SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Audrain County, Missouri

The Office of the State Auditor contracted for an audit of Audrain County's financial statements for the year ended December 31, 2025, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

Scott Fitzpatrick
State Auditor

October 2026
Report No. 2026-083

Scott Fitzpatrick
Missouri State Auditor

RECOMMENDATION SUMMARY

Recommendations in the contracted audit of Audrain County

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. 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.

ANNUAL FINANCIAL REPORT

AUDRAIN COUNTY, MISSOURI

For the Year Ended
December 31, 2025

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

AUDRAIN COUNTY, MISSOURI

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
List of Elected Officials 2025	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	11
Notes to the Financial Statements	12
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 *Government Auditing Standards*	21
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	23
Schedule of Expenditures of Federal Awards	26
Notes to the Schedule of Expenditures of Federal Awards	27
Schedule of Findings and Questioned Costs	28
Management's Response to Auditor's Findings • Summary Schedule of Prior Audit Findings • Corrective Action Plan	31

INTRODUCTORY SECTION

AUDRAIN COUNTY, MISSOURI
List of Elected Officials 2025

County Commission

Presiding Commissioner – Alan Winders

Commissioner, Western District – Tracy R. Graham

Commissioner, Eastern District – Leslie Meyer

Other Elected Officials

Assessor – Melissa Maupin

Circuit Clerk – Meagan D. Miller

Collector – Amy K. LeCount

County Clerk – Lisa Smith

Coroner – Todd Yager

Prosecuting Attorney – Jacob Shellabarger

Public Administrator – Connie J. Hagan

Recorder – Teresa L. Allen

Sheriff – Matt Oller

Treasurer – Patty Meyers

FINANCIAL SECTION

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McBRIDE, LOCK & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Audrain County, Missouri

Opinion

We have audited the accompanying financial statements of Audrain 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, 2025, 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 Audrain County, Missouri, as of December 31, 2025, 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 Audrain County, Missouri, as of December 31, 2025, 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 4, 2026, on our consideration of Audrain 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 Audrain 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 Audrain 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 7, 2026

Exhibit A

AUDRAIN COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

Fund	Cash and Cash Equivalents January 1	Receipts	Disbursements	Cash and Investments December 31
General Revenue	$ 3,701,589	$ 8,132,667	$ 8,139,254	$ 3,695,002
Special Road and Bridge	1,057,412	4,255,512	3,693,701	1,619,223
Assessment	559,019	434,414	639,732	353,701
Small Structure Tax	1,365,270	967,968	989,930	1,343,308
Law Enforcement Sales Tax	7,863	4,995,537	4,929,222	74,178
Law Enforcement Training	1,457	2,392	3,684	165
Sheriff Civil Fee	6,492	22,398	26,681	2,209
Prosecuting Attorney Administrative	11,245	17,568	14,805	14,008
Prosecuting Attorney Delinquent Tax	6,513	310	960	5,863
Election Services	42,360	5,161	5,277	42,244
Recorder User Fee	66,515	9,301	612	75,204
Recorder Technology	95,817	24,810	13,412	107,215
Collector's Maintenance	31,799	68,304	54,394	45,709
Local Emergency Planning Commission (LEPC)	24,033	450	772	23,711
Victims of Domestic Violence	3,232	2,818	3,001	3,049
Sheriff Revolving	3,325	9,646	9,723	3,248
Inmate Security	13,646	56,607	55,491	14,762
Law Enforcement Restitution	64,103	23,710	28,480	59,333
Federal Forfeiture	39,514	818	-	40,332
American Rescue Plan Act	1,681,577	18,608	1,421,183	279,002
Capital Reserve	11,813,167	1,788,558	131,517	13,470,208
Sheriff K9	113	2	-	115
Opioid	192,987	73,240	-	266,227
Prosecuting Attorney Training	2,517	2,034	1,750	2,801
Rural Leaders for Economic Mobility Grant	-	52,508	36,958	15,550
Total	$ 20,791,565	$ 20,965,341	$ 20,200,539	$ 21,556,367

