

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
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HILLSBORO, MISSOURI
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INDEPENDENT AUDITORS' REPORT

Honorable County Executive and Members of the County Council
The County of Jefferson, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, Missouri (County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise The District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis - financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2022, and the respective changes in modified cash basis - financial position for the year then ended, on the basis of accounting described in Note 1.

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 District 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances, 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.

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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the County of Jefferson, Missouri basic financial statements. The accompanying supplementary information such as the budgetary comparison schedules and combining nonmajor governmental and fiduciary fund financial statements 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

Honorable County Executive and Members of the County Council
The County of Jefferson, Missouri

themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison schedules and combining nonmajor governmental and fiduciary fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

St. Louis, Missouri
December 18, 2023

BASIC FINANCIAL STATEMENTS

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
DECEMBER 31, 2022**

| | Total Governmental Activities |
|--|-------------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 85,442,358 |
| Investments | 8,036,444 |
| Due from Other Governments | 3,800,864 |
| Restricted Investments | <u>102,423</u> |
| Total Assets | <u><u>\$ 97,382,089</u></u> |
| LIABILITIES | |
| Due to the Governmental Funds and Others | <u>\$ 1,957,859</u> |
| Total Liabilities | 1,957,859 |
| NET POSITION | |
| Restricted for: | |
| Road & Bridge | 18,572,173 |
| American Rescue | 33,425,941 |
| Other State Statutes | 11,274,969 |
| Unrestricted | <u>32,151,147</u> |
| Total Net Position | <u><u>95,424,230</u></u> |
| Total Liabilities and Net Position | <u><u>\$ 97,382,089</u></u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2022**

| | | Program Revenues | | | Net Revenues (Expenses) and Change in Net Position |
|---|-----------------------|-------------------------|---------------------------------------|-------------------------------------|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Total Governmental Activities |
| FUNCTIONS/PROGRAMS | | | | | |
| Governmental Activities: | | | | | |
| General County Government | \$ 15,241,851 | 9,428,218 | \$ 69,194 | \$ - | \$ (5,744,439) |
| Financial Administration | 1,002,575 | 439,459 | - | - | (563,116) |
| Property Valuation and Recording | 2,707,944 | 152,876 | 372,289 | - | (2,182,779) |
| Administration of Justice and Law Enforcement | 32,314,131 | 2,324,901 | 4,063,996 | - | (25,925,234) |
| Health and Welfare | 15,347,501 | - | 22,620,123 | - | 7,272,622 |
| Maintenance of Roads | 28,129,166 | 525,414 | 22,303 | 4,128,744 | (23,452,705) |
| Park Maintenance | 1,143,848 | 139,477 | 15,784 | - | (988,587) |
| Community Development | 2,725,954 | - | 532,275 | 2,725,954 | 532,275 |
| Debt Service: | | | | | |
| Principal | 1,869,307 | - | - | - | (1,869,307) |
| Interest and Fiscal Charges | 312,286 | - | - | - | (312,286) |
| Costs of Issuance | 46,304 | - | - | - | (46,304) |
| Total Governmental Activities | <u>\$ 100,840,867</u> | <u>\$ 13,010,345</u> | <u>\$ 27,695,964</u> | <u>\$ 6,854,698</u> | (53,279,860) |
| GENERAL REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | | | | | 20,780,474 |
| Sales Tax | | | | | 40,887,625 |
| Other Taxes | | | | | 5,177,810 |
| Interest | | | | | 1,943,165 |
| Proceeds from Sale of Capital Assets | | | | | 37,984 |
| Miscellaneous | | | | | 286,179 |
| Total General Revenues | | | | | <u>69,113,237</u> |
| CHANGE IN NET POSITION | | | | | 15,833,377 |
| Net Position - Beginning of Year | | | | | <u>79,590,853</u> |
| NET POSITION - END OF YEAR | | | | | <u>\$ 95,424,230</u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BALANCE SHEET – MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

| | Major Funds | | | | | Other | Total |
|--------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------------|-----------------------|-----------------------|
| | General | Road and Bridge | Law Enforcement | Road Tax | American Rescue Plan | Governmental Funds | Governmental Funds |
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 6,098,917 | \$ 5,275,427 | \$ 20,639,038 | \$ 8,344,309 | \$ 33,425,941 | \$ 11,658,726 | \$ 85,442,358 |
| Investments | 3,139,306 | 2,021,772 | - | 2,292,558 | - | 582,808 | 8,036,444 |
| Due from Collector of Revenue | 565,034 | 1,290,806 | 703,631 | - | - | 1,241,393 | 3,800,864 |
| Restricted Investments | - | - | - | - | - | 102,423 | 102,423 |
| Total Assets | <u>\$ 9,803,257</u> | <u>\$ 8,588,005</u> | <u>\$ 21,342,669</u> | <u>\$ 10,636,867</u> | <u>\$ 33,425,941</u> | <u>\$ 13,585,350</u> | <u>\$ 97,382,089</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Due to Others | 1,211,061 | 652,699 | 42,988 | - | - | 51,111 | 1,957,859 |
| Total Liabilities | <u>1,211,061</u> | <u>652,699</u> | <u>42,988</u> | <u>-</u> | <u>-</u> | <u>51,111</u> | <u>1,957,859</u> |
| FUND BALANCES | | | | | | | |
| Restricted | - | 7,935,306 | | 10,636,867 | 33,425,941 | 11,274,969 | 63,273,083 |
| Assigned | 85,409 | - | 21,299,681 | | - | 2,259,270 | 23,644,360 |
| Unassigned | 8,506,787 | - | - | - | - | - | 8,506,787 |
| Total Fund Balances | <u>8,592,196</u> | <u>7,935,306</u> | <u>21,299,681</u> | <u>10,636,867</u> | <u>33,425,941</u> | <u>13,534,239</u> | <u>95,424,230</u> |
| Total Liabilities and Fund Balances | <u>\$ 9,803,257</u> | <u>\$ 8,588,005</u> | <u>\$ 21,342,669</u> | <u>\$ 10,636,867</u> | <u>\$ 33,425,941</u> | <u>\$ 13,585,350</u> | <u>\$ 97,382,089</u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

| | Major Funds | | | | | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---------------------|---------------------|----------------------|----------------------|-------------------------|-----------------------------------|--------------------------------|
| | General | Road and Bridge | Law Enforcement | Road Tax | American Rescue Plan | | |
| REVENUES | | | | | | | |
| Property Taxes | \$ 11,129 | \$ 7,656,111 | \$ 6,761,722 | \$ - | \$ - | \$ 6,351,513 | \$ 20,780,475 |
| Other Taxes | 1,229,720 | 3,922,950 | - | - | - | 25,141 | 5,177,811 |
| Sales Tax | 15,005,363 | 1,001,364 | 15,005,365 | 9,875,533 | - | - | 40,887,625 |
| Grants, Distributions, and Reimbursements | 1,531,421 | 4,151,047 | 2,964,476 | - | 21,859,674 | 4,044,043 | 34,550,661 |
| Charges for Services | 9,553,018 | 546,404 | 1,327,622 | - | - | 1,583,301 | 13,010,345 |
| Interest | 200,772 | 69,739 | 433,945 | 156,044 | 922,980 | 159,685 | 1,943,165 |
| Other | 44,709 | 9,057 | 85,879 | - | - | 146,534 | 286,179 |
| Total Revenues | 27,576,132 | 17,356,672 | 26,579,009 | 10,031,577 | 22,782,654 | 12,310,217 | 116,636,261 |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General County Government | 13,647,433 | 1 | - | - | - | 66,196 | 13,713,630 |
| Financial Administration | 628,523 | - | - | - | - | 370,204 | 998,727 |
| Property Valuation and Recording | 318,844 | - | - | - | - | 2,329,928 | 2,648,772 |
| Administration of Justice and Law Enforcement | 7,428,331 | - | 23,890,243 | - | - | 222,349 | 31,540,923 |
| Health and Welfare | 15,290 | - | - | - | 10,338,299 | 4,993,912 | 15,347,501 |
| Maintenance of Roads | - | 17,086,221 | - | - | - | - | 17,086,221 |
| Park Maintenance | - | - | - | - | - | 1,057,309 | 1,057,309 |
| Community Development | - | - | - | - | - | 2,725,954 | 2,725,954 |
| Debt Service: | | | | | | | |
| Principal | 274,307 | - | - | - | - | 1,595,000 | 1,869,307 |
| Interest and Fiscal Charges | 3,751 | - | - | - | - | 308,535 | 312,286 |
| Costs of Issuance | - | - | - | - | - | 46,304 | 46,304 |
| Capital Outlay: | | | | | | | |
| Construction of Roads and Bridges | - | - | - | 10,026,946 | - | - | 10,026,946 |
| Property, Equipment, and Buildings | 1,481,076 | 743,991 | 689,142 | 272,007 | - | 280,772 | 3,466,988 |
| Total Expenditures | 23,797,555 | 17,830,213 | 24,579,385 | 10,298,953 | 10,338,299 | 13,996,463 | 100,840,868 |
| EXCESS OF REVENUES OVER (UNDER) | | | | | | | |
| EXPENDITURES | 3,778,577 | (473,541) | 1,999,624 | (267,376) | 12,444,355 | (1,686,246) | 15,795,393 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 131,721 | 594,417 | 2,178,496 | - | - | 976,070 | 3,880,704 |
| Transfers Out | (2,942,693) | - | (29,842) | (594,417) | (182,519) | (131,233) | (3,880,704) |
| Proceeds from Loan | - | - | - | - | - | - | - |
| Proceeds from the Sale of Property | 27,997 | 8,479 | 1,159 | - | - | 349 | 37,984 |
| Total Other Financing Sources (Uses) | (2,782,975) | 602,896 | 2,149,813 | (594,417) | (182,519) | 845,186 | 37,984 |
| NET CHANGE IN FUND BALANCES | 995,602 | 129,355 | 4,149,437 | (861,793) | 12,261,836 | (841,060) | 15,833,377 |
| Fund Balances - Beginning of Year | 7,596,594 | 7,805,951 | 17,150,244 | 11,498,660 | 21,164,105 | 14,375,299 | 79,590,853 |
| FUND BALANCES - END OF YEAR | <u>\$ 8,592,196</u> | <u>\$ 7,935,306</u> | <u>\$ 21,299,681</u> | <u>\$ 10,636,867</u> | <u>\$ 33,425,941</u> | <u>\$ 13,534,239</u> | <u>\$ 95,424,230</u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION – MODIFIED CASH BASIS
CUSTODIAL FUNDS
DECEMBER 31, 2022**

