		Law Enforcement Restitution Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	3,000	1,572	120,000	83,550
Charges for Services	70,000	43,000	-	-
Interest	-	-	500	465
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	73,000	44,572	120,500	84,015
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	26,970	-	-
Services	60,000	16,007	43,000	6,961
Other Disbursements	-	-	30,000	18,990
Capital Outlay	-	-	-	15,000
Transfers Out	-	-	76,000	47,380
Total Disbursements	60,000	42,977	149,000	88,331
Receipts Over (Under) Disbursements	\$ 13,000	\$ 1,595	\$ (28,500)	\$ (4,316)
Cash and Equivalents, Jan 1	6,911	6,911	36,841	36,841
Cash and Equivalents, Dec 31	\$ 19,911	\$ 8,506	\$ 8,341	\$ 32,525

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Pros. Attorney Law Enforcement Fund		Recorder's User Fee Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	17,000	15,310
Interest	-	4	280	439
Other Receipts	-	-	21,840	21,840
Transfers In	32,000	30,361	-	-
Total Receipts	32,000	30,365	39,120	37,589
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	30,000	12,488
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	32,000	30,496	16,874	16,810
Total Disbursements	32,000	30,496	46,874	29,298
Receipts Over (Under) Disbursements	\$ -	\$ (131)	\$ (7,754)	\$ 8,291
Cash and Equivalents, Jan 1	181	181	31,111	31,111
Cash and Equivalents, Dec 31	\$ 181	\$ 50	\$ 23,357	\$ 39,402

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Sheriff's Revolving Fund		Sheriff's Seizure Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	5,000	-
Charges for Services	15,000	2,179	-	-
Interest	-	31	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	15,000	2,210	5,000	-
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	15,000	3,742	4,000	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	15,000	3,742	4,000	-
Receipts Over (Under) Disbursements	\$ -	\$ (1,532)	\$ 1,000	\$ -
Cash and Equivalents, Jan 1	4,415	4,415	649	649
Cash and Equivalents, Dec 31	<u>\$ 4,415</u>	<u>\$ 2,883</u>	<u>\$ 1,649</u>	<u>\$ 649</u>

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Special Election Account Fund		Prosecuting Attorney Administrative Handling Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	45,000	25,235	12,000	2,614
Interest	-	-	150	48
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	45,000	25,235	12,150	2,662
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	8,650	6,628	-	-
Services	27,250	8,479	-	-
Other Disbursements	-	6,024	10,500	1,135
Capital Outlay	-	-	-	-
Transfers Out	9,100	4,104	12,000	11,371
Total Disbursements	45,000	25,235	22,500	12,506
Receipts Over (Under) Disbursements	\$ -	\$ -	\$ (10,350)	\$ (9,844)
Cash and Equivalents, Jan 1	-	-	10,717	10,717
Cash and Equivalents, Dec 31	\$ -	\$ -	\$ 367	\$ 873

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Special Trust Fund		Tax Maintenance Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	800	547	19,000	20,799
Interest	10	3	50	123
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	810	550	19,050	20,922
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	8,000	4,261
Services	-	-	-	205
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	9,900	6,033
Total Disbursements	-	-	17,900	10,499
Receipts Over (Under) Disbursements	\$ 810	\$ 550	\$ 1,150	\$ 10,423
Cash and Equivalents, Jan 1	-	-	2,265	2,265
Cash and Equivalents, Dec 31	\$ 810	\$ 550	\$ 3,415	\$ 12,688

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Title III Fund		Sheriff Agency Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	35,000	31,147	-	-
Charges for Services	-	-	40,000	29,250
Interest	-	-	-	273
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	35,000	31,147	40,000	29,523
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	50,000	14,820
Services	-	-	-	11,523
Other Disbursements	-	-	-	8,289
Capital Outlay	50,000	15,180	-	-
Transfers Out	-	-	-	-
Total Disbursements	50,000	15,180	50,000	34,632
Receipts Over (Under) Disbursements	\$ (15,000)	\$ 15,967	\$ (10,000)	\$ (5,109)
Cash and Equivalents, Jan 1	15,446	15,446	26,668	26,668
Cash and Equivalents, Dec 31	\$ 446	\$ 31,413	\$ 16,668	\$ 21,559

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Sheriff's Civil Fund		Landfill Closure Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	24,000	17,423	-	-
Interest	-	-	100	69
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	24,000	17,423	100	69
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	24,000	12,558	-	-
Services	-	3,069	-	-
Other Disbursements	-	1,878	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	24,000	17,505	-	-
Receipts Over (Under) Disbursements	\$ -	\$ (82)	\$ 100	\$ 69
Cash and Equivalents, Jan 1	13,340	13,340	13,750	13,750
Cash and Equivalents, Dec 31	\$ 13,340	\$ 13,258	\$ 13,850	\$ 13,819

**The County of Wayne
Greenville, Missouri**
**Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis**
For the year ended December 31, 2023

