

COUNTY OF COLE, MISSOURI
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

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TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditors' Report	1 – 3
Management's Discussion and Analysis	4 – 17
Basic Financial Statements:	
Government-Wide:	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances	22
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	23
Proprietary Funds:	
Statement of Net Position	24
Statement of Revenues, Expenses and Changes in Net Position	25
Statement of Cash Flows	26
Fiduciary Funds:	
Statement of Fiduciary Net Position	27
Statement of Changes in Fiduciary Net Position	28
Notes to Basic Financial Statements	29 – 55
Required Supplementary Information:	
Budgetary Comparison Schedules	
Notes to the Budgetary Comparison Schedules	56
General Fund	57
Road and Bridge Fund	58
Capital Improvement Sales Tax Fund	59
Law Enforcement Sales Tax Fund	60
ARPA Coronavirus Recovery Fund	61
LAGERS Schedule of Changes in Net Pension Liability and Related Ratios	62
CERF Schedule of the County's Proportionate Share of the Net Pension Liability	63
Pension Plans Schedules of Contributions – Last Ten Fiscal Years	64
Supplementary Information:	
Non-Major Governmental Funds:	
Combining Balance Sheet	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances with Budget Information	66 – 67
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position	68
Combining Statement of Changes in Fiduciary Net Position	69

SINGLE AUDIT REPORTS

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	70 – 71
Report on Compliance for Each Major Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	72 – 74
Schedule of Expenditures of Federal Awards	75 – 77
Schedule of Findings and Questioned Costs	78
Summary Schedule of Prior Audit Findings	79

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the County Commissioners
Cole County, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for Cole County, Missouri (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and 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 the County'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.

Auditors' 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 auditors' 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 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 accepting auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 (or update our) 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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.

Required Supplementary Information

GAAP require that the management's discussion and analysis, the budgetary comparison schedules, and the pension plans schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the 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 June 18, 2024, on our consideration of the County’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 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 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 County’s internal control over financial reporting and compliance.

William F. Keepers UC

Jefferson City, Missouri
June 18, 2024

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

INTRODUCTION

The discussion and analysis in this MD&A of Cole County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2023, based on currently known facts, decisions and conditions. It should be studied in conjunction with the County's basic financial statements, including the footnotes, which follow the MD&A.

HIGHLIGHTS OF THE FINANCIAL STATEMENTS OF THE COUNTY AS A WHOLE

Financial reports reflect the County's performance in carrying out its mission of public service. Financial highlights point to the County's performance during 2023 in managing its financial resources while performing its functions and indicate its ability to perform these activities in the future. Key financial highlights include:

- The assets and deferred outflows of resources of Cole County exceeded the liabilities and deferred inflows of resources by \$153.9 million (net position). On a government wide basis, the County's net position increased by \$8.6 million from the prior year.
- The County's total net position included \$27.6 million of unrestricted funds at December 31, 2023 which can be used to meet the ongoing obligations of the County.
- The County's total long-term liabilities increased \$4.4 million in 2023.
- The County's primary source of revenue is taxes. During 2023, total taxes collected from all sources was \$36.5 million. In addition, the County collected \$20.8 million in program revenues, consisting of fees of \$11.2 million and grants of \$9.6 million.
- Expenses were \$52.7 million, with the largest portion spent on general government, public safety and highways, streets and bridges.
- The actual amount of budget basis revenues in the General Fund totaled \$17.6 million, which exceeded budgetary estimates by \$996,000. The fund balance in the General Fund increased \$3.5 million, due to revenues and other financing sources exceeding expenditures and other financing uses.

MANAGEMENT OF THE COUNTY'S PROGRAMS AND RESOURCES

Management of the County is defined substantially by law. Cole County is a first-class non-charter county with 18 elected officials (including five elected circuit judges), each with statutorily defined responsibilities and each accountable to the citizens of the County. A budget is adopted through a statutorily defined process that, once adopted, becomes essentially the County's management plan for the year. More specifically, the budget is a summarized version of the management plans of 18 different elected officials and 8 key department heads. The elected officials and department heads make budget requests to the Budget Officer (County Auditor), who makes recommendations to the County Commission (three elected officials) which has final oversight responsibility for the budget. However, the elected officials define their own goals, objectives, and priorities which are reflected in the spending requests made in the annual budgeting process. Some elected officials have responsibility for more than one departmental budget.

The Commission has no direct authority to alter or change this process. While they must evaluate spending requests, the Commission cannot impose its will on elected officials. However, the Commission's influence is made effective in the budgeting process. The resulting budget reflects substantially a package of individual management goals and objectives rather than a unified countywide integrated operating plan. The final set of management plans are summarized into 21 different funds organized into 50 departments. Five of the funds are major funds, 14 are non-major funds, one is a proprietary fund, and one is an internal service fund. Four of the major funds and all of the non-major funds are special revenue funds. The General Fund (largest of the major funds) contains 24 different budgets for the various elected officials and departments. Some funds have multiple departments, each with a separate budget, giving a total of 50 individual spending budgets and related management plans.

ACCOUNTING AND INTERNAL CONTROL PROCEDURES

The County has a computerized integrated accounting and budgeting system. As is required by State statutes, internal control is achieved by separating accounting functions among different elected officials. By statute, the County Auditor is the budgeting and accounting officer for the County. The Auditor is responsible for establishing and managing the accounting system, for maintaining the general ledger, and for preparing the County's financial statements and reports. The County Clerk is the bookkeeper of the County and has responsibility for maintaining all county records, which includes keeping copies of financial reports. Statutes require receipts and payments of funds and authorization and recording of transactions to be separated among elected officials. The County Clerk is responsible for processing all payments that have been authorized by elected officials and department heads, approved by the County Commission, and certified by the County Auditor. The County Collector collects all real and personal property taxes and turns them over to the County Treasurer, who is responsible for recording these and all other revenue received by the County into the accounting system.

The County prepares its financial statements in accordance with U.S. generally accepted accounting principles (GAAP).

In compliance with GAAP, the County's financial statements consist of the following:

- Management Discussion and Analysis (MD&A) – this part of the report;
- Basic Financial Statements - includes the government-wide financial statements, fund financial statements and notes to the financial statements;
- Required Supplementary Information - includes a budgetary comparison for certain major funds and pension plan trend information; and
- Supplementary Information – includes combining statements for non-major funds and fiduciary funds as well as budgetary comparison schedules for non-major special revenue and debt service funds.

OVERVIEW OF THE FINANCIAL STATEMENT PACKAGE

Management Discussion and Analysis (MD&A)

The MD&A contains an interpretation of the financial data by management whose decisions drove the results represented by the data. In it, the statements are summarized in a narrative format to show how the financial statements reflect the policies and priorities of elected officials and department heads during the current year. The objectives of elected officials are substantially defined by state law. What revenue is collected and how it is collected and on what it is spent are all defined by statute. However, effective and efficient controls of various programs and priorities are key in the management of County objectives. The financial statements show how well these management objectives were achieved.

Financial statements of public institutions differ from those of private businesses. In the public sector, quality service is the primary objective. In the private sector, it is profit. In the public sector, an increase in net position is comparable to an increase in profits in the private sector. Net position in the public sector statement is comparable to net worth in the private sector statement. In most cases, the revenue from required governmental programs does not cover the cost of these programs. Consequently, county officials must rely on a variety of fees and taxes over which their control is limited to make up program revenue and cost differences. Likewise, their control over costs, in some cases, is limited. Thus, the primary challenge for county officials is managing costs while providing quality service.

Government-wide Financial Statements

As indicated above, County government is organized into activities of 18 different elected officials and 8 major departments. As required by GAAP, the County issues financial statements that combine all 21 funds into government-wide statements designed to report on the financial condition of the County as a whole, distinguishing between the functions of governmental and business-type activities. The two statements are

called the Statement of Net Position and Statement of Activities. Net position is similar to net worth in the private sector and change in net position is similar to net income in the private sector. Also, like the private sector, the government-wide statements are prepared using the full accrual basis of accounting.

Governmental activities encompass basic County services such as general government, public safety, roads and bridges, etc. Emergency medical services (EMS), the County's business-type activity, operates where the charges for services are intended to cover all costs of operation, including depreciation. The government-wide statements are intended to show the County's financial position from a long-term view as well as including short-term information. They show capital assets of the County, including infrastructure assets not shown in the individual governmental fund statements, and long-term liabilities, including debt also not shown in the individual governmental fund statements. From a long-term perspective, working capital, debt, and reserves are key considerations.

Fund Financial Statements

The individual fund statements show a more detailed picture of activities than that reflected in the government-wide statements and include three parts: (1) governmental funds statements; (2) proprietary funds statements; and (3) fiduciary fund statements. The funds on each statement are classified into major or non-major, and the County's 21 individual funds are classified into 5 major governmental funds, 14 non-major governmental funds, 1 proprietary fund, and 1 internal service fund. Except for the General Fund, each fund is designed to facilitate accounting for a special activity that is usually financed by a special revenue source. The major governmental funds are the General Fund, Road and Bridge Fund, Capital Improvement Sales Tax Fund, Law Enforcement Sales Tax Fund, and ARPA Coronavirus Recovery Fund. About 89% of the County's governmental-related revenues are accounted for in the 5 major funds.

The County has other funds, many required by law, to help it manage money for particular purposes including the Assessment Fund, EMS Sales Tax Fund, and others. Generally, the activity in these funds is small and one set of statements is prepared and reported for these small funds grouped together.

Governmental Funds. The individual fund statements are intended to indicate financial capability in the short-term – usually the next year – and are prepared on the modified accrual basis of accounting. These statements show more detail on revenue and expenses and are considered more focused on program activity in the short-term. The differences between the accrual basis used in the government-wide financial statements and the modified accrual basis of accounting used in the governmental fund statements are reconciled and shown as a reconciliation report following the governmental fund statements.

Proprietary Funds. The proprietary and fiduciary fund statements are prepared on the accrual basis of accounting, similar to that used in the government-wide statements. The proprietary fund statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows.

Fiduciary Funds. Various County officials act as trustees, or fiduciaries, for a number of different political subdivisions in the County and for certain statutory operations (courts, law enforcement, etc.) to facilitate collections and disbursements. All of the County's fiduciary activities are reported in a separate statement called the Statement of Fiduciary Net Position. These activities are excluded from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these custodial funds are used for their intended purpose. Collections for and disbursements to these governmental units are not shown in the Countywide statements. Activities accounted for in these funds are not discussed in this part of the financial report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a better understanding of the information shown in the government-wide and fund financial statements. The notes to the financial statements can be found following the fiduciary fund statements.

Other Information

In addition to the basic financial statements and the notes, the report also includes Required Supplementary Information (RSI), which includes a budgetary comparison for certain major funds and pension plan trend information. Following the RSI are combining statements for non-major funds and fiduciary funds as well as budgetary comparison schedules for non-major special revenue and debt service funds.

BASIS OF ACCOUNTING

The government-wide statements are prepared on a full accrual basis. Under the full accrual basis, revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of the related cash flows.

The accounting approach to the individual governmental funds is called the modified accrual approach. The difference is in how revenue is recognized and recorded. Under modified accrual accounting, the County recognizes only revenue that is measurable and collected within 60 days after year end. It treats all payments as current expenditures for current activities, including payments for capital assets, even though these assets will benefit the County for many years. It also treats principal payments on long-term debt as current expenditures. See Note 1 for a more detailed discussion of the basis of accounting.

Relationships and/or differences between the government-wide activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds statements are described in a reconciliation following the fund financial statements. The differences are due to the GAAP requirement that revenues and expenditures are treated differently in the two sets of statements (see Notes to the Financial Statements).

The County maintains 2 proprietary funds: 1 enterprise fund and 1 internal service fund. The enterprise fund is used to report the activities of the emergency medical services operations presented as the business-type activities in the government wide statements. The internal service fund is used to account for self-funding a portion of employee health insurance costs. An individual fund statement is included for both services, which provides the same type of information as the government-wide statement, only in more detail. The proprietary funds are accounted for using the full accrual basis of accounting as required by GAAP.

ANALYSIS OF THE FINANCIAL STATEMENTS OF THE COUNTY AS A WHOLE

The financial position of the County as a whole (including all funds) is shown in the Statement of Net Position and summarized in Table 1. By most standards, the financial position of the County is considered strong and sufficient to carry on operations effectively and efficiently in the future. The Statement of Changes in Net Position indicates the various components of the change in net position from one year to the next and is summarized in Table 2.

Statement of Net Position

The Statement of Net Position indicates the change in the County's financial position between 2022 and 2023. Current assets decreased by \$1.3 million, the net pension asset for LAGERS decreased by \$3.5 million, and capital assets increased by \$10.3 million, causing a net increase of \$5.5 million in total assets from 2022. Most of the increase in assets is due to large capital projects completed and/or in progress in 2023. Liabilities increased by \$6.1 million from 2022. The increase was mainly due to LAGERS net pension liability and new leased equipment. The total net position increased \$8.6 million between 2022 and 2023.

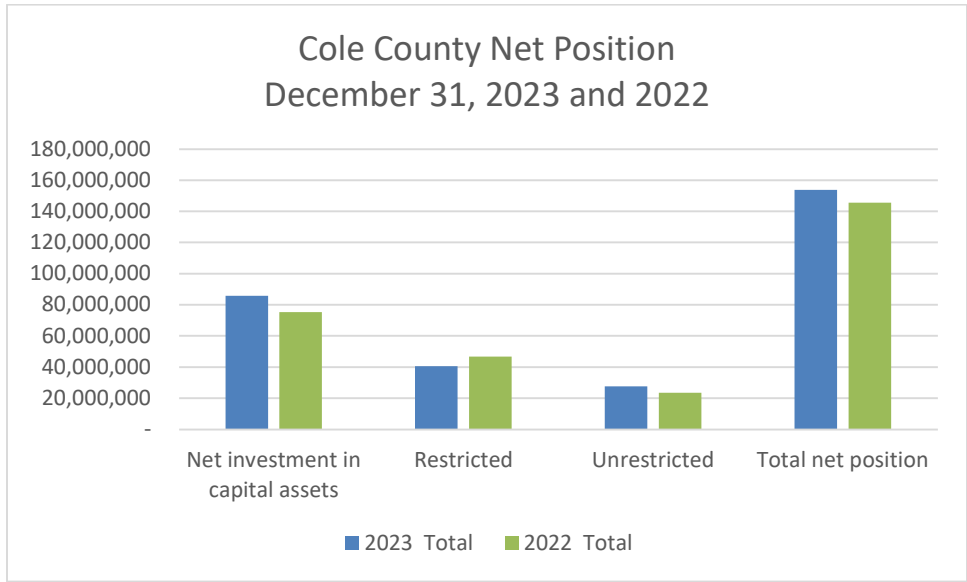
Table 1
County of Cole, Missouri
Statement of Net Position
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 77,526,868	\$ 1,361,446	\$ 78,888,314	\$ 77,501,530	\$ 2,646,679	\$ 80,148,209
Net pension asset - LAGERS	5,946,050	1,221,233	7,167,283	8,825,472	1,853,301	10,678,773
Capital assets	80,870,258	4,830,595	85,700,853	73,574,059	1,803,680	75,377,739
Total assets	<u>164,343,176</u>	<u>7,413,274</u>	<u>171,756,450</u>	<u>159,901,061</u>	<u>6,303,660</u>	<u>166,204,721</u>
Deferred outflows - pension plan	3,522,249	802,949	4,325,198	1,652,361	365,250	2,017,611
Total deferred outflows of resources	<u>3,522,249</u>	<u>802,949</u>	<u>4,325,198</u>	<u>1,652,361</u>	<u>365,250</u>	<u>2,017,611</u>
Current and accrued liabilities	3,400,398	473,601	3,873,999	1,919,276	435,211	2,354,487
Incurred but not reported claims	932,232	-	932,232	733,036	-	733,036
Noncurrent liabilities:						
Net pension liability - CERF	2,883,224	874,377	3,757,601	1,227,557	379,827	1,607,384
Long - term obligations	4,241,280	23,047	4,264,327	1,995,775	17,641	2,013,416
Total liabilities	<u>11,457,134</u>	<u>1,371,025</u>	<u>12,828,159</u>	<u>5,875,644</u>	<u>832,679</u>	<u>6,708,323</u>
Deferred inflows - pension plan	268,787	32,229	301,016	2,778,199	695,068	3,473,267
Deferred inflows - grants	9,063,959	-	9,063,959	12,558,447	-	12,558,447
Total deferred inflows of resources	<u>9,332,746</u>	<u>32,229</u>	<u>9,364,975</u>	<u>15,336,646</u>	<u>695,068</u>	<u>16,031,714</u>
Net investment in capital assets	80,870,258	4,830,595	85,700,853	73,574,059	1,803,680	75,377,739
Restricted	39,333,192	1,221,233	40,554,425	44,799,455	1,853,301	46,652,756
Unrestricted	26,872,095	761,141	27,633,236	21,967,618	1,484,182	23,451,800
Total net position	<u>\$ 147,075,545</u>	<u>\$ 6,812,969</u>	<u>\$ 153,888,514</u>	<u>\$ 140,341,132</u>	<u>\$ 5,141,163</u>	<u>\$ 145,482,295</u>

The total of all assets for 2023 was \$171.8 million as compared to \$166.2 million in 2022. Total assets include all the County's capital assets, including infrastructure assets. Capital assets increased in 2023 by \$10.3 million due to the addition of new assets, including updated equipment, completed infrastructure assets, construction in progress, and new vehicles for multiple County departments. Capital assets account for 50% of the County's total assets and most of this is infrastructure assets and buildings.