| | County Treasurer Custodial Funds | County Officials and Other Custodial Funds | County Collector of Revenue Custodial Fund | Total Agency Funds |
|--|---|---|--|--------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 19,650,766 | \$ 69,149 | \$ 54,343,113 | \$ 74,063,028 |
| Due from Collector of Revenue | 6,747,381 | - | - | 6,747,381 |
| | <u>26,398,147</u> | <u>69,149</u> | <u>54,343,113</u> | <u>80,810,409</u> |
| Total Assets | <u>\$ 26,398,147</u> | <u>\$ 69,149</u> | <u>\$ 54,343,113</u> | <u>\$ 80,810,409</u> |
| LIABILITIES | | | | |
| Due to Various Taxing Authorities and Others | \$ 22,489,272 | \$ - | \$ 47,498,581 | \$ 69,987,853 |
| Protested Taxes | - | - | 97,151 | 97,151 |
| Funds Held in Trust | - | 69,149 | - | 69,149 |
| Due to Other Funds | 3,908,875 | - | 6,747,381 | 10,656,256 |
| | <u>26,398,147</u> | <u>69,149</u> | <u>54,343,113</u> | <u>80,810,409</u> |
| Total Liabilities | <u>\$ 26,398,147</u> | <u>\$ 69,149</u> | <u>\$ 54,343,113</u> | <u>\$ 80,810,409</u> |
| Total Net Position | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities and Net Position | <u>\$ 26,398,147</u> | <u>\$ 69,149</u> | <u>\$ 54,343,113</u> | <u>\$ 80,810,409</u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – MODIFIED CASH BASIS
CUSTODIAL FUNDS
DECEMBER 31, 2022**

| | County Treasurer Custodial Funds | County Officials and Other Custodial Funds | County Collector of Revenue Custodial Fund | Total Custodial Funds |
|------------------------------------|---|---|--|-----------------------------|
| ADDITIONS | | | | |
| Revenues | | | | |
| Taxes | \$ 34,000,813 | \$ 2,020,866 | \$ 695,131,928 | \$ 731,153,607 |
| Total additions | <u>34,000,813</u> | <u>2,020,866</u> | <u>695,131,928</u> | <u>731,153,607</u> |
| DEDUCTIONS | | | | |
| Distributions to local governments | 34,000,813 | 2,020,866 | 695,131,928 | 731,153,607 |
| Total deductions | <u>\$ 34,000,813</u> | <u>\$ 2,020,866</u> | <u>\$ 695,131,928</u> | <u>\$ 731,153,607</u> |
| Net increase (decrease) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying Notes to Basic Financial Statements.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Jefferson, Missouri (County) (Jefferson County), which is governed by a seven-member county council and a county executive, was established in 1818 by an Act of the Missouri Territory.

As discussed further in Note 1, these financial statements are presented on the modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the modified cash basis of accounting, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable.

The decision to include a potential component unit in the County's reporting entity is based on the criteria set forth in governmental accounting standards. Criteria for including a potential component unit within the reporting entity includes the governing body's ability to exercise financial accountability as the primary, but not the only, criteria for inclusion. Financial accountability includes control or dependence over budget adoption, taxing authority, funding and appointment of the respective board. Based upon the application of these criteria, the County of Jefferson, Missouri, Public Facilities Authority, Inc. (PFA) has been determined to be a component unit of the County.

The PFA is a non-profit organization originally formed to finance the construction of the Jefferson County Jail and the purchase of a Courthouse Annex. The PFA was established in 1990. If the PFA has any financial transactions during a fiscal year, the financial information would be incorporated in the County's financial statements using the blending method. Under the blending method, transactions of a component unit are presented as if they were executed directly by the primary government. The PFA does not issue separate financial statements. The PFA had no activity during the year.

The County Executive is responsible for appointing the members of the board of the following other organizations, while the County Council gives advice and consent, but the County's accountability for these entities does not extend beyond making these appointments. These organizations do not meet the criteria for inclusion as component units, therefore, they are not included as component units with the County's financial reporting entity.

County Action Corporation (Jefferson-Franklin)
Community Mental Health Fund (COMTREA)
Developmental Disabilities Resource Board
Jefferson County Public Sewer District

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Mid-East Area Agency on Aging
Northeast Public Sewer District
Port Authority of Jefferson County, Missouri
East-West Gateway Coordinating Council
Economic Development Corporation of Jefferson County
Jefferson County Industrial Development Authority
Jefferson County Library Board
Rock Creek Public Sewer District
Selma Village Sewer District
Special Road District, Festus and Hillsboro
Workforce Investment Board Members – Jefferson/Franklin Counties

The Circuit Courts are not included in the financial statements of the County, as they are an office of the state of Missouri, which is administered and audited at the State level.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities present financial information about the County as a whole. These statements include the financial activities of the primary government activities, which are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Net Position presents the financial condition of the governmental activities of the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenue not properly included among program revenues are presented instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Presently, the County has no proprietary funds. Fiduciary funds 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, Road and Bridge, Law Enforcement, Road Tax, American Rescue Plan Act are major governmental funds. All other governmental funds are reported in one column labeled "Nonmajor Governmental Funds." If applicable, the total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds, if applicable, is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net position, revenues and expenditures, or expenses. 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. The various funds are summarized by type in the basic financial statements. The following fund types are used by the County:

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the County's governmental major funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Road and Bridge Fund – A Special Revenue Fund used to account for receipts of the County-wide \$.256 property tax levy and related expenditures for road maintenance and improvement projects.

Law Enforcement Fund – A Special Revenue Fund used to record the County-wide one half of one percent sales tax receipts and related expenditures to support law enforcement.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Governmental Fund Types (Continued)

Road Tax Fund – A Special Revenue Fund used to record the County-wide one half of one percent sales tax receipts and related expenditures for general road maintenance.

American Rescue Plan Act Fund – A Special Revenue Fund used.

The other governmental funds of the County are considered nonmajor funds. They include special revenue funds, which account for the proceeds of specific revenue sources that generally are legally restricted to expenditures for specific purposes. In addition, the County Building Fund is a nonmajor capital projects fund used for the acquisition or construction of major capital facilities funded with the proceeds from Certificates of Participation.

Fiduciary Fund Types

Custodial – Custodial funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Custodial funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other custodial operations.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and fund financial statements are prepared using the modified cash basis of accounting. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues and expenditures/expenses when they result from cash transactions except that the purchase of investments are recorded as assets; funds collected through the custodial funds, not yet remitted, are recorded as liabilities and as receivables and revenue in the fund statements as applicable; and as applicable, the receipts of proceeds of tax anticipation notes are recorded as liabilities. This is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Property Taxes

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

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2022, for purposes of taxation, was:

| | |
|-------------------|-------------------------|
| Real Estate | \$ 2,958,257,450 |
| Personal Property | 918,090,099 |
| Total | <u>\$ 3,876,347,549</u> |

During 2022, the County Council approved a \$0.5735 tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2022, for purposes of County taxation, as follows:

| | |
|----------------------|------------------|
| General Revenue | \$ - |
| Road and Bridge | 0.0256 |
| Police | 0.2258 |
| Parks and Recreation | 0.3221 |
| Total | <u>\$ 0.5735</u> |

E. Cash Deposits and Investments

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

State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest-bearing obligations guaranteed as to both principal and interest by the United States, bonds of the state of Missouri or other government bonds, or time certificates of deposit, provided, however, that no such investment shall be purchased at a price in excess of par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Restricted Cash and Investments

The Certificates of Participation used to redeem leasehold revenue bonds and to finance the County's administration building and the Neighborhood Improvement District (NID) Bonds used to finance certain neighborhood improvements require the County to establish and maintain prescribed amounts of reserves (consisting of cash and investments) that can be used only to service the Certificates and the Bonds. In addition, the proceeds derived from special assessments are restricted to pay the principal and interest on the NID bonds when due.

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are classified as "Due from other funds" or "Due to other funds" on the Balance Sheet – Modified Cash Basis – Governmental Funds.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

Elimination of interfund activity has been made for governmental activities in the government- wide financial statements.

H. Governmental Fund Balances

In the Governmental fund financial statements, the following classifications are used to define the governmental fund balances:

Nonspendable – This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact. The County has no nonspendable fund balance as of December 31, 2022.

Restricted – This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. The County's restricted funds consist of various taxes approved by voters for specific purposes, special revenue funds restricted by state statute and debt obligations. Details of these balances are presented in Note 14.

Committed – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board of County Council, the County's highest level of decision-making authority. The County has no committed fund balances as of December 31, 2022.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Governmental Fund Balances (Continued)

Assigned – This consists of the governmental fund balances that are intended to be used for specific purposes by a) County Council or b) County Executive. Details of these balances are presented in Note 14.

Unassigned – This consists of the governmental funds that do not meet the definition of “nonspendable,” “restricted,” “committed,” or “assigned.”

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classifications of fund balance that is identified.

I. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All remaining net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The following net position was reported as restricted:

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Net Position (Continued)

| | | |
|---|----|-------------------|
| Special Revenue Funds Restricted Net Position | | |
| Ch 190 Public Safety | \$ | 80,516 |
| Road and Bridge | | 18,572,173 |
| American Rescue Plan | | 33,425,941 |
| Assessment | | 2,067,866 |
| Parks and Recreation | | 1,564,561 |
| Coronavirus Relief Fund | | 11,557 |
| Police Officer Training | | 47,441 |
| Post Commission | | 30,185 |
| Sheriff Revolving | | 562,568 |
| Inmate Security | | 53,046 |
| Prosecuting Attorney | | |
| Training | | 59,788 |
| Prosecuting Attorney | | |
| Delinquent Tax Fund | | 116,943 |
| Prosecuting Attorney | | |
| Admin Handling Cost | | 184,050 |
| Prosecuting Attorney | | |
| Victim Advocate Fund | | 4,319 |
| SVDV Fund | | 8,464 |
| Recorder of Deeds | | 980,310 |
| Mental Health Fund | | 2,278,375 |
| Jefferson County LEPC | | 8,887 |
| Election Services | | 277,421 |
| Tax Maintenance | | 342,154 |
| Justice Assistance Grant | | 2,447 |
| Opioid Settlement | | 540,877 |
| Emergency Rental | | |
| Assistance | | 1,454,961 |
| Total Restricted Net Position | \$ | <u>63,273,083</u> |

J. Use of Estimates in Financial Statements

Preparation of these financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Adoption of New Accounting Standards

There were no new applicable accounting standards implemented during the year ended December 31, 2022.