	Local Assistance and Tribal Consistency Fund		Wayne County Improvement Corporation Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	570,809	570,809	-	-
Charges for Services	-	-	-	-
Interest	-	10,111	-	1,638
Other Receipts	-	-	-	92
Transfers In	-	-	-	48,359
Total Receipts	570,809	580,920	-	50,089
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	21
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	43,963
Transfers Out	1,141,618	100,000	-	-
Total Disbursements	1,141,618	100,000	-	43,984
Receipts Over (Under) Disbursements	\$ (570,809)	\$ 480,920	\$ -	\$ 6,105
Cash and Equivalents, Jan 1	570,809	570,809	65,025	65,025
Cash and Equivalents, Dec 31	\$ -	\$ 1,051,729	\$ 65,025	\$ 71,130

**The County of Wayne
Greenville, Missouri**
Statement of Assets and Liabilities Arising From Cash Transactions
Custodial Funds - Regulatory Basis
December 31, 2023

	Collector	Recorder	Sheriff	Treasurer	Total
Assets					
Cash and Equivalents	\$ 3,920,957	\$ 7,203	\$ 37,604	\$ 288,836	\$ 4,254,600
Total Assets	<u>3,920,957</u>	<u>7,203</u>	<u>37,604</u>	<u>288,836</u>	<u>4,254,600</u>
Liabilities and Fund Balances					
Total Liabilities	3,920,957	7,203	37,604	288,836	4,254,600
Fund Balances	<u>3,920,957</u>	<u>7,203</u>	<u>37,604</u>	<u>288,836</u>	<u>4,254,600</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,920,957</u></u>	<u><u>\$ 7,203</u></u>	<u><u>\$ 37,604</u></u>	<u><u>\$ 288,836</u></u>	<u><u>\$ 4,254,600</u></u>

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 1 - Summary of Significant Accounting Policies

Organized in 1818, the county of Wayne was named after American Revolution General Anthony Wayne. It is a third-class county, and the county seat is Greenville. Wayne County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector, Treasurer, Sheriff, Assessor, Coroner, Circuit Clerk, Recorder of Deeds, Public Administrator, and Prosecuting Attorney.

As discussed further in Note 1, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Wayne County, Missouri and the Wayne County Senate Bill 40 Board.

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

The financial statements referred to above include only the primary government of Wayne County, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The Senate Bill 40 Board is controlled by a separate board and also included under the control of the County.

Certain elected County officials, such as the County Collector, Treasurer, and Sheriff, collect and hold monies in a trustee capacity as an agent of an individual, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are included in the Statement of Assets and Liabilities Arising from Cash Transactions - Custodial Funds - Regulatory Basis.

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Wayne County and the comparisons of such information with the corresponding budgeted information for all funds of the County. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the county's general operation fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation, bonds, and obligations under capital leases), and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Budget and Budgetary Accounting

In accordance with Chapter 50, RSMo., the County adopts a budget for each governmental fund.

On or before January 15th, each elected official and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

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 for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

Prior to February 1, the budget is legally enacted by a vote of the County Commission.

Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.

Budgets are prepared and adopted on the cash basis of accounting.

During the audit, it was noted the County was not in compliance with Missouri budgetary statute Chapter 50, RSMo. The following fund did not have an adopted budget: Wayne County Improvement Corporation Fund.

Taxes

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 County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 1 - Summary of Significant Accounting Policies (continued)

Taxes (continued)

The assessed valuation of the tangible taxable property, included within Wayne County's boundaries for the calendar year for the purposes of taxation was:

Real Estate	\$ 91,184,170
Personal Property	46,804,426
Railroad and Utilities	<u>23,948,297</u>
	<u><u>\$ 161,936,893</u></u>

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year for the purpose of County taxation, was as follows:

Special Road and Bridge	\$ 0.1100
Senate Bill 40 Board	0.0800

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents 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, cash equivalent, and investment balances are presented in Note 2.

Interfund Transactions

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

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

**The County of Wayne
Greenville, Missouri**
Notes to the Financial Statements
For the year ended December 31, 2023

Note 2 - Deposits and Investments

Wayne County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents." Cash held for others is displayed on the statement of assets and liabilities arising from cash transactions as "Cash and Equivalents."

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

The carrying values and bank balances of deposits and investments shown above are included in the financial statements at December 31, 2023, as follows:

	Carrying Value	Bank Balance
Deposits	\$ 6,554,457	\$ 5,697,204
Investments	659,208	659,208
Total Deposits and Investments as of December 31, 2023	<u>\$ 7,213,665</u>	<u>\$ 6,356,412</u>
 Total Cash and Equivalents - Governmental Funds	 \$ 2,959,065	
Total Cash and Equivalents - Custodial Funds	4,254,600	
	<u>\$ 7,213,665</u>	

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2023, \$3,075,476 of the County's deposits and investments were not covered by the Federal Deposit Insurance Corporation (FDIC) and were not collateralized.

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party that sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities.