As indicated above, the County's financial statements are reported on a full accrual basis. Short-term assets (\$78.9 million) exceeded short-term liabilities (\$4.8 million) by \$74.1 million. Monthly expenses averaged \$4.4 million. On an accrual basis, therefore, the County has sufficient working capital to cover expenses for over one year assuming no loss in converting non-cash liquid assets to cash.

The County's combined net position for 2023 totaled \$153.9 million (Table 1). Assets exceeded liabilities by this amount. Net investment in capital assets reported net of related debt, constitutes 56% of the County's combined net position and is not considered spendable resources. An additional portion of the County's total net position represents resources that are subject to external restrictions on how the resources can be used, and the total restricted net position totals \$40.6 million in 2023. The remaining balance of \$27.6 million is unrestricted and may be used for any permissible county purpose to meet the government's obligations. From a financial position point of view, the County's assets would have to fall in value substantially before it would be in danger of a failure to meet its current financial obligations.



The County reports pension plans in accordance with GASB Statement 68, as amended by GASB Statement 71, which established standards for measuring and reporting within the financial statements net pension plan liabilities or assets, deferred outflows and inflows of resources, and expenses. The assets and liabilities can be seen in the Statement of Net Position with a net pension asset for the LAGERS plan and a net pension liability for the CERF plan. The net pension asset for LAGERS decreased in 2023 by \$3.5 million, and the net pension liability for CERF increased by \$2.2 million. The County also reports deferred outflows and inflows related to the pension plans as seen in the Statements of Net Position. For more detailed information on the County’s pension plans and GASB 68, please see Note 10 in the notes to the financial statements.

The County’s total long-term liabilities were \$4.3 million, which were mostly related to normal operating obligations, such as compensated absences, a lease agreement for ambulance service equipment, and the special assessment liability related to Neighborhood Improvement Districts.

Statement of Changes in Net Position

Activities of the County requiring the use of financial resources are classified (by law) and accounted for under different “programs” such as public safety, health, judicial, etc. The costs of these programs are financed both with fees and with tax revenue. Fees directly allocated to the program are called “program revenue.” However, in most cases, program revenue is not sufficient to cover the costs of the programs. The remaining costs are covered by taxes and other revenue called “non-program revenue.” The Statement of Changes in Net Position shows program and non-program revenue and the costs of the various programs. It also reflects what caused the \$8.4 million increase in net position in 2023. Normally, the County’s net position increases as assets usually grow faster than liabilities.

Total revenue collected by the County (\$61.4 million) increased by \$6.2 million in 2023. Program revenue increased by \$5.0 million and non-program revenue increased by \$1.2 million. The largest change from 2022 to 2023 occurred in operating grants, which increased by \$5.1 million. This includes an increase from the State and Local Fiscal Recovery Fund (SLFRF) funding, distributed by the U.S Department of Treasury from the American Rescue Plan Act (ARPA), as well as grants received for major capital improvement and infrastructure projects. The increase in non-program revenues is mainly attributable to an increase in investment earnings, due to significantly higher interest rate yields in 2023.

Table 2
County of Cole, Missouri
Statement of Changes in Net Position
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ 7,296,318	\$ 3,863,917	\$ 11,160,235	\$ 6,670,801	\$ 4,609,996	\$ 11,280,797
Operating grants and contributions	9,604,845	-	9,604,845	4,481,698	4,200	4,485,898
Capital grants and contributions	40,003	-	40,003	6,233	-	6,233
Non-Program Revenues:						
Property taxes	6,832,011	-	6,832,011	6,980,301	-	6,980,301
Sales tax	22,535,515	-	22,535,515	23,849,826	-	23,849,826
Local use tax	3,536,716	-	3,536,716	3,128,962	-	3,128,962
Motor vehicle sales tax	388,738	-	388,738	381,847	-	381,847
Stock insurance	2,056,481	-	2,056,481	2,080,821	-	2,080,821
County aid road trust	1,171,881	-	1,171,881	1,022,962	-	1,022,962
Financial institution tax	27,012	-	27,012	27,678	-	27,678
Unrestricted investment earnings	2,251,359	19,796	2,271,155	786,253	17,527	803,780
Gain/loss on sale of fixed assets	38,202	(302,136)	(263,934)	103,586	(36,927)	66,659
Capital contributions	(3,003,908)	4,333,777	1,329,869	-	593,978	593,978
Transfers	(998,483)	998,483	-	(849,923)	849,923	-
Other	646,060	18,670	664,730	364,553	12,042	376,595
Total revenues	52,422,750	8,932,507	61,355,257	49,035,598	6,050,739	55,086,337
Expenses:						
General government	11,163,189	-	11,163,189	8,830,458	-	8,830,458
Public safety	15,760,805	-	15,760,805	12,489,946	-	12,489,946
Highways, streets and bridges	11,502,604	-	11,502,604	9,256,186	-	9,256,186
Assessment costs	922,259	-	922,259	900,669	-	900,669
Judicial	1,279,753	-	1,279,753	1,203,575	-	1,203,575
Health and welfare	4,360,908	-	4,360,908	3,094,724	-	3,094,724
Parks and recreation	120,090	-	120,090	95,905	-	95,905
Emergency management	347,632	-	347,632	358,657	-	358,657
Interest and fiscal fees	23,390	-	23,390	110,893	-	110,893
Emergency medical services	-	7,210,738	7,210,738	-	5,937,082	5,937,082
Total expenses	45,480,630	7,210,738	52,691,368	36,341,013	5,937,082	42,278,095
Increase in net position	6,942,120	1,721,769	8,663,889	12,694,585	113,657	12,808,242
Net position - beginning, as restated	140,584,287	5,091,200	145,675,487	127,646,547	5,027,506	132,674,053
Net position - ending	\$ 147,526,407	\$ 6,812,969	\$ 154,339,376	\$ 140,341,132	\$ 5,141,163	\$ 145,482,295

On an accrual basis, the County spent or incurred obligations to spend \$52.7 million in 2023 compared to \$42.3 million in 2022 on activities and services provided to the County's residents and taxpayers. Depreciation is included in the expenses of the various programs. For the County as a whole, expenses averaged \$4.4 million per month. Total expenses increased \$10.4 million from 2022 to 2023, mainly due to increased grant spending and increased personal service costs.

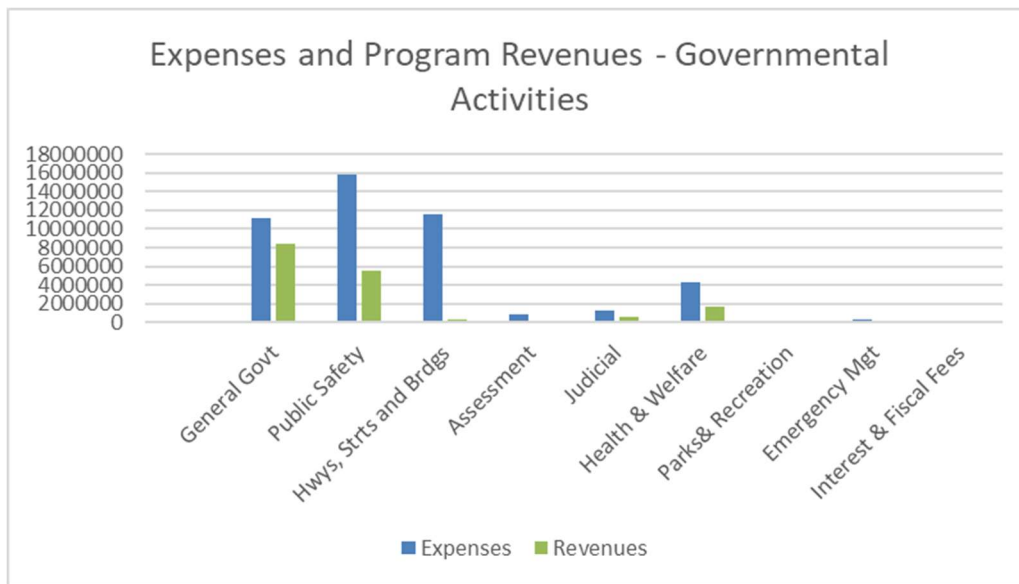
In 2022 the County created the ARPA Coronavirus Recovery Fund to account for the ARPA funding received by the federal government. The ARPA funding must be obligated by December 31, 2024, and spent by December 31, 2026.

Public safety expenses increased in 2023 by \$3.3 million. Most of the increase in 2023 was due to increases in salaries and benefits paid to employees, as well as a significant upgrade to the law enforcement center. Highway, streets and bridges expenses increased by \$2.3 million in 2023 compared to 2022. The County has several large infrastructure projects completed or mostly completed in 2023, including a rail-spur cooperative project with the City of Jefferson.

The Emergency Medical Services Fund, which is a proprietary fund and accounts for the activity of the ambulance service, incurred \$7.2 million in expenses in 2023 compared to \$5.9 million in 2022. Most of this increase was due to increases in salaries and benefits paid to employees in 2023 and increased depreciation expense on capital assets.

Program Revenue and Expenses

The County has 9 different program categories. Program revenue is revenue received when there is an exchange transaction – a payment (fee) is charged for a service (program) rendered. The beneficiary pays for some or all the cost of the service (program) that he/she receives. In almost all cases, the fees that the County is required to charge and the program revenue available for programs is not sufficient to cover the full cost. The remainder is financed with tax revenue. The chart below shows this pattern for the major program activities.



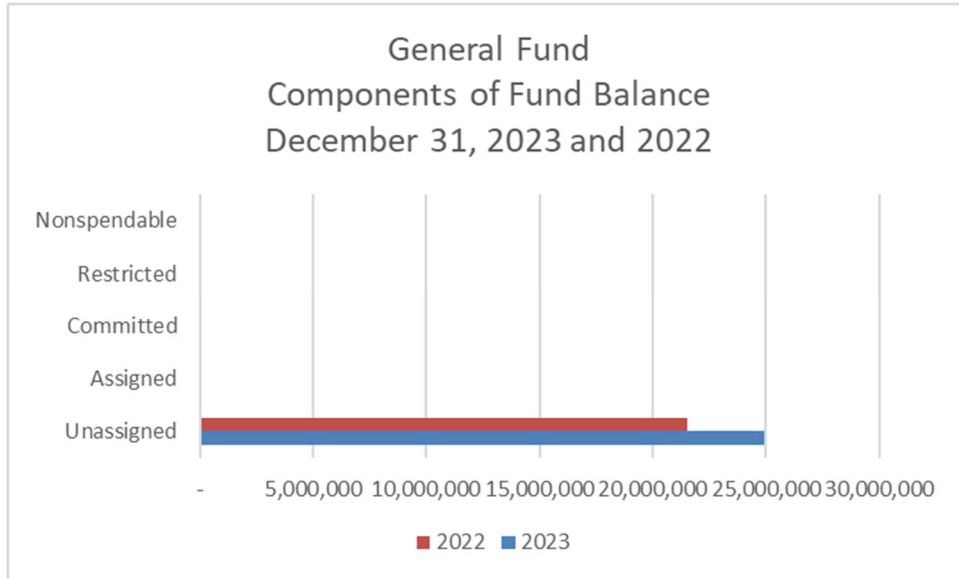
In all the major program areas, program revenue is substantially less than program expenses (see the chart above). Revenue from property tax and sales tax make up the difference. The excess of program costs over program revenue is highest in the public safety category and the highways, streets and bridges category and relatively low in some other categories. For example, expenses for public safety were \$15.8 million in 2023 while program revenue was \$5.5 million.

General government expenses include activities directly affecting citizens, including collecting taxes, holding elections, recording documents and other basic governmental activities, to include accounting. Expenditures for these activities totaled \$11.2 million in 2023 – 21.2% of the total expenses for all activities. In 2022, these expenses were \$8.8 million and 20.9% of total expenses. The deficiency of program revenue under program expenses has been increasing in previous years. Revenue management continues to be critically important in County government.

Program revenues in total make up about 40% of the cost of program activities. The remainder comes from tax revenue. The County collects 7 different types of taxes, and in 2023 approximately 59.6% of the County’s revenue came from some type of tax. Sales and use taxes are the largest source of non-program revenue for the County, accounting for 42.5% of total revenue. Property tax is the second largest source of non-program revenue, accounting for 11.1% of total revenue.

ANALYSIS OF THE COUNTY'S INDIVIDUAL FUNDS STATEMENTS

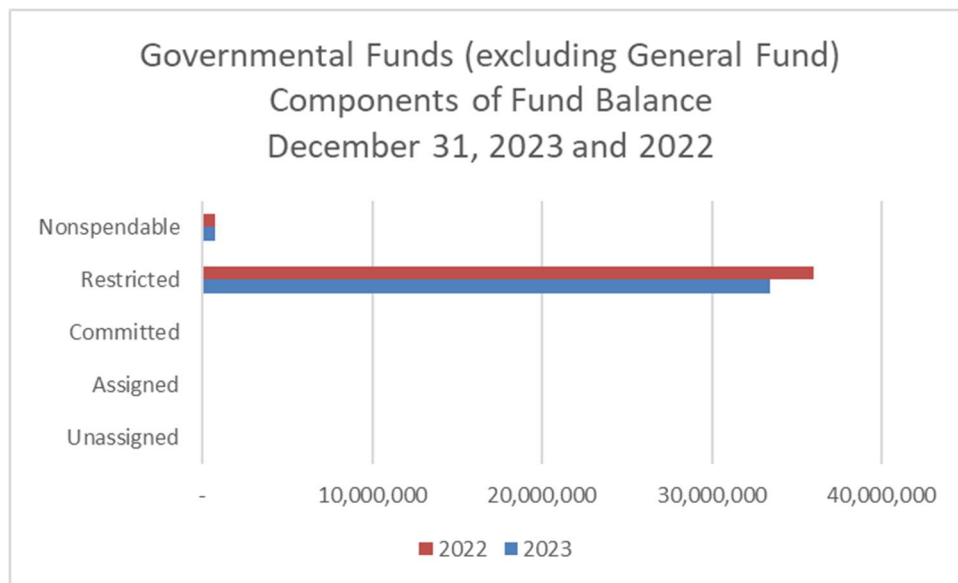
In the short-term, the County must manage its financial resources to meet the public's need for its services in an effective and efficient manner. Short-term activities of the County are accounted for in individual funds. The focus of the financial statements for the individual funds is on short-term financial accountability as reflected primarily by revenue compared to expenses and reserves. The fund balance at the end of the year measures the government's net resources available for spending beyond the end of the fiscal year and funds available for emergency and/or unusual or unexpected events.



General Fund

About one-third of the County's activities are accounted for in the General Fund. At the end of 2023, the General Fund had a reserve (fund balance) of \$25.0 million comprising 42.3% of the County's total governmental fund balance of \$59.1 million. None of the General Fund's fund balance has any legal restrictions. Accordingly, as a measure of the General Fund's liquidity, it represents over 100% of the General Fund total expenditures of \$13.2 million. However, on the modified accrual basis, revenue at year end would reflect much of the revenue collected throughout the year. The General Fund balance increased during the year by \$3.5 million after inter-fund transfers.

General Fund total revenue increased in 2023 by \$1.8 million, mainly due to increased use tax collections and interest income. General Fund expenditures, which include personnel costs, insurance, supplies and miscellaneous expenses, increased in 2023 by \$773,000, mainly due to increased personnel costs.



Road and Bridge Fund

The County’s Road and Bridge Fund is a special revenue fund used to account for activity associated with constructing and maintaining the County’s transportation infrastructure. The main source of revenue is a special levy property tax. It also receives tax revenue from two other sources – County Aid Road Trust (motor fuel tax) and motor vehicle sales tax. The fund received revenue of \$6.8 million in 2023 of which over 93.3% was from special taxes that can only be used for construction and maintenance of road and bridge systems. Typically, the fund balance is large in this fund as most of the revenue is collected near the end of the year. In 2023 the fund balance was \$7.9 million.

Capital Improvement Sales Tax Fund

The Capital Improvement Sales Tax Fund is a special revenue fund. The County has had a half-cent capital improvement sales tax for over 30-years. The Capital Improvement Sales Tax has a 5-year sunset, which was renewed by a vote of the people in April 2022. By law, the revenue must be spent on capital improvements. By County policy, 85% of the revenue is allocated to road and bridge capital improvement projects and the remaining 15% is allocated to capital improvements related to other County needs.

Total revenue in this fund was \$10.0 million in 2023, with 81.6% of this (\$8.1 million) from sales tax.

Expenditures increased significantly in 2023 by \$6.2 million compared to 2022. Prior to 2023, spending on projects decreased significantly due to COVID-19 concerns and other economic factors such as supply-chain issues. However, some large projects took place in 2023 (including a rail-spur joint project with the City of Jefferson). The fund balance decreased by \$1.0 million in 2023, which made the ending fund balance \$8.0 million.

Law Enforcement Sales Tax Fund

The Law Enforcement Sales Tax Fund is a special revenue fund, and revenue from the special sales tax can be used only for law enforcement purposes, including constructing a jail, acquisition of vehicles and equipment, and for operating the Sheriff’s Department. In 2023, the tax accounted for 61.7% of the fund’s revenue. Most of the remainder came from licenses, fees, and permits.