NOTE 2 CASH AND INVESTMENTS

The County is governed by the deposit and investment limitations of state law which authorize the types of investments as described in Note 1. The deposits and certificates of deposits held at December 31, 2022, and reported at cost. Certificates of deposit are considered nonnegotiable. Restricted investments include money market funds that are reported at fair value. Money Market Mutual Funds are valued using a market approach to measuring fair value prices that considers relevant information generated by market transactions involving identical or similar assets or groups of assets (Level 2 inputs). Deposits and investments at December 31, 2022, are as follows:

| Type | Cost | |
|---|-----------------------|---|
| Deposits: | | |
| Demand Deposits | \$ 159,424,153 | |
| Cash on Hand | 705 | |
| Debt Service Held In Escrow | 182,951 | |
| Investments: | | |
| Nonnegotiable Certificates of Deposit | 7,934,021 | |
| Restricted Investments | 102,423 | |
| Total Deposits and Investments | <u>\$ 167,644,253</u> | - |
| Reconciliation to Financial Statements: | | |
| Statement of Net Position: | | |
| Cash and Cash Equivalents | \$ 85,442,358 | |
| Investments | 8,036,444 | |
| Restricted Cash and Investments | 102,423 | |
| Statement of Fiduciary Net Position: | | |
| Cash and Cash Equivalents | 74,063,028 | |
| Total | <u>\$ 167,644,253</u> | - |

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2022, none of the County's bank balances were exposed to custodial credit risk.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Investments

For an investment, custodial credit risk 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 the possession of an outside party. The amount invested in money market mutual funds is not subject to custodial credit risk. The County's investment policy does not address custodial credit risk relating to investments.

Investment Interest Rate Risk

The County's investment policy limits investment maturities to securities with a maturity of less than twenty-four (24) months as a means of managing its exposure to fair value losses arising from increasing interest rates. The County's investments earn interest based on variable interest rates. Investments (money market mutual funds) held at December 31, 2022, mature before December 31, 2022.

Investment Credit Risk

The County's investment policy does not address investment credit risk, the risk of loss due to the failure of the security issuer. As of December 31, 2022, the County's investments were rated as follows:

| Investment | Rating | Amount |
|---------------------------|--------|------------|
| Money Market Mutual Funds | AAAm | \$ 102,423 |

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over-concentration investments. The County's investments were not exposed to concentration of investment credit risk for the year ended December 31, 2022.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 LONG-TERM DEBT

The County has long-term debt for a variety of purposes including capital projects financing and general government.

For the year ended December 31, 2022, the following changes occurred in long-term debt:

| | Balance July 1, 2021 | Additions | Retirements | Balance June 30, 2022 | Amounts Due Within One Year |
|--|----------------------------|-------------|---------------------|-----------------------------|-----------------------------------|
| Special Assessment Debt with Government Commitment: | | | | | |
| Neighborhood Improvement | | | | | |
| District Bonds | \$ 1,505,000 | \$ - | \$ 190,000 | \$ 1,315,000 | \$ 195,000 |
| Certificates of Participation | 10,195,000 | - | 1,405,000 | 8,790,000 | 1,460,000 |
| Notes Payable - Direct | | | | | |
| Borrowings | 271,768 | - | 271,768 | - | - |
| Total | <u>\$ 11,971,768</u> | <u>\$ -</u> | <u>\$ 1,866,768</u> | <u>\$ 10,105,000</u> | <u>\$ 1,655,000</u> |

The Special Assessment Debt is liquidated from the Debt Service Fund. The Certificates of Participation are liquidated from the Capital Improvement Fund. The capital leases are liquidated from the General Fund.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 LONG-TERM DEBT (CONTINUED)

A. Special Assessment Debt with Government Commitment – Neighborhood Improvement District Bonds

During 2010, Neighborhood Improvement District Bonds in the amount of \$1,605,000 were issued for the purpose of refinancing the County's Municipal Temporary Notes, Series 2008, which were issued to finance the costs of sewer improvements located in the Berthold Estates, Claraned Heights, Fenton Forest, Primrose Lane, and San Marino Neighborhood Improvement District. The bonds are payable as to principal and interest from special assessments upon real property benefited by the applicable Project, and if not so, from current income and revenues and surplus funds of the County. The Bonds bear interest rates ranging from 2.00% to 3.75% and mature March 1, 2030.

During 2012, the County issued \$1,009,994 in Neighborhood Improvement District refunding bonds to current refund \$1,010,000 of the Neighborhood Improvement District bonds, Series 2004, which were issued to finance the costs of improvements located in Buena Vista Neighborhood, fund a debt service reserve, and pay the costs of issuance. The Bonds are payable as to principal and interest from special assessments upon real property benefited by the applicable Project, and, if not so, from current income and revenues and surplus funds of the County. The bonds bear interest at rates ranging from 2.00% through 2.625% and mature March 1, 2024.

On August 26, 2013, the County issued \$445,000 of General Obligation Neighborhood Improvement District refunding bonds to refinance \$414,074 of the Mark Drive Neighborhood Improvement District Municipal Temporary Notes, Series 2012, which were issued to finance sanitary sewer improvement in the Mark Drive Neighborhood District (Mark Drive NID), fund a debt service reserve, pay the costs of issuance, and pay a portion of the cost of the Mark Drive NID project. The Bonds are payable as to principal and interest from special assessments upon real property benefited by the applicable Project, and, if not so, from current income and revenues and surplus funds of the County. The bonds have a maturity of March 1, 2033, and bear an interest rate of 3.85%.

The following is a schedule of future minimum payments of Special Assessment Debt at December 31, 2022:

| Year Ending December 31, | Principal | Interest | Total |
|-----------------------------|---------------------|-------------------|---------------------|
| 2023 | 195,000 | \$ 42,981 | \$ 237,981 |
| 2024 | 185,000 | 37,408 | 222,408 |
| 2025 | 110,000 | 32,689 | 142,689 |
| 2026 | 110,000 | 28,751 | 138,751 |
| 2027 | 115,000 | 24,726 | 139,726 |
| 2027-2031 | 570,000 | 49,828 | 619,828 |
| 2032-2033 | 30,000 | 578 | 30,578 |
| Total | <u>\$ 1,315,000</u> | <u>\$ 216,961</u> | <u>\$ 1,531,961</u> |

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 LONG-TERM DEBT (CONTINUED)

B. Certificates of Participation

On March 25, 2010, Recovery Zone Economic Development Lease Certificates of Participation (Series 2010) in the amount of \$1,945,000 were issued evidencing interests in the right to receive rental payments to be paid by the County of Jefferson, Missouri, pursuant to an annually renewable lease (the 2010 Lease). The proceeds of the Series 2010 Certificates were used to pay the costs of providing lighting and control improvements throughout the County, including highway departments, security card access improvements at the Courthouse and Administration buildings, replacement of windows at the Courthouse and heating, ventilation and air conditioning upgrades at the Courthouse, Juvenile Detention Center, Administration Annex, and Jail.

The 2010 Lease provides for, among other things, rental income equal to the 2010 COPS proceeds and a term that ends on the earlier of (a) the date when all the Series 2010 Certificates have been paid in full or provision for payment thereof has been made or (b) December 31, 2025. 2010 COPS are secured by a pledge and assignment of all right, title and interest of the County in and to a right of possession of the Project for the remainder of the term of the Lease, and has the right to sublease its interest in the Lease upon such terms as it deems prudent. Terms of the Lease include, among other things, rental payments equal to the principal and interest amounts of the 2010 COPS issuance, the initial rental term, which ended December 31, 2013, with renewal options for twenty (20) renewal terms of one year in duration with the last term ending December 31, 2025, unless the County in its sole discretion exercises 2010 Lease to extend its term for each next succeeding Renewal Term. In addition, the 2010 Lease provides that the County's obligations are year to year and such obligations do not extend beyond the amount budgeted in the County's budgeted expenditures for any respective fiscal year.

On June 15, 2010, Refunding Certificates of Participation Series 2010B (2010B COPS) were issued evidencing interest in the right to receive rental payments to be paid by the County of Jefferson, Missouri, pursuant to an annually renewable lease (2010B Lease). The proceeds of the 2010B COPS in the amount of \$2,650,000 were used to advance refund the 2001 COPS, to fund a debt service fund and pay certain costs of issuance.

The 2010B Lease provides for, among other things, rental income equal to 2010B COPS proceeds and a term that ends on the earlier of (a) the date when all the 2010B COPS have been paid in full or provision of payment thereof has been made or (b) September 22, 2022. Terms of the 2010B Lease include, among other things, rental payments equal to principal and interest amounts of the 2010B COPS issuance, the initial rental term, which ended December 31, 2013, with renewal options for twelve (12) renewal terms of one year in duration with the last term ending September 15, 2022, unless the County in its sole discretion exercises the option provided in the 2010B Lease to extend its term of each next succeeding Renewal Term. In addition, the 2010B Lease provides that the County's obligations are year to year and such obligations to not extend beyond the amount budgeted in the County's budgeted expenditures for any respective fiscal year.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 LONG-TERM DEBT (CONTINUED)

B. Certificates of Participation (Continued)

On May 23, 2012, Refunding Certificates of Participation Series 2012 (2012 COPS) were issued evidencing interest in the right to receive rental payments to be paid by the County of Jefferson, Missouri, pursuant to an annually renewable lease (2012 Lease). The proceeds of the 2012 COPS in the amount of \$17,315,000 were used to refund the 2007 COPS, which were issued to finance a new law enforcement administration building and juvenile detention facility, renovate the existing county jail, and to fund a debt service fund and pay certain costs of issuance. These will be paid in full and refunded by the Refunding Certificates of Participation Series 2017.

On December 1, 2017, Refunding Certificates of Participation Series 2017 (2017 COPS) were issued evidencing interest in the right to receive rental payments to be paid by the County of Jefferson, Missouri, pursuant to an annually renewable lease (2017 Lease). The proceeds of the 2017 COPS in the amount of \$13,150,000 will be used to refund the 2012 COPS during the fiscal year ended December 31, 2018. The proceeds of the 2017 COPS are maintained in an off balance sheet escrow account that will be used to pay the remaining \$13,200,000 of the 2012 COPS. The schedule below shows the total debt payments as of December 31, 2018, and therefore contains both debt obligations to be paid.

The following is a schedule of future minimum rental payments at December 31, 2022, under the Leases, assuming the agreements are renewed each year.

| Year Ending December 31, | Principal | Interest | Total |
|-----------------------------|---------------------|-------------------|---------------------|
| 2023 | \$ 1,460,000 | 212,981 | \$ 1,672,981 |
| 2024 | 1,485,000 | 177,906 | 1,662,906 |
| 2025 | 1,520,000 | 141,284 | 1,661,284 |
| 2026 | 1,400,000 | 101,325 | 1,501,325 |
| 2027 | 1,440,000 | 58,725 | 1,498,725 |
| 2027-2028 | 1,485,000 | 18,563 | 1,503,563 |
| Total | <u>\$ 8,790,000</u> | <u>\$ 710,784</u> | <u>\$ 9,500,784</u> |

C. Notes Payable – Direct Borrowings

In 2020, the County entered into a purchase agreement with First State Community Bank for vehicles. This loan is for a principal amount of \$395,120 at 2.950% interest. Principal and interest are payable in three annual principal payments of \$136,751. Loan paid back in 2022.

