SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of New Madrid County, Missouri

The Office of the State Auditor contracted for an audit of New Madrid County's financial statements for the year ended December 31, 2023, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by Stopp & VanHoy, CPAs and Business Advisors, is attached.

Scott Fitzpatrick
State Auditor

November 2026
Report No. 2026-115

Scott Fitzpatrick
Missouri State Auditor

RECOMMENDATION SUMMARY

Recommendations in the contracted audit of New Madrid County

2023-001	The County adopt a balanced budget for all funds and periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes. Additionally, the County should limit expenditures to legally adopted appropriations and reconcile fund balances to confirm available resources are sufficient to support proposed appropriations.

The County of New Madrid
New Madrid, Missouri
Independent Auditor's Reports and Financial Statements
December 31, 2023

Stopp&VanHoy
CPAs and Business Advisors

The County of New Madrid
New Madrid, Missouri
Table of Contents

	Page
Financial Section	
Independent Auditor's Report	1
Financial Statements:	
Statement of Receipts, Disbursements, and Changes in Cash All Governmental Funds: Regulatory Basis For the year ended December 31, 2023	4
Statements of Receipts, Disbursements, and Changes in Cash Budget and Actual, All Governmental Funds: Regulatory Basis For the year ended December 31, 2023	5
Statements of Assets and Liabilities Arising from Cash Transactions - Custodial Funds - Regulatory Basis	19
Notes to the Financial Statements	20
Compliance Section	
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*	29
Schedule of Findings and Responses	31
Summary Schedule of Prior Year Findings and Responses	32

Stopp&VanHoy

2705 Dougherty Ferry Road
Ste. 103
St. Louis, MO 63122

Independent Auditor's Report

To the County Commission and
Officeholders of New Madrid County, Missouri

Report on the Audit of the Financial Statements

Opinions

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash balances of each fund of New Madrid County, Missouri as of December 31, 2023, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the basis of accounting practices prescribed or permitted by Missouri law as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of New Madrid County, Missouri as of December 31, 2023, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by New Madrid County, Missouri on the basis of accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

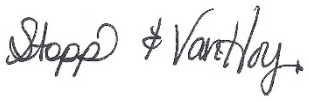
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated May 1, 2026, on our consideration of New Madrid County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Madrid County, Missouri's internal control over financial reporting and compliance.



St. Louis, Missouri
May 1, 2026

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

Fund	Cash and Equivalents January 1, 2023	Receipts 2023	Disbursements 2023	Cash and Equivalents December 31, 2023
General Revenue	$ 4,889,692	$ 7,438,353	$ 7,693,105	$ 4,634,940
Road and Bridge	1,228,659	3,969,232	4,362,940	834,951
Assessment	154,930	430,390	386,043	199,277
Johnson Grass Control	44,550	48,639	67,880	25,309
Law Enforcement Training	(874)	6,580	3,499	2,207
Prosecuting Attorney Training	16,854	2,605	794	18,665
Sheriff Civil Fees	71,483	16,796	753	87,526
Emergency	-	6,441	6,441	-
Prosecuting Attorney Retirement	-	11,628	11,628	-
Tax Maintenance	104,932	44,098	11,746	137,284
Election Services	53,901	13,797	1,125	66,573
Recorder's Special	10,801	7,795	1,426	17,170
Deputy Sheriff Salary Supplementation	(1,813)	28,688	27,629	(754)
Criminal Investigation Assistance	7,066	2,656	3,879	5,843
Domestic Violence	-	640	640	-
Prosecuting Attorney Check	58,962	2,762	435	61,289
Senate Bill 40 Board	662,286	198,858	176,282	684,862
911E	-	584,570	589,528	(4,958)
Peace Officers Standards and Training	-	817	-	817
Law Enforcement Restitution	99,940	107,169	113,734	93,375
Sheriff's Revolving	20,115	5,605	11,792	13,928
Grant Sponsor	302,035	50,000	280,885	71,150
Prosecuting Attorney Delinquent	630	-	-	630
Federal Forfeiture	21,194	96,472	70,376	47,290
Prosecuting Attorney Administrative Handling	7,209	670	-	7,879
Total	$ 7,752,552	$ 13,075,261	$ 13,822,560	$ 7,005,253