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 2 - Deposits and Investments (continued)

The following investments represent more than 5%, individually, of total investments:

Issuer	Investment Type	Balance	% of Portfolio
First Midwest Bank of the Ozarks	Certificates of Deposit	\$ 102,786	15.59%
Peoples Community Bank	Certificates of Deposit	556,422	84.41%
		\$ 659,208	

Note 3 - Long-Term Debt

Financing Agreements

In 2008, the County entered into a financing agreement with the U.S. Department of Agriculture for \$696,000 to finance the construction of the Justice Center. The agreement requires thirty annual payments of \$42,735, which includes interest payable at 4.500%. The financing agreement matures on May 30, 2038.

In 2009, the County entered into a financing agreement with the U.S. Department of Agriculture for \$20,000 to finance the construction of the Justice Center. The agreement requires thirty annual payments of \$1,228, which includes interest payable at 4.500%. The financing agreement matures on May 20, 2039.

In 2019, the County entered into a financing agreement with First Midwest Bank of the Ozarks for two 2020 Western Star 4700SF Dump Trucks for \$207,932. The agreement requires four annual payments of \$58,051, which includes interest payable at 4.500%. The financing agreement matured on October 22, 2023.

In 2021, the County entered into a financing agreement with Peoples Community Bank for two used 2015 John Deere 770G Motor Graders for \$291,210. The agreement requires five annual payments of \$65,641, which includes interest payable at 3.990%. The financing agreement matures on October 21, 2026.

In 2023, the County entered into a financing agreement with Peoples Community Bank for a 2024 Case IH 110A Tractor with an Alamo 25' Machette 3 Mower for \$89,710. The agreement requires three payments of \$25,886, which includes interest payable at 5.750%, and one final payment of the entire unpaid balance of principal and interest on November 1, 2027. The financing agreement matures on November 1, 2027.

	Balance at 12/31/22	Amount Borrowed	Amount Repaid	Balance at 12/31/23	Interest Paid During Year
2008 USDA Loan	\$ 453,054	\$ -	\$ (22,000)	\$ 431,054	\$ 20,735
2009 USDA Loan	14,061	-	(585)	13,476	643
Western Star 4700SF Dump Trucks	55,518	-	(55,518)	-	2,533
John Deere Motor Graders	237,995	-	(56,013)	181,982	9,628
Case IH Tractor and 25' Mower	-	89,710	-	89,710	-
	\$ 760,628	\$ 89,710	\$ (134,116)	\$ 716,222	\$ 33,539

**The County of Wayne
Greenville, Missouri**
Notes to the Financial Statements
For the year ended December 31, 2023

Note 3 - Long-Term Debt (continued)

As of December 31, 2023, the schedule of future payments of long-term debt of the County is as follows:

Year ending December 31,	Principal	Interest	Total
2024	\$ 102,443	\$ 33,047	\$ 135,490
2025	107,524	27,966	135,490
2026	112,361	23,129	135,490
2027	51,697	17,954	69,651
2028	28,525	15,438	43,963
2029-2033	163,072	56,743	219,815
2034-2038	150,600	17,890	168,490
Total	<u>\$ 716,222</u>	<u>\$ 192,167</u>	<u>\$ 908,389</u>

Line of Credit

In 2013, the County entered into a line of credit agreement with First Midwest Bank of the Ozarks which allows borrowings of up to \$250,000, as needed. The line of credit matures on February 23, 2025. There was no outstanding balance at December 31, 2023, and the County incurred no interest expense on the line of credit agreement during the fiscal year.

Note 4 - Interfund Transfers

Transfers between funds for the year ended December 31, 2023 are as follows:

Fund	Transfers In	Transfers Out
General Revenue	\$ 84,323	\$ 214,130
Special Road and Bridge	291,351	-
Assessment	38,428	-
American Rescue Plan Act (ARPA)	-	1,834
Election Services	3,344	-
Flood Control	-	767
Forest Reserve	-	63,241
Law Enforcement Restitution	-	47,380
Pros. Attorney Law Enforcement	30,361	30,496
Recorder's User Fee	-	16,810
Special Election Account	-	4,104
Prosecuting Attorney Administrative Handling	-	11,371
Tax Maintenance	-	6,033
Local Assistance and Tribal Consistency	-	100,000
Wayne County Improvement Corporation	48,359	-
Total	<u>\$ 496,166</u>	<u>\$ 496,166</u>

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 5 - State of Missouri County Employees' Retirement Fund (CERF)

Plan Description

The County Employees' Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elected 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 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.

Benefits Provided

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, Missouri, 65101, by calling (573) 632-9203, or by visiting the CERF website at www.mocerf.org.

Contributions

Prior to January 1, 2003, participating county employees were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002 are required to make contributions of 6%. If any employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 6% contribution on behalf of employees. During 2023, the County collected and remitted to CERF, employee contributions of \$118,575 for the year ended.

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 5 - State of Missouri County Employees' Retirement Fund (CERF) (continued)

Contributions (continued)

In addition to the above contributions required of employees, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of personal property tax declarations;
- Twenty dollars on each merchant's and manufacturer's license issued;
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one dollar on each document recorded;
- Three sevenths of the fee on delinquent property taxes; and
- Interest earned on investment of the above collections prior to remittance to CERF.