In 2020, the County entered into a purchase agreement with Midwest Regional Bank for vehicles. This lease is for a principal amount of \$435,000 at 3.950% interest. Principal and interest are payable in three annual payments of \$145,000 plus interest. Loan paid back in 2022.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 LONG-TERM DEBT (CONTINUED)

D. Legal Debt Margin

Under the statutes of the state of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

| | |
|---|-------------------------|
| 2022 Assessed Valuation | <u>\$ 3,924,658,966</u> |
| Debt Limit - 10% of Assessed Valuation | \$ 392,465,897 |
| Bonded Indebtedness Applicable to Debt Limit (Neighborhood Improvement District Bonds) | (1,315,000) |
| Amount Available in Debt Service Fund | <u>181,900</u> |
| Legal Debt Margin | <u>\$ 391,332,797</u> |

NOTE 4 CONDUIT DEBT

On December 27, 2006, the County approved the issuance of up to \$325,000,000 in Taxable Industrial Revenue Bonds (River Cement Company Project) to finance the cost of purchasing and constructing a facility for an industrial development project within the County deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from revenues received from the project. Upon repayment of the bonds, ownership of the acquired facilities transfers (upon payment of a nominal amount) to the private-sector entity served by the bond issuance. Neither the County, the state of Missouri, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As part of the agreement, the River Cement Company (Company) has agreed to maintain a certain headcount for specified periods or be subject to a penalty amount, and agreed to exclude certain property from the Project so that property taxes generated prior to the Project will be maintained. In addition, the Company has agreed to make certain economic development contributions to the County. These contributions are to be placed in a fund to be used by the County for projects that foster job creation and community development exclusively for the benefit of the public. The Company has also agreed to make certain grant payments or Payments in Lieu of Taxes (PILOTS) for a period of fifteen years. The County allocates the PILOTS pro-rata to the taxing districts based on their annual ad valorem tax rates.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 TAX ABATEMENTS

The County is involved in a tax abatement agreement with local businesses under a Tax Increment Finance District or (TIF). Missouri Revised Statute 99.845 gives municipalities the right to create TIFs for a defined area of land that is deemed blighted by the municipality. In short, after a TIF is established by ordinance, bonds are issued to cover the costs of demolition/environmental cleanup/utilities/roadways, and the assessed values of the parcels within the TIF are statutorily frozen by the Assessor's office, using the certified values for the year the ordinance was passed to form a base value for the TIF.

For the year ended December 31, 2022, the District abated property taxes totaling approximately \$96,367 under this program.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 INTERFUND TRANSFERS

Transfers between funds for the year ended December 31, 2022, are as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|---|---------------------|----------------------|
| <u>Major Funds</u> | | |
| General Fund: | | |
| Law Enforcement Fund | \$ - | \$ 2,152,706 |
| Capital Improvement Fund | - | 667,285 |
| Assessment Fund | - | 122,214 |
| Courthouse Beautification Fund | 488 | 488 |
| Road Tax Fund | - | - |
| Tax Maintenance Fund | 131,233 | - |
| Total General Fund | <u>131,721</u> | <u>2,942,693</u> |
| Road & Bridge Fund: | | |
| Road Tax Fund | 594,417 | - |
| Law enforcement fund: | | |
| General Fund | 1,994,945 | - |
| American Rescue Plan | 182,519 | - |
| Capital Improvements Fund | - | 28,810 |
| Sheriff Reserve Fund | - | 1,032 |
| Sheriff Equipment Fund | 1,032 | - |
| Total Law Enforcement Fund | <u>2,178,496</u> | <u>29,842</u> |
| Road Tax Fund: | | |
| Road & Bridge Fund | - | 594,417 |
| American Rescue Plan: | | |
| General Fund | - | 182,519 |
| <u>Nonmajor Funds (Special Revenue)</u> | | |
| Assessment Fund: | | |
| General Fund | 122,214 | - |
| Capital Improvement Fund: | | |
| General Fund | 825,046 | - |
| Law Enforcement Fund | 28,810 | - |
| Tax Maintenance Fund: | | |
| General Fund | - | 131,233 |
| Total | <u>\$ 3,880,704</u> | <u>\$ 3,880,704</u> |

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS)

Plan Description

The Jefferson County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. Jefferson 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 to employees of participating political subdivisions. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. 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 fire) and receive a reduced allowance. The LAGERS Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision's governing body adopts all benefits of the plan.

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.

Contributions

The employer 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 employer contribute 0% of their gross pay to the pension plan. Employer contribution rates are 11.1% (General), 25.5% (Police), and 15.7% (Roads) of annual covered payroll.

For the year ended December 31, 2022, the County paid \$ 3,711,146 to LAGERS.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

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

A. Plan Description

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

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

CERF issues audited financial statements. Copies of these statements may be obtained from the board of directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. Pension Benefits

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

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

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 COUNTY EMPLOYEES' RETIREMENT FUND (CERF)(CONTINUED)

C. Funding Policy

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 eight years of creditable service, accumulated employee contributions are refunded to the employee.

The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. During the year ended December 31, 2022 the County collected and remitted to CERF, employee contributions of \$2,171,156. In addition, 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.
- Interest earned on investment of the above collections prior to remittance to CERF.
- The County remitted to CERF \$4,243,851 for the year ended December 31, 2022.

NOTE 9 PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Chapter 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the state of Missouri is responsible for administration of this plan. The County has contributed \$17,562 for the year ended December 31, 2022

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 10 POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note VII, the County allows employees who retire from the County to participate in the County's health and dental insurance plans. Upon meeting the retirement requirements per County guidelines, the employees can elect to participate in the County's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single-blended rate used for both active employees and retirees. The County has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay-as-you go basis. A standalone financial report is not available for the plan.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 11 CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County is a defendant in various claims and lawsuits that seek monetary damages. The cases are being fully defended and there are no specific plans to settle any cases at this time. The outcome of these claims and lawsuits are not presently determinable or are not expected to have a material adverse effect on the financial statements; therefore, no amount has been provided in the December 31, 2022, financial statements for any such claims and lawsuits.

B. Compensated Absences

The County provides employees with up to five weeks of paid vacation based upon the number of years of continuing service. Earned vacation may be accumulated up to one year. Upon separation from county employment, an employee shall be compensated for unused vacation. Sick leave is earned at a rate of one day per month for a maximum of 120 days. Upon termination from county employment, an employee is not reimbursed for unused sick leave except when the employee retires after the age of 55, and the employee is a vested employee. An employee is vested after five years of continuous employment with the County. Vested, retiring employees are compensated for unused sick days at the rate of 50% of accrued sick days at the date of termination of employment. This provision applies only to employees hired before the effective date of the personnel policy dated June 6, 2006. Employees hired after the effective date of this policy will not be reimbursed for unused sick leave upon termination for any reason. In addition, compensatory time is earned by various County employees. Since the County utilizes the modified cash basis of accounting, they have not determined the amount earned but unpaid for compensated absences at December 31, 2022.

C. Contracts

In the normal course of operations, the County has contracted for various services such as an outsourcing arrangement for information technology, law enforcement system data, computer hardware and software maintenance, road construction, maintenance and repair, etc. Each agreement contains clauses for continuation or termination.

D. Federal and State Assisted Programs

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

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 12 RISK MANAGEMENT

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

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Chapter 537.70 RSMo. 1986). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$250,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

The County has also purchased commercial insurance for other areas of risk that are not covered by the public entity risk pool or self-insurance fund. These policies include reasonable deductible amounts. The only exception is in regard to the County's vehicle fleet, which is covered for liability only. In a cost-benefit analysis, the County determined it is cost effective to forego the premiums and pay for repairs and replacement as needed. The portion of uninsured loss is not expected to be material with respect to the financial position of the County.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 13 FUND BALANCE CONSTRAINTS

The constraints on fund balance are listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balances. The following table provides detail on fund balance constraints according to balance classification and fund.