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

AUDRAIN COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	GENERAL REVENUE FUND	
	Budget	Actual
RECEIPTS		
Property taxes	$ 1,073,000	$ 1,201,613
Sales taxes	4,550,000	5,156,703
Intergovernmental	186,600	269,314
Charges for services	637,000	1,246,897
Interest	200,000	253,654
Other	467,325	4,486
Transfers in	-	-
Total Receipts	$ 7,113,925	$ 8,132,667
DISBURSEMENTS		
County Commission	$ 241,181	$ 236,351
County Clerk	197,461	158,459
Elections	68,000	55,842
Buildings and grounds	389,900	367,075
Employee fringe benefits	470,000	477,532
Treasurer	82,461	76,121
Collector	170,750	165,757
Recorder of Deeds	175,811	149,593
Circuit Court	96,296	42,557
Court Administration	58,755	23,517
Public Administrator	94,681	90,739
Prosecuting Attorney	560,342	534,427
Juvenile Officer	404,700	355,126
Coroner	56,046	59,696
Health and Welfare	5,600	600
Emergency Management	89,938	56,993
Capital improvements	1,840,000	1,148,108
Other County government	1,094,000	815,731
Transfers out	4,400,000	3,325,030
Emergency fund	315,000	-
Total Disbursements	$ 10,810,922	$ 8,139,254
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (3,696,997)	$ (6,587)
CASH AND CASH EQUIVALENTS, JANUARY 1	3,701,589	3,701,589
CASH AND INVESTMENTS, DECEMBER 31	$ 4,592	$ 3,695,002

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

Exhibit B-2

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	SPECIAL ROAD AND BRIDGE FUND		ASSESSMENT FUND		SMALL STRUCTURE TAX FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ 1,780,000	$ 1,961,699	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	800,000	894,070
Intergovernmental	1,892,240	1,555,858	51,000	11,427	-	-
Charges for services	-	-	370,000	393,808	-	-
Interest	50,000	105,310	25,000	29,179	70,000	73,898
Other	31,000	632,645	5,000	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 3,753,240	$ 4,255,512	$ 451,000	$ 434,414	$ 870,000	$ 967,968
DISBURSEMENTS						
Salaries	$ 550,000	$ 583,392	$ 340,461	$ 286,694	$ 220,000	$ 139,327
Employee fringe benefits	255,500	273,218	108,800	113,456	27,100	23,455
Materials and supplies	357,000	255,784	50,000	21,386	-	-
Services and other	1,261,462	1,185,717	218,500	91,551	15,000	6,393
Capital outlay	615,000	792,620	241,000	126,645	60,000	2,351
Construction	1,419,500	602,970	-	-	1,370,000	818,404
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 4,458,462	$ 3,693,701	$ 958,761	$ 639,732	$ 1,692,100	$ 989,930
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (705,222)	$ 561,811	$ (507,761)	$ (205,318)	$ (822,100)	$ (21,962)
CASH AND CASH EQUIVALENTS, JANUARY 1	1,057,412	1,057,412	559,019	559,019	1,365,270	1,365,270
CASH AND INVESTMENTS, DECEMBER 31	$ 352,190	$ 1,619,223	$ 51,258	$ 353,701	$ 543,170	$ 1,343,308

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

Exhibit B-3

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	LAW ENFORCEMENT SALES TAX FUND		LAW ENFORCEMENT TRAINING FUND		SHERIFF CIVIL FEE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	1,600,000	1,787,513	-	-	-	-
Intergovernmental	450,000	935,680	850	809	-	-
Charges for services	58,000	117,848	1,000	1,577	25,250	22,281
Interest	3,000	4,246	-	6	150	117
Other	20,000	325,220	-	-	-	-
Transfers in	3,100,000	1,825,030	-	-	-	-
Total Receipts	$ 5,231,000	$ 4,995,537	$ 1,850	$ 2,392	$ 25,400	$ 22,398
DISBURSEMENTS						
Salaries	$ 2,647,600	$ 2,236,707	$ -	$ -	$ -	$ -
Employee fringe benefits	824,000	900,002	-	-	-	-
Materials and supplies	43,500	40,974	-	-	-	-
Services and other	1,545,000	1,290,302	3,000	3,684	31,500	26,681
Capital outlay	169,000	461,237	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 5,229,100	$ 4,929,222	$ 3,000	$ 3,684	$ 31,500	$ 26,681
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ 1,900	$ 66,315	$ (1,150)	$ (1,292)	$ (6,100)	$ (4,283)
CASH AND CASH EQUIVALENTS, JANUARY 1	7,863	7,863	1,457	1,457	6,492	6,492
CASH AND INVESTMENTS, DECEMBER 31	$ 9,763	$ 74,178	$ 307	$ 165	$ 392	$ 2,209