The County collected and remitted CERF fees and penalties of \$129,554 for the year ended December 31, 2023.

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information can be found in the notes to the financial statements of CERF's Annual Financial Report.

Note 6 - Prosecuting Attorney Retirement Fund

In accordance with state statute 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 Attorneys' Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$11,628 for the year ended December 31, 2023.

Note 7 - Other Retirement Plans

Wayne County has voluntary 457 and 401(a) plans administered by Empower Retirement which are paid by a deduction from employees' salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2023 for the 457 plan were \$41,205. Employee contributions collected and remitted by the County for the year ended December 31, 2023 for 401(a) plan were \$15,146.

Note 8 - 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.

Note 9 - Claims, Commitments, and Contingencies

Litigation

The County can be subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of such matters will not have a material adverse effect on the financial condition of the County.

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 9 - Claims, Commitments, and Contingencies (continued)

Compensated Absences

The County provides full-time employees with two hours of personal time off (PTO) for each completed pay period of employment, up to a maximum of 7 days. The County allows employees to carry forward PTO from one year to the next, but PTO may not be accrued beyond 30 days. Upon termination, employees will not be compensated for any unused PTO.

Full-time employees are eligible to accrue vacation time after completion of one year of service. Vacation time is accrued at a rate of five days per year with a maximum of fifteen days depending on length of employment. Earned and unused vacation time may be carried over from year to year, but vacation time may not be accrued beyond 10 days. Upon termination, employees are compensated for any unused vacation time.

Full-time employees earn overtime or compensatory time credits based on department of assignment. Overtime and compensatory time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week and 80 hours in a two-week pay period. Upon termination, employees are compensated for any compensatory time credits.

Federal and State Assisted Programs

The County receives proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned. Such audits could result in refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Note 10 - 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 also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. 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 \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

Note 11 - Subsequent Events

The County has evaluated events subsequent to December 31, 2023 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through August 8, 2025, the date the financial statements were available to be issued.

On February 13, 2024, the County entered into a financing agreement with Peoples Community Bank for a 2024 Case IH 110A Tractor with an Alamo Machette 3 Mower for \$94,710. The agreement requires three payments of \$27,230, which includes interest payable at 5.750%, and one final payment of the entire unpaid balance of principal and interest on February 13, 2028. The financing agreement matures on February 13, 2028.

**The County of Wayne
Greenville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2023**

Note 12 - Prior Period Adjustments

Due to the improper inclusion and exclusion of certain funds and reporting errors in certain funds, beginning cash and equivalents has been restated. These restatements will have no impact to the County's operations.

Beginning Cash and Equivalents, as originally stated December 31, 2022	\$ 2,777,167
Prior Period Adjustment #1 - Include Sheriff's Seizure Fund	649
Prior Period Adjustment #2 - Include Sheriff Agency Fund	26,668
Prior Period Adjustment #3 - Exclude DWI Fund	(67,566)
Prior Period Adjustment #4 - Correct Senate Bill 40 Fund	<u>369</u>
Ending Cash and Equivalents, as restated December 31, 2022	<u>\$ 2,737,287</u>

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*

Independent Auditor's Report

To the County Commission and
Officeholders of Wayne County, Missouri

We have audited, 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, the accompanying financial statements of Wayne County, Missouri as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Wayne County, Missouri's basic financial statements, and have issued our report thereon dated August 8, 2025. Our opinion was adverse because the financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the regulatory basis of accounting, in accordance with regulatory reporting practices prescribed or permitted by the State of Missouri, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wayne County, Missouri's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wayne County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Wayne 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wayne 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003.

Wayne County, Missouri's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Wayne County, Missouri's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Wayne County, Missouri's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.

Stopp & VanHoy
St. Louis, Missouri
August 8, 2025

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE

Independent Auditor's Report

To the County Commission and
Officeholders of Wayne County, Missouri

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Wayne 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 Wayne County, Missouri's major federal programs for the year ended December 31, 2023. Wayne 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.

Qualified Opinion on COVID-19 Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Wayne County, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on COVID-19 Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2023.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Wayne 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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2023.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Wayne 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 Wayne County, Missouri's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on COVID-19 Coronavirus State and Local Fiscal Recovery Funds

As described in the accompanying schedule of findings and questioned costs, Wayne County, Missouri did not comply with requirements regarding Assistance Listing No. 21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds as described in finding number 2023-004 for Suspension and Debarment.

Compliance with such requirements is necessary, in our opinion, for Wayne County, Missouri to comply with the requirements applicable to that program.

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 Wayne County, Missouri's federal programs.

Auditor's Responsibilities for the Audit of 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 Wayne 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 GAAS, *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 Wayne County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Wayne 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 Wayne 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 Wayne 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.

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

Report on Internal Control Over Compliance

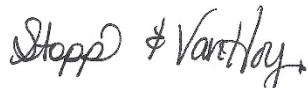
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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 a 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 a deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a significant deficiency.