Construction of the County's law enforcement center was completed in 2011 at a cost of \$28 million and was financed through a lease-purchase agreement with a bank as the trustee. The final lease payment was made in 2022 and as a result, the sales tax rate as approved by the voters decreased from 1/2 cent to 3/8 cent in 2023. Expenditures in the fund increased in 2023 by \$3.4 million, mostly due to an increase in personnel costs and significant upgrades to the law enforcement center. The ending fund balance decreased by \$1.7 million in 2023.

ARPA Coronavirus Recovery Fund

The federal government passed the American Rescue Plan Act (ARPA) in 2022, which included \$14.9 million in funding for Cole County. The ARPA Coronavirus Recovery Fund was created to account for the State and Local Fiscal Recovery Fund money that was received by the County from the U.S. Department of Treasury. The funding must be obligated by December 31, 2024, and must be spent by December 31, 2026.

The County formed a Citizens Advisory Committee to help the County Commission determine the needs of the County, and the County Commission formally approved projects for the expenditure of the \$14.9 million received. During 2023, actual ARPA-related expenditures totaled \$3.5 million.

PROPRIETARY FUNDS – ENTERPRISE FUNDS AND INTERNAL SERVICE FUNDS

The County has one enterprise fund and one internal service fund that are accounted for in the proprietary fund statements. Business-type activities include services funded primarily through user charges. The Emergency Medical Services Fund is reflected as a business-type activity and the Health Insurance Fund is reflected as an internal service fund.

Emergency Medical Services Fund

The Emergency Medical Services Fund was created for the operation of the County-wide ambulance service, which is considered a business-type activity. The Emergency Medical Services Fund is financed mainly through charges for services which totaled \$3.9 million in 2023, and partly through transfers from the Emergency Services Sales Tax Fund which totaled \$1.3 million in 2023. Total operating expenses were \$7.2 million which is an increase of \$1.3 million from 2022. The total net position for the Emergency Medical Services Fund was \$6.8 million at year end.

Health Insurance Fund

This fund is a partially self-funded plan for County employee health insurance benefits. Revenues from this fund are provided by all County funds from which County salaries are paid. The revenues are based on actuarial estimates of the amount the County will need to pay claims and establish a reserve for catastrophic losses. The County covers the first \$75,000 in claims on each member and pays for a reinsurance policy which covers claims over \$75,000. The total net position of this fund decreased by \$614,000, for a total net position of \$2.4 million at the end of 2023. The County has realized cost savings with the transition to the partially self-funded plan and has also created a wellness committee to assist employees in making healthy choices.

BUDGET-TO-ACTUAL HIGHLIGHTS

The scope of the budget-to-actual analysis covers the 5 major funds and is part of the Required Supplementary Information (RSI) section included in the statements as required by GAAP. The purpose of the budget-to-actual analysis is to provide a measure of the efficiency of the County's budgeting system. When budget revisions are small and infrequent, the budgeting system is considered efficient and management's ability to plan for the future is effective. Also, when actual revenues and expenses are very close to budgeted revenues and expenses, planning and control are considered effective. The budget can be amended during the year for any unexpected revenue sources that were not included during the adopting of the budget, for example grants received during the year. The County prepares its budgets on the cash basis of accounting so that revenue is recorded when received rather than when earned, and expenditures are recorded when paid rather than when incurred.

The cash basis of accounting can cause variances if revenues are not received when anticipated and expenditures are incurred but not paid during the budget year. The County is also required to budget an emergency (contingency) fund. The County has taken a conservative budget approach and uses the one-time savings of funds from one budget year mainly on one-time purchases. In 2020, the County started to build into the General Fund budget money to be used on capital improvements. The County has an extensive list of improvements that will need to be addressed in the next five to ten years, and the goal of the County is to fund as many of these projects without having to issue debt for the improvements. On a budget-basis, General Fund revenue increased by \$803,000 in 2023. Expenditures in the General Fund came in under budget by \$20.4 million, with most of this being unspent contingency (\$13.3 million) and unspent capital improvement (\$5.0 million) in 2023.

The analysis shows that actual plans conformed substantially to budget, and reserves were maintained at prudent levels. During 2023, increases in personnel costs were incurred in most of the county's major funds; however, additional revenues offset these increases. As such, expenditures were under budget in all the funds and revenue was about the same as expected. In the Road and Bridge Fund and Capital Improvement Sales Tax Fund, projects are large and frequently multi-year, resulting in significant carry-forward of resources to future years. A more detailed analysis of budget-to-actual amounts is shown in the Required Supplementary Information section.

CAPITAL ASSETS

The County had net capital assets (original costs less depreciation) of \$85.8 million at the end of 2023 compared to \$75.4 million in 2022. About 69.2% of the \$85.8 million is comprised of \$33.2 million in infrastructure and \$26.2 million in buildings. The County also has \$6.9 million in land and \$8.3 million in machinery and equipment. Additional information regarding Cole County's capital assets can be found in Note 1 and in Note 6 of this report.

Table 3
County of Cole, Missouri
Schedule of Capital Assets
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>			<u>2022</u>		
	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Total Capital Assets (net of depreciation)</u>	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Total Capital Assets (net of depreciation)</u>
Governmental activities:						
Land	\$ 6,870,729	\$ -	\$ 6,870,729	\$ 6,341,387	\$ -	\$ 6,341,387
Buildings	42,401,648	(16,202,310)	26,199,338	41,691,279	(15,063,879)	26,627,400
Machinery and equipment	20,418,911	(14,243,408)	6,175,503	19,568,296	(13,001,295)	6,567,001
Infrastructure	146,422,604	(113,173,704)	33,248,900	143,001,578	(109,732,511)	33,269,067
Construction in progress	8,465,788	-	8,465,788	769,204	-	769,204
Total	<u>224,579,680</u>	<u>(143,619,422)</u>	<u>80,960,258</u>	<u>211,371,744</u>	<u>(137,797,685)</u>	<u>73,574,059</u>
Business-type activities:						
Land	-	-	-	-	-	-
Buildings	51,700	(51,700)	-	51,700	(51,700)	-
Machinery and equipment	4,571,179	(2,444,101)	2,127,078	4,775,738	(2,972,058)	1,803,680
Right of use assets - finance lease	3,003,908	(300,391)	2,703,517	-	-	-
Total	<u>7,626,787</u>	<u>(2,796,192)</u>	<u>4,830,595</u>	<u>4,827,438</u>	<u>(3,023,758)</u>	<u>1,803,680</u>
Total capital assets	<u>\$ 232,206,467</u>	<u>\$ (146,415,614)</u>	<u>\$ 85,790,853</u>	<u>\$ 216,199,182</u>	<u>\$ (140,821,443)</u>	<u>\$ 75,377,739</u>

The total additions to all capital asset categories were \$18.0 million in 2023, but the County also recorded current year depreciation expense of \$7.3 million. The County purchased vehicles for the Sheriff's Department, heavy equipment for Public Works, and four ambulances for Emergency Medical Services (EMS). In addition, the County entered into a lease agreement for EMS equipment totaling \$3.0 million. The total cost of new machinery and equipment was \$5.7 million in 2023, but the machinery and equipment category only increased by \$3.0 million due to current year depreciation. The County capitalizes only those assets in excess of \$5,000.

DEBT ADMINISTRATION

Table 4
County of Cole, Missouri
Schedule of Outstanding Debt
Year Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Outstanding Debt:		
Special Assessment Bonds	<u>\$ 740,000</u>	<u>\$ 785,000</u>
Total	<u>\$ 740,000</u>	<u>\$ 785,000</u>

Special Assessment Bonds - Neighborhood Improvement District Projects

The County has a contingent liability for outstanding debt of \$740,000 in 2023 associated with neighborhood improvement district projects. The County is required by law to give its backing to these obligations although they are retired by a special assessment on property owners. The amount due from property owners has been recorded as a receivable while the amount owed on the bonds is recorded as debt in the County's financial statements. The total special assessment bonds decreased by \$45,000 due to retirement of bond principal, which was reimbursed by property owner assessment payments.

Financed Purchase

In 2023, the County entered into a lease agreement of \$3.0 million for EMS equipment, to be paid over a period of 10 years. The lease agreement meets the definition of a financed purchase and is recorded in the County's financial statements as debt. At the end of 2023, the balance of the lease obligation is \$2.7 million. Additional information regarding Cole County's long-term debt can be found in Note 7 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

County officials consider and study the economic environment of the County in preparing budgets and administering financial activities. Population and income growth are key determinants of the demand for county services and its revenue. The County's unemployment rate is still favorable at 2.1%, as compared to the state and federal rates at 3.3% and 3.7% respectively. The County unemployment rate increased slightly in 2023. The County's population is estimated to be 77,278 in 2023, a slight increase from 2022. Both personal income and commercial activity are expected to level off in 2023, due to expected inflation rates and concerns of an economic recession. There are some risks to this outlook as there are always unexpected factors which could impact the economy.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County of Cole. The County Auditor is the accounting officer and budget officer of the county and is responsible for preparing financial statements. The Cole County Auditor can be contacted by phone at (573) 634-9123 and is located at 311 East High Street, Jefferson City, Missouri.

COUNTY OF COLE, MISSOURI
Statement of Net Position
December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 50,198,468	\$ 335,692	\$ 50,534,160
Restricted cash and cash equivalents	68,298	-	68,298
Investments	16,174,703	-	16,174,703
Receivables (net of allowance)	10,192,992	1,052,976	11,245,968
Net pension asset - LAGERS	5,946,050	1,221,233	7,167,283
Due from custodial funds	84,124	-	84,124
Internal balances	27,222	(27,222)	-
Inventory	718,810	-	718,810
Prepaid insurance	62,251	-	62,251
Capital assets:			
Non-depreciable	15,246,516	-	15,246,516
Depreciable, net	65,623,742	4,830,595	70,454,337
Total assets	<u>164,343,176</u>	<u>7,413,274</u>	<u>171,756,450</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan contributions - LAGERS	471,489	95,409	566,898
Pension plan contributions - CERF	507,360	162,521	669,881
Pension plan - other - LAGERS	1,794,105	353,515	2,147,620
Pension plan - other - CERF	749,295	191,504	940,799
Total deferred outflows of resources	<u>3,522,249</u>	<u>802,949</u>	<u>4,325,198</u>
LIABILITIES			
Accounts payable and other current liabilities	2,790,666	365,523	3,156,189
Accrued liabilities	7,764	-	7,764
Incurred but not reported claims	932,232	-	932,232
Debt and compensated absences due within one year	601,968	108,078	710,046
Noncurrent liabilities:			
Net pension liability - CERF	2,883,224	874,377	3,757,601
Debt and compensated absences due in more than one year	4,241,280	23,047	4,264,327
Total liabilities	<u>11,457,134</u>	<u>1,371,025</u>	<u>12,828,159</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plan - LAGERS	268,787	32,229	301,016
Unearned revenue - grants	9,063,959	-	9,063,959
Total deferred inflows of resources	<u>9,332,746</u>	<u>32,229</u>	<u>9,364,975</u>
NET POSITION			
Net investment in capital assets	80,870,258	4,830,595	85,700,853
Restricted for:			
Capital improvement	8,033,922	-	8,033,922
Highways, streets, and bridges	7,144,984	-	7,144,984
Public safety	8,767,474	-	8,767,474
Emergency medical services	5,011,250	-	5,011,250
Assessment costs	2,495,010	-	2,495,010
Judicial	379,508	-	379,508
Recorder of deeds	256,902	-	256,902
Tax maintenance	321,853	-	321,853
Employee retirement	27,842	-	27,842
Net pension asset	5,946,050	1,221,233	7,167,283
Election services	137,120	-	137,120
ARPA coronavirus recovery	637,249	-	637,249
Debt service	174,028	-	174,028
Unrestricted	26,872,095	761,141	27,633,236
Total net position	<u>\$ 147,075,545</u>	<u>\$ 6,812,969</u>	<u>\$ 153,888,514</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Activities
For the Year Ended December 31, 2023

	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Primary government							
Governmental activities:							
General government	\$ 11,163,189	\$ 2,830,950	\$ 5,638,387	\$ -	\$ (2,693,852)	\$ -	\$ (2,693,852)
Public safety	15,760,805	3,382,964	2,117,148	16,620	(10,244,073)	-	(10,244,073)
Highways, streets and bridges	11,502,604	297,791	2,968	23,383	(11,178,462)	-	(11,178,462)
Assessment	922,259	163,620	-	-	(758,639)	-	(758,639)
Judicial	1,279,753	246,947	298,803	-	(734,003)	-	(734,003)
Health and welfare	4,360,908	368,136	1,363,526	-	(2,629,246)	-	(2,629,246)
Parks and recreation	120,090	910	-	-	(119,180)	-	(119,180)
Emergency management	347,632	5,000	184,013	-	(158,619)	-	(158,619)
Interest and fiscal fees	23,390	-	-	-	(23,390)	-	(23,390)
Total governmental activities	45,480,630	7,296,318	9,604,845	40,003	(28,539,464)	-	(28,539,464)
Business-type activities:							
Emergency medical services	7,210,738	3,863,917	-	-	-	(3,346,821)	(3,346,821)
Total business-type activities	7,210,738	3,863,917	-	-	-	(3,346,821)	(3,346,821)
Total primary government	\$ 52,691,368	\$ 11,160,235	\$ 9,604,845	\$ 40,003	(28,539,464)	(3,346,821)	(31,886,285)
General revenues and separate line items:							
Property taxes					6,832,011	-	6,832,011
Sales tax					22,535,515	-	22,535,515
Local use tax					3,536,716	-	3,536,716
Motor vehicle sales taxes					388,738	-	388,738
Stock insurance					2,056,481	-	2,056,481
County Aid Road Trust					1,171,881	-	1,171,881
Financial institution tax					27,012	-	27,012
Unrestricted investment earnings					2,251,359	19,796	2,271,155
Gain (loss) on sale of capital assets					38,202	(302,136)	(263,934)
Capital contributions					(3,003,908)	4,333,777	1,329,869
Transfers					(998,483)	998,483	-
Other					646,060	18,670	664,730
Total general revenues and separate line items					35,481,584	5,068,590	40,550,174
Changes in net position					6,942,120	1,721,769	8,663,889
Net position - beginning, as restated					140,133,425	5,091,200	145,224,625
Net position - ending					\$ 147,075,545	\$ 6,812,969	\$ 153,888,514

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Balance Sheet
Governmental Funds
December 31, 2023

	Major Funds						Total Governmental Funds
	Special Revenue					Non-Major Funds	
	General	Road and Bridge	Capital Improvement Sales Tax	Law Enforcement Sales Tax	ARPA Coronavirus Recovery		
ASSETS							
Cash and cash equivalents	\$ 14,059,532	\$ 6,963,551	\$ 7,156,389	\$ 7,929,132	\$ 5,099,843	\$ 8,197,293	\$ 49,405,740
Restricted cash and cash equivalents	-	-	-	-	-	68,298	68,298
Investments	9,412,940	-	-	-	4,816,927	-	14,229,867
Receivables (net of allowance):							
Intergovernmental	2,077,019	258,512	2,970,286	1,577,829	-	588,077	7,471,723
Special assessments	-	-	-	-	-	756,906	756,906
Property taxes	64,467	294,133	-	-	-	137,796	496,396
Due from other funds	-	54,036	-	84,014	-	110	138,160
Due from others	64,023	-	-	23,311	2,083	700,753	790,170
Prepaid insurance	62,251	-	-	-	-	-	62,251
Inventory	-	718,810	-	-	-	-	718,810
Total assets	\$ 25,740,232	\$ 8,289,042	\$ 10,126,675	\$ 9,614,286	\$ 9,918,853	\$ 10,449,233	\$ 74,138,321
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 679,180	\$ 208,486	\$ 592,753	\$ 893,527	\$ 217,645	\$ 198,207	\$ 2,789,798
Due to other funds	4,047	-	-	22,631	-	136	26,814
Total liabilities	683,227	208,486	592,753	916,158	217,645	198,343	2,816,612
Deferred inflows of resources:							
Unavailable revenue - property taxes	31,772	189,203	-	-	-	109,953	330,928
Unavailable/unearned revenue - fees/grants	47,397	27,559	1,500,000	105,989	9,063,959	405,183	11,150,087
Unavailable revenue - special assessments	-	-	-	-	-	756,906	756,906
Total deferred inflows of resources	79,169	216,762	1,500,000	105,989	9,063,959	1,272,042	12,237,921
Fund balances:							
Nonspendable:							
Prepaid insurance	62,251	-	-	-	-	-	62,251
Inventory	-	718,810	-	-	-	-	718,810
Restricted for:							
Capital improvements	-	-	8,033,922	-	-	-	8,033,922
Law enforcement	-	-	-	8,592,139	-	27,964	8,620,103
Emergency medical services	-	-	-	-	-	5,011,250	5,011,250
Highways, streets and bridges	-	7,144,984	-	-	-	-	7,144,984
Training costs	-	-	-	-	-	27,171	27,171
Prosecuting attorney	-	-	-	-	-	120,200	120,200
Assessment costs	-	-	-	-	-	2,495,010	2,495,010
Judicial	-	-	-	-	-	379,508	379,508
Recorder of deeds	-	-	-	-	-	256,902	256,902
Tax maintenance	-	-	-	-	-	321,853	321,853
Employee retirement	-	-	-	-	-	27,842	27,842
Election services	-	-	-	-	-	137,120	137,120
ARPA coronavirus recovery	-	-	-	-	637,249	-	637,249
Debt service	-	-	-	-	-	174,028	174,028
Unassigned	24,915,585	-	-	-	-	-	24,915,585
Total fund balances	24,977,836	7,863,794	8,033,922	8,592,139	637,249	8,978,848	59,083,788
Total liabilities, deferred inflows, and fund balances	\$ 25,740,232	\$ 8,289,042	\$ 10,126,675	\$ 9,614,286	\$ 9,918,853	\$ 10,449,233	\$ 74,138,321

