



SCOTT FITZPATRICK

MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Texas County, Missouri

The Office of the State Auditor contracted for an audit of Texas County's financial statements for the year ended December 31, 2024, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

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

Scott Fitzpatrick
State Auditor

January 2026
Report No. 2026-010



Recommendations in the contracted audit of Texas County

Sheriff's Deposit Timeliness	The Sheriff's office implement procedures to ensure that deposits to the main account are made on a timely basis, at least weekly.
Budgetary Controls	The County adhere to the authorized spending limits as documented in the adopted County budget or follow the appropriate procedures to amend the budget. We recommend that the County refrain from budgeting expenditures in excess of the available beginning balance plus anticipated revenues for an individual fund. Additionally, we recommend that the County ensure compliance with state statutes by adopting a budget for each County fund.
Internal Control Over Reporting Requirements	The County implement procedures to ensure that future grant reports are completed accurately and in agreement with the County's accounting records.
Sheriff Internal Controls	The Sheriff document his review of documents related to the main account to ensure that proper segregation of duties exists and is documented.

ANNUAL FINANCIAL REPORT

TEXAS COUNTY, MISSOURI

For the Year Ended
December 31, 2024

McBRIDE, LOCK & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
KANSAS CITY

TEXAS COUNTY, MISSOURI

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
List of Elected Officials 2024	i
FINANCIAL SECTION	
Independent Auditor's Report	ii
BASIC FINANCIAL STATEMENTS:	
Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis	1
Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds	2
Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis	14
Notes to the Financial Statements	15
COMPLIANCE SECTION	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	25
Schedule of Expenditures of Federal Awards	28
Notes to the Schedule of Expenditures of Federal Awards	29
Schedule of Findings and Questioned Costs	30
Management's Response to Auditor's Findings	35
• Summary Schedule of Prior Audit Findings	
• Corrective Action Plan	

INTRODUCTORY SECTION

TEXAS COUNTY, MISSOURI
List of Elected Officials 2024

County Commission

Presiding Commissioner – Scott Long
Commissioner, First District – John Casey
Commissioner, Second District – Doyle Heiney

Other Elected Officials

Assessor – Debbie James
Circuit Clerk – Erin Smith
Collector/Treasurer – Tammy Cantrell
County Clerk – Peggy Seyler
Coroner – Marie Lasater
Prosecuting Attorney – Parke J. Stevens
Public Administrator – Tina Garrett
Recorder – Lindsay Koch
Sheriff – Scott Lindsey
Surveyor – Charles Manier

FINANCIAL SECTION

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Texas County, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Texas County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2024, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Texas County, Missouri, as of December 31, 2024, and their respective cash receipts and disbursements, and budgetary results for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri law as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Texas County, Missouri, as of December 31, 2024, or the changes in financial position thereof for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Texas County, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed or permitted by Missouri law. 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 Texas 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas 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.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2025, on our consideration of Texas 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 Texas County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Texas County, Missouri's internal control over financial reporting and compliance.

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

McBride, Lock & Associates, LLC
Kansas City, Missouri
August 28, 2025

TEXAS COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

Fund	Cash and Cash Equivalents			Cash and Cash Equivalents December 31
	January 1	Receipts	Disbursements	
General Revenue	\$ 3,902,726	\$ 5,813,109	\$ 6,104,905	\$ 3,610,930
Special Road and Bridge	40,039	1,816,629	1,544,365	312,303
Assessment	363,317	317,537	283,199	397,655
Capital Improvement	1,205,948	1,505,386	1,059,921	1,651,413
Justice Center Special Maintenance	1,354,585	1,490,835	1,287,349	1,558,071
Inmate Security	156,364	49,694	50,543	155,515
Law Enforcement Restitution	82,642	51,261	8,991	124,912
Law Enforcement Training	4,611	4,943	5,650	3,904
Election Services	11,260	14,783	428	25,615
Collector Tax Maintenance	71,475	37,018	21,535	86,958
Prosecuting Attorney Training	17,201	4,567	3,248	18,520
Law Enforcement Operation	35,959	20,071	19,900	36,130
Emergency Management	1,508	83	-	1,591
Jury Script	(336)	12,145	11,876	(67)
Special Election	(19,200)	64,844	37,700	7,944
Recorder User Fee	81,867	18,875	2,057	98,685
Prosecuting Attorney Administrative Handling Cost	36,656	7,105	-	43,761
Local Emergency Planning Committee	37,215	2,063	-	39,278
Defense & Deductible	710,975	2,227,988	374,616	2,564,347
Concealed Firearms	31,973	7,693	7,265	32,401
Domestic Violence	44,079	7,396	6,000	45,475
TCHMM Operation	1,436	114	99	1,451
TCHMM Endowment	817	46	-	863
Road and Bridge	80,289	1,083,932	978,850	185,371
National Forest	123,446	144,545	117,756	150,235
Garner Covert Memorial	8,946	424	2,250	7,120
Opioid Lawsuit	78,724	177,408	-	256,132
Prosecuting Attorney Delinquent Tax	10,621	840	-	11,461
ARPA	2,548,061	150,384	1,510,985	1,187,460
Law Enforcement Sales Tax	587,715	1,019,461	644,048	963,128
Tribal Payment	241,744	-	-	241,744
CDBG	-	595,972	578,720	17,252
Senate Bill 40 Board	257,939	283,873	251,318	290,494
Total	\$ 12,110,602	\$ 16,931,024	\$ 14,913,574	\$ 14,128,052