| | Major Special Revenue Funds | | | | | Nonmajor Governmental Funds | Total |
|---------------------------|-----------------------------|---------------------|----------------------|----------------------|-------------------------|-----------------------------------|----------------------|
| | General | Road and Bridge | Law Enforcement | Road Tax | American Rescue Plan | | |
| Fund Balances: | | | | | | | |
| Restricted for: | | | | | | | |
| Ch 190 Public Safety | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 80,516 | \$ 80,516 |
| Road and Bridge | - | 7,935,306 | - | 10,636,867 | - | - | 18,572,173 |
| American Rescue Plan | - | - | - | - | 33,425,941 | - | 33,425,941 |
| Assessment | - | - | - | - | - | 2,067,866 | 2,067,866 |
| Parks and Recreation | - | - | - | - | - | 1,564,561 | 1,564,561 |
| Coronavirus Relief Fund | - | - | - | - | - | 11,557 | 11,557 |
| Debt Service - COPS | - | - | - | - | - | 509 | 509 |
| Debt Service - NIDS | - | - | - | - | - | 597,724 | 597,724 |
| Police Officer Training | - | - | - | - | - | 47,441 | 47,441 |
| Post Commission | - | - | - | - | - | 30,185 | 30,185 |
| Sheriff Revolving | - | - | - | - | - | 562,568 | 562,568 |
| Inmate Security | - | - | - | - | - | 53,046 | 53,046 |
| Prosecuting Attorney | | | | | | | |
| Training | - | - | - | - | - | 59,788 | 59,788 |
| Prosecuting Attorney | | | | | | | |
| Delinquent Tax Fund | - | - | - | - | - | 116,943 | 116,943 |
| Prosecuting Attorney | | | | | | | |
| Admin Handling Cost | - | - | - | - | - | 184,050 | 184,050 |
| Prosecuting Attorney | | | | | | | |
| Victim Advocate Fund | - | - | - | - | - | 4,319 | 4,319 |
| SVDV Fund | - | - | - | - | - | 8,464 | 8,464 |
| Recorder of Deeds | - | - | - | - | - | 980,310 | 980,310 |
| Mental Health Fund | - | - | - | - | - | 2,278,375 | 2,278,375 |
| Jefferson County LEPC | - | - | - | - | - | 8,887 | 8,887 |
| Election Services | - | - | - | - | - | 277,421 | 277,421 |
| Tax Maintenance | - | - | - | - | - | 342,154 | 342,154 |
| Justice Assistance Grant | - | - | - | - | - | 2,447 | 2,447 |
| Emergency Rental | | | | | | | |
| Assistance | - | - | - | - | - | 1,454,961 | 1,454,961 |
| Opioid Fund | - | - | - | - | - | 540,877 | 540,877 |
| Total Restricted | - | 7,935,306 | - | 10,636,867 | 33,425,941 | 11,274,969 | 63,273,083 |
| Assigned for: | | | | | | | |
| Prosecuting Attorney | | | | | | | |
| Forfeitures | 4,653 | - | - | - | - | - | 4,653 |
| Courthouse Beautification | 2 | - | - | - | - | - | 2 |
| County Discretionary Fund | 37,348 | - | - | - | - | - | 37,348 |
| Animal Control Donations | 43,406 | - | - | - | - | - | 43,406 |
| Subsequent Year's | | | | | | | |
| Budget Deficit | - | - | - | - | - | - | - |
| Drug Forfeiture | - | - | 317,510 | - | - | - | 317,510 |
| Sheriff's Commissary Fund | - | - | 403,746 | - | - | - | 403,746 |
| Sheriff Equipment | | | | | | | |
| Donation Fund | - | - | 13,669 | - | - | - | 13,669 |
| Prisoner Phone Fund | - | - | 536,976 | - | - | - | 536,976 |
| Police Memorial Fund | - | - | 10,838 | - | - | - | 10,838 |
| Sheriff's Reserve Fund | - | - | 6 | - | - | - | 6 |
| Treasury Forfeiture Fund | - | - | 83,408 | - | - | - | 83,408 |
| Law Enforcement | - | - | 19,933,528 | - | - | - | 19,933,528 |
| Capital Improvements | - | - | - | - | - | 148,999 | 148,999 |
| Debt Service - COPS | - | - | - | - | - | 2,110,271 | 2,110,271 |
| Total Assigned | 85,409 | - | 21,299,681 | - | - | 2,259,270 | 23,644,360 |
| Unassigned | 8,506,787 | - | - | - | - | - | 8,506,787 |
| Total | <u>\$ 8,592,196</u> | <u>\$ 7,935,306</u> | <u>\$ 21,299,681</u> | <u>\$ 10,636,867</u> | <u>\$ 33,425,941</u> | <u>\$ 13,534,239</u> | <u>\$ 95,424,230</u> |