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

Exhibit B-4

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	PROSECUTING ATTORNEY ADMINISTRATIVE FUND		PROSECUTING ATTORNEY DELINQUENT TAX FUND		ELECTION SERVICES FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	2,000	4,336
Charges for services	5,000	17,330	400	310	80	-
Interest	250	238	-	-	2,000	825
Other	-	-	-	-	3,500	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 5,250	$ 17,568	$ 400	$ 310	$ 7,580	$ 5,161
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	16,000	14,805	6,700	960	49,000	5,277
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 16,000	$ 14,805	$ 6,700	$ 960	$ 49,000	$ 5,277
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (10,750)	$ 2,763	$ (6,300)	$ (650)	$ (41,420)	$ (116)
CASH AND CASH EQUIVALENTS, JANUARY 1	11,245	11,245	6,513	6,513	42,360	42,360
CASH AND INVESTMENTS, DECEMBER 31	$ 495	$ 14,008	$ 213	$ 5,863	$ 940	$ 42,244

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

Exhibit B-5

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	RECORDER USER FEE FUND		RECORDER TECHNOLOGY FUND		COLLECTOR'S MAINTENANCE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	7,000	7,972	15,000	22,868	60,000	66,199
Interest	1,500	1,329	2,000	1,942	1,090	905
Other	-	-	-	-	2,500	1,200
Transfers in	-	-	-	-	-	-
Total Receipts	$ 8,500	$ 9,301	$ 17,000	$ 24,810	$ 63,590	$ 68,304
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	95,000	54,394
Services and other	75,000	612	112,000	13,412	-	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 75,000	$ 612	$ 112,000	$ 13,412	$ 95,000	$ 54,394
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (66,500)	$ 8,689	$ (95,000)	$ 11,398	$ (31,410)	$ 13,910
CASH AND CASH EQUIVALENTS, JANUARY 1	66,515	66,515	95,817	95,817	31,799	31,799
CASH AND INVESTMENTS, DECEMBER 31	$ 15	$ 75,204	$ 817	$ 107,215	$ 389	$ 45,709

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

Exhibit B-6

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	LOCAL EMERGENCY PLANNING COMMISSION (LEPC) FUND		VICTIMS OF DOMESTIC VIOLENCE FUND		SHERIFF REVOLVING FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	2,900	2,749	5,500	9,580
Interest	550	450	95	69	75	66
Other	4,500	-	-	-	100	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 5,050	$ 450	$ 2,995	$ 2,818	$ 5,675	$ 9,646
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	29,000	772	6,000	3,001	8,500	9,723
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 29,000	$ 772	$ 6,000	$ 3,001	$ 8,500	$ 9,723
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (23,950)	$ (322)	$ (3,005)	$ (183)	$ (2,825)	$ (77)
CASH AND CASH EQUIVALENTS, JANUARY 1	24,033	24,033	3,232	3,232	3,325	3,325
CASH AND INVESTMENTS, DECEMBER 31	$ 83	$ 23,711	$ 227	$ 3,049	$ 500	$ 3,248

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

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	INMATE SECURITY FUND		LAW ENFORCEMENT RESTITUTION FUND		FEDERAL FORFEITURE FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	70,000	55,991	25,500	22,586	-	-
Interest	450	209	1,500	1,124	950	818
Other	300	407	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 70,750	$ 56,607	$ 27,000	$ 23,710	$ 950	$ 818
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	84,000	55,491	91,000	28,480	39,000	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 84,000	$ 55,491	$ 91,000	$ 28,480	$ 39,000	$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (13,250)	$ 1,116	$ (64,000)	$ (4,770)	$ (38,050)	$ 818
CASH AND CASH EQUIVALENTS, JANUARY 1	13,646	13,646	64,103	64,103	39,514	39,514
CASH AND INVESTMENTS, DECEMBER 31	$ 396	$ 14,762	$ 103	$ 59,333	$ 1,464	$ 40,332