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

TEXAS COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	GENERAL REVENUE FUND	
	Budget	Actual
RECEIPTS		
Property taxes	\$ 156,000	\$ 287,830
Sales taxes	1,800,000	2,540,532
Intergovernmental	391,050	813,222
Charges for services	483,500	564,660
Interest	300,000	229,165
Other	40,100	25,978
Transfers in	1,265,000	1,351,722
Total Receipts	\$ 4,435,650	\$ 5,813,109
DISBURSEMENTS		
County Commission	\$ 97,150	\$ 92,742
County Clerk	151,802	159,018
Elections	48,500	56,965
Buildings and grounds	237,000	189,510
Employee fringe benefits	621,000	648,321
Treasurer	126,252	126,723
Recorder of Deeds	111,600	110,091
Circuit Court	21,000	16,986
Court Administration	27,500	10,081
Public Administrator	85,240	71,555
Sheriff	445,259	448,195
Jail	1,339,502	1,267,846
Prosecuting Attorney	353,900	318,533
Juvenile Officer	97,000	88,682
Coroner	54,000	49,592
Other County government	204,750	406,170
Health and welfare	3,300	1,750
Transfers out	2,030,000	2,042,145
Emergency fund	250,000	-
Total Disbursements	\$ 6,304,755	\$ 6,104,905
RECEIPTS OVER (UNDER)		
DISBURSEMENTS	\$ (1,869,105)	\$ (291,796)
CASH AND CASH EQUIVALENTS, JANUARY 1	3,902,726	3,902,726
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,033,621	\$ 3,610,930

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	SPECIAL ROAD & BRIDGE FUND				ASSESSMENT FUND		CAPITAL IMPROVEMENT FUND	
	Budget		Actual		Budget		Actual	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	1,200,000	1,410,647
Intergovernmental	1,370,000	1,551,642	74,500	64,802	-	-	-	-
Charges for services	-	-	256,000	229,919	-	-	-	-
Interest	2,500	14,987	15,000	22,816	50,000	94,739	-	-
Other	-	-	12,000	-	-	-	-	-
Transfers in	-	250,000	-	-	-	-	-	-
Total Receipts	\$ 1,372,500	\$ 1,816,629	\$ 357,500	\$ 317,537	\$ 1,250,000	\$ 1,505,386		
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ 181,415	\$ 169,038	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	53,500	72,243	-	-	-	-
Materials and supplies	14,000	4,851	16,000	13,218	-	-	-	-
Services and other	-	1,081	63,000	28,700	1,100,000	1,059,921	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	1,400,000	1,474,060	-	-	-	-	-	-
Transfers out	70,000	64,373	-	-	-	-	-	-
Total Disbursements	\$ 1,484,000	\$ 1,544,365	\$ 313,915	\$ 283,199	\$ 1,100,000	\$ 1,059,921		
RECEIPTS OVER (UNDER) DISBURSEMENTS								
	\$ (111,500)	\$ 272,264	\$ 43,585	\$ 34,338	\$ 150,000	\$ 445,465		
CASH AND CASH EQUIVALENTS, JANUARY 1	40,039	40,039	363,317	363,317	1,205,948	1,205,948		
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ (71,461)	\$ 312,303	\$ 406,902	\$ 397,655	\$ 1,355,948	\$ 1,651,413		

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	JUSTICE CENTER SPECIAL MAINTENANCE FUND		INMATE SECURITY FUND		LAW ENFORCEMENT RESTITUTION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,200,000	1,410,647	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	93,200	41,557	27,000	45,408
Interest	50,000	80,188	5,000	8,137	4,000	5,853
Other	-	-	-	-	500	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 1,250,000	\$ 1,490,835	\$ 98,200	\$ 49,694	\$ 31,500	\$ 51,261
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	250,000	-	130,000	50,543	50,000	8,991
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	1,300,000	1,287,349	-	-	-	-
Total Disbursements	\$ 1,550,000	\$ 1,287,349	\$ 130,000	\$ 50,543	\$ 50,000	\$ 8,991
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (300,000)	\$ 203,486	\$ (31,800)	\$ (849)	\$ (18,500)	\$ 42,270
CASH AND CASH EQUIVALENTS, JANUARY 1	1,354,585	1,354,585	156,364	156,364	82,642	82,642
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,054,585	\$ 1,558,071	\$ 124,564	\$ 155,515	\$ 64,142	\$ 124,912