See Notes to the Financial Statements

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

	General Revenue Fund	
	Budget	Actual
Receipts		
Property Taxes	$ 945,000	$ 997,020
Sales Taxes	4,250,000	4,704,779
Intergovernmental	1,064,350	595,079
Charges for Services	532,500	557,938
Interest	10,000	-
Other Receipts	46,900	108,537
Loan Proceeds	-	475,000
Transfers In	-	-
Total Receipts	6,848,750	7,438,353
Disbursements		
County Commission	419,548	264,634
County Clerk	154,026	150,771
Elections	46,250	41,662
Building and Grounds	191,100	690,227
Employee Fringe Benefits	1,340,000	1,434,887
County Treasurer	73,813	73,002
Collector	186,624	179,392
Recorder of Deeds	69,588	145,154
Circuit Clerk	30,500	21,719
Court Administration	62,500	48,607
Public Administrator	120,538	111,826
Sheriff	1,356,560	1,208,821
Jail	745,000	715,167
Prosecuting Attorney	429,686	438,366
Juvenile Officer	42,800	34,263
Coroner	85,768	57,624
Circuit Judge	6,000	2,423
Court Reporter	5,900	5,730
Other Disbursements	1,814,764	1,684,857
Transfers Out	414,000	383,973
Emergency Fund	-	-
Total Disbursements	7,594,965	7,693,105
Receipts Over (Under) Disbursements	$ (746,215)	$ (254,752)
Cash and Equivalents, Jan 1	4,889,692	4,889,692
Cash and Equivalents, Dec 31	$ 4,143,477	$ 4,634,940

See Notes to the Financial Statements

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

	Road and Bridge Fund	
	Budget	Actual
Receipts		
Property Taxes	$ 700,000	$ 760,549
Sales Taxes	1,700,000	1,898,547
Intergovernmental	1,033,000	1,161,873
Charges for Services	-	-
Interest	-	-
Other Receipts	25,000	126,608
Transfers In	-	21,655
Total Receipts	3,458,000	3,969,232
Disbursements		
Salaries	977,797	1,018,519
Employee Fringe Benefits	535,000	473,295
Supplies	8,500	9,840
Insurance	-	-
Road and Bridge Materials	1,663,500	2,255,693
Rentals	5,000	-
Equipment Purchases	400,000	585,266
Road and Bridge Construction	100,000	-
Other Disbursements	25,000	20,327
Transfers Out	-	-
Total Disbursements	3,714,797	4,362,940
Receipts Over (Under) Disbursements	$ (256,797)	$ (393,708)
Cash and Equivalents, Jan 1	1,228,659	1,228,659
Cash and Equivalents, Dec 31	$ 971,862	$ 834,951

See Notes to the Financial Statements

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

	Assessment Fund		Johnson Grass Control Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ 42,000	$ 47,854
Sales Taxes	-	-	-	-
Intergovernmental	397,500	416,617	100	13
Charges for Services	-	-	-	-
Interest	300	-	-	-
Other Receipts	10,000	13,773	-	-
Transfers In	-	-	-	772
Total Receipts	407,800	430,390	42,100	48,639
Disbursements				
Salaries	217,588	170,204	51,000	57,010
Employee Fringe Benefits	200,000	138,172	10,000	8,306
Materials and Supplies	25,500	16,944	3,000	2,564
Services	66,000	52,885	-	-
Other Disbursements	4,000	-	-	-
Capital Outlay	6,500	7,838	-	-
Transfers Out	-	-	-	-
Total Disbursements	519,588	386,043	64,000	67,880
Receipts Over (Under) Disbursements	$ (111,788)	$ 44,347	$ (21,900)	$ (19,241)
Cash and Equivalents, Jan 1	154,930	154,930	44,550	44,550
Cash and Equivalents, Dec 31	$ 43,142	$ 199,277	$ 22,650	$ 25,309

See Notes to the Financial Statements

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

	Law Enforcement Training Fund		Prosecuting Attorney Training Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	8,000	2,080	2,500	2,605
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	4,500	-	-
Total Receipts	8,000	6,580	2,500	2,605
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	4,500	3,499	2,500	794
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	4,500	3,499	2,500	794
Receipts Over (Under) Disbursements	$ 3,500	$ 3,081	$ -	$ 1,811
Cash and Equivalents, Jan 1	(874)	(874)	16,854	16,854
Cash and Equivalents, Dec 31	$ 2,626	$ 2,207	$ 16,854	$ 18,665