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

Exhibit B-8

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	AMERICAN RESCUE PLAN ACT FUND		CAPITAL RESERVE FUND		SHERIFF K9 FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	55,000	18,608	200,000	284,778	10	2
Other	-	-	-	3,780	-	-
Transfers in	-	-	1,300,000	1,500,000	-	-
Total Receipts	$ 55,000	$ 18,608	$ 1,500,000	$ 1,788,558	$ 10	$ 2
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	1,730,000	1,421,183	13,300,000	131,517	120	-
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 1,730,000	$ 1,421,183	$ 13,300,000	$ 131,517	$ 120	$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (1,675,000)	$ (1,402,575)	$ (11,800,000)	$ 1,657,041	$ (110)	$ 2
CASH AND CASH EQUIVALENTS, JANUARY 1	1,681,577	1,681,577	11,813,167	11,813,167	113	113
CASH AND INVESTMENTS, DECEMBER 31	$ 6,577	$ 279,002	$ 13,167	$ 13,470,208	$ 3	$ 115

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

Exhibit B-9

AUDRAIN COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
- BUDGET AND ACTUAL - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	OPIOID FUND		PROSECUTING ATTORNEY TRAINING FUND		RURAL LEADERS FOR ECONOMIC MOBILITY GRANT FUND	
	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	52,508
Charges for services	-	-	2,000	2,034	-	-
Interest	2,500	4,275	-	-	-	-
Other	110,000	68,965	-	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 112,500	$ 73,240	$ 2,000	$ 2,034	$ -	$ 52,508
DISBURSEMENTS						
Salaries	$ -	$ -	$ -	$ -	$ -	$ -
Employee fringe benefits	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Services and other	250,000	-	4,000	1,750	-	36,958
Capital outlay	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Disbursements	$ 250,000	$ -	$ 4,000	$ 1,750	$ -	$ 36,958
RECEIPTS OVER (UNDER) DISBURSEMENTS	$ (137,500)	$ 73,240	$ (2,000)	$ 284	$ -	$ 15,550
CASH AND CASH EQUIVALENTS, JANUARY 1	192,987	192,987	2,517	2,517	-	-
CASH AND INVESTMENTS, DECEMBER 31	$ 55,487	$ 266,227	$ 517	$ 2,801	$ -	$ 15,550

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

Exhibit C

AUDRAIN COUNTY, MISSOURI
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

Fund/Account	Cash and Investments January 1	Receipts	Disbursements	Cash and Investments December 31
Treasurer Unclaimed Fees	$ 4,180	$ -	$ -	$ 4,180
Treasurer Surplus Tax Sales	47,855	10,898	45,607	13,146
Treasurer Fines and Penalties	19,697	118,660	102,583	35,774
Treasurer Road Districts	250,604	1,648,543	1,626,164	272,983
Treasurer Library	-	1,106,281	1,106,281	-
Treasurer Nursing Home District	-	294	294	-
Treasurer Fire Districts	-	680,026	680,026	-
Treasurer Ambulance Districts	-	1,073,718	1,073,718	-
Treasurer Health Department	-	1,191,130	1,191,130	-
Treasurer Sheltered Workshop	-	1,034,814	1,034,814	-
Treasurer School Districts	-	22,636,195	22,636,195	-
Treasurer Treatment Court	59,175	52,689	41,103	70,761
Treasurer CERF	13,802	386,054	386,207	13,649
Treasurer Cemeteries	147,720	48,582	44,301	152,001
Collector	31,189,925	33,967,296	34,329,163	30,828,058
Recorder	421	243,779	243,587	613
Sheriff Civil	-	32,002	32,002	-
Sheriff Criminal	-	293,603	293,603	-
Sheriff Commissary	6,977	140,109	134,006	13,080
Public Administrator	480,885	600,384	628,574	452,695
Total	$ 32,221,241	$ 65,265,057	$ 65,629,358	$ 31,856,940

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant 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 Audrain County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County's legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk (other than the portion that is funded by the General Revenue Fund) and all funds under their control. The Senate Bill 40 Board is separately audited by an independent certified public accountant and is therefore not included in this report in accordance with the regulatory basis of accounting.