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2023

Total fund balances - governmental funds		\$ 59,083,788
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		80,870,258
Some of the County's property taxes, fees, and grants will be collected after the 60-day availability period/earned in a subsequent period and are deferred in the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements.		3,173,962
Other long-term assets and deferred outflows of resources are not financial resources and, therefore, are not reported in the fund financial statements.		
Net pension plan asset - LAGERS	5,946,050	
Deferred outflows - pension plan contributions	978,849	
Deferred outflows - pension plan - other	<u>2,543,400</u>	9,468,299
Internal service funds are used by management to charge the costs of various items. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.		2,482,261
Long-term liabilities, including bonds, leases payable, and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the fund financial statements. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and non-current, are included in the statement of net position.		
Interest payable	(7,764)	
Leases payable	(2,650,798)	
Bonds payable	(740,000)	
Less: discount on bonds to be amortized as interest expense	8,780	
Compensated absences	(1,461,230)	
Net pension plan liability - CERF	(2,883,224)	
Deferred inflows - pension plan - other	<u>(268,787)</u>	<u>(8,003,023)</u>
Net position of governmental activities		<u>\$ 147,075,545</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	Major Funds						Total Governmental Funds
	General	Special Revenue			Non-Major Funds		
		Road and Bridge	Capital Improvement Sales Tax	Law Enforcement Sales Tax			
REVENUES							
Taxes	\$ 11,666,813	\$ 6,368,754	\$ 8,134,089	\$ 6,179,452	\$ -	\$ 4,160,807	\$ 36,509,915
Licenses, fees and permits	2,684,890	246,217	638,574	3,029,237	-	1,309,654	7,908,572
Intergovernmental	2,249,877	26,351	880,000	233,003	3,544,487	185,341	7,119,059
Interest	677,520	155,542	302,369	398,413	451,181	266,334	2,251,359
Other	234,390	32,668	11,720	183,327	-	160,894	622,999
Total revenues	17,513,490	6,829,532	9,966,752	10,023,432	3,995,668	6,083,030	54,411,904
EXPENDITURES							
Current:							
General government	5,116,651	-	-	-	3,142,236	848,001	9,106,888
Public safety	3,286,094	-	-	11,631,943	-	108,692	15,026,729
Highways, streets and bridges	-	6,406,096	983,381	-	-	-	7,389,477
Assessment costs	-	-	-	-	-	924,628	924,628
Judicial	1,201,239	-	-	-	-	60,246	1,261,485
Health and welfare	2,101,155	-	-	-	-	2,234,595	4,335,750
Parks and recreation	112,741	-	-	-	-	-	112,741
Emergency management	244,917	-	-	-	-	-	244,917
Capital outlay:							
General government	220,496	-	500,207	-	402,251	-	1,122,954
Public safety	527,054	-	-	1,868,645	-	-	2,395,699
Highways, streets and bridges	-	202,903	9,261,549	-	-	-	9,464,452
Judicial	20,433	-	-	-	-	-	20,433
Health and welfare	309,823	-	8,700	-	-	344,529	663,052
Emergency management	35,022	-	-	-	-	-	35,022
Debt service:							
Principal	-	-	-	-	-	520,709	520,709
Interest	-	-	-	-	-	22,760	22,760
Total expenditures	13,175,625	6,608,999	10,753,837	13,500,588	3,544,487	5,064,160	52,647,696
Excess (deficiency) of revenues over (under) expenditures	4,337,865	220,533	(787,085)	(3,477,156)	451,181	1,018,870	1,764,208
OTHER FINANCING SOURCES (USES)							
Transfers in	869,071	26,100	-	1,748,327	-	-	2,643,498
Transfers out	(1,723,985)	(236,433)	(241,500)	-	-	(1,437,651)	(3,639,569)
Sale of capital assets	2,507	97,445	-	31,194	-	54,684	185,830
Total other financing sources (uses)	(852,407)	(112,888)	(241,500)	1,779,521	-	(1,382,967)	(810,241)
Net changes in fund balances	3,485,458	107,645	(1,028,585)	(1,697,635)	451,181	(364,097)	953,967
Fund balances - beginning, as restated	21,492,378	7,756,149	9,062,507	10,289,774	186,068	9,342,945	58,129,821
Fund balances - ending	<u>\$ 24,977,836</u>	<u>\$ 7,863,794</u>	<u>\$ 8,033,922</u>	<u>\$ 8,592,139</u>	<u>\$ 637,249</u>	<u>\$ 8,978,848</u>	<u>\$ 59,083,788</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balance
to the Statement of Activities
For the Year Ended December 31, 2023

Total net changes in fund balances - governmental funds	\$	953,967
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		16,705,520
Depreciation expense		(6,294,877)
Capital contribution to business-type activity		(3,003,908)
Loss on disposal/sale of capital assets		(147,628)
		7,259,107
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Grants		1,905,380
Taxes		38,439
Contributions		37,091
Fees		(5,875)
		1,975,035
Internal service funds are used by management to charge the costs of health insurance to individual funds. The net revenue (expense) of the internal service fund is reported with the governmental activities in the statement of activities.		
		(614,184)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has an effect on net position. Also, governmental funds report the effect of discounts, premiums, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Finance lease proceeds		(3,003,908)
Amortization expense of bond premiums and discounts		(630)
Finance lease payments		475,709
Other principal payments		45,000
		(2,483,829)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Pension plan expense		(155,789)
Compensated absences expense		7,813
		(147,976)
Change in net position of governmental activities	\$	6,942,120

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Net Position
Proprietary Funds
December 31, 2023

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Emergency Medical Services</u>	<u>Health Insurance</u>
ASSETS		
Cash and cash equivalents	\$ 335,692	\$ 792,728
Investments	-	1,944,836
Receivables (net of allowance)	1,050,071	667,797
Due from others	2,905	10,000
Net pension asset - LAGERS	1,221,233	-
Capital assets (net of accumulated depreciation):		
Equipment	4,830,595	-
Total assets	<u>7,440,496</u>	<u>3,415,361</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension plan contributions - LAGERS	95,409	-
Pension plan contributions - CERF	162,521	-
Pension plan - other - LAGERS	353,515	-
Pension plan - other - CERF	191,504	-
Total deferred outflows of resources	<u>802,949</u>	<u>-</u>
LIABILITIES		
Accounts payable and other current liabilities	365,523	868
Due to other funds	27,222	-
Incurred but not reported claims	-	932,232
Compensated absences due within one year	108,078	-
Noncurrent liabilities:		
Net pension liability - CERF	874,377	-
Compensated absences due in more than one year	23,047	-
Total liabilities	<u>1,398,247</u>	<u>933,100</u>
DEFERRED INFLOWS OF RESOURCES		
Pension plan - LAGERS	32,229	-
Total deferred inflows of resources	<u>32,229</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	4,830,595	-
Restricted for net pension asset - LAGERS	1,221,233	-
Unrestricted	761,141	2,482,261
Total net position	<u>\$ 6,812,969</u>	<u>\$ 2,482,261</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Emergency Medical Services</u>	<u>Health Insurance</u>
OPERATING REVENUES		
Charges for services	\$ 3,863,917	\$ 2,699,669
Total operating revenues	<u>3,863,917</u>	<u>2,699,669</u>
OPERATING EXPENSES		
Personnel services	4,943,708	-
Administrative	402,052	-
Other supplies and expenses	275,538	12,229
Repairs and maintenance	476,953	-
Insurance, net of reinsurance reimbursements of \$964,584	105,440	3,429,693
Depreciation and amortization	1,004,726	-
Miscellaneous	2,321	-
Total operating expenses	<u>7,210,738</u>	<u>3,441,922</u>
Operating loss	<u>(3,346,821)</u>	<u>(742,253)</u>
NONOPERATING REVENUE (EXPENSE)		
Miscellaneous	18,670	63,937
Loss on sale of capital assets	(302,136)	-
Interest and investment revenue	19,796	66,544
Total nonoperating revenue	<u>(263,670)</u>	<u>130,481</u>
Loss before transfers	(3,610,491)	(611,772)
Capital contributions	4,333,777	-
Transfers in	1,250,262	-
Transfers out	(251,779)	(2,412)
Change in net position	1,721,769	(614,184)
Total net position - beginning, as restated	<u>5,091,200</u>	<u>3,096,445</u>
Total net position - ending	<u>\$ 6,812,969</u>	<u>\$ 2,482,261</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Emergency Medical Services</u>	<u>Health Insurance</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 4,165,397	\$ 2,642,521
Payments to suppliers	(1,280,643)	(3,242,948)
Payments to employees	(4,894,036)	-
Other operating revenues	18,670	63,937
Net cash used by operating activities	<u>(1,990,612)</u>	<u>(536,490)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating subsidies and transfers from other funds	1,250,262	-
Operating subsidies and transfers to other funds	(251,779)	(2,412)
Net change in interfund balances	15,802	(5,121)
Net cash provided (used) by noncapital financing activities	<u>1,014,285</u>	<u>(7,533)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends	19,796	66,544
Purchase of investments	-	52,477
Net cash provided by investing activities	<u>19,796</u>	<u>119,021</u>
Net change in cash and cash equivalents	(956,531)	(425,002)
Balances-beginning	1,292,223	1,217,730
Balances-ending	<u>\$ 335,692</u>	<u>\$ 792,728</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (3,346,821)	\$ (742,253)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Miscellaneous revenue	18,670	63,937
Depreciation and amortization	1,004,726	-
Change in assets, liabilities, and deferred outflows/inflows:		
Receivables (net of allowance)	301,480	(57,148)
Net pension asset - LAGERS	632,068	-
Accounts and other payables	5,254	398,170
Deferred outflows - pension plans	(268,016)	-
Deferred inflows - pension plans	(832,523)	-
Incurred but not reported claims	-	(199,196)
Net pension liability - CERF	494,550	-
Net cash used by operating activities	<u>\$ (1,990,612)</u>	<u>\$ (536,490)</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 27,161,150
Investments	41,458,772
Property taxes receivable, net of allowance of \$296,922	7,088,474
Due from other governments	29,856
Total assets	\$ 75,738,252
LIABILITIES	
Due to other funds	\$ 84,124
Due to other governments	73,170,546
Total liabilities	73,254,670
NET POSITION	
Amount held for others	2,483,582
Total net position	\$ 2,483,582

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Custodial Funds
ADDITIONS	
Taxes	\$ 102,983,018
Licenses, fees and permits	5,875,461
Interest	7,510
Other	43,700
Total additions	108,909,689
DEDUCTIONS	
General government	108,430,123
Total deductions	108,430,123
Change in net position	479,566
Net position - beginning, as restated	2,004,016
Net position - ending	\$ 2,483,582

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Cole (the County) is located in central Missouri and home to the state capital and the City of Jefferson. It is a first-class county governed by three elected commissioners (western, eastern, and presiding). Other elected County officials are the Assessor, Auditor, Circuit Clerk, Collector, County Clerk, Prosecuting Attorney, Public Administrator, Recorder of Deeds, Sheriff, Treasurer, and five Circuit Judges. These various officials handle different aspects of the County's operations.

The accounting policies and financial reporting practices of the County conform to U.S. generally accepted accounting principles applicable to governmental entities. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County, for financial purposes, includes all of the funds relevant to the operations of the County. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the County that have been determined not to be component units as defined by Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity: Omnibus" (GASB 61). Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading if excluded. Based on the criteria of GASB 61, there are no other agencies or entities for which the County has been determined to be financially accountable and, therefore, should be included in the financial statements of the County.

The County Commission has established Cole County Special Services (CCSS) and appointed a board of directors under Section 205.968 RSMo. Once established, CCSS and its board are considered a political subdivision under section 70.600 RSMo and act independently of the County Commission. It does not meet the definition of a component unit. However, the County does include a levy under Senate Bill 40 for CCSS in the County levy, which is then remitted to CCSS.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the County. The effect of interfund activities, except for interfund services provided and used, has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or

segment. Taxes, unrestricted interest earnings, gains, and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General Fund, Road and Bridge Fund, Capital Improvement Sales Tax Fund, Law Enforcement Sales Tax Fund, and ARPA Coronavirus Recovery Fund are major governmental funds. All other governmental funds are reported in one column labeled “Other Governmental Funds.” The total fund balances for all governmental funds are reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balances for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide statements.

The County uses funds to report its financial position and results of its operations in the fund financial statements. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. 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. Funds are classified into three categories: governmental, proprietary and fiduciary.

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. All general tax revenues and other receipts not allocated by law or contractual agreement to another fund are accounted for in this fund. This fund provides for general operating expenditures, fixed charges and the capital improvement costs not paid through other funds.

Road and Bridge Fund – The Road and Bridge Fund is a special revenue fund used to account for the operations of the public works department. Financing is provided by various taxes, intergovernmental grants, revenue from the State of Missouri, and transfers from the General Fund.

Capital Improvement Sales Tax Fund – The Capital Improvement Sales Tax Fund is a special revenue fund used to account for sales tax collections from a .5% sales tax due to expire December 31, 2026, and expenditures from such collections can only be used for improvements to roads and bridges and the repair, renovation and acquisition of County facilities.

Law Enforcement Sales Tax Fund – The Law Enforcement Sales Tax Fund is a special revenue fund used to account for sales tax collections from a .38% sales tax and for the operations of the Cole County Sheriff’s department.

ARPA Coronavirus Recovery Fund – The ARPA Coronavirus Recovery Fund is a special revenue fund established in 2021 to account for grant monies received from the federal government’s State and Local Fiscal Recovery Fund as part of the American Rescue Plan Act (ARPA).

The County reports the following major proprietary fund:

Emergency Medical Services Fund – This enterprise fund accounts for the operations of the County’s emergency medical response service.

The County reports the following internal service fund:

Health Insurance Fund – The Health Insurance Fund is used to account for internal charges of premiums to the various County departments and for claims and administrative expenses of the County’s self-insured health plan for employees.

Additionally, the County includes a fiduciary fund statement for custodial funds. Custodial funds are used to account for assets held by the County as an agent for individuals, private organizations, or other governmental units. Custodial funds include various taxes and fees collected by County officials which have not yet been remitted to the appropriate governmental entity or person. Only the portion of the funds collected by those officials subsequently remitted to the County are included in the County's financial statements. The remainder are included in the custodial funds. The most significant portion of these custodial funds are property and other taxes not yet remitted by the County Collector.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied as specified by the County Commission. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60-days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt are recognized when due.

Certain taxes (including property, sales, motor vehicle, local use, and others), special assessments, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resources measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

D. Budgets

Budgets are adopted on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Road and Bridge, Capital Improvement Sales Tax, Law Enforcement Sales Tax, Emergency Services Sales Tax, ARPA Coronavirus Recovery, Neighborhood Sinking, Domestic Violence, Record Preservation, Assessment, Training, Election Services, Tax Maintenance, Sheriff Revolving, Prosecuting Attorney Tax Collection, Local Emergency Planning Committee, and Prosecuting Attorney Administrative Handling Fee. The Circuit Clerk and Employee Retirement Funds do not adopt budgets because they are not required by Missouri Statutes.

All annual appropriations lapse at fiscal year-end. Funds on hand at year-end are considered as available revenue for expenditures and are included in beginning budgetary fund balance for the following year.

The County Commission approves the annual budget at the fund level. However, the appropriations at the departmental object level are closely monitored throughout the year for fluctuations and needed revisions. Budget amendments must be recommended by the County Auditor, who also serves as the Budget Officer, and authorized by the County Commission or other authority, as determined by state statute. Supplemental appropriations are made by the applicable authority throughout the year.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances totaled \$9,702,565 as of December 31, 2023.

E. Cash and Investments

The County’s cash and cash equivalents are defined as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The County Treasurer maintains a cash and investment pool that is available for use by all funds. Within the financial statements, income from investments is allocated to the underlying fund unless required to be assigned to another fund by contractual or legal reason. In addition, cash and investments are separately maintained by other County officials.

Investments are stated at cost, which approximates fair value.

For purposes of the statement of cash flows, all highly liquid investments with an original maturity of three months or less when purchased are considered to be cash equivalents. Because a statement of cash flows is prepared only for proprietary funds under generally accepted accounting principles, cash and cash equivalents are distinguished only for those funds.

F. Short-Term Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

G. Receivables

Receivables consist primarily of taxes, grants, emergency medical services charges, and reinsurance reimbursements. They are shown net of an allowance for estimated uncollectible amounts.

H. Inventories

All inventories are recorded in the Road and Bridge Fund and valued at cost using the first-in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

As permitted by GASB Statement No. 34, general government infrastructure assets (streets, bridges, sidewalks) acquired prior to 2003 were capitalized retroactively to 1980 at estimated historical cost during 2007. Infrastructure acquired prior to 1980 is not recorded.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Office furniture, fixtures, equipment	5 – 10 years
Transportation equipment	5 years
Emergency services equipment	5 – 10 years
Infrastructure	10 – 40 years

Fully depreciated capital assets are included in the capital assets accounts until their disposal.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualify for reporting in this category, which are the pension plan contributions and pension plan – other (reported in both the government-wide statement of net position and the proprietary funds statement of net position).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has five items that qualify for reporting in this category, which are the unavailable revenue – property taxes, unavailable/unearned revenue – fees/grants, and unavailable revenue – special assessments reported in the governmental funds balance sheet, the unearned revenue – grants reported in the government-wide statement of net position, and the pension plan – other reported in both the government-wide statement of net position and the proprietary funds statement of net position.