SUPPLEMENTARY INFORMATION

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|------------------------|---------------------|---|
| REVENUES | | | | |
| Property Taxes | \$ 12,750,000 | \$ 12,485,000 | \$ 11,129 | \$ (12,473,871) |
| Sales Tax | 87,190 | 87,190 | 15,005,363 | 14,918,173 |
| Other Taxes | 1,216,179 | 1,216,179 | 1,229,720 | 13,541 |
| Grants, Distributions, and Reimbursements | 1,481,608 | 1,596,558 | 1,531,421 | (65,137) |
| Fees, Licenses, and Permits | 9,277,650 | 9,277,650 | 9,553,018 | 275,368 |
| Interest | 50,025 | 50,025 | 200,772 | 150,747 |
| Other | 8,500 | 8,500 | 44,709 | 36,209 |
| Total Revenues | 24,871,152 | 24,721,102 | 27,576,132 | 2,855,030 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General County Government | 15,681,658 | 30,497,040 | 13,647,433 | 16,849,607 |
| Financial Administration | 615,510 | 635,274 | 628,523 | 6,751 |
| Property Valuation and Recording | 302,981 | 308,603 | 318,844 | (10,241) |
| Administration of Justice and Law | | | | |
| Enforcement | 7,783,831 | 8,068,112 | 7,428,331 | 639,781 |
| Health and Welfare | 33,600 | 33,600 | 15,290 | 18,310 |
| Debt Service: | | | | |
| Principal Payments | 277,780 | 277,780 | 274,307 | 3,473 |
| Interest and Fiscal Charges | 9,699 | 9,699 | 3,751 | 5,948 |
| Capital Outlay: | | | | |
| Property, Equipment, and Buildings | 1,675,452 | 1,759,389 | 1,481,076 | 278,313 |
| Total Expenditures | 26,380,511 | 41,589,497 | 23,797,555 | 17,791,942 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (1,509,359) | (16,868,395) | 3,778,577 | 20,646,972 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 289,713 | 289,713 | 131,721 | (157,992) |
| Transfers Out | (3,042,686) | (3,042,686) | (2,942,693) | 99,993 |
| Proceeds from the Sale of Property | - | - | 27,997 | 27,997 |
| Total Other Financing Sources (Uses) | (2,752,973) | (2,752,973) | (2,782,975) | (30,002) |
| NET CHANGE IN FUND BALANCE | <u>\$ (4,262,332)</u> | <u>\$ (19,621,368)</u> | 995,602 | <u>\$ 20,616,970</u> |
| Fund Balance - Beginning of Year | | | 7,596,594 | |
| FUND BALANCE - END OF YEAR | | | <u>\$ 8,592,196</u> | |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
DEPARTMENTAL SCHEDULE OF EXPENDITURES – MODIFIED CASH BASIS
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------------|--------------------|-----------------|-------------------|---|
| EXPENDITURES | | | | |
| Current: | | | | |
| General County Government: | | | | |
| Animal Control | \$ 571,706 | \$ 595,797 | \$ 594,138 | \$ 1,659 |
| Auditor | 287,174 | 290,821 | 251,355 | 39,466 |
| Board of Equalization | 1,800 | 1,800 | 900 | 900 |
| Code Enforcement | 707,621 | 732,395 | 623,727 | 108,668 |
| Solid Waste | 296,845 | 356,392 | 301,778 | 54,614 |
| County Agencies | 10,000 | 10,000 | 5,000 | 5,000 |
| County Clerk | 1,036,309 | 1,041,735 | 764,369 | 277,366 |
| County Council | 173,169 | 173,872 | 136,071 | 37,801 |
| County Executive | 143,440 | 144,177 | 139,487 | 4,690 |
| Economic Development | 71,000 | 71,000 | 71,000 | - |
| Emergency Management | 310,146 | 308,495 | 262,243 | 46,252 |
| Facility Services | 1,782,561 | 1,766,934 | 1,635,557 | 131,377 |
| Fleet Services | 910,584 | 1,152,906 | 1,231,174 | (78,268) |
| General Services | 719,832 | 724,279 | 658,358 | 65,921 |
| Human Resources | 306,156 | 312,767 | 248,725 | 64,042 |
| Information Technology | 2,162,051 | 16,536,949 | 2,047,814 | 14,489,135 |
| Insurance Health | 1,625,500 | 1,595,500 | 1,508,611 | 86,889 |
| Insurance-Other | 295,000 | 295,000 | 278,130 | 16,870 |
| Insurance-Workers' Compensation | 115,000 | 115,000 | 94,454 | 20,546 |
| County Services & Code Enforcement | 208,375 | 210,507 | 209,755 | 752 |
| MO University Extension Services | 84,700 | 84,700 | 84,700 | - |
| Organizations | 42,000 | 42,000 | 40,771 | 1,229 |
| Other | 1,374,873 | 1,403,873 | 289,462 | 1,114,411 |
| Payroll Taxes & Retirement | 2,105,000 | 2,170,343 | 1,802,298 | 368,045 |
| Planning Division | 350,816 | 359,796 | 367,554 | (7,758) |
| Total General County Government | 15,691,658 | 30,497,038 | 13,647,431 | 16,849,607 |
| Financial Administration: | | | | |
| Collector | 452,717 | 468,876 | 457,193 | 11,683 |
| Treasurer | 162,793 | 166,398 | 171,330 | (4,932) |
| | 615,510 | 635,274 | 628,523 | 6,751 |
| Property Valuation and Recording: | | | | |
| Recorder of Deeds | 302,981 | 308,603 | 318,844 | (10,241) |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
DEPARTMENTAL SCHEDULE OF EXPENDITURES – MODIFIED CASH BASIS
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| EXPENDITURES (CONTINUED) | | | | |
| Admin. of Justice & Law Enforcement: | | | | |
| Circuit Clerk | \$ 30,155 | \$ 36,155 | 25,539 | \$ 10,616 |
| Circuit Courts | 166,660 | 166,660 | 126,026 | 40,634 |
| Jury Script | 430,000 | 430,000 | 359,673 | 70,327 |
| Juvenile Office | 3,325,213 | 3,338,246 | 3,079,249 | 258,997 |
| Juvenile Treatment Center | - | - | - | - |
| Municipal Court | 250,744 | 253,661 | 247,824 | 5,837 |
| Medical Examiner | 516,400 | 728,750 | 728,750 | - |
| Prosecuting Attorney | 2,738,980 | 2,779,572 | 2,546,873 | 232,699 |
| Public Administrator | 325,679 | 335,070 | 314,399 | 20,671 |
| Total Admin. of Justice & Law Enforcement | 7,783,831 | 8,068,114 | 7,428,333 | 639,781 |
| Health & Welfare | 33,600 | 33,600 | 15,290 | 18,310 |
| Community Development | - | - | - | - |
| Debt Service: | | | | |
| Principal Payments | 277,780 | 277,780 | 274,307 | 3,473 |
| Interest & Fiscal Charges | 9,699 | 9,699 | 3,751 | 5,948 |
| Total Debt Service | 287,479 | 287,479 | 278,058 | 9,421 |
| Capital Outlay: | | | | |
| Property, Equipment, and Buildings | 1,675,452 | 1,759,389 | 1,481,076 | 278,313 |
| Total Expenditures | <u>\$ 26,390,511</u> | <u>\$ 41,589,497</u> | <u>\$ 23,797,555</u> | <u>\$ 17,791,942</u> |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|-----------------------|---------------------|---|
| REVENUES | | | | |
| Property Taxes | \$ 7,785,000 | \$ 7,785,000 | \$ 7,656,111 | \$ (128,889) |
| Sales Tax | 3,176,000 | 3,176,000 | 1,001,364 | (2,174,636) |
| Other Taxes | 1,055,000 | 1,055,000 | 3,922,950 | 2,867,950 |
| Grants, Distributions, and Reimbursements | 6,715,589 | 6,715,589 | 4,151,047 | (2,564,542) |
| Fees, Licenses, and Permits | 66,895 | 66,895 | 546,404 | 479,509 |
| Interest | 30,000 | 30,000 | 69,739 | 39,739 |
| Other | 5,000 | 5,000 | 9,057 | 4,057 |
| Total Revenues | 18,833,484 | 18,833,484 | 17,356,672 | (1,476,812) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Maintenance of Roads: | | | | |
| Salaries | 6,863,153 | 6,338,153 | 6,234,350 | 103,803 |
| Office Expense | 18,250 | 18,250 | 10,696 | 7,554 |
| Miscellaneous | 69,600 | 91,600 | 140,913 | (49,313) |
| Uniforms | 50,000 | 50,000 | 43,265 | 6,735 |
| Medical Expense | 12,500 | 17,000 | 15,816 | 1,184 |
| Safety Equipment & Supplies | 60,000 | 60,000 | 50,962 | 9,038 |
| Parts & Repairs | 475,000 | 475,000 | 462,535 | 12,465 |
| Utilities | 105,500 | 109,000 | 114,070 | (5,070) |
| Insurance | 1,505,642 | 1,495,642 | 1,370,715 | 124,927 |
| Payroll Taxes | 55,000 | 460,000 | 475,011 | (15,011) |
| Pension | 891,000 | 891,000 | 867,811 | 23,189 |
| Training | 30,000 | 30,000 | 15,409 | 14,591 |
| City Tax Distribution | 425,000 | 455,000 | 449,699 | 5,301 |
| C.A.R.T. | - | - | - | - |
| Vehicle Expenses | 530,750 | 805,750 | 778,260 | 27,490 |
| Capital Outlay: | | | | |
| Equipment | 1,274,000 | 729,000 | 743,991 | (14,991) |
| Right-of-Way | 185,942 | 175,942 | - | 175,942 |
| Construction of Roads and Bridges: | | | | |
| Contractual Service | 5,761,343 | 6,161,343 | 3,782,774 | 2,378,569 |
| Road Materials | 1,300,000 | 1,692,000 | 1,682,948 | 9,052 |
| Equipment Rental | 60,000 | 43,000 | 38,749 | 4,251 |
| Sign Material | - | - | - | - |
| Engineering Fees | 582,804 | 597,804 | 552,238 | 45,566 |
| Total Expenditures | 20,255,484 | 20,695,484 | 17,830,212 | 2,865,272 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (1,422,000) | (1,862,000) | (473,540) | 1,388,460 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 500,000 | 500,000 | 594,416 | 94,416 |
| Proceeds from the Sale of Property | 15,000 | 15,000 | 8,479 | (6,521) |
| Total Other Financing Sources (Uses) | 515,000 | 515,000 | 602,895 | 87,895 |
| NET CHANGE IN FUND BALANCE | <u>\$ (907,000)</u> | <u>\$ (1,347,000)</u> | 129,355 | <u>\$ 1,476,355</u> |
| Fund Balance - Beginning of Year | | | 7,805,951 | |
| FUND BALANCE - END OF YEAR | | | <u>\$ 7,935,306</u> | |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
LAW ENFORCEMENT FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|-----------------------------|---|
| REVENUES | | | | |
| Property Taxes | \$ 6,776,000 | \$ 6,776,000 | \$ 6,761,722 | \$ (14,278) |
| Sales Tax | 12,750,000 | 12,750,000 | 15,005,365 | 2,255,365 |
| Grants, Distributions, and Reimbursements | 1,397,400 | 1,397,400 | 2,964,476 | 1,567,076 |
| Fees, Licenses, and Permits | 1,861,800 | 1,994,150 | 1,327,622 | (666,528) |
| Interest | 11,641 | 11,641 | 433,945 | 422,304 |
| Other | 45,000 | 45,000 | 85,879 | 40,879 |
| Total Revenues | <u>22,841,841</u> | <u>22,974,191</u> | <u>26,579,009</u> | <u>3,604,818</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration of Justice & Law Enforcement: | | | | |
| Salaries | 15,862,024 | 15,933,024 | 14,908,632 | 1,024,392 |
| Payroll Taxes | 1,219,620 | 1,225,070 | 1,141,818 | 83,252 |
| Leased Vehicles | 67,200 | 74,900 | 74,140 | 760 |
| Office Expense | 60,000 | 60,000 | 60,495 | (495) |
| Contractual Services | 1,191,300 | 1,191,300 | 1,097,600 | 93,700 |
| Professional Services | 53,500 | 60,500 | 64,698 | (4,198) |
| Uniforms | 177,261 | 177,261 | 170,034 | 7,227 |
| Utilities | 209,625 | 209,625 | 180,435 | 29,190 |
| Insurance | 3,704,060 | 3,715,991 | 2,789,356 | 926,635 |
| Pension | 1,834,150 | 1,842,955 | 1,675,889 | 167,066 |
| Training | 274,895 | 297,245 | 166,320 | 130,925 |
| Other | 957,261 | 903,261 | 760,288 | 142,973 |
| Institutional Placement | 5,000 | 5,000 | 4,871 | 129 |
| Prisoner Medical Expense | 9,200 | 9,200 | 6,509 | 2,691 |
| Prisoner Transport | 78,500 | 78,500 | 40,125 | 38,375 |
| Prisoner Food | 605,000 | 605,000 | 603,641 | 1,359 |
| Vehicle Gas & Oil | 27,500 | 27,500 | 42,343 | (14,843) |
| Jail Expense | 144,174 | 122,174 | 103,049 | 19,125 |
| Capital Outlay: | | | | |
| Property, Equipment, and Buildings | 625,047 | 635,347 | 689,142 | (53,795) |
| Total Expenditures | <u>27,105,317</u> | <u>27,173,853</u> | <u>24,579,385</u> | <u>2,594,468</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (4,263,476) | (4,199,662) | 1,999,624 | 6,199,286 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 2,204,945 | 2,204,945 | 2,178,496 | (26,449) |
| Transfers Out | - | - | (29,842) | (29,842) |
| Proceeds from the Sale of Property | - | - | 1,159 | 1,159 |
| Total Other Financing Sources (Uses) | <u>2,204,945</u> | <u>2,204,945</u> | <u>2,149,813</u> | <u>(55,132)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (2,058,531)</u> | <u>\$ (1,994,717)</u> | <u>4,149,437</u> | <u>\$ 6,144,154</u> |
| Fund Balance - Beginning of Year | | | <u>17,150,244</u> | |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 21,299,681</u></u> | |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
ROAD TAX FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|----------------------|---|
| REVENUES | | | | |
| Sales Tax | \$ 8,800,000 | \$ 8,800,000 | \$ 9,875,531 | \$ 1,075,531 |
| Grants, Distributions, and Reimbursements | - | - | - | - |
| Fees, Licenses, and Permits | - | - | - | - |
| Interest | 40,000 | 40,000 | 156,046 | 116,046 |
| Other | - | - | - | - |
| Total Revenues | 8,840,000 | 8,840,000 | 10,031,577 | 1,191,577 |
| EXPENDITURES | | | | |
| Capital Outlay: | | | | |
| Property, Equipment, and Buildings: | | | | |
| Right-of-Way | 174,236 | 274,236 | 272,006 | 2,230 |
| Motor Vehicle Equipment | - | - | - | - |
| Other Equipment | - | - | - | - |
| Construction of Roads and Bridges: | | | | |
| Contractual Service | 9,602,721 | 9,302,721 | 7,971,491 | 1,331,230 |
| Building Maintenance & Repairs | - | - | - | - |
| Road Materials | 750,000 | 1,050,000 | 1,048,026 | 1,974 |
| Equipment Rental | 60,000 | 60,000 | 4,200 | 55,800 |
| Sign Material | 100,000 | 100,000 | 78,452 | 21,548 |
| Engineering fees | 1,484,722 | 1,384,722 | 924,778 | 459,944 |
| Total Expenditures | 12,171,679 | 12,171,679 | 10,298,953 | 1,872,726 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (3,331,679) | (3,331,679) | (267,376) | 3,064,303 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | (488,169) | (363,169) | 594,417 | 957,586 |
| Total Other Financing Sources (Uses) | (488,169) | (363,169) | 594,417 | 957,586 |
| NET CHANGE IN FUND BALANCE | <u>\$ (3,819,848)</u> | <u>\$ (3,694,848)</u> | (861,793) | <u>\$ 4,021,889</u> |
| Fund Balance - Beginning of Year | | | 11,498,660 | |
| FUND BALANCE - END OF YEAR | | | <u>\$ 10,636,867</u> | |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
AMERICAN RESCUE PLAN FUND
YEAR ENDED DECEMBER 31, 2022**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------------|------------------------|----------------------|---|
| REVENUES | | | | |
| Grants, Distributions, and Reimbursements | \$ 21,859,673 | \$ 21,859,673 | \$ 21,859,673 | \$ - |
| Interest | 8,000 | 8,000 | 922,980 | 914,980 |
| Total Revenues | 21,867,673 | 21,867,673 | 22,782,653 | 914,980 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health & Welfare | 43,627,673 | 43,627,673 | 10,338,299 | 33,289,374 |
| Total Expenditures | 43,627,673 | 43,627,673 | 10,338,299 | 33,289,374 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (21,760,000) | (21,760,000) | 12,444,354 | 34,204,354 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | - | - | (182,519) | (182,519) |
| Total Other Financing Sources (Uses) | - | - | (182,519) | (182,519) |
| NET CHANGE IN FUND BALANCE | <u>\$ (21,760,000)</u> | <u>\$ (21,760,000)</u> | 12,261,835 | <u>\$ 34,021,835</u> |
| Fund Balance - Beginning of Year | | | 21,164,105 | |
| FUND BALANCE - END OF YEAR | | | <u>\$ 33,425,940</u> | |

See accompanying Notes to Supplementary Information.

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
NOTES TO SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022**

NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING

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

1. The fiscal year of the County is to begin on the first day of January and end on the last day of December unless a different fiscal year is established by ordinance.
2. An annual budget for the County must be prepared and adopted as required by the Charter and, to the extent not inconsistent with the Charter, in accordance with Missouri Law. The County Executive is designated as the Budget Officer. Budgets are prepared for all funds except the Debt Service Fund.
3. On or before the first day of the eleventh month of each fiscal year, the County Executive must submit to the County Council a proposed budget for the ensuing fiscal year, and an accompanying message. The County Auditor is to assist the County Executive in preparing the proposed budget. In preparing the proposed budget, the County Executive must review the proposed budgets for the departments submitted to the County Executive and the County Auditor by County Officers, who are heads of departments as required by the Charter.
4. The County Council must schedule a public hearing on the proposed budget. At least 10 days before the date of the hearing, the County Executive must publish a notice of the public hearing and a summary of the proposed budget in a newspaper of general circulation in the County, and post the summary at a public place in each of the Council Districts and on a County sponsored web page on the internet in electronic form.
5. No later than the last day of the fiscal year, the County Council by ordinance must adopt the proposed budget as the County budget for the ensuing fiscal year. If the Council fails to adopt a budget by this date, the budget proposed by the County Executive is to be deemed approved.
6. To implement the adopted budget, the County Council must adopt in accordance with Missouri Law.
7. Budgeted amounts are as originally adopted, or as amended by the County Council throughout the year.