B. Basis of Presentation

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

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

C. Basis of Accounting

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

D. Budgets and Budgetary Accounting

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

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.

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

3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.

4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.

5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.

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

7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.

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

9. Adoption of a formal budget is required by law. However, the County did not adopt a formal budget for the Rural Leaders for Economic Mobility Grant Fund.

10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the Law Enforcement Training and Sheriff Revolving Funds. Also, the expenditures of the Rural Leaders for Economic Mobility Grant Fund exceeded budgetary authority 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 2025 for purposes of taxation were:

Real Estate	$ 305,974,779
Personal Property	143,427,069
Railroad and Utilities	94,951,482
Total	$ 544,353,330

For calendar year 2025, the County Commission approved a tax levy per $100 of assessed valuation of tangible taxable property as follows:

General Revenue	$ 0.2506
Special Road and Bridge	0.3068

F. Cash Deposits and Investments

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

G. Interfund Activity

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

only in the funds incurring the costs.

2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Cash includes deposits and short-term investments with maturities that are less than ninety days. Investments consist of certificates of deposit and United States Treasury Bills with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2025, the County had the following cash and investment balances:

	Carrying Value	Bank Balance	FDIC Coverage
Cash and Cash Equivalents	$ 17,038,682	$17,256,513	$ 250,000
Investments	4,517,685	4,517,685	-
Total Governmental Funds	$ 21,556,367	$21,774,198	$ 250,000
Cash and Cash Equivalents	$ 31,758,683	$26,776,000	$ 740,894
Investments	98,257	98,257	98,257
Total Fiduciary Funds	$ 31,856,940	$26,874,257	$ 839,151

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2025 were covered by pledged collateral securities or other acceptable collateral held by the County or by its safekeeping bank agent in the County's name.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. Missouri Local Government Employees Retirement System (LAGERS)

1) Plan Description

Audrain 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 Audrain County do not contribute to the pension plan. The January 1st statutorily required contribution rates were 11.6% (General), and 11.6% (Police) of annual covered payroll for 2025. 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, 2025, the County contributed $511,952 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 2025, the County collected and remitted to CERF employee withholdings and fees collected of $386,207 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 $11,628 for the year ended December 31, 2025.

D. Other Retirement Plan

Audrain County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2025 were $85,015.

4. POST EMPLOYMENT BENEFITS

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

5. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides regular full-time employees with eight hours of sick leave for each completed calendar month of employment. Sick leave hours begin accruing on the date of hire.

Upon termination, employees will not be compensated for any unused sick time.

The County provides regular full-time employees with vacation time. Employees start accruing vacation hours on the first day of work. Vacation time accrues at a rate of five days per year upon completion of one year of service; ten days per year upon completion of two years of service; 15 days per year upon completion of five years of service; and 20 days per year upon completion of ten years of service. Employees may accrue vacation leave to a maximum of 200 hours. Upon termination, employees are compensated for any unused vacation time.

B. AMJ County Sales and Use Tax

Subsequent to December 31, 2025, the County received correspondence from the Missouri Department of Revenue indicating that certain additional local adult-use marijuana tax (AMJ) distributions previously remitted to the County had been improperly allocated and are subject to repayment. Based on information currently available, management estimates the County's total repayment obligation to be approximately $287,411.

The estimated obligation includes approximately $94,071 of AMJ distributions received and recognized as revenue during the year ended December 31, 2025, with the remainder relating to distributions received in prior years. The County is working with the Missouri Department of Revenue to determine the final amount and timing of repayment.