K. Compensated Absences

Under terms of the County's personnel policy, County employees are granted vacation and sick leave in varying amounts. However, no liability is recorded for non-vesting rights to receive sick pay benefits. All vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are expected to be liquidated with expendable financial resources.

L. Long-Term Obligations

In the government-wide financial statements and for proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in all statements as incurred.

In the governmental fund financial statements, general long-term obligations are not reported as liabilities because they do not require the use of current resources. Governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources while discounts on debt issuance are reported as other financing uses. Principal repayments are reported as debt service expenditures.

M. Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (the County Commission) by the end of the fiscal year. The County Commission can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The County Commission can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – This consists of amounts that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of amounts that do not meet the definition of “net investment in capital assets” or “restricted.”

N. Emergency Medical Services

Charges for services in the Emergency Medical Services Fund are reported net of contractual adjustments. Generally, services provided to Medicare and Medicaid eligible individuals results in contractual adjustments, which are known by the County at the time of billing. Such adjustments were \$4,620,544 for the year ended December 31, 2023.

O. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates used by management are the allowance for uncollectible receivable balances; the useful lives of property equipment, and infrastructure; the cost of certain infrastructure and other capital assets; the incurred but not reported claims; and the net pension asset and liability (and the related deferred outflows and inflows of resources).

P. Pensions

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and County Employees' Retirement Fund (CERF) and additions to/deductions from LAGERS' and CERF's fiduciary net position have been determined on the same basis as they are reported by LAGERS and CERF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Subsequent Events

Events that have occurred subsequent to December 31, 2023, have been evaluated through June 18, 2024, which represents the date the County's financial statements were approved by management and therefore were available to be issued.

2. LEGAL COMPLIANCE - BUDGET

The County budget process is governed by the Revised Statutes of Missouri (RSMo) 50.525-50.641. The County is a first-class non-charter county where the County Auditor serves as Budget Officer. The following provides an overview of the budget process and a timetable of dates:

- (1) On or before September 1st, County agencies and department heads submit budget requests to the County Auditor.
- (2) During September and October, the County Auditor reviews budget requests and schedules work sessions with elected officials and department directors as necessary.
- (3) Prior to November 15th, the County Auditor submits to the County Commission a proposed operating budget for the fiscal period commencing the following January 1st based on budgets submitted by agencies and department heads. The operating budget includes proposed expenditures and the means of financing them.
- (4) The County Commission may add to, subtract from or change appropriations. During November and December, public hearings are conducted to obtain taxpayer comments on the original proposed budget and subsequent revisions.
- (5) No later than January 10th, the budget is legally adopted by the County Commission through majority approval. However, in the year any commissioner's new term of office begins, the statutory deadline is January 31.

RSMo 50.540 and 50.550 require all department, offices, institutions, commissions, or courts receiving its revenues in whole or in part from the County to prepare budgets of their anticipated receipts and disbursements.

The reported budgetary data represents the final approved budget after amendments as adopted by the County Commissioners. The budget was amended during the year.

3. CASH AND INVESTMENTS

Cash

The County's investment policies are governed by County Commission Order, state statutes, and management policies. Missouri State Statutes authorize the County to deposit funds in open accounts, U.S. Treasury securities, U.S. Agency securities, repurchase agreements, collateralized certificates of deposit, banker's acceptances, and commercial paper.

Collateral is required for demand deposits and certificates of deposit. Custodial credit risk is the risk that in event of a bank failure, the government's deposits may not be returned to it. Statutes require the collateral pledged must have a fair market value equal to 100% of the funds on deposit, less insured amounts. Obligations that may be pledged as collateral are of the same type in which the County may invest.

The County's deposits are categorized to give an indication of the level of custodial risk assumed by the County as of December 31, 2023.

Deposits, categorized by level of custodial risk, were as follows as of December 31, 2023:

Bank balance	
Insured by the FDIC	\$ 252,889
Collateralized with securities pledged by the the financial institution	<u>56,007,956</u>
	<u><u>\$ 56,260,845</u></u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

Carrying value	
Government-wide statement of net position:	
Unrestricted	\$ 50,534,160
Restricted	68,298
Fiduciary funds statement of net position	<u>27,161,150</u>
	<u><u>\$ 77,763,608</u></u>

Investments

The County had the following investments as of December 31, 2023:

	<u>Investment Maturities (in years)</u>			<u>Fair Value</u>	<u>Carrying Value</u>
	<u>Less than 1</u>	<u>1-5</u>	<u>Over 5</u>		
Unrestricted:					
U.S. treasury notes	<u>\$ 57,633,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,633,475</u>	<u>\$ 57,633,475</u>

Of the U.S. treasury notes, \$14,229,867 is recorded in the governmental funds, \$1,944,836 is recorded in the internal service fund, and \$41,458,772 is recorded in the fiduciary funds.

Interest rate risk – Interest rate risk is the risk that the fair values of investments will be adversely affected by a change in interest rates. The County does not have a formal interest rate risk policy.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor’s and Moody’s. State statutes authorize the County to invest in U.S. treasury securities, U.S. agency securities, repurchase agreements, collateralized certificates of deposit, banker’s acceptances, and commercial paper. However, the County’s investment policy precludes the County from investing in banker’s acceptances and commercial paper. The money market funds are invested primarily in a portfolio of U.S. treasury securities maturing in 397 days or less.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The County’s investment policy places limits on the amount the County may be invest in any one issuer. All the County’s investments are held in U.S. treasury securities.

Custodial credit risk – For an investment, this is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The County does not have any custodial risk in investments.

Fair Value Measurements

For assets and liabilities required to be reported at fair value, U.S. generally accepted accounting principles prescribes a framework for measuring fair value and financial statement disclosures about fair value measurements. A fair value hierarchy has been established that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

The fair value hierarchy as prescribed by U.S. generally accepted accounting principles is as follows:

- Level 1 Valuation is based upon quoted prices (unadjusted) in active markets for identical assets or liabilities that the County has the ability to access.
- Level 2 Valuation is based upon quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.
- Level 3 Valuation is generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The County's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The County's assets and liabilities measured at fair value on a recurring basis as of December 31, 2023, aggregated by the level in the fair value hierarchy within which those measurements fall, are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. treasury notes	<u>\$ 57,633,475</u>	<u>\$ 57,633,475</u>	<u>\$ -</u>	<u>\$ -</u>

Level 1 classifications above consist of U.S. treasury notes that are valued based on third party pricing services for identical or similar assets.

No investments are classified as Level 2 or 3 above.

5. RECEIVABLES

Receivables are composed of the following as of December 31, 2023:

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Receivables:			
Property taxes	\$ 496,396	\$ -	\$ 496,396
Accounts receivable	-	2,053,311	2,053,311
Intergovernmental	8,981,237	-	8,981,237
Special assessments	756,906	-	756,906
	<u>10,234,539</u>	<u>2,053,311</u>	<u>12,287,850</u>
Less allowance for estimated uncollectible amounts	<u>(41,547)</u>	<u>(1,000,335)</u>	<u>(1,041,882)</u>
Receivables (net of allowance)	<u>\$ 10,192,992</u>	<u>\$ 1,052,976</u>	<u>\$ 11,245,968</u>

Interfund receivable and payable balances as of December 31, 2023, in the fund financial statements resulting from interfund transfers and interfund loans were as follows:

	Receivable	Payable
Governmental Funds:		
Major:		
General Fund	\$ -	\$ 4,047
Road and Bridge Fund	54,036	-
Law Enforcement Sales Tax Fund	84,014	22,631
Non-Major:		
Prosecuting Attorney Administrative Handling Fee Fund	110	-
Assessment Fund	-	136
Subtotal Governmental	<u>138,160</u>	<u>26,814</u>
Enterprise Funds:		
Emergency Medical Services Fund	-	27,222
Subtotal Enterprise	<u>-</u>	<u>27,222</u>
Custodial Funds:		
Other - Sheriff Fund	-	84,014
Other - Prosecuting Attorney Fund	-	110
Subtotal Custodial	<u>-</u>	<u>84,124</u>
Total	<u>\$ 138,160</u>	<u>\$ 138,160</u>

The due to/from amount between the Law Enforcement Sales Tax Fund and the Other - Sheriff Fund represents the portion of civil supplement fees collected by the Sheriff Fund in December, but not yet remitted to the Law Enforcement Sales Tax Fund as of December 31, 2023. The remaining amounts are due to miscellaneous transactions.

6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 6,341,387	\$ 439,342	\$ -	\$ -	\$ 6,780,729
Construction in progress	769,204	8,236,834	-	(540,252)	8,465,788
Total capital assets not being depreciated	<u>7,110,591</u>	<u>8,676,175</u>	<u>-</u>	<u>(540,252)</u>	<u>15,246,516</u>
Capital assets being depreciated:					
Buildings and improvements	41,691,279	349,676	-	360,692	42,401,647
Machinery and equipment	19,565,664	1,478,509	(512,212)	(113,050)	20,418,911
Infrastructure	143,001,578	3,241,467	-	179,559	146,422,604
Total capital assets being depreciated	<u>204,258,521</u>	<u>5,069,652</u>	<u>(512,212)</u>	<u>427,202</u>	<u>209,243,162</u>
Accumulated depreciation:					
Buildings and improvements	(15,061,247)	(1,141,063)	-	-	(16,202,310)
Machinery and equipment	(13,001,295)	(1,712,621)	470,509	-	(14,243,407)
Infrastructure	(109,732,511)	(3,441,193)	-	-	(113,173,704)
Total accumulated depreciation	<u>(137,795,053)</u>	<u>(6,294,877)</u>	<u>470,509</u>	<u>-</u>	<u>(143,619,421)</u>
Net capital assets being depreciated	<u>66,463,468</u>	<u>(1,225,225)</u>	<u>(41,703)</u>	<u>427,202</u>	<u>65,623,741</u>
Capital assets, net	<u>\$ 73,574,059</u>	<u>\$ 7,450,950</u>	<u>\$ (41,703)</u>	<u>\$ (113,050)</u>	<u>\$ 80,870,258</u>
	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u>
Business-type activities:					
Capital assets being depreciated:					
Buildings and improvements	\$ 51,700	\$ -	\$ -	\$ -	\$ 51,700
Machinery and equipment	4,775,738	4,220,727	(1,534,428)	113,050	7,575,087
Total capital assets being depreciated	<u>4,827,438</u>	<u>4,220,727</u>	<u>(1,534,428)</u>	<u>113,050</u>	<u>7,626,787</u>
Accumulated depreciation:					
Buildings and improvements	(51,700)	-	-	-	(51,700)
Machinery and equipment	(2,972,058)	(1,004,726)	1,232,292	-	(2,744,492)
Total accumulated depreciation	<u>(3,023,758)</u>	<u>(1,004,726)</u>	<u>1,232,292</u>	<u>-</u>	<u>(2,796,192)</u>
Capital assets, net	<u>\$ 1,803,680</u>	<u>\$ 3,216,001</u>	<u>\$ (302,136)</u>	<u>\$ 113,050</u>	<u>\$ 4,830,595</u>

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,360,952
Public safety	665,066
Highway, streets and bridges	4,085,807
Health and welfare	29,735
Assessment	951
Judicial	8,071
Parks and recreation	7,349
Emergency management	<u>136,946</u>
Total depreciation expense - governmental activities	<u><u>\$ 6,294,877</u></u>
Business-type activities:	
Emergency medical services	<u>\$ 1,004,726</u>
Total depreciation/amortization expense - business-type activities	<u><u>\$ 1,004,726</u></u>

7. LONG-TERM OBLIGATIONS

The following is a summary of the County's long-term obligation transactions for the year ended December 31, 2023:

	<u>Beginning</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u>	<u>Due within one year</u>
Governmental Funds					
Direct borrowings:					
Special assessment debt	\$ 785,000	\$ -	\$ 45,000	\$ 740,000	\$ 45,000
Less: unamortized discount	(9,409)	-	(630)	(8,779)	-
Compensated absences	1,469,042	190,110	197,922	1,461,230	203,858
Financed purchase	122,599	3,003,908	475,710	2,650,797	353,110
Enterprise Funds					
Compensated absences	<u>125,719</u>	<u>110,336</u>	<u>104,930</u>	<u>131,125</u>	<u>108,078</u>
	<u>\$ 2,492,951</u>	<u>\$ 3,304,354</u>	<u>\$ 822,932</u>	<u>\$ 4,974,373</u>	<u>\$ 710,046</u>

Special Assessment Debt: Bonds issued to fund Neighborhood Improvement District projects are as follows:

	<u>Issued</u>	<u>Rate</u>	<u>Balance</u>	
			<u>Original</u>	<u>Current</u>
Maturing 3/1/2018 to 3/1/2037	10/3/2017	0.9% to 3%	\$ 535,000	\$ 390,000
Maturing 3/1/2019 to 3/1/2038	3/26/2018	3% to 3.5%	<u>425,000</u>	<u>350,000</u>
			<u>\$ 1,320,000</u>	<u>\$ 740,000</u>

Financed Purchase: The County entered into an agreement with a medical technology company to finance equipment for the Emergency Medical Services Fund. The agreement is non-interest bearing; however, the County has determined that imputed interest has a material effect on the financial statements and as such, has applied an imputed interest rate of 3.79% to the agreement. Principal and interest payments are due annually through December 2032, at which time ownership of the equipment will transfer to the County.

The annual requirements to amortize all debt outstanding as of December 31, 2023, including interest payments, are as follows:

	Special		Financed Purchase		Total Payments
	Assessment Debt		Principal	Interest	
Year ending December 31:	Principal	Interest	Principal	Interest	
2024	\$ 45,000	21,316	\$ 252,645	\$ 100,465	\$ 318,961
2025	45,000	20,279	262,220	90,890	327,499
2026	45,000	19,198	272,158	80,952	336,356
2027	45,000	18,085	282,473	70,637	345,558
2028	45,000	16,935	293,179	59,931	355,114
2029-2033	255,000	63,391	1,288,122	124,319	1,606,513
2034-2038	260,000	20,063	-	-	280,063
Total payments	<u>\$ 740,000</u>	<u>\$ 179,267</u>	<u>\$ 2,650,797</u>	<u>\$ 527,194</u>	<u>\$ 3,570,064</u>

The following summarizes the expected repayment sources for long-term obligations:

Fund	Obligation	Amount
General Fund	Compensated absences	\$ 551,178
Road and Bridge Fund	Compensated absences	335,291
Assessment Fund	Compensated absences	28,686
Law Enforcement Fund	Compensated absences	546,075
Neighborhood Improvement District Fund	Special assessment debt	731,221
Emergency Services Fund	Compensated absences	131,125
Emergency Services Sales Tax Fund	Financed purchase	2,650,797
		<u>\$ 4,974,373</u>

8. INTERFUND TRANSFERS

A summary of interfund transfers for the year ended December 31, 2023, follows:

	Transferred from:						Total
	Governmental Funds				Enterprise Fund		
	General Fund	Road and Bridge Fund	Capital Improvements Sales Tax Fund	Non-Major Funds	Emergency Medical Services Fund	Internal Service Fund	
Transferred to:							
Governmental Funds:							
General Fund	\$ -	\$ 236,433	\$ 241,500	\$ 136,947	\$ 251,779	\$ 2,412	\$ 869,071
Road and Bridge Fund	26,100	-	-	-	-	-	26,100
Law Enforcement Sales Tax Fund	1,697,885	-	-	50,442	-	-	1,748,327
	<u>1,723,985</u>	<u>236,433</u>	<u>241,500</u>	<u>187,389</u>	<u>251,779</u>	<u>2,412</u>	<u>2,643,498</u>
Enterprise Funds:							
Emergency Medical Services Fund	-	-	-	1,250,262	-	-	1,250,262
	<u>\$ 1,723,985</u>	<u>\$ 236,433</u>	<u>\$ 241,500</u>	<u>\$ 1,437,651</u>	<u>\$ 251,779</u>	<u>\$ 2,412</u>	<u>\$ 3,893,760</u>

The transfer of \$1,697,885 from the General Fund to the Law Enforcement Sales Tax Fund is to subsidize law enforcement operations and was promised to the taxpayers during the original law enforcement sales tax issuance. All other transfers are routine in nature and represent a reallocation of resources as approved by the County Commissioners.

9. COMMITMENTS AND CONTINGENCIES

A. 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. The County has obtained coverage from commercial insurance companies for these risks of losses. There were no significant reductions in insurance coverage from the prior year. In addition, no settlements have exceeded insurance coverage in the previous three fiscal years.

B. Construction

As of December 31, 2023, the County has entered into contracts in process totaling \$14,973,582 for the construction of buildings, roads and other infrastructure. As of December 31, 2023, billings on these contracts totaled \$8,114,160, leaving a remaining contract liability of \$6,859,422.

The County signed intergovernmental agreements, which automatically renew July 1 of each year, with eight different municipalities, the City of Jefferson being the largest, where the County will remit monies obligated under Section 137.556 RSMo to each municipality. This section requires the County to spend not less than 25% of the monies accruing to it from the County's special road and bridge tax levied upon property situated within the limits of any city within the County for the repairs and improvement of existing road, etc. from which the money accrued. In return, the municipalities will perform repairs and improvements of roads, streets and bridges within the cities' boundaries sufficient to cover the County's obligation under Section 137.556 RSMo. Amounts paid under these agreements for 2023 totaled \$742,454.