See Notes to the Financial Statements

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

	Sheriff Civil Fees Fund		Emergency Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	6,441
Charges for Services	15,000	16,796	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	15,000	16,796	-	6,441
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	15,000	753	-	6,441
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	15,000	753	-	6,441
Receipts Over (Under) Disbursements	$ -	$ 16,043	$ -	$ -
Cash and Equivalents, Jan 1	71,483	71,483	-	-
Cash and Equivalents, Dec 31	$ 71,483	$ 87,526	$ -	$ -

See Notes to the Financial Statements

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

	Prosecuting Attorney Retirement Fund		Tax Maintenance Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	60,000	44,098
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	12,000	11,628	-	-
Total Receipts	12,000	11,628	60,000	44,098
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	12,000	11,628	-	-
Materials and Supplies	-	-	5,000	82
Services	-	-	1,500	-
Other Disbursements	-	-	5,000	-
Capital Outlay	-	-	50,000	11,664
Transfers Out	-	-	-	-
Total Disbursements	12,000	11,628	61,500	11,746
Receipts Over (Under) Disbursements	$ -	$ -	$ (1,500)	$ 32,352
Cash and Equivalents, Jan 1	-	-	104,932	104,932
Cash and Equivalents, Dec 31	$ -	$ -	$ 103,432	$ 137,284

See Notes to the Financial Statements

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

	Election Services Fund		Recorder's Special Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	14,010	12,706	-	-
Charges for Services	-	-	9,700	7,795
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	1,091	-	-
Total Receipts	14,010	13,797	9,700	7,795
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	5,000	1,125	4,500	1,426
Other Disbursements	-	-	-	-
Capital Outlay	10,000	-	5,800	-
Transfers Out	-	-	-	-
Total Disbursements	15,000	1,125	10,300	1,426
Receipts Over (Under) Disbursements	$ (990)	$ 12,672	$ (600)	$ 6,369
Cash and Equivalents, Jan 1	53,901	53,901	10,801	10,801
Cash and Equivalents, Dec 31	$ 52,911	$ 66,573	$ 10,201	$ 17,170

See Notes to the Financial Statements

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

	Deputy Sheriff Salary Supplementation Fund		Criminal Investigation Assistance Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	25,000	26,328	13,000	2,656
Charges for Services	3,000	360	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	2,000	-	-
Total Receipts	28,000	28,688	13,000	2,656
Disbursements				
Salaries	20,000	19,274	10,000	3,603
Employee Fringe Benefits	5,000	4,135	1,000	276
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	10,000	4,220	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	35,000	27,629	11,000	3,879
Receipts Over (Under) Disbursements	$ (7,000)	$ 1,059	$ 2,000	$ (1,223)
Cash and Equivalents, Jan 1	(1,813)	(1,813)	7,066	7,066
Cash and Equivalents, Dec 31	$ (8,813)	$ (754)	$ 9,066	$ 5,843

See Notes to the Financial Statements

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

	Domestic Violence Fund		Prosecuting Attorney Check Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,285	640	2,500	2,762
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	1,285	640	2,500	2,762
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	5,000	435
Services	1,285	640	-	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	10,000	-
Total Disbursements	1,285	640	15,000	435
Receipts Over (Under) Disbursements	$ -	$ -	$ (12,500)	$ 2,327
Cash and Equivalents, Jan 1	-	-	58,962	58,962
Cash and Equivalents, Dec 31	$ -	$ -	$ 46,462	$ 61,289

See Notes to the Financial Statements

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

	Senate Bill 40 Board Fund		911E Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ 85,000	$ 92,375	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	300	26	-	-
Charges for Services	116,654	105,000	195,000	166,875
Interest	-	-	-	-
Other Receipts	-	-	-	76,825
Transfers In	-	1,457	400,000	340,870
Total Receipts	201,954	198,858	595,000	584,570
Disbursements				
Salaries	-	-	15,550	16,601
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	357,200	176,267	535,000	521,607
Other Disbursements	10,000	15	1,000	-
Capital Outlay	-	-	40,500	51,320
Transfers Out	-	-	-	-
Total Disbursements	367,200	176,282	592,050	589,528
Receipts Over (Under) Disbursements	$ (165,246)	$ 22,576	$ 2,950	$ (4,958)
Cash and Equivalents, Jan 1	662,286	662,286	-	-
Cash and Equivalents, Dec 31	$ 497,040	$ 684,862	$ 2,950	$ (4,958)