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	LAW ENFORCEMENT		ELECTION SERVICES FUND		COLLECTOR TAX	
	TRAINING FUND		ELECTION SERVICES FUND		MAINTENANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	1,370	1,818	-	12,821	-	-
Charges for services	3,200	2,893	6,000	754	30,000	37,018
Interest	250	232	500	882	5,000	-
Other	-	-	-	326	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 4,820	\$ 4,943	\$ 6,500	\$ 14,783	\$ 35,000	\$ 37,018
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	7,500	5,650	6,000	428	12,000	21,535
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 7,500	\$ 5,650	\$ 6,000	\$ 428	\$ 12,000	\$ 21,535
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (2,680)	\$ (707)	\$ 500	\$ 14,355	\$ 23,000	\$ 15,483
CASH AND CASH EQUIVALENTS, JANUARY 1	\$ 4,611	\$ 4,611	\$ 11,260	\$ 11,260	\$ 71,475	\$ 71,475
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,931	\$ 3,904	\$ 11,760	\$ 25,615	\$ 94,475	\$ 86,958

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

TEXAS COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	PROSECUTING ATTORNEY TRAINING FUND		LAW ENFORCEMENT OPERATION FUND		EMERGENCY MANAGEMENT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	7,500	7,029	-	-
Charges for services	4,500	3,606	13,200	10,935	-	-
Interest	250	961	1,000	1,912	30	83
Other	-	-	550	195	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 4,750	\$ 4,567	\$ 22,250	\$ 20,071	\$ 30	\$ 83
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	2,000	3,248	16,000	13,206	-	-
Capital outlay	-	-	7,000	6,694	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 2,000	\$ 3,248	\$ 23,000	\$ 19,900	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS						
	\$ 2,750	\$ 1,319	\$ (750)	\$ 171	\$ 30	\$ 83
CASH AND CASH EQUIVALENTS, JANUARY 1	17,201	17,201	35,959	35,959	1,508	1,508
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 19,951	\$ 18,520	\$ 35,209	\$ 36,130	\$ 1,538	\$ 1,591

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	JURY SCRIPT FUND		SPECIAL ELECTION FUND		RECODER USER FEE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	39,355	34,844	13,440	13,970
Interest	-	-	-	-	2,000	4,905
Other	-	-	-	-	-	-
Transfers in	8,000	12,145	30,000	30,000	-	-
Total Receipts	\$ 8,000	\$ 12,145	\$ 69,355	\$ 64,844	\$ 15,440	\$ 18,875
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	10,000	10,000	-	-
Services and other	8,000	11,876	27,700	27,700	94,000	2,057
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 8,000	\$ 11,876	\$ 37,700	\$ 37,700	\$ 94,000	\$ 2,057
RECEIPTS OVER (UNDER) DISBURSEMENTS						
	\$ -	\$ 269	\$ 31,655	\$ 27,144	\$ (78,560)	\$ 16,818
CASH AND CASH EQUIVALENTS, JANUARY 1	(336)	(336)	(19,200)	(19,200)	81,867	81,867
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ (336)	\$ (67)	\$ 12,455	\$ 7,944	\$ 3,307	\$ 98,685

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	PROSECUTING ATTORNEY ADMINISTRATIVE HANDLING COST FUND		LOCAL EMERGENCY PLANNING COMMITTEE FUND		DEFENSE & DEDUCTIBLE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	4,300	4,916	-	-	-	-
Interest	500	2,189	1,800	2,063	20,000	124,483
Other	160	-	-	-	15,000	103,505
Transfers in	-	-	-	-	2,000,000	2,000,000
Total Receipts	\$ 4,960	\$ 7,105	\$ 1,800	\$ 2,063	\$ 2,035,000	\$ 2,227,988
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	-	-	38,000	-	825,000	374,616
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	5,000	-	-	-	-	-
Total Disbursements	\$ 5,000	\$ -	\$ 38,000	\$ -	\$ 825,000	\$ 374,616
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (40)	\$ 7,105	\$ (36,200)	\$ 2,063	\$ 1,210,000	\$ 1,853,372
CASH AND CASH EQUIVALENTS, JANUARY 1	36,656	36,656	37,215	37,215	710,975	710,975
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 36,616	\$ 43,761	\$ 1,015	\$ 39,278	\$ 1,920,975	\$ 2,564,347

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	CONCEALED FIREARMS FUND		DOMESTIC VIOLENCE FUND		TCHMM OPERATION FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	4,500	6,053	4,700	4,837	-	-
Interest	1,000	1,640	1,500	2,559	50	79
Other	-	-	-	-	175	35
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 5,500	\$ 7,693	\$ 6,200	\$ 7,396	\$ 225	\$ 114
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	16,300	7,265	20,000	6,000	1,000	99
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 16,300	\$ 7,265	\$ 20,000	\$ 6,000	\$ 1,000	\$ 99
RECEIPTS OVER (UNDER) DISBURSEMENTS						
	\$ (10,800)	\$ 428	\$ (13,800)	\$ 1,396	\$ (775)	\$ 15
CASH AND CASH EQUIVALENTS, JANUARY 1	31,973	31,973	44,079	44,079	1,436	1,436
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 21,173	\$ 32,401	\$ 30,279	\$ 45,475	\$ 661	\$ 1,451

