## FINANCIAL CONDITION

The County Commission strongly disagrees with the conclusion that Cooper County failed to engage in adequate long-term planning. The major projects cited in the audit were the result of years of planning and evaluation. The County's $2.2 million communications infrastructure project was initiated in 2016 and is nearing completion, while planning for improved Emergency Management facilities has been underway since at least 2023. Sheriff Class approached the Commission in ’24 with the need for better facilities. These projects were not unforeseen expenses, but deliberate investments in public safety and county infrastructure.

The Commission also disagrees with the audit's apparent preference for financing these projects through debt. Reserve funds exist to meet county needs. The taxpayers of Cooper County have already provided these funds through taxation, and the Commission believes it is more fiscally responsible to utilize available reserves than to borrow money and pay interest. Under the audit's approach, the County could have maintained a higher fund balance simply by leaving taxpayer dollars idle while taking on debt. Such a strategy may improve an audit rating, but it increases costs to taxpayers and does not reflect prudent financial management.

Finally, concerns regarding the financial condition of the Enhanced 911 Fund have been addressed. County leadership recognized that revenues from the original 1992 E-911 sales tax were no longer sufficient to support modern emergency communications. The citizens of Cooper County subsequently approved an increase in the tax from $0.25 to $0.625, creating a sustainable funding source for 911 operations and eliminating the need for continued reliance on General Revenue transfers.

The reduction in fund balances was the result of deliberate investments in critical public safety infrastructure and the responsible use of taxpayer-funded reserves, not inadequate planning. The Commission believes these actions reflect sound long-term planning, fiscal responsibility, and a commitment to providing essential services to the citizens of Cooper County while avoiding unnecessary debt and interest costs.

## CONTRACT AND RELATED MATTERS

Agriculture is the number one industry in Cooper County. There is a strong participation in 4H and FFA among the youth of Cooper County. The Commission has provided strong support for the MU Extension office going back decades. Had previous Commissions only provided the minimum statutorily required funding, the County, like the majority of counties in the State would not have Extension available. The current Commission is committed to the funding level set by previous Commissions

## County Controls and Procedures

## County Controls and Procedures

The Commission does not disagree with certain findings contained in this section; however, it believes the audit report does not fully reflect important facts, corrective actions already taken, and information provided during the audit process.

With respect to the annual transfer of $35,000 from the Law Enforcement Center Fund (LECF) to the E-911 Fund, the Commission notes that this funding arrangement was discontinued during the development and adoption of the 2026 budget, prior to the audit findings being formally presented. As a result, this matter had already been addressed before issuance of the report.

The Commission concurs with the finding regarding credit card controls and recognizes the importance of establishing formal written policies and procedures. A comprehensive credit card use policy is currently being implemented to strengthen accountability and oversight. Additionally, the County has obtained a payment solution that will eliminate future finance charges and late fees, thereby resolving the issues identified in the audit.

The Commission respectfully disagrees with the finding related to vacation leave accruals. County personnel regularly review employee leave balances and make monthly adjustments as necessary to ensure accuracy. Supporting documentation and explanations regarding these reviews were provided to the auditors during the audit process. The Commission believes the TimeClock system was being appropriately monitored and maintained and is concerned that the County's response and supporting information were not adequately reflected in the final report.

The Commission remains committed to maintaining strong internal controls, improving administrative procedures where necessary, and ensuring the responsible stewardship of public resources. Where deficiencies were identified, corrective actions have either already been implemented or are in the process of being completed.

## SHERIFF’S COMPENSATION

The Commission respectfully disagrees with the audit finding regarding the Sheriff's compensation. The salary adjustments were implemented based upon the Commission's interpretation of Section 57.317, RSMo, which established a statutory schedule for sheriff compensation increases. This issue has been the subject of differing legal interpretations across Missouri, with multiple counties receiving similar audit findings after implementing the compensation adjustments authorized by state law. The Commission acted in good faith reliance on the statutory language and the understanding that the Legislature intended for these compensation increases to take effect as prescribed. Given the ongoing disagreement between the interpretation of the Missouri State Auditor and positions advanced by counties and other legal authorities, the Commission believes its actions were reasonable and consistent with its obligation to comply with state law.

## SUNSHINE LAW

### Sunshine Law

The Commission respectfully disagrees with the audit finding regarding discussions held in closed session. The matters discussed involved the potential purchase of real property, a subject specifically authorized for closed-session consideration under Missouri law. The Commission's discussion and vote concerned submitting an offer on property and maintaining confidentiality until the bid process was completed, a step the Commission believed was necessary to protect the County's negotiating position and the interests of taxpayers.

The Commission acknowledges the audit's observation that, on two of ten occasions reviewed, the motions to enter closed session did not cite the specific subsection of Section 610.021 (2), RSMo. While the Commission believes the discussions themselves were conducted within the statutory exceptions allowed under the Sunshine Law, it recognizes the importance of complete procedural compliance. Since these omissions were identified, the Commission has taken steps to ensure that all future motions entering closed session include the appropriate statutory citation and has experienced no further occurrences.

The Commission remains committed to transparency, compliance with the Missouri Sunshine Law, and maintaining accurate documentation of all open and closed meeting proceedings.