See Notes to the Financial Statements

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

	Peace Officers Standards and Training Fund		Law Enforcement Restitution Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	2,000	817	-	-
Charges for Services	-	-	85,000	107,169
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	2,000	817	85,000	107,169
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	45,000	27,648
Services	2,000	-	40,000	10,995
Other Disbursements	-	-	-	-
Capital Outlay	-	-	70,000	75,091
Transfers Out	-	-	-	-
Total Disbursements	2,000	-	155,000	113,734
Receipts Over (Under) Disbursements	$ -	$ 817	$ (70,000)	$ (6,565)
Cash and Equivalents, Jan 1	-	-	99,940	99,940
Cash and Equivalents, Dec 31	$ -	$ 817	$ 29,940	$ 93,375

See Notes to the Financial Statements

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

	Sheriff's Revolving Fund		Grant Sponsor Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	1,755,000	50,000
Charges for Services	15,000	5,605	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	15,000	5,605	1,755,000	50,000
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	12,000	11,792	-	197,517
Other Disbursements	-	-	-	-
Capital Outlay	-	-	2,007,035	83,368
Transfers Out	-	-	-	-
Total Disbursements	12,000	11,792	2,007,035	280,885
Receipts Over (Under) Disbursements	$ 3,000	$ (6,187)	$ (252,035)	$ (230,885)
Cash and Equivalents, Jan 1	20,115	20,115	302,035	302,035
Cash and Equivalents, Dec 31	$ 23,115	$ 13,928	$ 50,000	$ 71,150

See Notes to the Financial Statements

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

	Prosecuting Attorney Delinquent Fund		Federal Forfeiture Fund	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	$ -	$ -	$ -	$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	30,000	96,472
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	-	30,000	96,472
Disbursements				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	-	-	10,000	70,376
Transfers Out	-	-	-	-
Total Disbursements	-	-	10,000	70,376
Receipts Over (Under) Disbursements	$ -	$ -	$ 20,000	$ 26,096
Cash and Equivalents, Jan 1	630	630	21,194	21,194
Cash and Equivalents, Dec 31	$ 630	$ 630	$ 41,194	$ 47,290

See Notes to the Financial Statements

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

	Prosecuting Attorney Administrative Handling Fund	
	Budget	Actual
Receipts		
Property Taxes	$ -	$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	1,000	670
Interest	-	-
Other Receipts	-	-
Transfers In	-	-
Total Receipts	1,000	670
Disbursements		
Salaries	-	-
Employee Fringe Benefits	-	-
Materials and Supplies	-	-
Services	1,000	-
Other Disbursements	-	-
Capital Outlay	-	-
Transfers Out	-	-
Total Disbursements	1,000	-
Receipts Over (Under) Disbursements	$ -	$ 670
Cash and Equivalents, Jan 1	7,209	7,209
Cash and Equivalents, Dec 31	$ 7,209	$ 7,879

See Notes to the Financial Statements

The County of New Madrid
New Madrid, Missouri
Statements of Assets and Liabilities Arising From Cash Transactions
Custodial Funds - Regulatory Basis
December 31, 2023

	Collector	Recorder	Prosecuting Attorney	Sheriff	Treasurer	Total
Assets						
Cash and Equivalents	$ 20,152,765	$ 8,837	$ 10,990	$ 961	$ 647,284	$ 20,820,837
Total Assets	20,152,765	8,837	10,990	961	647,284	20,820,837
Liabilities and Fund Balances						
Total Liabilities	20,152,765	8,837	10,990	961	647,284	20,820,837
	20,152,765	8,837	10,990	961	647,284	20,820,837
Fund Balances	-	-	-	-	-	-
Total Liabilities and Fund Balances	$ 20,152,765	$ 8,837	$ 10,990	$ 961	$ 647,284	$ 20,820,837

See Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

Organized in 1812, the county of New Madrid was named by the Spanish after Madrid, the capital of Spain. It is a third-class county, and the county seat is New Madrid. New Madrid County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector, Treasurer, Sheriff, Assessor, Coroner, Circuit Clerk, Recorder of Deeds, Public Administrator, and Prosecuting Attorney.

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

Reporting Entity

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

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

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

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

Basis of Presentation

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

Basis of Accounting

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

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

Budget and Budgetary Accounting

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

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

The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

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

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

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

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

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

During the audit, it was noted the County was not in compliance with Missouri budgetary statute Chapter 50, RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures: General Revenue Fund, Road and Bridge Fund, Johnson Grass Control Fund, and Federal Forfeiture Fund. The following funds did not have adopted budgets: Emergency Fund and Prosecuting Attorney Delinquent Fund. The following fund was budgeted with an ending deficit fund balance: Deputy Sheriff Salary Supplementation Fund. The following funds had expenditures in excess of available fund balance: Deputy Sheriff Salary Supplementation Fund and 911E Fund.

Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

Note 1 - Summary of Significant Accounting Policies (continued)

Taxes (continued)

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

Real Estate	$ 319,819,110
Personal Property	126,583,921
Railroad and Utilities	54,110,968
	$ 500,513,999

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

General Revenue	$ 0.2277
Road and Bridge	0.1567
Johnson Grass Control	0.0099
Senate Bill 40 Board	0.0199

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

Cash Deposits and Investments

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

Interfund Transactions

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

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

Note 2 - Deposits and Investments

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

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

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

	Carrying Value	Bank Balance
Deposits	$ 24,326,090	$ 12,895,642
Investments	3,500,000	3,500,000
Total Deposits and Investments as of December 31, 2023	$ 27,826,090	$ 16,395,642
Total Cash and Equivalents - Governmental Funds	$ 7,005,253	
Total Cash and Equivalents - Custodial Funds	20,820,837	
	$ 27,826,090	

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2023, 100% of the County's deposits and investments were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized.

Custodial Credit Risk - Investments

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

Investment Interest Rate Risk

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

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. The County invests in $3,500,000 of certificates of deposit which are all held locally at the Bank of New Madrid.

Note 3 - Long-Term Debt

In 2023, the County entered into a financing agreement with the Bank of New Madrid for the purchase of real property at a cost of $475,000. The agreement requires five annual payments of $106,711, which includes interest payable at 4.00%. This financing agreement matures on June 20, 2028.

	Balance at 12/31/22	Amount Borrowed	Amount Repaid	Balance at 12/31/23	Interest Paid During Year
Real Property	$ -	$ 475,000	$ -	$ 475,000	$ -

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

Year Ending December 31,	Principal	Interest	Total
2024	$ 87,659	$ 19,052	$ 106,711
2025	91,218	15,493	106,711
2026	94,866	11,845	106,711
2027	98,661	8,050	106,711
2028	102,596	4,115	106,711
Total	$ 475,000	$ 58,555	$ 533,555

Note 4 - Interfund Transfers

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

Fund	Transfers In	Transfers Out
General Revenue	$ -	$ 383,973
Road and Bridge	21,655	-
Johnson Grass Control	772	-
Law Enforcement Training	4,500	-
Prosecuting Attorney Retirement	11,628	-
Election Services	1,091	-
Deputy Sheriff Salary Supplementation	2,000	-
Senate Bill 40 Board	1,457	-
911E	340,870	-
Total	$ 383,973	$ 383,973

Note 5 - Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

The 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 Sections 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, by calling (800) 447-4334, or by visiting the LAGERS website at www.molagers.org.

Benefits Provided

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 age is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and the amount of credited service time.

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The January 1st statutorily required employer contribution rates were 12.40% (General), 10.70% (Highway), and 12.70% (Police) of annual covered payroll for the year ended December 31, 2023. 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, 2023, the County contributed $386,132 to LAGERS. Full-time employees of the employer do not contribute to the pension plan.

Note 6 - State of Missouri County Employees' Retirement Fund (CERF)

Plan Description

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

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

Note 6 - State of Missouri County Employees' Retirement Fund (CERF) (continued)

Benefits Provided

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

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

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, Missouri, 65101, by calling (573) 632-9203, or by visiting the CERF website at www.mocerf.org.

Contributions

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to CERF. 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. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. During 2023, New Madrid County elected to make all of the required 4% on behalf of their employees and made contributions of $29,306 for the year ended.

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

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

The County collected and remitted CERF fees and penalties of $167,959 for the year ended December 31, 2023.

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

Note 7 - Prosecuting Attorney Retirement Fund

In accordance with state statute Section 56.807, RSMo., the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys' and Circuit Attorneys' Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed $11,628 for the year ended December 31, 2023.

Note 8 - Other Retirement Plans

New Madrid County has a 457 plan administered by Empower Retirement which is paid by a deduction from employees' salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2023 were $112,259.

Note 9 - Post Employment Benefits

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

Note 10 - Claims, Commitments, and Contingencies

Litigation

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

Compensated Absences

Vacation time is accrued for every eligible employee in the County and accrues at a rate of up to twelve hours per month with a maximum accumulation of 30 days allowed. The County provides full-time employees and part-time employees who occupy regular budgeted positions with sick time, which accrues at two days per calendar month of employment up to ninety days. Upon termination, no payment will be made for unused vacation or sick days. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

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

Note 11 - 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 and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to $500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

Note 12 - Subsequent Events

The County has evaluated events subsequent to December 31, 2023 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through May 1, 2026, the date the financial statements were available to be issued.