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

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

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



St. Louis, Missouri
August 8, 2025

**The County of Wayne
Greenville, Missouri**
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Forest Service Schools and Roads Cluster				
Passed through state:				
Missouri Office of Administration				
Schools and Roads - Grants to States	10.665	n/a	\$ 139,770	\$ 93,443
Total Forest Service School and Roads Cluster			<u>139,770</u>	<u>93,443</u>
U.S. Department of Defense				
Passed through state:				
Missouri Office of Administration				
Payments to States in Lieu of Real Estate Taxes	12.112	n/a	22,766	21,999
U.S. Department of Housing and Urban Development				
Passed through state:				
Missouri Department of Economic Development				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	2020-BB-CV06	26,249	-
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226	n/a	301,970	-
Passed through state:				
Missouri Office of Administration				
National Forest Acquired Lands	15.438	n/a	128,375	96,281
Direct Program:				
National Wildlife Refuge Fund	15.659	n/a	12,034	-
			<u>442,379</u>	<u>96,281</u>
U.S. Department of Justice				
Passed through state:				
Missouri Department of Social Services				
Crime Victim Assistance	16.575	ER130220180-001	14,154	-
Crime Victim Assistance	16.575	ER130220180-002	4,246	-
			<u>18,400</u>	<u>-</u>
U.S. Department of Transportation				
Passed through state:				
Missouri Department of Transportation				
Highway Planning and Construction	20.205	BRO-111(014)	13,419	-
Highway Planning and Construction	20.205	BRO-111(015)	14,306	-
			<u>27,725</u>	<u>-</u>
Highway Safety Cluster				
Passed through state:				
Missouri Department of Transportation				
State and Community Highway Safety	20.600	23-PT-02-152	11,664	-
Total Highway Safety Cluster			<u>11,664</u>	<u>-</u>
			<u>39,389</u>	<u>-</u>
U.S. Department of Treasury				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	n/a	381,943	-
COVID-19 Local Assistance and Tribal Consistency Fund	21.032	n/a	100,000	-
			<u>481,943</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 1,170,896</u>	<u>\$ 211,723</u>

See Notes to the Schedule of Expenditures of Federal Awards

**The County of Wayne
Greenville, Missouri**
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2023

Note 1 - Summary of Significant Accounting Policies

Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply 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). This Uniform Guidance requires a schedule that provides total federal awards expended for each federal program and the assistance listing number or other identifying number when the assistance listing number is not available.

This schedule includes all federal awards administered by Wayne County, Missouri.

Basis of Presentation

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Because the Schedule presents only a selected portion of the operations of Wayne County, Missouri, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Wayne County, Missouri.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Federal expenditures are considered to have occurred when cash is disbursed for allowable expenditures.

Wayne County, Missouri has not elected to use the 10% de minimis indirect cost rate.

**The County of Wayne
Greenville, Missouri
Schedule of Findings and Questioned Costs
For the year ended December 31, 2023**

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	Yes	<input checked="" type="checkbox"/>	No
Significant deficiencies identified that are not considered to be material weaknesses?	Yes	<input checked="" type="checkbox"/>	None Reported
Any noncompliance material to financial statements noted?	<input checked="" type="checkbox"/>	Yes	No

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	Yes	<input checked="" type="checkbox"/>	No
Significant deficiencies identified not considered to be material weaknesses?	<input checked="" type="checkbox"/>	Yes	None Reported
Type of auditor's report issued on compliance for major programs:	Qualified		
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR section 200.516(a)?	<input checked="" type="checkbox"/>	Yes	No

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
15.226	Payments in Lieu of Taxes
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 auditee? Yes No

**The County of Wayne
Greenville, Missouri
Schedule of Findings and Questioned Costs
For the year ended December 31, 2023**

Section 2 - Financial Statement Findings

2023-001 **Criteria:** Missouri statutes requires Counties to prepare an annual budget as applicable to each fund. Expenditures are not to exceed the budget.

Condition: During the audit, it was noted the County was not in compliance with Missouri budgetary statute Chapter 50, RSMo. The following fund did not have an adopted budget: Wayne County Improvement Corporation Fund.

Cause: Oversight

Effect: The County is in violation of Missouri Revised Statutes due to exceeding budgeted expenditures in certain funds and failing to prepare a budget for all required funds.

Recommendation: We recommend that the County prepare a budget for all required funds and periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

Management's Response: We were not aware that we needed to budget for the Wayne County Improvement Fund. This will be corrected during the next budget period to include this fund.

2023-002 **Criteria:** Management should prepare the budgets of the County, as presented in the adopted annual budget, to present balance transfers between all funds. Per RSMo. 50.540, expenditure estimates shall be classified to set forth the data by funds, organization units, character, and objects of expenditure. Revenue estimates shall be classified to show receipts by funds, organization units, and sources.

Condition: Budgeted transfers in did not balance to budgeted transfers out in the original and amended 2023 budgets for various funds.

Cause: Oversight.