C. Intergovernmental Revenue

The County receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the County as of December 31, 2023.

D. Litigation

The County is a defendant in a number of claims, lawsuits, and disputes regarding the assessed valuation of property. The County Attorney has reviewed these claims, lawsuits, and disputes in order to evaluate the likelihood of an unfavorable outcome to the County and arrive at an estimate, if any, of the amount or range of potential loss to the County. The County Attorney has indicated that the resolutions of any lawsuits pending are covered by the County's insurance carrier and are not expected to have a material adverse effect on the basic financial statements of the County. No amount has been provided in these financial statements for any such claims, lawsuits, or disputes regarding the assessed valuation of property.

E. Surtax

During 2009, the County discovered the surtax calculation was done incorrectly in prior years, resulting in the improper distribution of surtax. The calculation was corrected for the 2009 tax year, but the error occurring in prior years resulted in both underpaid and overpaid districts. Settlements were reached during 2012, with the agreement that all overpaid districts will reimburse the County, who will in turn reimburse the underpaid districts. The repayments and subsequent reimbursements will occur over a period of 15-years.

F. Health Insurance Plan

The County maintains a self-funded health insurance program with claims processed by a third-party administrator on behalf of the County. A separate insurance fund (an internal service fund) was created to account for and finance the health insurance program.

All funds of the County from which employees' salaries are paid participate in the health insurance program and make payments to the Health Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Total contributions and transfers to the program during 2023 were \$2,699,669. An estimate of the liability for claims outstanding at the end of the fiscal year has been reported in the Health Insurance Fund. The specific stop loss deductible for this plan was \$75,000 for the year ended December 31, 2023.

Changes in the Health Insurance Fund's claims liability amount for the last two fiscal years were:

Fiscal Year	Beginning of Year Liability	Current Year		End of Year Liability
		Claims and Changes In Estimates	Less Claim Payments	
2022	\$ 229,594	\$ 3,406,175	\$ (2,902,733)	\$ 733,036
2023	733,036	3,467,328	(3,268,132)	932,232

10. EMPLOYEE BENEFIT PLANS

General Information about the Pension Plans

The following information is presented in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

A. Plan Description - LAGERS

The County’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The County participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS’ 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 responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

	<u>2023 Valuation</u>
Benefit multiplier	1.5%
Final average salary	5 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

As of June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	243
Inactive employees entitled to but not yet receiving benefits	199
Active employees	<u>306</u>
Total	<u><u>748</u></u>

Contributions

The County is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the County do not contribute to the pension plan. Employer contribution rates are 6.8% (General) and 8.9% (Police) of annual covered payroll.

Net Pension Liability (Asset)

The County's net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2023.

Actuarial Assumptions

The total pension liability in the February 28, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage; 2.25% price 2.75% to 6.75% (General) / 6.55% (Police), including inflation
Salary increase	
Investment rate of return	7.00%, net of investment expenses

Mortality rates were based on the PubG-2010 Retiree Mortality, PubNS-2010 Disabled Retiree, PubG-2010 Employee Mortality, and PubS-2010 Employee Mortality Tables.

The actuarial assumptions used in the February 28, 2023, valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2022	\$ 44,334,462	\$ 55,013,225	\$ (10,678,763)
Changes for the year:			
Service cost	1,283,534	-	1,283,534
Interest	3,076,359	-	3,076,359
Difference between expected and actual experience	1,405,870	-	1,405,870
Changes in assumptions	-	-	-
Contributions - employer	-	1,101,657	(1,101,657)
Net investment income	-	1,909,453	(1,909,453)
Benefit payments, including refunds	(2,069,771)	(2,069,771)	-
Administrative expense	-	(100,474)	100,474
Other changes	-	(656,353)	656,353
Net changes	3,695,992	184,512	3,511,480
Balances at June 30, 2023	\$ 48,030,454	\$ 55,197,737	\$ (7,167,283)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate.

	Current Single Discount		
	1% Decrease (6.00%)	Rate Assumption (7.00%)	1% Increase (8.00%)
Total pension liability	\$ 55,286,833	\$ 48,030,454	\$ 42,130,166
Plan fiduciary net position	55,197,737	55,197,737	55,197,737
Net pension liability (asset)	89,096	(7,167,283)	(13,067,571)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued LAGERS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the County recognized pension expense of \$1,431,183. The County reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between:		
Expected and actual experience	\$ 1,560,403	\$ (6,749)
Projected and actual earnings on investments	587,217	-
Changes in assumptions	-	(294,267)
Contributions subsequent to the measurement date*	566,898	-
Total	<u>\$ 2,714,518</u>	<u>\$ (301,016)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability (asset) for the year ending December 31, 2024.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending:	
2024	\$ 132,236
2025	(305,755)
2026	1,523,370
2027	496,753
Total	<u>\$ 1,846,604</u>

Payable to the Pension Plan

As of December 31, 2023, the County did not report a payable to LAGERS.

B. Plan Description – County Employees' Retirement Fund

In addition to LAGERS, benefit eligible employees of the County are provided with pensions through the County Employees' Retirement Fund (CERF) – a mandatory cost-sharing, multiple-employer defined benefit pension plan established in 1994. Laws governing CERF are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes. As such, it is CERF'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 responsibility for the operations and administration of CERF is vested in the Board of Directors consisting of eleven members. CERF issues a publicly available Annual Financial Report that can be obtained at www.mocerf.org.

Benefits Provided

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8-years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost of living adjustments, not to exceed 1%, are provided for eligible retirees of survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature.

Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. 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. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees.

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 real estate and personal property tax declarations,
- Twenty dollars on each merchants and manufacturers license issued,
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one dollar on each document recorded,
- Five-ninths of the fee on delinquent property taxes, and
- Interest earned on investment of the above collections prior to remittance to CERF.

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.

The County's required contribution rate for the year ended December 31, 2023, was 4% of annual payroll. Contributions and statutory charges remitted to the pension plan from the County were \$478,713 and \$669,882, respectively, for the year ended December 31, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2023, the County reported a liability of \$3,757,601 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and was based on the most recent actuarial valuation by CERF's independent actuary as of January 1, 2022, projected forward to December 31, 2022, and financial information of the Plan as of December 31, 2022.

The County's proportion of the net pension liability was based on the County's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for CERF plan year ended December 31, 2022. As of December 31, 2022, the County's proportion was 1.67%, which decreased from the percentage used to allocate the liability as of December 31, 2021, which was 1.78%.

There were no changes in benefit terms during the CERF plan year ended December 31, 2022, that affected the measurement of total pension liability.

For the year ended December 31, 2023, the County recognized pension expense of \$536,438. As of December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between:		
Expected and actual experience	\$ 16,050	\$ -
Projected and actual earnings on investments	986,398	-
Change in assumptions	723	-
Change in proportion	(62,372)	-
Contributions subsequent to the measurement date*	<u>669,881</u>	<u>-</u>
Total	<u>\$ 1,610,680</u>	<u>\$ -</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the County's fiscal year following CERF's fiscal year as follows:

Year ending:	
2024	\$ 5,641
2025	171,890
2026	281,056
2027	<u>482,212</u>
Total	<u>\$ 940,799</u>

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation, which is also the date of measurement for GASB Statement No. 68 purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Compensation increases	2.91% to 11.05% (2.7%, plus merit)
Inflation	2.5%
Investment rate of return	7.25%

Mortality rates were based on the RP-2000 Combined Mortality projected to 2022 using Scale BB. The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2014 to December 31, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate rates of expected future real rates of return (expected returns, net of pension plan investment expense and tuition) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in CERF target asset allocation as of December 31, 2022 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap equity	20.00%	1.43%
U.S. small cap equity	12.00%	1.03%
Core plus	15.00%	0.43%
Non-U.S. equity	18.00%	1.49%
Long/short equity	10.00%	0.58%
Absolute return	10.00%	0.33%
Core real estate	5.00%	0.33%
Opportunistic real estate	5.00%	0.48%
Private equity	5.00%	0.53%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current statutory rates and that contributions from employers will be made based on the Plan's current revenue sources (various fees and penalties collected by the counties). Such revenue was assumed to increase at the rate of 1% per year. This increase assumption has been used by the Plan in prior funding status projections. Historically, revenue increases have averaged more than 1% per year. Based on the assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. The projections covered an 80-year period into the future. The long-term expected rate of return on the Plan's investments was applied to projected benefit payments.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The table on the following page presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate.

	Current Single Discount		
	1% Decrease (6.25%)	Rate Assumption (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension liability	\$ 5,727,805	\$ 3,757,601	\$ 2,125,319

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CERF Annual Financial Report.

Payable to the Pension Plan

As of December 31, 2023, the County reported a payable of \$93,977 for the outstanding amount of contributions and statutory charges to the pension plan required for the year then ended.

C. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with IRC Section 457. The deferred compensation plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employees or other beneficiary) held in trust for the exclusive benefit of employees. As the County does not have fiduciary responsibility for these assets, the trust account and related liability are not included in the accompanying basic financial statements.

11. TAX ABATEMENTS

Chapter 100 Financing: In Missouri, cities and counties (Municipality) can issue industrial development revenue bonds (Revenue Bonds) pursuant to Chapter 100 of the Missouri Revised Statutes (RSMo), as amended (the Act), in order to encourage industrial development projects for private companies. Under the Act, the Municipality may issue Revenue Bonds to finance the costs of the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such Municipality, buildings, fixtures and machinery (the Project). There are two primary reasons to issue Revenue Bonds under the Act. First, if the Revenue Bonds are tax-exempt, it may be possible to issue the Revenue Bonds at lower interest rates than those obtained through conventional financing. Second, even if the Revenue Bonds are not tax-exempt, ad valorem taxes levied on the Revenue Bond financed Project may be abated so long as the Revenue Bonds are outstanding.

In a typical Chapter 100 transaction, the Municipality holds fee title to the Project once the Revenue Bonds are issued and leases the Project to the private company. Because the Municipality is the legal owner of the Project while the Revenue Bonds are outstanding, the Project is exempt from ad valorem taxation and personal property taxation. The Municipality and the private company may determine that partial tax abatement – but not full tax abatement is desirable. In this case, the Municipality and the private company will enter into an agreement providing for the company to make “payments in lieu of taxes” to the Municipality and other taxing jurisdictions levying property taxes where the Project is located. The amount of payments in lieu of taxes to be paid by the private company is negotiable to any amount. The payments in lieu of taxes are payable by December 31 of each year and are distributed to the Municipality and to each taxing jurisdiction levying property taxes where the Project is located in the same manner and proportion as the property taxes would otherwise be distributed to such taxing jurisdictions under Missouri law. Section 100.800 of the RSMo does provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

Under these Chapter 100 Financing agreements, the County had one tax abatement through the City of Jefferson during 2023. Total property taxes abated under the agreement was \$6,424 in 2023.

Tax Increment Financing: Pursuant to the Real Property Tax Increment Allocation Act, Sections 99.800 through 99.865, RSMo, as amended (the TIF Act), cities and counties (Municipality) may adopt a redevelopment plan (TIF plan) that provides for the redevelopment of a “blighted area”, “conservation area” or “economic development area,” located within the boundaries of the Municipality. The theory of TIF financing is that, by encouraging redevelopment projects, the value of real property in a redevelopment area should increase.

When the TIF plan is adopted, the assessed valuation of the real property in the redevelopment area is frozen at the current base level prior to construction of improvements. The owner of the property continues to pay property taxes at the base level and such property tax revenues are distributed to the taxing jurisdictions levying property taxes in the redevelopment area. As the property is improved, the assessed value of the real property in the redevelopment area increases above the base level. By applying the property tax levy of all taxing jurisdiction having taxing power within the redevelopment area to the increase in assessed valuation of the improved real property over the base level, a “tax increment” is produced. The tax increments, referred to as “payments in lieu of taxes,” are paid by the owner of the real property in the same manner as regular property taxes. The payments in lieu of taxes are transferred by the collecting agency to the treasurer of the Municipality and deposited in a special allocation fund.

Under these Tax Increment Financing agreements, the County had three tax abatements through the City of Jefferson during 2023. Total sales tax abated under the agreements was \$80,660 in 2023.

Other Tax Abatements: Total taxes abated under other agreements was \$7,690 in 2023.

12. RESTATEMENT

During the year ended December 31, 2023, the County identified certain obligations that should have been included in liabilities.

As a result, the following funds' fund balance/net position were restated as follows as of December 31, 2023:

	General	Road and Bridge	Assessment	Law Enforcement Sales Tax	Emergency Medical Services	Protest Tax
Fund balance/net position - beginning, as previously reported	\$ 21,589,466	\$ 7,785,089	\$ 2,313,945	\$ 10,363,245	\$ 5,141,163	\$ 450,862
Restatement	(97,088)	(28,940)	(8,209)	(73,470)	(49,963)	(450,862)
Fund balance/net position - beginning, as restated	<u>\$ 21,492,378</u>	<u>\$ 7,756,149</u>	<u>\$ 2,305,736</u>	<u>\$ 10,289,775</u>	<u>\$ 5,091,200</u>	<u>\$ -</u>

REQUIRED SUPPLEMENTARY INFORMATION

Cole County
Required Supplementary Information
Notes to the Budgetary Comparison Schedules
For the Year Ended December 31, 2023

Budgetary Information

Budgets are adopted on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Road and Bridge, Capital Improvement Sales Tax, Law Enforcement Sales Tax, Emergency Services Sales Tax, ARPA Coronavirus Recovery, Neighborhood Sinking, Domestic Violence, Record Preservation, Assessment, Training, Election Services, Tax Maintenance, Sheriff Revolving, Prosecuting Attorney Tax Collection, and Prosecuting Attorney Administrative Handling Fee. The Circuit Clerk and Employee Retirement Funds do not adopt budgets because they are not required by Missouri Statutes

The County budget process is governed by the Revised Statutes of Missouri (RSMo) 50.525-50.641. The County is a first-class non-charter county where the County Auditor serves as Budget Officer. The following provides an overview of the budget process and a timetable of dates:

- (1) On or before September 1st, County agencies and department heads submit budget requests to the County Auditor.
- (2) During September and October, the County Auditor reviews budget requests and schedules work sessions with elected officials and department directors as necessary.
- (3) Prior to November 15th, the County Auditor submits to the County Commission a proposed operating budget for the fiscal period commencing the following January 1st based on budgets submitted by agencies and department heads. The operating budget includes proposed expenditures and the means of financing them.
- (4) The County Commission may add to, subtract from or change appropriations. During November and December, public hearings are conducted to obtain taxpayer comments on the original proposed budget and subsequent revisions.
- (5) No later than January 10th, the budget is legally adopted by the County Commission through majority approval. However, in the year any commissioner's new term of office begins, the statutory deadline is January 31.

RSMo 50.540 and 50.550 require all department, offices, institutions, commissions, or courts receiving its revenues in whole or in part from the County to prepare budgets of their anticipated receipts and disbursements.

The reported budgetary data represents the final approved budget after amendments as adopted by the County Commissioners. The budget was amended during the year.