In January 2024, the County approved the issuance of $250,000,000 taxable industrial revenue bonds, Series 2024, for the purpose of providing funds to pay for the costs of acquiring, constructing and installing an industrial development project in the County.

In June 2024, the County approved the issuance of $45,000,000 taxable industrial bonds, Series 2024, for the purpose of providing funds to pay for the costs of acquiring, constructing, equipping, and installing an industrial development project in the County.

Stopp&VanHoy

2705 Dougherty Ferry Road
Ste. 103
St. Louis, MO 63122

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

Independent Auditor's Report

To the County Commission and
Officeholders of New Madrid 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 accompanying financial statements of New Madrid County, Missouri as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise New Madrid County, Missouri's basic financial statements, and have issued our report thereon dated May 1, 2026. Our opinion was adverse because the financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the regulatory basis of accounting, in accordance with regulatory practices prescribed or permitted by the State of Missouri, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Madrid 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Madrid County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of New Madrid 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 New Madrid County, Missouri'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

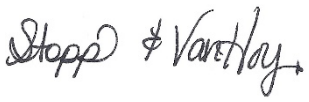
As part of obtaining reasonable assurance about whether New Madrid County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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 2023-001.

New Madrid County, Missouri's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the New Madrid County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. New Madrid 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 New Madrid County, Missouri's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Madrid County, Missouri's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



St. Louis, Missouri
May 1, 2026

The County of New Madrid
New Madrid, Missouri
Schedule of Findings and Responses
For the year ended December 31, 2023

Financial Statement Findings

2023-001 **Criteria:** Chapter 50, RSMo. establishes requirements for county budgeting and financial administration, including: 1) Counties may not approve budgets with deficit ending fund balances, 2) No expenditure may exceed the amount appropriated for that fund, 3) A budget must be prepared annually for all county funds, and 4) Counties may not expend funds in excess of the unencumbered balance of the fund. These statutes collectively ensure that counties operate on a balanced-budget basis and maintain accountability for public resources.

Condition: Our audit identified multiple significant violations of Missouri budget law as established in Chapter 50, RSMo.

Several county funds incurred expenditures in excess of the amounts legally appropriated by the County Commission. The following funds had actual expenditures which exceeded the budgeted expenditures: General Revenue Fund, Road and Bridge Fund, Johnson Grass Control Fund, and Federal Forfeiture Fund.

The County adopted a budget in which the estimated ending fund balance was negative. The following fund had an estimated negative ending fund balance: Deputy Sheriff Salary Supplementation Fund.

The County did not prepare or adopt a budget for certain county funds, despite statutory requirements that all county funds must be included in the annual budget document. The following funds did not have a prepared budget: Emergency Fund and Prosecuting Attorney Delinquent Fund.

Multiple funds had expenditures that exceeded total available resources (beginning fund balance plus revenues), resulting in a negative or overdrawn fund position, contrary to statutory spending limits. The following funds had expenditures in excess of total available resources: Deputy Sheriff Salary Supplementation Fund and 911E Fund.

These violations represent substantial departures from required governmental budgeting and financial control practices.

Cause: These conditions occurred because the County did not maintain adequate internal controls to ensure compliance with statutory budgeting requirements. Contributing factors included: insufficient oversight of the budgeting process, lack of monitoring during the fiscal year to ensure spending remained within appropriations, and failure to reconcile budgets to actual available fund balances.

Effect: Failure to adhere to statutory budgeting requirements increases the risk of fiscal instability, uncontrolled overspending, and cash shortages. Overspending appropriations and available fund balances also exposes the County to operational disruptions and jeopardizes future budget planning accuracy.

Recommendation: We recommend that the County adopt a balanced budget for all funds and periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes. Additionally, the County should limit expenditures to legally adopted appropriations and reconcile fund balances to confirm available resources are sufficient to support proposed appropriations.

Management's Response: The County will review budget procedures and apply the appropriate recommendations.

The County of New Madrid
New Madrid, Missouri
Summary Schedule of Prior Year Findings and Reponses
For the year ended December 31, 2023

Prior Year Audit Findings:

New Madrid County was not subject to a financial statement audit or a Single Audit for the fiscal year ended December 31, 2022. Accordingly, there are no prior audit findings to report.