Effect: The original and amended 2023 budgets of the County presented an imbalance between transfers in and transfers out. A schedule of budgeted transfers as presented in the budget is as follows:

**The County of Wayne
Greenville, Missouri**
Schedule of Findings and Questioned Costs
For the year ended December 31, 2023

Section 2 - Financial Statement Findings (continued)

2023-002	<u>Fund</u>	Transfers In	Transfers Out
(cont.)	General Revenue	\$ 110,847	\$ 165,787
	Special Road and Bridge	287,000	-
	Assessment	38,428	-
	American Rescue Plan Act (ARPA)	-	-
	Election Services	3,275	-
	Flood Control	-	3,000
	Forest Reserve	-	90,000
	Law Enforcement Restitution	-	76,000
	Pros. Attorney Law Enforcement	32,000	32,000
	Recorder's User Fee	-	16,874
	Special Election Account	-	9,100
	Prosecuting Attorney Administrative Handling	-	12,000
	Tax Maintenance	-	9,900
	Local Assistance and Tribal Consistency	-	1,141,618
	Wayne County Improvement Corporation	-	-
		<u>\$ 471,550</u>	<u>\$ 1,556,279</u>

Recommendation: In order to ensure that transfers are properly budgeted and in balance, we recommend transfers in always be accompanied by an equal transfer out and that the transfers can be clearly identified on the annual budget.

Management's Response: The County will work with the software program to see if there is a way to easily identify transfers.

2023-003 **Criteria:** Public funds on deposit that exceed FDIC deposit insurance coverage limits must be secured by pledged collateral securities. Section 30.270, RSMo, lists the types of collateral that are considered legally acceptable.

Condition: The County had a bank balance of \$2,629,348 at First Midwest Bank of the Ozarks and a bank balance of \$3,727,064 at Peoples Community Bank for a total bank balance of \$6,356,412 at December 31, 2023. \$750,000 of the total bank balance was covered by FDIC deposit insurance, leaving an uninsured balance of \$5,606,412. The financial institutions provide reports showing a market value of pledged collateral securities totaling \$2,530,936, leaving \$3,075,476 of unsecured deposits at December 31, 2023.

This finding was noted in the prior audit for the years ended December 31, 2022 and 2021 as item 2022-005.

Cause: The bank did not provide adequate collateral securities to cover the County's deposits in excess of FDIC insurance.

Effect: Inadequate collateralization of public funds on deposit could lead to the loss of funds in the event of a bank failure.

Recommendation: We recommend that the Collector and Treasurer implement procedures to periodically review bank balances and work with the bank to ensure that public funds are adequately secured, especially at December 31 since this is the due date for property taxes.

**The County of Wayne
Greenville, Missouri
Schedule of Findings and Questioned Costs
For the year ended December 31, 2023**

Section 2 - Financial Statement Findings (continued)

2023-003 **Management's Response:** This issue was identified in the 2022 audit which concluded in the fall of 2023. This has (cont.) been corrected and the bank is providing quarterly statements of securities to identify pledged collateral.

Section 3 - Federal Award Findings

2023-004	Federal Agency:	U.S. Department of the Treasury
	Federal Program Title:	COVID-19 State and Local Fiscal Recovery Funds
	Federal Assistance Listing No.:	21.027
	Award Period:	2023
	Pass-through Entity:	n/a
	Questioned Costs:	n/a
	Compliance Requirement:	(I) - Suspension and Debarment

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200.303 requires that non-federal entities receiving federal awards establish and maintain internal control designed to reasonably ensure compliance with federal statutes, regulations, and the terms and conditions of the federal award. Effective internal controls should include procedures in place to ensure the required certifications for covered contracts and subawards are received and documented, and contracts are not made with a suspended or debarred party.

Condition: During our testing, it was noted that the County did not have adequate controls designed to ensure that suspension and debarment requirements were being met.

Context: Of the 4 vendors tested, we noted that all 4 were not verified by the County or certifications from the vendors were not collected to ensure the vendors were neither suspended or debarred.

Cause: The County has not designed and implemented internal controls to ensure compliance with suspension and debarment requirements outlined.

Effect: Failure to obtain the required certifications or perform verification procedures with SAM.gov could result in the payment of federal funds to vendors that are suspended or debarred from participation in federal assistance programs.

Recommendation: We recommend that the County implement internal controls to ensure that suspension and debarment assessments are performed during the procurement and contracting phase. In addition, sufficient documentation should be retained to evidence suspension and debarment verification is performed.

Management's Response: The County will ensure vendors are not suspended or debarred in the future.

**The County of Wayne
Greenville, Missouri**
Summary Schedule of Prior Year Findings and Questioned Costs
For the year ended December 31, 2023

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Wayne County, Missouri, on the applicable findings in the prior audit report issued for the years ended December 31, 2022 and 2021.

Prior Year Financial Statement Findings

2022-001 Significant Deficiency - Lack of Proper Bank Reconciliations

Criteria: A proper system of internal controls requires timely and proper completion of reconciliations between the accounting system and bank records.