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	TCHMM ENDOWMENT FUND		ROAD AND BRIDGE FUND		NATIONAL FOREST FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
	\$	\$	\$	\$	\$	\$
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	1,960,000	1,078,236	-	136,537
Charges for services	-	-	-	-	-	-
Interest	25	46	83,000	5,696	-	8,008
Other	-	-	-	-	-	-
Transfers in	-	-	250,000	-	-	-
Total Receipts	\$ 25	\$ 46	\$ 2,293,000	\$ 1,083,932	\$ -	\$ 144,545
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	800	-	-	-	-	117,756
Capital outlay	-	-	-	-	-	-
Construction	-	-	2,200,000	978,850	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 800	\$ -	\$ 2,200,000	\$ 978,850	\$ -	\$ 117,756
RECEIPTS OVER (UNDER) DISBURSEMENTS						
	\$ (775)	\$ 46	\$ 93,000	\$ 105,082	\$ -	\$ 26,789
CASH AND CASH EQUIVALENTS, JANUARY 1	817	817	80,289	80,289	123,446	123,446
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 42	\$ 863	\$ 173,289	\$ 185,371	\$ 123,446	\$ 150,235

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	GARNER COVERT MEMORIAL FUND		OPIOID LAWSUIT FUND		PROSECUTING ATTORNEY DELINQUENT TAX FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	1,000	248
Interest	350	424	-	-	200	592
Other	-	-	23,000	177,408	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	\$ 350	\$ 424	\$ 23,000	\$ 177,408	\$ 1,200	\$ 840
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	8,000	2,250	78,000	-	1,500	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	\$ 8,000	\$ 2,250	\$ 78,000	\$ -	\$ 1,500	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS						
	\$ (7,650)	\$ (1,826)	\$ (55,000)	\$ 177,408	\$ (300)	\$ 840
CASH AND CASH EQUIVALENTS, JANUARY 1	8,946	8,946	78,724	78,724	10,621	10,621
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,296	\$ 7,120	\$ 23,724	\$ 256,132	\$ 10,321	\$ 11,461

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

TEXAS COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
 - BUDGET AND ACTUAL - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

	ARPA FUND		LAW ENFORCEMENT SALES TAX FUND		TRIBAL PAYMENT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
	\$	\$	\$	\$	\$	\$
RECEIPTS						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	- -	- -	900,000	956,418	- -	- -
Intergovernmental	- -	87,259	- -	- -	- -	- -
Charges for services	- -	- -	- -	- -	- -	- -
Interest	- -	63,125	15,000	49,529	- -	- -
Other	- -	- -	- -	13,514	- -	- -
Transfers in	- -	- -	- -	- -	- -	- -
Total Receipts	\$ -	\$ 150,384	\$ 915,000	\$ 1,019,461	\$ -	\$ -
DISBURSEMENTS						
Salaries	\$ -	\$ -	\$ 353,861	\$ 348,866	\$ -	\$ -
Employee fringe benefits	- -	- -	74,596	105,592	- -	- -
Materials and supplies	- -	- -	2,000	8,082	- -	- -
Services and other	2,600,000	1,210,985	463,500	115,042	390,000	- -
Capital outlay	- -	- -	70,000	66,466	- -	- -
Construction	- -	- -	- -	- -	- -	- -
Transfers out	- -	300,000	- -	- -	- -	- -
Total Disbursements	\$ 2,600,000	\$ 1,510,985	\$ 963,957	\$ 644,048	\$ 390,000	\$ -
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	\$ (2,600,000)	\$ (1,360,601)	\$ (48,957)	\$ 375,413	\$ (390,000)	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	2,548,061	2,548,061	587,715	587,715	241,744	241,744
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ (51,939)	\$ 1,187,460	\$ 538,758	\$ 963,128	\$ (148,256)	\$ 241,744

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

TEXAS COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	CDBG FUND		SENATE BILL 40 BOARD FUND	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ 295,000	\$ 283,501
Sales taxes	- -	- -	- -	- -
Intergovernmental	- -	545,972	- -	117
Charges for services	- -	- -	- -	- -
Interest	- -	- -	230	255
Other	- -	- -	- -	- -
Transfers in	- -	50,000	- -	- -
Total Receipts	<u>\$ -</u>	<u>\$ 595,972</u>	<u>\$ 295,230</u>	<u>\$ 283,873</u>
DISBURSEMENTS				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	- -	- -	- -	- -
Materials and supplies	- -	- -	- -	- -
Services and other	- -	14,840	253,350	251,318
Capital outlay	- -	- -	- -	- -
Construction	- -	563,880	- -	- -
Transfers out	- -	- -	- -	- -
Total Disbursements	<u>\$ -</u>	<u>\$ 578,720</u>	<u>\$ 253,350</u>	<u>\$ 251,318</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS				
	\$ -	\$ 17,252	\$ 41,880	\$ 32,555
CASH AND CASH EQUIVALENTS, JANUARY 1				
	- -	- -	257,939	257,939
CASH AND CASH EQUIVALENTS, DECEMBER 31				
	<u>\$ -</u>	<u>\$ 17,252</u>	<u>\$ 299,819</u>	<u>\$ 290,494</u>

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

TEXAS COUNTY, MISSOURI
 STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2024