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

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING BALANCE SHEET – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

| | Combined Nonmajor Special Revenue Funds | Nonmajor County Building Capital Projects Fund | Total Nonmajor Governmental Funds |
|--------------------------------------|---|--|--|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 11,509,727 | \$ 148,999 | \$ 11,658,726 |
| Investments | 582,808 | - | 582,808 |
| Due from Collector of Revenue | 1,241,393 | - | 1,241,393 |
| Restricted Investments | 102,423 | - | 102,423 |
| | | | - |
| Total Assets | <u>\$ 13,436,351</u> | <u>\$ 148,999</u> | <u>\$ 13,585,350</u> |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | \$ 51,111 | \$ - | \$ 51,111 |
| FUND BALANCES | | | |
| Restricted | 11,274,969 | - | 11,274,969 |
| Assigned | 2,110,271 | 148,999 | 2,259,270 |
| Total Fund Balances | <u>13,385,240</u> | <u>148,999</u> | <u>13,534,239</u> |
| | | | |
| Total Liabilities and Fund Balances | <u>\$ 13,436,351</u> | <u>\$ 148,999</u> | <u>\$ 13,585,350</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING BALANCE SHEET – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS (SPECIAL REVENUE FUNDS)
DECEMBER 31, 2022**

| | Chapter 190 Public Safety Capital Improvement | Police Officer Training Fund | Post Commission Fund | Sheriff Revolving Fund | Inmate Security Fund | Pros Atty Training Fund | Pros Atty Delinquent Tax Fund | Pros Atty Administrative Handling Cost Fund | Pros Atty Victim Advocate Fund |
|---|--|------------------------------------|----------------------------|------------------------------|----------------------------|-------------------------------|-------------------------------------|--|---|
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 80,516 | \$ 47,441 | \$ 30,185 | \$ 562,657 | \$ 53,046 | \$ 59,788 | \$ 116,943 | \$ 186,087 | \$ 4,286 |
| Investments | - | - | - | - | - | - | - | - | - |
| Due from Collector of Revenue | - | - | - | - | - | - | - | - | 33 |
| Restricted Investments | - | - | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 80,516</u> | <u>\$ 47,441</u> | <u>\$ 30,185</u> | <u>\$ 562,657</u> | <u>\$ 53,046</u> | <u>\$ 59,788</u> | <u>\$ 116,943</u> | <u>\$ 186,087</u> | <u>\$ 4,319</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| LIABILITIES | | | | | | | | | |
| Due to Other Tax Authorities and Others | \$ - | \$ - | \$ - | \$ 89 | \$ - | \$ - | \$ - | \$ 2,037 | \$ - |
| Total Liabilities | - | - | - | 89 | - | - | - | 2,037 | - |
| FUND BALANCES | | | | | | | | | |
| Restricted | 80,516 | 47,441 | 30,185 | 562,568 | 53,046 | 59,788 | 116,943 | 184,050 | 4,319 |
| Assigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | <u>80,516</u> | <u>47,441</u> | <u>30,185</u> | <u>562,568</u> | <u>53,046</u> | <u>59,788</u> | <u>116,943</u> | <u>184,050</u> | <u>4,319</u> |
| Total Liabilities and Fund Balances | <u>\$ 80,516</u> | <u>\$ 47,441</u> | <u>\$ 30,185</u> | <u>\$ 562,657</u> | <u>\$ 53,046</u> | <u>\$ 59,788</u> | <u>\$ 116,943</u> | <u>\$ 186,087</u> | <u>\$ 4,319</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING BALANCE SHEET – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS (SPECIAL REVENUE FUNDS) (CONTINUED)
DECEMBER 31, 2022**

| | Coronavirus Relief Fund | Debt Service Fund | Capital Improvements Debt Service Fund | Opioid Fund | Emergency Rental Assistance Fund | Total |
|---|-------------------------------|----------------------|---|-------------------|---|----------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 11,557 | \$ 497,638 | \$ 1,798,654 | \$ 540,877 | \$ 1,454,961 | \$ 11,509,727 |
| Investments | - | - | 311,617 | - | - | 582,808 |
| Due from Collector of Revenue | - | (1,126) | - | - | - | 1,241,393 |
| Restricted Investments | - | 101,913 | 509 | - | - | 102,423 |
| Total Assets | <u>\$ 11,557</u> | <u>\$ 598,425</u> | <u>\$ 2,110,780</u> | <u>\$ 540,877</u> | <u>\$ 1,454,961</u> | <u>\$ 13,436,351</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Due to Other Tax Authorities and Others | \$ - | \$ 702 | \$ - | \$ - | \$ - | \$ 51,111 |
| Total Liabilities | - | 702 | - | - | - | 51,111 |
| FUND BALANCES | | | | | | |
| Restricted | 11,557 | 597,723 | 509 | 540,877 | 1,454,961 | 11,274,969 |
| Assigned | - | - | 2,110,271 | - | - | 2,110,271 |
| Total Fund Balances | <u>11,557</u> | <u>597,723</u> | <u>2,110,780</u> | <u>540,877</u> | <u>1,454,961</u> | <u>13,385,240</u> |
| Total Liabilities and Fund Balances | <u>\$ 11,557</u> | <u>\$ 598,425</u> | <u>\$ 2,110,780</u> | <u>\$ 540,877</u> | <u>\$ 1,454,961</u> | <u>\$ 13,436,351</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

| | Combined Nonmajor Special Revenue Funds | Nonmajor County Building Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|---|--|--|
| REVENUES | | | |
| Property Taxes | \$ 6,351,513 | \$ - | \$ 6,351,513 |
| Other Taxes | 25,141 | - | 25,141 |
| Grants, Distributions, and Reimbursements | 4,044,043 | - | 4,044,043 |
| Fees, Licenses, and Permits | 1,583,301 | - | 1,583,301 |
| Interest | 158,227 | 1,458 | 159,685 |
| Other | - | 146,534 | 146,534 |
| Total Revenues | 12,162,225 | 147,992 | 12,310,217 |
| EXPENDITURES | | | |
| Current: | | | |
| General County Government | 66,196 | - | 66,196 |
| Financial Administration | 370,204 | - | 370,204 |
| Property Valuation and Recording | 2,329,928 | - | 2,329,928 |
| Administration of Justice and Law | | | |
| Enforcement | 222,349 | - | 222,349 |
| Health and Welfare | 4,993,912 | - | 4,993,912 |
| Park Maintenance | 1,057,309 | - | 1,057,309 |
| Community Development | 2,725,954 | - | 2,725,954 |
| Debt Service: | | | |
| Principal Payments | 1,595,000 | - | 1,595,000 |
| Interest and Fiscal Charges | 308,535 | - | 308,535 |
| Costs of Issuance | 46,304 | - | 46,304 |
| Capital Outlay: | | | |
| Property, Equipment, and Buildings | 280,772 | - | 280,772 |
| Total Expenditures | 13,996,463 | - | 13,996,463 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (1,834,238) | 147,992 | (1,686,246) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 976,070 | - | 976,070 |
| Transfers Out | (131,233) | - | (131,233) |
| Proceeds From the Sale of Property | 349 | - | 349 |
| Total Other Financing Sources (Uses) | 845,186 | - | 845,186 |
| NET CHANGE IN FUND BALANCES | (989,052) | 147,992 | (841,060) |
| Fund Balances - Beginning of Year | 14,374,292 | 1,007 | 14,375,299 |
| FUND BALANCES - END OF YEAR | <u>\$ 13,385,240</u> | <u>\$ 148,999</u> | <u>\$ 13,534,239</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS (SPECIAL REVENUE FUNDS)
YEAR ENDED DECEMBER 31, 2022**

| | Chapter 190 Public Safety Capital Improvement | Police Officer Training Fund | Post Commission Fund | Sheriff Revolving Fund | Inmate Security Fund | Pros Atty Training Fund | Pros Atty Delinquent Tax Fund | Pros Atty Administrative Handling Cost Fund | Pros Atty Victim Advocate Fund |
|---|--|------------------------------------|----------------------------|------------------------------|----------------------------|-------------------------------|-------------------------------------|--|---|
| REVENUES | | | | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Taxes | - | - | - | - | - | - | - | - | - |
| Sales Tax | - | - | - | - | - | - | - | - | - |
| Grants, Distributions, and Reimbursements | - | - | 5,755 | - | - | - | - | - | 44,166 |
| Fees, Licenses, and Permits | 23,917 | 16,289 | - | 47,701 | 21,704 | 20,348 | 22,602 | 15,157 | - |
| Interest | 2,085 | 305 | 580 | 11,298 | 1,152 | 1,038 | 2,704 | 1,866 | 244 |
| Other | - | - | - | - | - | - | - | - | - |
| Total Revenues | 26,002 | 16,594 | 6,335 | 58,999 | 22,856 | 21,386 | 25,306 | 17,023 | 44,410 |
| EXPENDITURES | | | | | | | | | |
| Current: | | | | | | | | | |
| General County Government | - | - | - | - | - | - | - | - | - |
| Financial Administration | - | - | - | - | - | - | - | - | - |
| Property Valuation and Recording | - | - | - | - | - | - | - | - | - |
| Administration of Justice and Law Enforcement | - | 19,490 | 5,416 | 66,686 | 24,381 | 8,885 | 5,851 | 4,302 | 48,238 |
| Health and Welfare | - | - | - | - | - | - | - | - | - |
| Maintenance of Roads | - | - | - | - | - | - | - | - | - |
| Park Maintenance | - | - | - | - | - | - | - | - | - |
| Community Development | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - | - | - | - |
| Costs of Issuance | - | - | - | - | - | - | - | - | - |
| Capital Outlay: | | | | | | | | | |
| Construction of Roads and Bridges | - | - | - | - | - | - | - | - | - |
| Property, Equipment, and Buildings | - | - | - | 18,218 | - | - | 1,277 | 953 | - |
| Total Expenditures | - | 19,490 | 5,416 | 84,904 | 24,381 | 8,885 | 7,128 | 5,255 | 48,238 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 26,002 | (2,896) | 919 | (25,905) | (1,525) | 12,501 | 18,178 | 11,768 | (3,828) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | - | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - | - |
| Proceeds From the Sale of Property | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | - | - | - |
| NET CHANGE IN FUND BALANCES | 26,002 | (2,896) | 919 | (25,905) | (1,525) | 12,501 | 18,178 | 11,768 | (3,828) |
| Fund Balances - Beginning of Year | 54,514 | 50,337 | 29,266 | 588,473 | 54,571 | 47,287 | 98,765 | 172,282 | 8,147 |
| FUND BALANCES - END OF YEAR | \$ 80,516 | \$ 47,441 | \$ 30,185 | \$ 562,568 | \$ 53,046 | \$ 59,788 | \$ 116,943 | \$ 184,050 | \$ 4,319 |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS (SPECIAL REVENUE FUNDS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