Condition: A review of bank reconciliations of all County bank accounts included in the scope of the audit noted the following internal control issues:

A review of the Collector's bank reconciliations noted eight instances in which the bank reconciliations were not timely performed. Further, we noted three instances in which the Collector's bank reconciliations were not properly maintained and could not be provided. Additionally, the Collector's bank reconciliation at December 31, 2021 for the Cash and Checks account reported an outstanding receipt for a transfer from the Credit and Debit account, but the transfer was not reflected on the bank reconciliation on the Credit and Debit account. After further review, the transfer was not initiated until the following fiscal year resulting in an adjusting entry of \$670,974 to the reconciled balance for the Cash and Checks account.

A review of the Senate Bill 40 Board's monthly bank reconciliations noted 11 instances during 2021 and 2022 in which outstanding items should have been included on a formal bank reconciliation. The bank statements contained evidence of the Board Treasurer's review but did not compare the bank balance to the book balance and note the reconciling items.

Cause: Management does not place adequate emphasis upon reviewing cash transactions and preparing accurate bank reconciliations.

Effect: Proper and timely reconciliation of the book balance to the bank balance ensures that all cash transactions have been recorded and increases the likelihood of preventing and detecting errors or fraud.

Recommendation: We recommend that the Collector and Senate Bill 40 Board timely prepare and maintain documentation of proper monthly bank reconciliations.

County's Response: The previous Collector is responsible for the bank reconciliations mentioned in the finding. The current Collector, Tammy Morgan, is performing the bank reconciliation correctly and in a timely manner. The Senate Bill 40 Board will place more emphasis on the monthly bank reconciliations.

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

Status: Management has performed adequate corrective action, therefore, this finding will not be repeated.

**The County of Wayne
Greenville, Missouri**
Summary Schedule of Prior Year Findings and Questioned Costs
For the year ended December 31, 2023

Prior Year Financial Statement Findings (continued)

2022-002 Significant Deficiency - Internal Control over Disbursements

Criteria: A proper system of internal controls requires disbursements to be properly reviewed and approved by an authorized individual prior to payment. Further, a proper system of internal controls requires the segregation of incompatible duties. Additionally, the County's Internal Control and Risk Management policy advocates an adequate segregation of duties, and details that if a segregation of duties is not feasible, a documented review and approval process can act as a compensating control.

Condition: The County's disbursement process does not properly segregate the duties for authorization and recording of transactions for the "Special" funds identified by the Treasurer in which three signatures are not required on each check by the county. The Treasurer has the ability to enter invoices, generate checks, is the sole authorized signer on the check, and reconciles the checking account.

Additionally, a sample of 40 disbursements were selected for testing, and noted 3 instances in which invoices from the disbursement package were missing, and 7 instances in which the invoice/claim voucher lacked evidence of proper approval.

Cause: The County decided to streamline the access to budgetary funds designated for elected officials. As a result, the disbursement process for budgetary funds controlled by the County Commission and elected officials were split up causing a managerial oversight of mitigating controls.

Effect: The lack of a formal approval process and the lack of adequate recordkeeping increases the opportunity for unauthorized transactions to occur.

Recommendation: We recommend the County implement procedures that segregate the Treasurer's incompatible duties or implement mitigating controls that minimize the risk of unauthorized transactions. Additionally, we recommend the County implement procedures to ensure invoices are properly approved and maintained.

County's Response: The Treasurer presents all the disbursements from the Officeholder's special funds to the Commissioners for review on a weekly basis. The Commissioners review the report and sign off on it. The Treasurer will also present the monthly bank reconciliation and bank statement for review. All vouchers are presented to the Commission for approval before any invoices are paid.

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

Status: Management has performed adequate corrective action, therefore, this finding will not be repeated.

2022-003 Significant Deficiency - Internal Controls over Payroll

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

Condition: The County does not maintain documentation to support the current pay rates of hourly employees and does not maintain documentation of approval of changes in pay rates for hourly employees in personnel files. The salaries for elected officials and their deputies are approved through the annual budget documents, however, there is no formal documentation of approved rates of pay for hourly employees.

**The County of Wayne
Greenville, Missouri**
Summary Schedule of Prior Year Findings and Questioned Costs
For the year ended December 31, 2023

Prior Year Financial Statement Findings (continued)

2022-003 **Significant Deficiency - Internal Controls over Payroll (continued)**

(cont.)

Cause: The hourly employees' pay rate changes were decided by each elected official but not formally documented.

Effect: The lack of documented approved rates of pay could lead to unauthorized changes in employee pay rates.

Recommendation: We recommend that the county improve the documentation of employee pay rates and ensure that pay rate changes for hourly employees are approved and documented.

County's Response: The Clerk's office will request signed documentation of the pay increase for employees from the appropriate official. We will then have the Commissioners review those pay increases before processing payroll. The signed documentation will be maintained in the employee's file.

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

Status: Management has performed adequate corrective action, therefore, this finding will not be repeated.