Fund/Account	Cash and Cash Equivalents			Cash and Cash Equivalents
	January 1	Receipts	Disbursements	December 31
Treasurer CERF	\$ -	\$ 221,731	\$ 221,731	\$ -
Treasurer Overplus Tax Sale	64,531	37,704	37,715	64,520
Treasurer School Fines	72,977	251,861	266,237	58,601
Treasurer Financial Institution	5,009	3,065	5,324	2,750
Treasurer Deputy Sheriff Salary Supplement	-	4,980	4,980	-
Treasurer Judicial Court Program	3,467	192	-	3,659
Collector	6,138,647	15,774,305	13,448,233	8,464,719
County Clerk	-	15,510	15,510	-
Recorder	11,606	178,378	174,769	15,215
Prosecuting Attorney Restitution	500	122,906	123,140	266
Prosecuting Attorney Bad Check	1,370	35	1,403	2
Prosecuting Attorney Petty Cash	269	704	761	212
Sheriff Main	5,072	337,674	332,696	10,050
Sheriff Land	71,000	-	71,000	-
Sheriff Prior Admin	310	-	15	295
Sheriff Inmate	15,301	141,530	137,650	19,181
Public Administrator	558,703	1,682,332	677,945	1,563,090
Total	<u>\$ 6,948,762</u>	<u>\$ 18,772,907</u>	<u>\$ 15,519,109</u>	<u>\$ 10,202,560</u>

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

TEXAS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk (other than the portion that is funded by the General Revenue Fund) and all funds under their control.

B. Basis of Presentation

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

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

C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

D. Budgets and Budgetary Accounting

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

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

the CDBG Fund expenditures exceeded budgeted to the extent that a formal budget was not adopted.

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

The assessed valuations of the tangible taxable property included within the County's boundaries for the calendar year 2024 for purposes of taxation were:

Real Estate	\$ 219,203,325
Personal Property	86,591,992
Railroad and Utilities	13,286,891
Total	<u>\$ 319,082,208</u>

For calendar year 2024, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

General Revenue	\$ 0.0999
Senate Bill 40 Board	0.0986

F. Cash Deposits and Cash Equivalents

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

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

2. CASH AND CASH EQUIVALENTS

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

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2024, the County had the following cash and cash equivalent balances:

			FDIC
	Carrying Value	Bank Balance	Coverage
Cash and Cash Equivalents			
- Governmental Funds	<u>\$ 14,128,052</u>	<u>\$ 14,426,501</u>	<u>\$ 542,020</u>
Cash and Cash Equivalents			
- Fiduciary Funds	<u>\$ 10,202,560</u>	<u>\$ 10,401,662</u>	<u>\$ 1,069,524</u>

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2024 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name, except for \$830,566 held by the Public Administrator for one ward in one bank.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. Missouri Local Government Employees Retirement System (LAGERS)

1) Plan Description

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

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

2) Pension Benefits

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

3) Funding Policy

Full-time employees of Texas County contribute 4% to the pension plan. The June 30th statutorily required contribution rates were 9.1% (General), and 13% (Police) of annual covered payroll for 2024. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the year ended December 31, 2024, the County contributed \$239,314 to LAGERS.

B. County Employees' Retirement Fund (CERF)

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

1) Plan Description

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

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

2) Pension Benefits

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

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

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

3) **Funding Policy**

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2024, the County collected and remitted to CERF employee withholdings and fees collected of \$221,731 for the year then ended.

C. Prosecuting Attorney Retirement Fund

In accordance with Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$15,504 for the year ended December 31, 2024.

4. POST EMPLOYMENT BENEFITS

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

5. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides employees with up to three weeks of paid vacation based upon the number of years of continued service. After the employees' first year of employment, they receive one week of vacation pay; after the second year of employment, they receive two weeks of paid vacation; and after eight years of employment an employee receives three weeks of vacation pay. Vacation must be taken within the year earned or be forfeited, employees do not receive reimbursement for unused vacation leave and no vacation time will be carried over into another year. Full-time employees accrue personal time off at six days per year up to a total of 48 hours per 12-month period. Upon termination from county employment, employees are reimbursed for unused vacation and compensatory leave if applicable, but are not reimbursed for unused personal time off.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes

that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

C. Litigation

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

6. RISK MANAGEMENT

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

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

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

7. LONG-TERM DEBT

In September 2006, the County issued Certificates of Participation (COPS) in the amount of \$14,995,000 for the construction of the Justice Center. In September 2016, the County refinanced the remaining principal balance on the Series 2006 COPS. The amount refinanced was \$8,225,000 at a varying interest rate of 3% and 4%. Principal payments are due annually on December 1, with interest only payments due on June 1.

Fiscal Year Ending		Principal	Interest	Total
Description	December 31,			
	2025	\$ 1,050,000	\$ 31,500	\$ 1,081,500

The following schedule shows changes in long-term debt during the year ended December 31, 2024:

Description	Balance 12/31/2023	Additions	Payments	Balance 12/31/2024	Interest Paid
Certificates of Participation	\$ 2,050,000	\$ -	\$ (1,000,000)	\$ 1,050,000	\$ 61,500

8. CHANGE IN BASIS OF ACCOUNTING

The County has changed its basis of accounting from presenting its financial statements in accordance with GASB 34 for 2023 on the modified cash basis of accounting to the regulatory basis of accounting as prescribed or permitted by Missouri law. The accounting change had no effect on the beginning cash balances of county funds.

9. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2024 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 28, 2025, the date the financial statements were available to be issued.

COMPLIANCE SECTION

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the County Commission and
Officeholders of Texas County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Texas County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2024, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the year then ended, and the related notes to the financial statements, which collectively comprise Texas County, Missouri's basic financial statements and have issued our report thereon dated August 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Texas 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-002.

Texas County, Missouri's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Texas County, Missouri's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Texas 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.

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

McBride, Lock & Associates, LLC
Kansas City, Missouri
August 28, 2025

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CERTIFIED PUBLIC ACCOUNTANTS

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

To the County Commission and
Officeholders of Texas County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Texas 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 Texas County, Missouri's major federal programs for the year ended December 31, 2024. Texas County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Texas County, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Texas 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 Texas County, Missouri's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Texas 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 Texas County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Texas County, Missouri's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Texas 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 Texas 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 Texas County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purposes 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. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a material weakness.

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 Texas County, Missouri's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Texas County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

McBride, Lock & Associates, LLC
Kansas City, Missouri
August 28, 2025

TEXAS COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	Awards Passed-Through to Subrecipients
U. S. DEPARTMENT OF AGRICULTURE				
10.665	Passed through Missouri Office of Administration - Schools and Roads - Grants to States (Forest Service Schools and Roads Cluster)	N/A	\$ 125,203	\$ 106,423
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
14.228	Passed through Missouri Department of Economic Development - Community Development Block Grant/State's Program	2022-EM-02-WD	578,720	-
U. S. DEPARTMENT OF THE INTERIOR				
15.226	Direct program - Payment in Lieu of Taxes	N/A	102,283	-
Passed through Missouri Office of Administration -				
15.438	National Forest Acquired Lands	N/A	11,333	11,333
U. S. DEPARTMENT OF TRANSPORTATION				
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-R001(001) FLAP-083	1,035,945 39,204 <hr/> \$ 1,075,149	- - <hr/> \$ -
Total 20.205				
U. S. DEPARTMENT OF THE TREASURY				
21.027	Direct program - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	N/A	1,260,985	-
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
93.563	Passed through Missouri Department of Social Services - Child Support Services	ER10223C102	41,340	-
Passed through Missouri Department of Health and Senior Services -				
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases	DH240054940	143,280	-
Total Expenditures of Federal Awards				
			<u>\$ 3,338,293</u>	<u>\$ 117,756</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

TEXAS COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Texas County, Missouri for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

TEXAS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Adverse

Type of auditor’s report issued on whether the financial statements were prepared in accordance with the regulatory basis: Unmodified

The special purpose framework used as a basis of accounting was not required by state law.

Internal Control Over Financial Reporting:

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

Federal Awards:

Internal Control Over Major Programs:

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

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

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

Identification of Major Programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds
20.205	Highway Planning and Construction

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

Auditee Qualified as low-risk: Yes X No

SECTION II – FINANCIAL STATEMENTS FINDINGS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

2024-001: Sheriff's Deposit Timeliness

Criteria: A system of proper internal controls requires that cash and checks received be deposited at the bank on a frequent basis in order to reduce the risk of misappropriation of assets.

Condition: During the audit, we selected 25 receipts during the year from the Sheriff's main account, which receives money from bonds and CCW permits, among other things. We noted 11 instances in which the first receipt on the deposit slip was more than 21 days before the date of the deposit, with the longest time between the date of receipt and deposit being 34 days.

Cause: The Sheriff's office indicated that they typically make deposits weekly or when a large bond payment is received, however, testing indicated that deposits were not made on a weekly basis.

Effect: Depositing cash and checks received into the bank on a frequent basis helps to ensure that the risk of misappropriation is reduced by reducing the amount of time that the assets are held within the office.

Recommendation: We recommend that the Sheriff's office implement procedures to ensure that deposits to the main account are made on a timely basis, at least weekly.

County's Response: The Sheriff's Department routinely makes deposits on a weekly basis or when large bond payments are received. The Commission will work with the Sheriff's Department to implement procedures to identify deposits in a timely manner and review the dates of these deposits on a monthly basis.

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

ITEMS OF NONCOMPLIANCE

2024-002: Budgetary Controls

Criteria: State statutes prohibit expenditures in excess of approved budgets and require the preparation of a formal budget for all County funds.

Condition: Actual expenditures exceeded budgeted expenditures for the Special Road & Bridge, Collector Tax Maintenance, Prosecuting Attorney Training, Jury Script, and National Forest Funds in 2024. A formal budget was not prepared for the CDBG Fund in 2024. Additionally, the County budgeted for the following funds to have negative ending fund balances for 2024: Special Road & Bridge, Jury Script, ARPA, and Tribal Payment.

Cause: Expenditures were approved in excess of budgeted amounts and the budgets were not amended.

The County created a separate bank account for the CDBG grant funds, but did not prepare a formal budget or establish a separate fund in the accounting system for the grant. The County budgeted for certain funds to have expenditures exceeding their beginning available fund balances plus anticipated revenues.

Effect: Budgetary controls are significant to the proper management and custodianship of county funds. Compliance with statutory requirements related to budgets will improve controls over county funds and help maintain the integrity of the budget process.