C. 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.

D. 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 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 June 2017, the County entered into a Certificates of Participation (COPS) agreement for a jail expansion project in the amount of $5,470,000. The debt is paid in semi-annual payments over 17 years, with a fixed interest rate of 2.6% for the first seven years and then two five-year adjustments floored at 2.6% and capped at 4.5%. The schedule of future payments assumes a 4.5% interest rate after the first seven years.

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	$ 330,000	$ 136,238	$ 466,238
2027	340,000	121,275	461,275
2028	350,000	105,863	455,863
2029	360,000	90,000	450,000
2030	370,000	73,688	443,688
2031-2034	1,360,000	124,088	1,484,088
Totals	$ 3,110,000	$ 651,152	$ 3,761,152

The following schedule shows changes in long-term debt during the year ended December 31, 2025:

Description	Balance 12/31/2024	Additions	Payments	Balance 12/31/2025	Interest Paid
Certificates of Participation	$ 3,430,000	$ -	$ (320,000)	$ 3,110,000	$ 150,750

8. TAXABLE INDUSTRIAL REVENUE BONDS

During the year ended December 31, 2025, the County issued Taxable Industrial Revenue Bonds, Series 2025**,** for three projects in an aggregate maximum principal amount of $220,000,000 pursuant to the authority of Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200, RSMo. The bonds were issued for the purpose of financing the acquisition, construction and equipping of solar energy projects located within the County. The County acquired an interest in the project and leased the project to the various solar companies under lease agreements requiring the companies to make rental payments sufficient to pay the principal and interest on the bonds.

Under the terms of the Trust Indenture and Lease Agreements, the bonds are payable solely from revenues and payments derived from the project and the related leases. The bonds do not constitute general obligations or indebtedness of the County, are not payable from taxes or other County revenues, and neither the full faith and credit nor the taxing power of the County is pledged to the repayment of the bonds.

9. RELATED PARTIES

The County Clerk and her spouse jointly own Flowmaster Construction, LLC. During the year ended December 31, 2025, Flowmaster Construction, LLC replaced sidewalk bricks at the courthouse and was paid $95,112 by the County. The County Clerk and her spouse also jointly own Bug Out Pest Control. During 2025, Bug Out Pest Control provided pest-control services to the County and was paid $6,895.

The County Treasurer and her spouse jointly own Meyers Truck Service. During 2025, Meyers Truck Service provided vehicle-maintenance services to the County and was paid $68,905. The County Treasurer and her spouse also jointly own Carquest Auto Parts. During 2025, Carquest Auto Parts supplied vehicle parts to the County and was paid $7,846.

Total payments to businesses owned or jointly owned by County elected officials were $178,758 during the year ended December 31, 2025. These transactions were conducted in the ordinary course of County operations. Transactions subject to competitive bidding were awarded through the County's established bidding process in accordance with applicable purchasing policies and procedures.

10. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2025 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 7, 2026, the date the financial statements were available to be issued.

In March 2026, the County issued Taxable Industrial Revenue Bonds, Series 2026**,** in an aggregate maximum principal amount of $350,000,000 pursuant to the authority of Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200, RSMo, for the purpose of financing the acquisition, construction and equipping of a solar energy project located within the County.

COMPLIANCE SECTION

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

To the County Commission and
Officeholders of Audrain 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 Audrain 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, 2025, 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 Audrain County, Missouri's basic financial statements and have issued our report thereon dated August 7, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Audrain 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 Audrain County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Audrain County, Missouri's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Audrain 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 2025-001.

Audrain County, Missouri's Response to Finding

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

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 7, 2026

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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 Audrain County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Audrain 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 Audrain County, Missouri's major federal programs for the year ended December 31, 2025. Audrain 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, Audrain 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, 2025.