2022-004 **Significant Deficiency - Public Administrator Internal Controls**

Criteria: The State Auditor's Office requires the accounts of the Public Administrator to be included in regulatory basis financial statements of the County. A proper system of internal controls requires that adequate documentation be maintained to support balances and transactions recorded in the accounting records.

Condition: During the audit, we selected four wards for testing, and requested to review their bank statements, bank reconciliations, and a sample of cash disbursements. We noted that the Public Administrator does not keep records for the wards and turns over all documentation to the Court after the annual settlement is filed. The Court provided the auditors with the bank statements, and we noted that formal bank reconciliations were not performed. Upon review, the bank statements contained evidence of the Public Administrator's review of bank statements, however, we noted instances in which outstanding items had cleared in subsequent statements that were not reported as outstanding on a formal bank reconciliation.

Cause: The Public Administrator does not maintain adequate recordkeeping for ward financial activity and does not place adequate emphasis upon reviewing cash transactions and preparing accurate bank reconciliations.

Effect: Maintaining a record of the activity of all wards ensures the completeness and accuracy of amounts reported in the County's financial statements.

Recommendation: We recommend that the Public Administrator implement procedures to perform proper formal bank monthly reconciliations for each ward account, and to maintain copies of bank statements and supporting documentation for all disbursements.

County's Response: The Public Administrator will implement procedures to prepare bank reconciliations to show outstanding checks. She is also implementing a system to keep records available after she does the yearly settlements and turns over everything to the attorney.

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

**The County of Wayne
Greenville, Missouri**
Summary Schedule of Prior Year Findings and Questioned Costs
For the year ended December 31, 2023

Prior Year Financial Statement Findings (continued)

2022-004 **Significant Deficiency - Public Administrator Internal Controls (continued)**

(cont.)

Status: Management has performed adequate corrective action, therefore, this finding will not be repeated.

2022-005 **Noncompliance - Collateralization of Bank Deposits**

Criteria: Public funds on deposit that exceed FDIC deposit insurance coverage limits must be secured by pledged collateral securities. Section 30.270, RSMo, lists the types of collateral that are considered legally acceptable.

Condition: The County had a bank balance of \$1,736,654 at First Midwest Bank of the Ozarks and a bank balance of \$4,291,849 at Peoples Community Bank, for a total bank balance of \$6,028,503 at December 31, 2021. \$1,243,218 of the total bank balance was covered by FDIC deposit insurance, leaving an uninsured balance of \$4,785,285. The financial institutions provide reports showing a market value of pledged collateral securities totaling \$4,140,298, leaving \$644,987 of unsecured deposits at December 31, 2021. Additionally, the County had a bank balance of \$2,338,976 at First Midwest Bank of the Ozarks and a bank balance of \$3,759,372 at Peoples Community Bank, for a total bank balance of \$6,098,348 at December 31, 2022. \$1,233,043 of the total bank balance was covered by FDIC deposit insurance, leaving an uninsured balance of \$4,865,305. The financial institutions provided reports showing a market value of pledged collateral securities totaling \$3,488,412, leaving \$1,376,893 of unsecured deposits at December 31, 2022.

This finding was noted in the prior audit for the year ended December 31, 2020 as item 2020-001, however, the audit report was not issued until after December 31, 2022.

Cause: The bank did not provide adequate collateral securities to cover the County's deposits in excess of FDIC insurance.

Effect: Inadequate collateralization of public funds on deposit could lead to the loss of funds in the event of a bank failure.

Recommendation: We recommend that the Collector and Treasurer implement procedures to periodically review bank balances and work with the bank to ensure that public funds are adequately secured, especially at December 31 since this is the due date for property taxes.

County's Response: This was identified in our prior audit report. We received the audit report in 2023, and the issue has been corrected going forward. Currently, we receive quarterly reports for review to ensure that we are adequately collateralized.

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

Status: Management has not corrected this issue. The finding is repeated as finding 2023-003 in the current year.

Prior Year Federal Award Findings

None noted.

Rhonda Crum

YYYY

Wayne County Clerk

XXXX

Phone 573-224-5600 Ext. 4
Fax 573-224-5609

clerk@waynecountymo.gov

P.O. Box 48
Greenville, Missouri 63944

CORRECTIVE ACTION PLAN

Audit Finding Reference: 2023-001

Planned Corrective Action: We were not aware that we needed to budget for the Wayne County Improvement Fund. This will be corrected during the next budget period to include this fund.

Name of Contact Person: Rhonda Crum, County Clerk

Audit Finding Reference: 2023-002

Planned Corrective Action: The County will work with the software program to see if there is a way to easily identify transfers.

Name of Contact Person: Rhonda Crum, County Clerk

Audit Finding Reference: 2023-003

Planned Corrective Action: This issue was identified in the 2022 audit which concluded in the fall of 2023. This has been corrected, and the bank is providing quarterly statements of securities to identify pledged collateral.

Name of Contact Person: Rhonda Crum, County Clerk

Audit Finding Reference: 2023-004

Planned Corrective Action: The County will ensure vendors are not suspended or debarred in the future.

Name of Contact Person: Rhonda Crum, County Clerk