Recommendation: We recommend that the County adhere to the authorized spending limits as documented in the adopted County budget or follow the appropriate procedures to amend the budget. We recommend that the County refrain from budgeting expenditures in excess of the available beginning balance plus anticipated revenues for an individual fund. Additionally, we recommend that the County ensure compliance with state statutes by adopting a budget for each County fund.

County's Response: Concerns were noted related to expenditures occurring from the Road and Bridge, Prosecuting Attorney Training, Jury Script, and National Forest funds. These funds are all exclusively “pass-through funds,” meaning that every dollar which is deposited, is disbursed accordingly. Unfortunately, the amount coming in/going out is unknown to the Commission when the budget is created in January. To prevent exceeding the budget number/limit created for these funds, the only remaining available option would be to use artificially high budgeted amounts (that would never be approached or exceeded). Given the nature of this situation, the Commission welcomes suggestions for how to create budgets for these funds, that are both accurate and allow the financial flow to the appropriate entities.

The finding related to Community Development Block Grant (CDBG) Funds is substantially similar to the discussion from the previous paragraph; and differs only in that a separate bank account is required, for funds to be deposited/disbursed. The receipt of the grant in 2024 could possibly be the first time that Texas County has ever received CDBG funds. When the budget is created in January, the Commission was not aware that a CDBG would even be awarded/received. Again, the only apparent solution would be to annually budget an artificially high limit that would never be approached/exceeded; unless there is a suggested better course of action.

The Texas County Collector's Tax Maintenance Fund (TMF) has historically been budgeted by the Commission, prior to 2025. In January in budget discussions, the Collector stated that the TMF was “None of the Commission’s damn business...” and that pursuant to RSMo 52.315, the Commission could not budget for the TMF. Recently, it was discovered that the Collector has opened up a separate, “off budget” bank account (exclusively in the Collector’s name, and without the authorization of the Commission). It appears that a portion of the TMF dollars have been deposited into the County’s (on budget) TMF, while another portion has been deposited into the new off budget account. After discovering this new account, the Commission requested a transaction list for the new account; and was refused by the Collector (see attached recent response from the Collector). Following the submission of a Sunshine Request, monthly statements were finally provided. This matter requires additional scrutiny by the auditing group to track revenues and expenditures for this newly created account, and to establish procedures for proper accounting.

Texas County will adhere to the budget spending limits as we always have. The County will continue to comply with state statutes by adopting a budget for every County Fund which we control.

Auditor's Evaluation: In addition to adhering to budgeted spending limits, the County should ensure that funds are not budgeted to have deficit fund balances. The annual budget can be amended during the year when unforeseen revenues arise leading to the need for additional expenditures. The Collector's separate Tax Maintenance Fund bank account was viewed during the audit fieldwork and is included in the balance of the Collector Tax Maintenance Fund in the audited financial statements.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-003: Internal Control Over Reporting Requirements

Federal Grantor: U.S. Department of the Treasury

Pass-Through Grantor: N/A

Federal Assistance Listing Number: 21.027

Program Title: Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

Pass-through Entity Identifying Number: N/A

Award Year: 2024

Questioned Costs: None

Criteria: Under the requirements for the SLFRF Project and Expenditure Report published by the U.S. Department of the Treasury, the County should enter the total dollar value of current reporting period expenditures for each project. This line item is identified as a key line item containing critical information in the OMB Compliance Supplement.

Condition: The current period expenditures reported on the March 31, 2025 Project and Expenditure Report did not agree to the expenditures reported in the County's accounting records. The total current period expenditures of all projects reported totaled \$1,817,781, however, the actual expenditures during the April 2024 through March 2025 timeframe per the accounting records were \$1,312,469, a difference of \$505,312. Below is a summary of the variances noted:

Project Name	Current Period Expenditures		
	Reported	Supported	Difference
Texas County Library Project	\$ 750,000	\$ 150,000	\$ 600,000
Infrastructure replacement on Camp Road Bridge	89,104	31,679	57,425
Election machines	-	102,113	(102,113)
Water Well assistance	-	50,000	(50,000)
Total variance			<u>\$ 505,312</u>

Cause: The Presiding Commissioner completes the annual Project and Expenditure Reports in the Treasury portal. He asks the County Clerk for a report of ARPA Fund expenditures, enters them into

a spreadsheet, and then completes the reporting in the portal. The County's ARPA Fund included certain expenditures in 2024 that were reimbursed by other grants, which may have contributed to the confusion. The County paid \$600,000 in 2023 towards the Texas County Library Project, however, that amount was not reported on the March 2024 Project and Expenditure Report.

Effect: Proper internal controls over the reporting requirement help to ensure that the reporting required under guidance from the U.S. Department of the Treasury is accurate and the correct current period and cumulative expenditures are reported to the federal government.

Recommendation: We recommend that the County implement procedures to ensure that future grant reports are completed accurately and in agreement with the County's accounting records.

County's Response: Accounting records for this timeframe will be reviewed and corrected as needed. The Commission believes the differences reported in the audit are due to fund approval after the new budget year began in 2025. The Commission will review and correct any issues with the federal reporting system.