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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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 Audrain 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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

requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-002 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on Audrain County, Missouri's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Audrain 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 7, 2026

AUDRAIN 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
	U.S. DEPARTMENT OF JUSTICE		
	Passed through Missouri Department of Public Safety -		
16.738	Edward Byrne Memorial Justice Assistance Grant Program	15PBJA-23-GG-02992-MUMU-F01	$ 111,488
	U.S. DEPARTMENT OF TRANSPORTATION		
	Passed through Missouri Department of Transportation -		
20.205	Highway Planning and Construction	BRO-B004(001)	29,921
		BRO-B004(002)	10,347
	Total 20.205		$ 40,268
	U.S. DEPARTMENT OF THE TREASURY		
	Direct Program -		
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds		1,421,183
	U.S. DEPARTMENT OF HOMELAND SECURITY		
	Passed through Missouri Department of Public Safety -		
97.042	Emergency Management Performance Grants	EMK-2024-EP-050000-003	9,467
	Total Expenditures of Federal Awards		$ 1,582,406

See accompanying Notes to the Schedule of Expenditures of Federal Awards

AUDRAIN COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Audrain County, Missouri for the year ended December 31, 2025. 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 15 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – SUBRECIPIENTS

The County did not pass any federal awards through to subrecipients during the year ended December 31, 2025.

AUDRAIN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025

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? ___ Yes __X__ None Reported

- Noncompliance material to financial statements noted? __X__ Yes ___ No

Federal Awards:

Internal Control Over Major Programs:

- Material weakness(es) identified? ___ Yes __X__ No

- Significant deficiencies identified that are not considered to be material weaknesses? __X__ Yes ____ None Reported

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

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

Identification of Major Programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: $1,000,000

Auditee Qualified as low-risk: ___ Yes __X__ No

SECTION II – FINANCIAL STATEMENTS FINDINGS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

None Noted

ITEMS OF NONCOMPLIANCE

2025-001: 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 Law Enforcement Training and Sheriff Revolving Funds. Additionally, a formal budget was not adopted for Rural Leaders for Economic Mobility Grant Fund.

Cause: Expenditures were approved in excess of budgeted amounts. The County created a separate bank account for the Rural Leaders for Economic Mobility Grant Fund but did not prepare a formal budget or establish a separate fund in the accounting system for the grant.

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 also recommend that the County ensure compliance with state statutes by adopting a budget for each County fund.

County's Response: A monthly budget status report will be given to the County Clerk of all discretionary funds.

Auditor's Evaluation: The County should also implement procedures to ensure that a formal budget is prepared for all County funds each year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2025-002: 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: 2025

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 and cumulative expenditures for each project. These line items are identified as key line items containing critical information in the OMB Compliance Supplement.

Condition: The County reported $1,244,738 of total Current Period Expenditures on the Project and Expenditure Report for the period ending March 31, 2026. However, the expenditures supported by the County's accounting records during the period were $1,341,261, a difference of $96,523.

Cause: The Western District Commissioner completes the annual Project and Expenditure Reports in the Treasury portal. There were errors made during the preparation of the annual report.

Effect: Proper internal controls over the reporting requirement help to ensure that the reporting required under guidance from the U.S. Department of 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: All federally funded monies will be reported and spent as indicated in the agreement.

Auditor's Evaluation: The County should implement procedures to ensure that amounts reported in required federal reports are supported by the County's accounting records.

MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:

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

AUDRAIN COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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

There were no findings noted in the prior audit report.

Audrain County, Missouri

101 N. Jefferson St.
Mexico MO 65265

Alan Winders	Tracy R. Graham	Leslie Meyer
Presiding Commissioner	Western District Commissioner	Eastern District Commissioner

AUDRAIN COUNTY, MISSOURI
CORRECTIVE ACTION PLAN

Finding Reference Number: 2025-001

Federal Agency: N/A

Program Name: N/A

Assistance Listing Number: N/A

Responsible Official: County Commission

A monthly budget status report will be given to the County Clerk of all discretionary funds.

Finding Reference Number: 2025-002

Federal Agency: U.S. Department of the Treasury

Program Name: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Responsible Official: County Commission

All federally funded monies will be reported and spent as indicated in the agreement.

Alan Winders	Tracy R. Graham	Leslie Meyer
Presiding Comm.	Western District Comm.	Eastern District Comm.

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McBRIDE, LOCK & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

August 7, 2026

To the County Commission
Audrain County, Missouri

We have audited the regulatory basis financial statements of Audrain County, Missouri for the year ended December 31, 2025. 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 March 23, 2026. 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 Audrain County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025. 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.

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 7, 2026.

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.

Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Audrain 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