COUNTY OF COLE, MISSOURI
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budget Basis)
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 10,753,000	\$ 10,753,000	\$ 11,747,300	\$ 994,300
Licenses, fees and permits	2,559,297	2,559,297	2,703,758	144,461
Intergovernmental	2,140,099	2,689,201	2,323,364	(365,837)
Interest	152,000	152,000	664,723	512,723
Other	409,845	409,845	120,300	(289,545)
Total revenues	<u>16,014,241</u>	<u>16,563,343</u>	<u>17,559,445</u>	<u>996,102</u>
EXPENDITURES				
Personnel services	10,724,551	10,732,326	9,857,787	874,539
Materials and supplies	2,383,272	2,580,240	2,190,236	390,004
Contractual services	1,062,650	1,169,602	1,064,894	104,708
Grants	413,921	995,352	448,335	547,017
Other services and charges	200,445	201,967	109,174	92,793
Capital outlay	5,010,000	5,009,489	8,776	5,000,713
Contingency	13,690,149	13,345,114	-	13,345,114
Total expenditures	<u>33,484,988</u>	<u>34,034,090</u>	<u>13,679,202</u>	<u>20,354,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,470,747)</u>	<u>(17,470,747)</u>	<u>3,880,243</u>	<u>21,350,990</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	913,105	913,105	869,071	(44,034)
Transfers out	(1,723,985)	(1,723,985)	(1,723,985)	-
Sale of capital assets	-	-	2,507	2,507
Total other financing sources (uses)	<u>(810,880)</u>	<u>(810,880)</u>	<u>(852,407)</u>	<u>(41,527)</u>
Net changes in fund balances	<u>(18,281,627)</u>	<u>(18,281,627)</u>	<u>3,027,836</u>	<u>21,309,463</u>
Fund balances - beginning	<u>18,281,627</u>	<u>18,281,627</u>	<u>20,444,636</u>	<u>2,163,009</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,472,472</u>	<u>\$ 23,472,472</u>

COUNTY OF COLE, MISSOURI
Road and Bridge Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budget Basis)
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 6,118,760	\$ 6,118,760	\$ 6,128,220	\$ 9,460
Licenses, fees and permits	443,682	443,682	228,157	(215,525)
Intergovernmental	-	-	26,351	26,351
Interest	30,000	30,000	159,200	129,200
Other	21,500	21,500	23,074	1,574
Total revenues	<u>6,613,942</u>	<u>6,613,942</u>	<u>6,565,002</u>	<u>(48,940)</u>
EXPENDITURES				
Personnel services	2,837,035	2,837,743	2,731,229	106,514
Materials and supplies	2,723,382	3,130,026	2,521,678	608,348
Contractual services	63,340	63,340	61,405	1,935
Other services and charges	753,854	753,951	749,838	4,113
Capital outlay	315,419	712,856	519,617	193,239
Contingency	2,545,501	1,740,615	-	1,740,615
Total expenditures	<u>9,238,531</u>	<u>9,238,531</u>	<u>6,583,767</u>	<u>2,654,764</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,624,589)</u>	<u>(2,624,589)</u>	<u>(18,765)</u>	<u>2,605,824</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	26,100	26,100	27,107	1,007
Transfers out	(236,433)	(236,433)	(236,433)	-
Sale of capital assets	5,000	5,000	97,445	92,445
Total other financing sources (uses)	<u>(205,333)</u>	<u>(205,333)</u>	<u>(111,881)</u>	<u>93,452</u>
Net changes in fund balances	<u>(2,829,922)</u>	<u>(2,829,922)</u>	<u>(130,646)</u>	<u>2,699,276</u>
Fund balances - beginning	<u>2,829,922</u>	<u>2,829,922</u>	<u>7,094,197</u>	<u>4,264,275</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,963,551</u>	<u>\$ 6,963,551</u>

COUNTY OF COLE, MISSOURI
Capital Improvement Sales Tax Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budget Basis)
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 8,000,000	\$ 8,000,000	\$ 8,112,918	\$ 112,918
Licenses, fees and permits	-	-	50,191	50,191
Intergovernmental	2,892,000	2,892,000	1,468,383	(1,423,617)
Interest	50,000	50,000	312,245	262,245
Other	-	-	11,720	11,720
Total revenues	<u>10,942,000</u>	<u>10,942,000</u>	<u>9,955,457</u>	<u>(986,543)</u>
EXPENDITURES				
Contractual services	27,000	29,315	29,314	1
Capital outlay	14,712,556	16,395,243	10,169,680	6,225,563
Contingency	<u>3,515,970</u>	<u>1,830,968</u>	<u>-</u>	<u>1,830,968</u>
Total expenditures	<u>18,255,526</u>	<u>18,255,526</u>	<u>10,198,994</u>	<u>8,056,532</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,313,526)</u>	<u>(7,313,526)</u>	<u>(243,537)</u>	<u>7,069,989</u>
OTHER FINANCING USES				
Transfers out	<u>(327,900)</u>	<u>(327,900)</u>	<u>(241,500)</u>	<u>86,400</u>
Total other financing uses	<u>(327,900)</u>	<u>(327,900)</u>	<u>(241,500)</u>	<u>86,400</u>
Net changes in fund balances	(7,641,426)	(7,641,426)	(485,037)	7,156,389
Fund balances - beginning	<u>7,641,426</u>	<u>7,641,426</u>	<u>7,641,426</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,156,389</u>	<u>\$ 7,156,389</u>

COUNTY OF COLE, MISSOURI
Law Enforcement Sales Tax
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budget Basis)
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 6,100,000	\$ 6,100,000	\$ 6,507,273	\$ 407,273
Licenses, fees and permits	2,919,601	2,919,601	2,924,127	4,526
Intergovernmental	22,272	207,931	230,408	22,477
Interest	75,000	75,000	385,969	310,969
Other	36,230	36,230	165,102	128,872
Total revenues	<u>9,153,103</u>	<u>9,338,762</u>	<u>10,212,879</u>	<u>874,117</u>
EXPENDITURES				
Personnel services	7,644,135	7,690,689	7,315,464	375,225
Materials and supplies	2,543,624	2,829,765	2,353,219	476,546
Contractual services	364,864	394,390	378,394	15,996
Grants	125,019	368,241	253,027	115,214
Other services and charges	482,395	477,488	371,709	105,779
Capital outlay	434,540	3,134,422	2,385,408	749,014
Contingency	8,227,347	5,112,588	-	5,112,588
Total expenditures	<u>19,821,924</u>	<u>20,007,583</u>	<u>13,057,221</u>	<u>6,950,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,668,821)</u>	<u>(10,668,821)</u>	<u>(2,844,342)</u>	<u>7,824,479</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,748,327	1,748,327	1,748,327	-
Transfers out	-	-	-	-
Sale of capital assets	30,000	30,000	33,939	3,939
Total other financing sources (uses)	<u>1,778,327</u>	<u>1,778,327</u>	<u>1,782,266</u>	<u>3,939</u>
Net changes in fund balances	<u>(8,890,494)</u>	<u>(8,890,494)</u>	<u>(1,062,076)</u>	<u>7,828,418</u>
Fund balances - beginning	<u>8,890,494</u>	<u>8,890,494</u>	<u>8,991,208</u>	<u>100,714</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,929,132</u>	<u>\$ 7,929,132</u>

COUNTY OF COLE, MISSOURI
ARPA Coronavirus Recovery Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budget Basis)
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest	\$ 75,000	\$ 75,000	\$ 465,650	\$ 390,650
Grants & reimbursements	50,000	50,000	50,000	-
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>515,650</u>	<u>390,650</u>
EXPENDITURES				
Grants	<u>12,932,406</u>	<u>12,932,406</u>	<u>3,406,286</u>	<u>9,526,120</u>
Total expenditures	<u>12,932,406</u>	<u>12,932,406</u>	<u>3,406,286</u>	<u>9,526,120</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,807,406)</u>	<u>(12,807,406)</u>	<u>(2,890,636)</u>	<u>9,916,770</u>
Net changes in fund balances	(12,807,406)	(12,807,406)	(2,890,636)	9,916,770
Fund balances - beginning	<u>12,807,406</u>	<u>12,807,406</u>	<u>12,807,406</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,916,770</u>	<u>\$ 9,916,770</u>

COLE COUNTY

PENSION PLAN – LAGERS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

December 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 1,283,534	\$ 1,176,132	\$ 1,128,428	\$ 1,080,509	\$ 1,074,066	\$ 1,056,757	\$ 1,023,850	\$ 974,155	\$ 946,369
Interest on the total pension liability	3,076,359	2,876,724	2,885,873	2,727,544	2,600,296	2,452,670	2,314,255	2,104,443	2,011,557
Difference between expected and actual experience	1,405,870	790,131	104,159	98,086	(444,156)	(59,203)	(116,535)	(357,051)	(613,344)
Assumption changes	-	-	(899,205)	-	-	-	-	1,263,259	-
Benefit payments	(2,069,771)	(2,018,762)	(1,886,623)	(1,609,871)	(1,351,130)	(1,491,444)	(1,174,245)	(1,061,211)	(1,092,335)
Net change in total pension liability	3,695,992	2,824,225	1,332,632	2,296,268	1,879,076	1,958,780	2,047,325	2,923,595	1,252,247
Total pension liability beginning	44,334,462	41,510,237	40,177,605	37,881,337	36,002,261	34,043,481	31,993,156	29,069,561	27,817,314
Total pension liability ending	<u>\$ 48,030,454</u>	<u>\$ 44,334,462</u>	<u>\$ 41,510,237</u>	<u>\$ 40,177,605</u>	<u>\$ 37,881,337</u>	<u>\$ 36,002,261</u>	<u>\$ 34,040,481</u>	<u>\$ 31,993,156</u>	<u>\$ 29,069,561</u>
Plan fiduciary net position									
Contributions - employer	\$ 1,101,657	\$ 1,055,942	\$ 968,064	\$ 891,862	\$ 902,221	\$ 900,545	\$ 868,933	\$ 846,617	\$ 924,293
Contributions - employee	-	-	-	26,859	-	-	-	-	-
Pension plan net investment income	1,909,453	45,539	12,560,750	578,873	2,784,716	4,725,637	4,139,487	(41,412)	663,462
Benefit payments	(2,069,771)	(2,018,762)	(1,886,623)	(1,609,871)	(1,351,130)	(1,491,444)	(1,171,245)	(1,061,211)	(1,092,335)
Pension plan administrative expense	(100,474)	(71,714)	(64,009)	(80,952)	(67,870)	(47,211)	(46,951)	(44,257)	(47,629)
Other	(656,353)	(87,879)	70,948	161,483	(12,867)	132,188	(41,652)	(43,568)	298,063
Net change in plan fiduciary net position	184,512	(1,076,874)	11,649,130	(31,746)	2,255,070	4,219,715	3,748,572	(343,831)	745,854
Plan fiduciary net position beginning	55,013,225	56,090,109	44,440,979	44,472,725	42,217,655	37,997,940	34,249,368	34,593,199	33,847,345
Plan fiduciary net position ending	<u>\$ 55,197,737</u>	<u>\$ 55,013,235</u>	<u>\$ 56,090,109</u>	<u>\$ 44,440,979</u>	<u>\$ 44,472,725</u>	<u>\$ 42,217,655</u>	<u>\$ 37,997,940</u>	<u>\$ 34,249,368</u>	<u>\$ 34,593,199</u>
Net pension liability (asset)	<u>\$ (7,167,283)</u>	<u>\$ (10,678,773)</u>	<u>\$ (14,579,872)</u>	<u>\$ (4,263,374)</u>	<u>\$ (6,591,388)</u>	<u>\$ (6,215,394)</u>	<u>\$ (3,957,459)</u>	<u>\$ (2,256,212)</u>	<u>\$ (5,523,638)</u>
Plan fiduciary net position as a percentage of the total pension liability	114.92%	124.09%	135.12%	110.61%	117.40%	117.26%	111.63%	107.05%	119.00%
Covered payroll	\$ 17,130,254	\$ 15,970,986	\$ 14,182,236	\$ 13,559,157	\$ 12,553,198	\$ 12,070,129	\$ 12,200,544	\$ 11,915,307	\$ 11,419,614
Net pension liability (asset) as a percentage of covered payroll	-41.84%	-66.86%	-102.80%	-31.44%	-52.51%	-51.49%	-32.44%	-18.94%	-48.37%

Note: This schedule will ultimately contain ten years of data.

COLE COUNTY

PENSION PLAN – CERF

**SCHEDULE OF THE COUNTY’S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

	December 31, 2023				
	<u>December 31, 2023*</u>	<u>December 31, 2022*</u>	<u>December 31, 2021*</u>	<u>December 31, 2020*</u>	<u>December 31, 2019*</u>
County's proportion of the net pension liability	1.67%	1.78%	1.75%	1.70%	1.66%
County's proportionate share of the net pension liability	\$ 3,757,601	\$ 1,607,384	\$ 2,719,762	\$ 3,353,850	\$ 4,146,986
County's covered payroll	\$ 15,461,026	\$ 14,415,785	\$ 12,964,923	\$ 11,835,012	\$ 11,031,713
County's proportionate share of the net pension liability as a percentage of covered payroll	24.30%	11.15%	20.98%	28.34%	37.59%
Plan fiduciary net position as a percentage of the	75.07%	89.50%	81.12%	74.92%	66.43%
	<u>December 31, 2018*</u>	<u>December 31, 2017*</u>	<u>December 31, 2016*</u>	<u>December 31, 2015*</u>	
County's proportion of the net pension liability	1.74%	1.74%	1.75%	1.74%	
County's proportionate share of the net pension liability	\$ 3,439,087	\$ 3,919,027	\$ 3,381,190	\$ 2,031,777	
County's covered payroll	\$ 12,378,103	\$ 12,110,763	\$ 13,867,755	\$ 12,207,795	
County's proportionate share of the net pension liability as a percentage of covered payroll	27.78%	32.36%	24.38%	16.64%	
Plan fiduciary net position as a percentage of the total pension liability	72.02%	66.70%	69.11%	78.83%	

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain ten years of data.

COLE COUNTY

PENSION PLANS

SCHEDULES OF CONTRIBUTIONS

December 31, 2023

LAGERS:

	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ 1,116,799	\$ 1,104,229	\$ 1,005,965	\$ 916,080	\$ 894,920
Contributions in relation to the actuarially determined contribution	1,116,799	1,104,229	1,005,965	916,080	894,920
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 17,130,254	\$ 15,970,986	\$ 14,182,236	\$ 13,554,516	\$ 12,553,198
Contributions as a percentage of covered payroll	6.52%	6.91%	7.09%	6.76%	7.13%
	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 900,713	\$ 888,589	\$ 803,708	\$ 886,709	\$ 975,696
Contributions in relation to the actuarially determined contribution	900,713	888,589	803,708	886,709	975,696
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 12,070,129	\$ 12,202,943	\$ 11,924,010	\$ 11,424,671	\$ 11,183,387
Contributions as a percentage of covered payroll	7.46%	7.28%	6.74%	7.76%	8.72%

CERF:

	2023	2022	2021	2020	2019
Required contribution	\$ 660,288	\$ 603,823	\$ 616,555	\$ 574,751	\$ 525,824
Contributions in relation to the required contribution	660,288	603,823	616,555	574,751	525,824
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 14,415,785	\$ 12,964,923	\$ 11,835,012	\$ 11,835,012	\$ 11,031,713
Contributions as a percentage of covered payroll	4.58%	4.66%	5.21%	4.86%	4.77%
	2018	2017	2016	2015	2014
Required contribution	\$ 473,303	\$ 365,089	\$ 373,831	\$ 344,487	\$ 393,551
Contributions in relation to the required contribution	473,303	365,089	373,831	344,487	393,551
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 12,378,103	\$ 12,110,763	\$ 13,867,755	\$ 8,412,554	\$ 7,922,694
Contributions as a percentage of covered payroll	3.82%	3.01%	2.70%	4.09%	4.97%

Note: Contributions represent statutory charges remitted to the pension plan from the County.

SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

COUNTY OF COLE, MISSOURI
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2023

	Domestic Violence	Record Preservation	Assessment	Training	Emergency Services Sales Tax	Prosecuting Attorney Tax Collection	Election Services	Tax Maintenance	Sheriff Revolving	Prosecuting Attorney Administrative Handling Fee	Neighborhood Sinking	Local Emergency Planning Committee	Employee Retirement	Total Non-Major Governmental Funds	
ASSETS															
Cash and cash investments	\$ 14,632	\$ 256,902	\$ 2,426,892	\$ 21,061	\$ 4,282,024	\$ 379,508	\$ 39,688	\$ 137,120	\$ 321,853	\$ 28,887	\$ 82,909	\$ 105,730	\$ 6,110	\$ 93,977	\$ 8,197,293
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	68,298	-	-	68,298	
Receivables (net of allowance):															
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-	137,796	137,796	
Special assessments	-	-	-	-	-	-	-	-	-	-	756,906	-	-	756,906	
Intergovernmental	-	-	-	-	588,077	-	-	-	-	-	-	-	-	588,077	
Due from other funds	-	-	-	-	-	-	-	-	-	110	-	-	-	110	
Due from others	-	-	117,136	-	583,617	-	-	-	-	-	-	-	-	700,753	
Total assets	\$ 14,632	\$ 256,902	\$ 2,544,028	\$ 21,061	\$ 5,453,718	\$ 379,508	\$ 39,688	\$ 137,120	\$ 321,853	\$ 28,887	\$ 83,019	\$ 930,934	\$ 6,110	\$ 231,773	\$ 10,449,233
LIABILITIES															
Accounts payable and accrued liabilities	\$ 14,632	\$ -	\$ 48,882	\$ -	\$ 37,285	\$ -	\$ 2,309	\$ -	\$ -	\$ 923	\$ 198	\$ -	\$ -	\$ 93,978	\$ 198,207
Due to other funds	-	-	136	-	-	-	-	-	-	-	-	-	-	-	136
Total liabilities	14,632	-	49,018	-	37,285	-	2,309	-	-	923	198	-	-	93,978	198,343
DEFERRED INFLOWS OF RESOURCES															
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-	-	-	109,953	109,953	
Unavailable revenue - fees and grants	-	-	-	-	405,183	-	-	-	-	-	-	-	-	405,183	
Unavailable revenue - special assessments	-	-	-	-	-	-	-	-	-	-	756,906	-	-	756,906	
Total deferred inflows of resources	-	-	-	-	405,183	-	-	-	-	-	756,906	-	109,953	1,272,042	
FUND BALANCES															
Restricted for:															
Training costs	-	-	-	21,061	-	-	-	-	-	-	-	6,110	-	27,171	
Prosecuting attorney	-	-	-	-	-	37,379	-	-	-	82,821	-	-	-	120,200	
Assessment costs	-	-	2,495,010	-	-	-	-	-	-	-	-	-	-	2,495,010	
Debt service	-	-	-	-	-	-	-	-	-	-	174,028	-	-	174,028	
Judicial	-	-	-	-	-	379,508	-	-	-	-	-	-	-	379,508	
Law enforcement	-	-	-	-	-	-	-	-	27,964	-	-	-	-	27,964	
Emergency medical services	-	-	-	-	5,011,250	-	-	-	-	-	-	-	-	5,011,250	
Recorder of deeds	-	256,902	-	-	-	-	-	-	-	-	-	-	-	256,902	
Tax maintenance	-	-	-	-	-	-	-	321,853	-	-	-	-	-	321,853	
Employee retirement	-	-	-	-	-	-	-	-	-	-	-	-	27,842	27,842	
Election services	-	-	-	-	-	-	137,120	-	-	-	-	-	-	137,120	
Total fund balances	-	256,902	2,495,010	21,061	5,011,250	379,508	37,379	137,120	321,853	27,964	82,821	174,028	6,110	27,842	8,978,848
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,632	\$ 256,902	\$ 2,544,028	\$ 21,061	\$ 5,453,718	\$ 379,508	\$ 39,688	\$ 137,120	\$ 321,853	\$ 28,887	\$ 83,019	\$ 930,934	\$ 6,110	\$ 231,773	\$ 10,449,233