| | SVDV Fund | Recorder's Fund | Mental Health Fund | Jeff Co. LEPC Fund | Election Services Fund | Tax Maintenance Fund | Justice Assistance Fund | Parks and Recreation Fund | Assessment Fund |
|---|-----------------|--------------------|--------------------------|--------------------------|------------------------------|----------------------------|-------------------------------|---------------------------------|---------------------|
| REVENUES | | | | | | | | | |
| Property Taxes | \$ - | \$ - | \$ 3,355,674 | \$ - | \$ - | \$ - | \$ - | \$ 998,391 | \$ 1,748,032 |
| Other Taxes | - | - | 2,880 | - | - | - | - | 9,178 | 13,083 |
| Sales Tax | - | - | - | - | - | - | - | - | - |
| Grants, Distributions, and Reimbursements | - | - | - | 1,760 | 44,678 | - | 27,772 | 15,784 | 372,289 |
| Fees, Licenses, and Permits | 40,065 | 141,600 | - | - | 102,911 | 439,458 | - | 139,478 | 11,276 |
| Interest | - | 12,743 | 27,668 | 340 | 1,764 | 10,458 | 37 | 29,830 | 10,395 |
| Other | - | - | - | - | - | - | - | - | - |
| Total Revenues | 40,065 | 154,343 | 3,386,222 | 2,100 | 149,353 | 449,916 | 27,809 | 1,192,661 | 2,155,075 |
| EXPENDITURES | | | | | | | | | |
| Current: | | | | | | | | | |
| General County Government | - | - | - | - | 66,196 | - | - | - | - |
| Financial Administration | - | - | - | - | - | 370,204 | - | - | - |
| Property Valuation and Recording | - | 115,331 | - | - | - | - | - | - | 2,214,597 |
| Administration of Justice and Law | | | | | | | | | |
| Enforcement | 39,100 | - | - | - | - | - | - | - | - |
| Health and Welfare | - | - | 3,382,115 | 11,520 | - | - | - | - | - |
| Maintenance of Roads | - | - | - | - | - | - | - | - | - |
| Park Maintenance | - | - | - | - | - | - | - | 1,057,309 | - |
| Community Development | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - | - | - | - |
| Costs of Issuance | - | - | - | - | - | - | - | - | - |
| Capital Outlay: | | | | | | | | | |
| Construction of Roads and Bridges | - | - | - | - | - | - | - | - | - |
| Property, Equipment, and Buildings | - | 9,171 | - | - | 83,554 | 3,848 | 27,772 | 85,978 | 50,001 |
| Total Expenditures | 39,100 | 124,502 | 3,382,115 | 11,520 | 149,750 | 374,052 | 27,772 | 1,143,287 | 2,264,598 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 965 | 29,841 | 4,107 | (9,420) | (397) | 75,864 | 37 | 49,374 | (109,523) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | - | - | - | - | - | - | 122,214 |
| Transfers Out | - | - | - | - | - | (131,233) | - | - | - |
| Proceeds From the Sale of Property | - | - | - | - | - | - | - | 349 | - |
| Total Other Financing Sources (Uses) | - | - | - | - | - | (131,233) | - | 349 | 122,214 |
| NET CHANGE IN FUND BALANCES | 965 | 29,841 | 4,107 | (9,420) | (397) | (55,369) | 37 | 49,723 | 12,691 |
| Fund Balances - Beginning of Year | 7,499 | 950,469 | 2,274,268 | 18,307 | 277,818 | 397,523 | 2,410 | 1,514,838 | 2,055,175 |
| FUND BALANCES - END OF YEAR | <u>\$ 8,464</u> | <u>\$ 980,310</u> | <u>\$ 2,278,375</u> | <u>\$ 8,887</u> | <u>\$ 277,421</u> | <u>\$ 342,154</u> | <u>\$ 2,447</u> | <u>\$ 1,564,561</u> | <u>\$ 2,067,866</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS (SPECIAL REVENUE FUNDS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

| | Coronavirus Relief Fund | Economic Development Fund | Debt Service Fund | Capital Improvements Debt Service Fund | NIDS Special Revenue Fund | Opioid Settlement Fund | Emergency Rental Assistance Fund | Total |
|---|-------------------------------|---------------------------------|----------------------|---|---------------------------------|------------------------------|---|---------------|
| REVENUES | | | | | | | | |
| Property Taxes | \$ - | \$ - | \$ 249,416 | \$ - | \$ - | \$ - | \$ - | \$ 6,351,513 |
| Other Taxes | - | - | - | - | - | - | - | 25,141 |
| Sales Tax | - | - | - | - | - | - | - | - |
| Grants, Distributions, and Reimbursements | - | 2,725,954 | - | 45,435 | - | - | 760,450 | 4,044,043 |
| Fees, Licenses, and Permits | - | - | - | - | - | 540,795 | - | 1,583,301 |
| Interest | 11,557 | - | 1,432 | 806 | - | 82 | 29,843 | 158,227 |
| Other | - | - | - | - | - | - | - | - |
| Total Revenues | 11,557 | 2,725,954 | 250,848 | 46,241 | - | 540,877 | 790,293 | 12,162,225 |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| General County Government | - | - | - | - | - | - | - | 66,196 |
| Financial Administration | - | - | - | - | - | - | - | 370,204 |
| Property Valuation and Recording | - | - | - | - | - | - | - | 2,329,928 |
| Administration of Justice and Law | - | - | - | - | - | - | - | - |
| Enforcement | - | - | - | - | - | - | - | 222,349 |
| Health and Welfare | - | - | - | - | - | - | 1,600,277 | 4,993,912 |
| Maintenance of Roads | - | - | - | - | - | - | - | - |
| Park Maintenance | - | - | - | - | - | - | - | 1,057,309 |
| Community Development | - | 2,725,954 | - | - | - | - | - | 2,725,954 |
| Other | - | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | | |
| Principal | - | - | 190,000 | 1,405,000 | - | - | - | 1,595,000 |
| Interest and Fiscal Charges | - | - | 48,364 | 260,171 | - | - | - | 308,535 |
| Costs of Issuance | - | - | 5,832 | 40,472 | - | - | - | 46,304 |
| Capital Outlay: | | | | | | | | |
| Construction of Roads and Bridges | - | - | - | - | - | - | - | - |
| Property, Equipment, and Buildings | - | - | - | - | - | - | - | 280,772 |
| Total Expenditures | - | 2,725,954 | 244,196 | 1,705,643 | - | - | 1,600,277 | 13,996,463 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 11,557 | - | 6,652 | (1,659,402) | - | 540,877 | (809,984) | (1,834,238) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers In | - | - | - | 853,856 | - | - | - | 976,070 |
| Transfers Out | - | - | - | - | - | - | - | (131,233) |
| Proceeds From the Sale of Property | - | - | - | - | - | - | - | 349 |
| Total Other Financing Sources (Uses) | - | - | - | 853,856 | - | - | - | 845,186 |
| NET CHANGE IN FUND BALANCES | 11,557 | - | 6,652 | (805,546) | - | 540,877 | (809,984) | (989,052) |
| Fund Balances - Beginning of Year | - | - | 591,071 | 2,916,326 | 1 | - | 2,264,945 | 14,374,292 |
| FUND BALANCES - END OF YEAR | \$ 11,557 | \$ - | \$ 597,723 | \$ 2,110,780 | \$ 1 | \$ 540,877 | \$ 1,454,961 | \$ 13,385,240 |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION – MODIFIED CASH BASIS
CUSTODIAL FUNDS
DECEMBER 31, 2022**

| | County Treasurer Custodial Funds | County Officials and Other Custodial Funds | County Collector of Revenue Custodial Fund | Total Agency Funds |
|--|---|---|--|--------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 19,650,766 | \$ 69,149 | \$ 54,343,113 | \$ 74,063,028 |
| Due from Collector of Revenue | 6,747,381 | - | - | 6,747,381 |
| Total Assets | <u>\$ 26,398,147</u> | <u>\$ 69,149</u> | <u>\$ 54,343,113</u> | <u>\$ 80,810,409</u> |
| LIABILITIES | | | | |
| Due to Various Taxing Authorities and Others | \$ 22,489,272 | \$ - | \$ 47,498,581 | \$ 69,987,853 |
| Protested Taxes | - | - | 97,151 | 97,151 |
| Funds Held in Trust | - | 69,149 | - | 69,149 |
| Due to Other Funds | 3,908,875 | - | 6,747,381 | 10,656,256 |
| Total Liabilities | \$ 26,398,147 | \$ 69,149 | \$ 54,343,113 | \$ 80,810,409 |
| Total Net Position | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities and Net Position | <u>\$ 26,398,147</u> | <u>\$ 69,149</u> | <u>\$ 54,343,113</u> | <u>\$ 80,810,409</u> |

See accompanying Notes to Supplementary Information

**THE COUNTY OF JEFFERSON, MISSOURI
HILLSBORO, MISSOURI
COMBINING STATEMENT OF CHANGES FIDUCIARY NET POSITION – MODIFIED CASH BASIS
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

| | County Treasurer Custodial Funds | County Officials and Other Custodial Funds | County Collector of Revenue Custodial Fund | Total Custodial Funds |
|------------------------------------|---|---|--|-----------------------------|
| ADDITIONS | | | | |
| Revenues | | | | |
| Taxes | \$ 34,000,813 | \$ 2,020,866 | \$ 695,131,928 | \$ 731,153,607 |
| Total additions | <u>34,000,813</u> | <u>2,020,866</u> | <u>695,131,928</u> | <u>731,153,607</u> |
| DEDUCTIONS | | | | |
| Distributions to local governments | 34,000,813 | 2,020,866 | 695,131,928 | 731,153,607 |
| Total deductions | <u>\$ 34,000,813</u> | <u>\$ 2,020,866</u> | <u>\$ 695,131,928</u> | <u>\$ 731,153,607</u> |
| Net increase (decrease) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying Notes to Supplementary Information



**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**

Board of Directors
Jefferson County, Missouri
O'Fallon, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, Missouri, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Jefferson County, Missouri's basic financial statements, and have issued our report thereon dated December 18, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

See accompanying Notes to Supplementary Information

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.**CliftonLarsonAllen LLP**

St. Louis, Missouri
December 18, 2023