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

MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:

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

TEXAS COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

In accordance with the Uniform Guidance, this section reports the follow-up on action taken by Texas County, Missouri on the applicable findings in the prior audit report issued for the year ended December 31, 2023.

There were no findings noted in the prior audit report.



Texas County Commission

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Houston, Missouri 65483
417-967-3222
FAX 417-967-8040



John Casey
Associate Commissioner
District One

Scott Long
Presiding Commissioner

Robert Ross
Associate Commissioner
District Two

November 6, 2025

Texas County responses to Audit Report for 2024

2024-001 Sheriff's Deposit Timeliness

The Sheriff's Department routinely makes deposits on a weekly basis or when large bond payments are received. The Commission will work with the Sheriff's Department to implement procedures to identify deposits in a timely manner and review the dates of these deposits on a monthly basis.

2024-002 Budgetary Controls

Concerns were noted related to expenditures occurring from the Road and Bridge, Prosecuting Attorney Training, Jury Script, and National Forest funds. These funds are all exclusively "pass-through funds," meaning that every dollar which is deposited, is disbursed accordingly. Unfortunately, the amount coming in/going out is unknown to the Commission when the budget is created in January. To prevent exceeding the budget number/limit created for these funds, the only remaining available option would be to use artificially high budgeted amounts (that would never be approached or exceeded). Given the nature of this situation, the Commission welcomes suggestions for how to create budgets for these funds, that are both accurate and allow the financial flow to the appropriate entities.

The finding related to Community Development Block Grant (CDBG) Funds is substantially similar to the discussion from the previous paragraph; and differs only in that a separate bank account is required, for funds to be deposited/disbursed. The receipt of the grant in 2024, could possibly be the first time that Texas County has ever received CDBG funds. When the budget is created in January, the Commission was not aware that a CDBG would even be awarded/received. Again, the only apparent solution would be to annually budget an artificially

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high limit that would never be approached/exceeded; unless there is a suggested better course of action.

The Texas County Collector's Tax Maintenance Fund (TMF) has historically been budgeted by the Commission, prior to 2025. In January in budget discussions, the Collector stated that the TMF was "None of the Commission's damn business...." and that pursuant to RSMo 52.315, the Commission could not budget for the TMF. Recently, it was discovered that the Collector has opened up a separate, "off budget" bank account (exclusively in the Collector's name, and without the authorization of the Commission). It appears that a portion of the TMF dollars have been deposited into the County's (on budget) TMF, while another portion has been deposited into the new off budget account. After discovering this new account, the Commission requested a transaction list for the new account; and was refused by the Collector (see attached recent response from the Collector). Following the submission of a Sunshine Request, monthly statements were finally provided. This matter requires additional scrutiny by the auditing group to track revenues and expenditures for this newly created account, and to establish procedures for proper accounting.

Texas County will adhere to the budget spending limits as we always have. The County will continue to comply with state statutes by adopting a budget for every County Fund which we have control.

2024-003 Internal Control over Reporting Requirements

Accounting records for this timeframe will be reviewed and corrected as needed. The Commission believes the differences reported in the audit are due to fund approval after the new budget year began in 2025. The commission will review and correct any issues with the federal reporting system.

"Missouri's Largest County"



Texas County Collector - Treasurer

Tammy Cantrell

Shannon Harris - Deputy

Gianna Westlund - Deputy

210 North Grand Avenue, Houston, Missouri 65483-1226
417-967-2580 Phone Number 417-967-1439 Fax Number

October 2, 2025

To Whom it may concern:

I Tammy Cantrell Texas County Collector - Treasurer told the Texas County commissioners that my Tax Maintenance wasn't none of their damn business and to leave it alone. They fight me on it every year. They always budget each year except for this year, and they listen to what I said (once in the last 30 years).

Thank You

A handwritten signature in black ink, appearing to read "TAMMY CANTRELL".

Tammy Cantrell
Texas County Collector - Treasurer

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

August 28, 2025

To the County Commission
Texas County, Missouri

We have audited the regulatory basis financial statements of Texas County, Missouri for the year ended December 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 5, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Texas County, Missouri are described in Note 1 to the financial statements. As described in Note 8 to the financial statements, the County changed its basis of accounting from presenting its financial statements in accordance with GASB 34 for 2023 on the modified cash basis of accounting to the regulatory basis of accounting as prescribed or permitted by Missouri law. The accounting change had no effect on the beginning cash balances of county funds. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of our audit were corrected by management:

- The activity of the CDBG Fund was not recorded in the County's accounting system but has been added to the County's financial statements.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 28, 2025.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the related Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the year ended December 31, 2024, we considered Texas County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated August 28, 2025. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

Sheriff Internal Controls

During the audit, it was noted that one individual receives payments, performs the bank reconciliations of the Sheriff's main bank account, and is an authorized signer on the account. At month end, the Sheriff reviews the manual receipts logs, monthly ledger, and the bank reconciliation for the main account, however, this review is not documented with a signature or initials and date. We recommend that the Sheriff document his review of these documents related to the main account to ensure that proper segregation of duties exists and is documented.

Other Matters

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

Restriction on Use

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

Very truly yours,

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

McBride, Lock & Associates, LLC