COUNTY OF COLE, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances with Budget Information
Non-Major Governmental Funds
For the Year Ended December 31, 2023

	Domestic Violence		Record Preservation		Assessment		Training		Emergency Services Sales Tax		Circuit Clerk	Prosecuting Attorney Tax Collection		Election Services	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Actual	Budget	Actual	Budget
REVENUES															
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 907,481	\$ 900,000	\$ -	\$ -	\$ 3,253,326	\$ 3,200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, fees and permits	28,211	15,000	103,378	92,000	163,620	166,220	14,503	13,250	-	-	-	70,419	45,000	13,613	15,200
Intergovernmental	-	-	-	-	-	-	-	-	178,434	2,000,000	-	-	-	-	-
Interest	234	50	7,613	1,700	61,462	9,000	522	100	158,984	35,000	-	1,299	500	4,466	1,000
Other	-	-	-	-	550	400	-	-	-	-	160,147	197	-	-	-
Total revenues	28,445	15,050	110,991	93,700	1,133,113	1,075,620	15,025	13,350	3,590,744	5,235,000	160,147	71,915	45,500	18,079	16,200
EXPENDITURES															
Current:															
General government	28,466	30,977	6,659	236,577	-	-	-	-	-	-	-	-	-	22,350	157,934
Public safety	-	-	-	-	-	-	5,067	24,439	-	-	-	58,983	76,374	-	-
Assessment costs	-	-	-	-	924,628	2,624,473	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-	60,246	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	2,234,595	9,089,328	-	-	-	-	-
Capital outlay:															
Health and welfare	-	-	-	-	-	-	-	-	344,529	-	-	-	-	-	-
Debt service:															
Principal	-	-	-	-	-	-	-	-	475,709	-	-	-	-	-	-
Total expenditures	28,466	30,977	6,659	236,577	924,628	2,624,473	5,067	24,439	3,054,833	9,089,328	60,246	58,983	76,374	22,350	157,934
Excess (deficiency) of revenues over (under) expenditures	(21)	(15,927)	104,332	(142,877)	208,485	(1,548,853)	9,958	(11,089)	535,911	(3,854,328)	99,901	12,932	(30,874)	(4,271)	(141,734)
OTHER FINANCING SOURCES (USES)															
Transfers out	-	-	(20,685)	(30,731)	(19,212)	(19,212)	-	-	(1,347,312)	(1,347,312)	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	54,684	20,000	-	-	-	-	-
Total other financing sources (uses)	-	-	(20,685)	(30,731)	(19,212)	(19,212)	-	-	(1,292,628)	(1,327,312)	-	-	-	-	-
Net changes in fund balances	(21)	(15,927)	83,647	(173,608)	189,273	(1,568,065)	9,958	(11,089)	(756,717)	(5,181,640)	99,901	12,932	(30,874)	(4,271)	(141,734)
Fund balances - beginning	21	15,927	173,255	173,608	2,305,737	1,568,065	11,103	11,089	5,767,967	5,181,640	279,607	24,447	30,874	141,391	141,734
Fund balances - ending	\$ -	\$ -	\$ 256,902	\$ -	\$ 2,495,010	\$ -	\$ 21,061	\$ -	\$ 5,011,250	\$ -	\$ 379,508	\$ 37,379	\$ -	\$ 137,120	\$ -

(Continued on next page)

COUNTY OF COLE, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances with Budget Information (Continued)
Non-Major Governmental Funds
For the Year Ended December 31, 2023

	Tax Maintenance		Sheriff Revolving		Prosecuting Attorney Administrative Handling Fee		Neighborhood Sinking		Local Emergency Planning Committee		Employee Retirement	Total Non- Major Governmental Funds
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Actual
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,160,807
Licenses, fees and permits	154,841	100,000	21,005	19,100	7,312	8,300	45,048	65,000	-	-	687,704	1,309,654
Intergovernmental	-	-	-	-	-	-	-	-	6,907	4,000	-	185,341
Interest	-	-	2,255	750	3,496	700	24,052	700	221	50	1,730	266,334
Other	-	-	-	-	-	-	-	-	-	-	-	160,894
Total revenues	154,841	100,000	23,260	19,850	10,808	9,000	69,100	65,700	7,128	4,050	689,434	6,083,030
EXPENDITURES												
Current:												
General government	92,326	371,763	-	-	-	-	-	108,573	8,939	11,961	689,261	848,001
Public safety	-	-	7,472	32,411	37,170	117,976	-	-	-	-	-	108,692
Assessment costs	-	-	-	-	-	-	-	-	-	-	-	924,628
Judicial	-	-	-	-	-	-	-	-	-	-	-	60,246
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	2,234,595
Capital outlay:												
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	344,529
Debt service:												
Principal	-	-	-	-	-	-	45,000	67,769	-	-	-	520,709
Interest	-	-	-	-	-	-	22,760	-	-	-	-	22,760
Total expenditures	92,326	371,763	7,472	32,411	37,170	117,976	67,760	176,342	8,939	11,961	689,261	5,064,160
Excess (deficiency) of revenues over (under) expenditures	62,515	(271,763)	15,788	(12,561)	(26,362)	(108,976)	1,340	(110,642)	(1,811)	(7,911)	173	1,018,870
OTHER FINANCING SOURCES (USES)												
Transfers out	-	-	(50,442)	(50,442)	-	-	-	-	-	-	-	(1,437,651)
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	54,684
Total other financing sources (uses)	-	-	(50,442)	(50,442)	-	-	-	-	-	-	-	(1,382,967)
Net changes in fund balances	62,515	(271,763)	(34,654)	(63,003)	(26,362)	(108,976)	1,340	(110,642)	(1,811)	(7,911)	173	(364,097)
Fund balances - beginning	259,338	271,763	62,618	63,003	109,183	108,976	172,688	110,642	7,921	7,911	27,669	9,342,945
Fund balances - ending	\$ 321,853	\$ -	\$ 27,964	\$ -	\$ 82,821	\$ -	\$ 174,028	\$ -	\$ 6,110	\$ -	\$ 27,842	\$ 8,978,848

FIDUCIARY FUNDS

COUNTY OF COLE, MISSOURI
Combining Statement of Fiduciary Net Position
Custodial Funds Detail
December 31, 2023

	<u>General School</u>	<u>Tax Overplus</u>	<u>Circuit Clerk</u>	<u>Sheriff</u>	<u>Prosecuting Attorney</u>	<u>Protest Tax</u>	<u>Tax Collector</u>	<u>Financial Institution Tax</u>	<u>Total Custodial Funds</u>
ASSETS									
Cash and cash equivalents	\$ 299,585	\$ 78,120	\$ 1,827,424	\$ 623,075	\$ 39,087	\$ 858,627	\$ 23,003,204	\$ 432,028	\$ 27,161,150
Investments	-	-	-	-	-	-	41,458,772	-	41,458,772
Property taxes receivable, net of allowance	-	-	-	-	-	-	7,088,474	-	7,088,474
Due from other governments	-	-	-	-	-	-	-	29,856	29,856
Total assets	<u>\$ 299,585</u>	<u>\$ 78,120</u>	<u>\$ 1,827,424</u>	<u>\$ 623,075</u>	<u>\$ 39,087</u>	<u>\$ 858,627</u>	<u>\$ 71,550,450</u>	<u>\$ 461,884</u>	<u>\$ 75,738,252</u>
LIABILITIES									
Due to other funds	\$ -	\$ -	\$ -	\$ 84,014	\$ 110	\$ -	\$ -	\$ -	\$ 84,124
Due to other governments	299,585	-	-	-	-	858,627	71,550,450	461,884	73,170,546
Total liabilities	<u>299,585</u>	<u>-</u>	<u>-</u>	<u>84,014</u>	<u>110</u>	<u>858,627</u>	<u>71,550,450</u>	<u>461,884</u>	<u>73,254,670</u>
NET POSITION									
Amount held for others	-	78,120	1,827,424	539,061	38,977	-	-	-	2,483,582
Total net position	<u>\$ -</u>	<u>\$ 78,120</u>	<u>\$ 1,827,424</u>	<u>\$ 539,061</u>	<u>\$ 38,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,483,582</u>

COUNTY OF COLE, MISSOURI
Statement of Changes in Fiduciary Net Position
Custodial Funds Detail
For the Year Ended December 31, 2023

	<u>General School</u>	<u>Tax Overplus</u>	<u>Circuit Clerk</u>	<u>Sheriff</u>	<u>Prosecuting Attorney</u>	<u>Protest Tax</u>	<u>Tax Collector</u>	<u>Financial Institution Tax</u>	<u>Total</u>
ADDITIONS									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,521,134	\$ 461,884	\$ 102,983,018
Licenses, fees and permits	291,405	-	4,007,627	1,096,054	480,375	-	-	-	5,875,461
Interest	7,510	-	-	-	-	-	-	-	7,510
Other	-	43,700	-	-	-	-	-	-	43,700
Total additions	<u>298,915</u>	<u>43,700</u>	<u>4,007,627</u>	<u>1,096,054</u>	<u>480,375</u>	<u>-</u>	<u>102,521,134</u>	<u>461,884</u>	<u>108,909,689</u>
DEDUCTIONS									
General government	<u>298,915</u>	<u>25,038</u>	<u>3,599,067</u>	<u>1,050,107</u>	<u>473,978</u>	<u>-</u>	<u>102,521,134</u>	<u>461,884</u>	<u>108,430,123</u>
Total deductions	<u>298,915</u>	<u>25,038</u>	<u>3,599,067</u>	<u>1,050,107</u>	<u>473,978</u>	<u>-</u>	<u>102,521,134</u>	<u>461,884</u>	<u>108,430,123</u>
Changes in net position	-	18,662	408,560	45,947	6,397	-	-	-	479,566
Net position - beginning, as restated	-	59,458	1,418,864	493,114	32,580	-	-	-	2,004,016
Net position - ending	<u>\$ -</u>	<u>\$ 78,120</u>	<u>\$ 1,827,424</u>	<u>\$ 539,061</u>	<u>\$ 38,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,483,582</u>

SINGLE AUDIT REPORTS

INDEPENDENT AUDITORS' 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 Commissioners
Cole 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cole County, Missouri (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

William F. Keepers UC

Jefferson City, Missouri
June 18, 2024

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

To the County Commissioners
Cole County, Missouri

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Cole County, Missouri (the County'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 the County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2023.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of the County 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 the County'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 the County's federal programs.

Auditors' Responsibility 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 the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County'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 judgement 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 the County'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 the County'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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

William F. Keppers UC

Jefferson City, Missouri
June 18, 2024

COUNTY OF COLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2023

	Assistance Listing Number	Pass Through Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed Through Missouri Department of Health and Senior Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	ERS04523033 ERS04524063	\$ -	\$ 404,802
Summer Food Service Program for Children (Child Nutrition Cluster)	10.559	ERS21953956	-	700
Passed Through Missouri Department of Elementary and Secondary Education:				
School Breakfast Program (Child Nutrition Cluster)	10.553	820-014	-	5,701
National School Lunch Program (Child Nutrition Cluster)	10.555	820-014	-	10,943
Total U.S. Department of Agriculture			-	422,146
U.S. Department of Health and Human Services:				
Passed Through Missouri Department of Health and Senior Services:				
		DH220051071		
Maternal Child Health Services	93.994	DH20051071-02	-	34,180
Safe Cribs for Missouri	93.994	DH220050640	-	3,675
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases				
	93.323	DH220051245	-	191,728
		ERS16152126		
Wise Women	93.436	ERS16153742-01	-	348
Child Care and Development Block Grant (477 Cluster)	93.575	ERS22020025	-	1,120
Show Me healthy Women	93.898	ERS16152126	-	826
Medical Assistance Program (Medicaid Cluster)	93.778	ERS16019005	-	24,055
Local Public Health Agency Infrastructure	93.967	DH230054271	-	5,867
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	DH210048496	-	59,762
Crisis Cooperative Agreement	93.354	DH220050163	-	114,077
Head Injury Service Coordination	93.234	DH220051787	-	12,920
Health Workforce COVID-19 Efforts	93.354	DH2300053205	-	172,840
General Public Health (CORE)	93.767	DH210050451		35,030
Passed Through Missouri Department of Elementary and Secondary Education:				
Child Care and Development Block Grant (477 Cluster)	93.575	CCHC2400017	-	3,545
Child Care and Development Fund Program (477 Cluster)	93.596	CCHC2300016	-	276
		CCHC2300016		
Child Care Health Consultation	93.994	CCHC2300017	-	2,125
Passed Through Missouri Department of Social Services:				
IV-D Admin-Child Support Enforcement	93.563	ER10220C022	-	298,803
Total U.S. Department of Health and Human Services			-	961,177
U.S. Department of Justice:				
Bulletproof Vest Partnership Program	16.607	N/A	-	12,325
Equitable Sharing Program	16.922	N/A	-	15,407
Passed Through Missouri Department of Public Safety:				
		FY2022 LLEBG		
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	GRANT13432712	-	8,952
Violence Against Women Formula Grants	16.588	2022-VAWA-015	-	41,521
Passed Through the Missouri Association of Prosecuting Attorneys:				
Crime Victim Assistance	16.575	ER130220123-001	-	82,609
Total U.S. Department of Justice			-	160,814

COUNTY OF COLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the Year Ended December 31, 2023

	Assistance Listing Number	Pass Through Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Transportation:				
Passed Through Missouri Department of Transportation:				
DWI Saturation Enforcement	20.616	24-154-AL-012		3,846
DWI Saturation Enforcement	20.607	23-M5VE-03-013 23-PT-02-027		670
State and Community Highway Safety (Highway Safety Cluster)	20.600	24-PT-02-010	-	2,185
ADA Transition Plan	20.205	TEAP 068	-	12,000
Total U.S. Department of Transportation			-	18,701
Department of Homeland Security:				
Passed Through Missouri Department of Public Safety:				
Homeland Security Program	97.067	EMW-2022-SS-00094-46	-	22,852
Passed Through Missouri Department of Public Safety:				
State and Local Cybersecurity Grant	97.137	EMW-2022-CY-00031-NR1	-	180,000
Passed Through Missouri State Emergency Management Agency:				
Disaster grants - Public Assistance	97.042	EMK-2022-EP-00004-030 EMK-2023-EP-00004-028	-	56,124
Emergency Management Performance Grant	97.042	EMK-2021-EP-0006-SL09 EMK-2023-EP-0004-028	-	21,995
Total Department of Homeland Security			-	280,971
Department of Treasury:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
American Rescue Plan Local Assistance & Tribal Consistency	21.027	N/A	-	3,444,487
American Rescue Plan Local Assistance & Tribal Consistency	21.032	N/A	-	100,000
Passed Through Missouri Department of Public Safety:				
American Rescue Plan Act - POG	21.027	SLFRP4542-POG027	-	19,133
American Rescue Plan Act - CJMI	21.027	SLFRP4542-CJMI009	-	21,935
Total Department of Treasury			-	3,585,555
Department of Interior:				
Payments in Lieu of Taxes	15.226	N/A	-	261
Total Department of Interior			-	261
U.S. Election Assistance Commission:				
Passed Through Secretary of State's Office Election Division:				
HAVA Election Security Grant	90.404	2023 Election Efficiency	-	10,000
Total U.S. Election Assistance Commission			-	10,000
U.S. Department of Housing and Urban Development:				
Passed Through the City of Jefferson:				
Community Development Block Grant	14.228	B-20-DW-29-0001	-	583,617
Total U.S. Department of Housing and Urban Development			-	583,617
U.S. Department of Commerce EDA:				
Investment for Public Works and Economic Development Facilities	11.300	N/A	-	1,500,000
Total U.S. Department of Commerce EDA			-	1,500,000
Total Expenditures of Federal Awards			\$ -	\$ 7,523,242

1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards includes only the current year federal grant activity of the County and is presented on the accrual basis of accounting. This information 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*. Amounts presented in this schedule as expenditures may differ from amounts presented in, or used in the preparation of, the basic financial statements, although such differences are not material.

2. INDIRECT COST RATE

The County has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

COUNTY OF COLE, MISSOURI

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023**

A. SUMMARY OF AUDIT RESULTS

1. The auditors’ report expresses an unmodified opinion on whether the financial statements of the County were prepared in accordance with U.S. GAAP.
2. No deficiencies relating to the audit of the financial statements are reported in the “Independent Auditors’ 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*.”
3. No instances of noncompliance material to the financial statements of the County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No deficiencies relating to the audit of the major federal award programs is reported in the “Independent Auditors’ Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance.”
5. The auditors’ report on compliance for the major federal award programs for the County expresses an unmodified opinion on the major federal program.
6. No audit findings relative to the major federal award programs for the County, that are required to be reported in accordance with 2 CFR section 200.516(a), are reported in Part C of this Schedule.
7. The programs tested as major programs include:

	Assistance Listing Number
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027
Investment for Public Works and Economic Development Facilities	11.300

8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. The County qualified as a low-risk auditee for the year ended December 31, 2023.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

COUNTY OF COLE, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2023

There were no prior audit findings.