

**ADAIR COUNTY COMMISSION MINUTES  
TUESDAY, DECEMBER 22, 2020  
22ND DAY OCTOBER ADJOURNED**

The Adair County Commission convened at 8:30 a.m. on December 22, 2020 in the Courthouse at Kirksville. All Commissioners were present.

The Commission met at 10:00 am. with Senator Cindy O'Laughlin; Schuyler County Presiding Commissioner Rodney Cooper; Adair County Assessor Kent Bryant; Carolyn Chrisman with Economic Development; and Annette Sweet from Ameren. Also in attendance were several representatives from Ameren via Zoom; Lucas Kline, Zach Monroe, Joe LaMacchia, Tina Shannon, Chris Cadney and Scott Huber.

Senator O'Laughlin stated she was just wanting to have a conversation about tax assessments and clear up any questions.

Ameren stated that as of this day, they were the owners of the state's largest wind farm.

Commissioner Shahan asked how they were to be assessed and if they had a projection of tax revenues.

Mr. Kline said that the tax methodology had not changed. The local Assessors used the guidance in the State Tax Assessors manual.

Mr. LaMacchia said the starting point to value is the original costs including the turbines and foundations, then multiply that by 40% in the first year to get the market value. Following years would have depreciation; it is assessed as real property, not personal. The Adair County estimate would be 2.35 million with 85 turbines and Schuyler is estimated at 2.67 million with 90 turbines.

Commissioner King asked about the non-taxable part because it creates electricity.

Mr. Cadney said that was not the case, the turbines and generators are taxable. Solar power is exempt.

Commissioner King wanted to confirm there was no EEZ abatement, Mr. Kline agreed.

Senator O'Laughlin voiced her concern with Ameren appealing their assessment. If appealed, the money that the entities were counting on would be held up.

Mrs. Chrisman asked how they determine when to appeal.


Mr. Cadney said they only appeal when the Assessor does not match the methodology.

Mr. Huber stated they currently have a few appeals pending with Randolph County being one of them. They have paid the tax bill due under protest but only the disputed part is in escrow. The base tax is still paid to the entities.

Commissioner Thompson asked if they had an estimate on use tax. He was told they did not as most use tax is collected during the construction phase.

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Assessor Kent Bryant wanted to know when to expect figures and was told by Mr. Kline that it would probably be the end of the 1<sup>st</sup> quarter before they had the sales price divided up to assign value. Mr. Bryant also wanted to know if the acreage tax would be moved from the farmland to Ameren. He was told that would depend as to what was in the lease and if there would be a direct offset to the parcel.

Senator O’Laughlin said she was glad they were able to get together and clear up a few questions. Everybody knows this will be an ongoing discussion as things change with legislation in Jefferson City over the next few years.

The Commission met at 2:00 pm. with Jennifer Schutter, Zach Erwin, and Brad Smith with the Adair County University Extension Center.

They presented the Commission with their 2021 budget. Discussion was held on the differences between the 2020 and 2021 budget including that the University of Missouri has put a hiring freeze on their funding. Postage has increased as the University has decreased their allotment. The different departments are working to increase electronic correspondence to offset this. They are looking at a small increase in salary and benefits for their Office Administrator.

Building condition issues were discussed. They are looking into different options and the possibility of using CBDG grant funding if available for repairs.

The Commission told them they will look over their proposal and get back to them on the amount of funding the County will be contributing for 2021.

Presiding Commission signed documentation from Daniel Jones & Associates to finalize the financial audit for year ended December 31, 2019 and December 31, 2018.

The Adair County Commission adjourned at 4:00 p.m. on Tuesday, December 22, 2020.

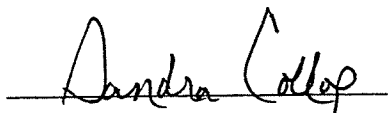
**Unscheduled Public Walk-Ins and other Non-Agenda Items for Tuesday, December 22, 2020:**

Carolyn Chrisman – Meeting

Annette Sweet - Meeting

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IN REF. ORDER NO 19 Finalization of Financial Audit FYE December 31, 2019 and December 31, 2018

County of Adair, Missouri  
Adair County Courthouse  
106 W. Washington St.  
Kirksville, Missouri 63501

December 22, 2020  
Daniel Jones & Associates

This representation letter is provided in connection with your audit of the financial statements of Adair County ("County"), which comprise cash and unencumbered cash for each fund as of December 31, 2019 and December 31, 2018, and the related statements of cash receipts and disbursements and disbursements-budget and actual for the years then ended, and the related notes to the financial statements.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 22, 2020, the following representations made to you during your audit.

Financial Statements

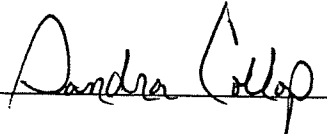
- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 1, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the regulatory basis of accounting and accompanying supplementary information.
- 2) The financial statements referred to above are fairly presented in conformity with the regulatory basis of accounting and include all properly classified funds and other financial information of the primary government and all component units required by the regulatory basis of accounting to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 6) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 8) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the regulatory basis of accounting.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the regulatory basis of accounting.
- 10) Guarantees, whether written or oral, under which the county is contingently liable, if any, have been properly recorded or disclosed.

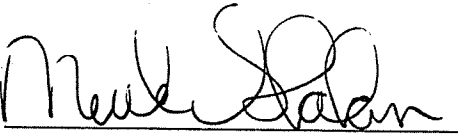
Information Provided

- 11) We have provided you with:
    - a) Access to all information of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters of audit or relevant monitoring reports, if any, received from funding sources.
    - b) Additional information that you have requested from us for the purpose of the audit.
    - c) Unrestricted access to persons within the County from whom you determined it necessary to obtain audit evidence.
    - d) Minutes of the meetings of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
  - 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
  - 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
  - 14) We have no knowledge of any fraud or suspected fraud that affects the County and involves:
    - Management.
    - Employees who have significant roles in internal control, or
    - Others where the fraud could have a material effect on the financial statements.
  - 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the County's financial statements communicated by employees, former employees, regulators, or others.
  - 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or others, whose effects should be considered when preparing financial statements.
  - 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
  - 18) We have disclosed to you the identity of the County's related parties and all the related party relationships and transactions of which we are aware.
- Government—specific
- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
  - 20) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
  - 21) We have a process to track the status of audit findings and recommendations.
  - 22) We have identified to you any previous audits, abatement engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
  - 23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
  - 24) The County has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
  - 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
  - 26) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

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County Clerk

  
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27) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

28) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of status that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

30) As part of your audit, you assisted with preparation of the financial statements and related notes and schedules of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibility for the services by designating an individual, preferably with senior management, who possesses suitable skill, knowledge, or experience, evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedules of expenditures of federal awards.

31) The County has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

32) The County has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

33) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

34) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

36) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

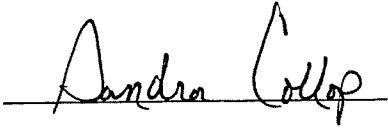
37) With respect to federal award programs:

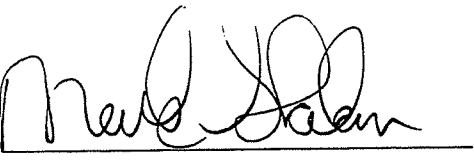
- a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards

that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OIG Compliance Supplement, relating to federal awards and (have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards OR confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards).
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of this compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) [and OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, if applicable].
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- u) We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
- v) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w) We have charged costs to federal awards in accordance with applicable cost principles.
- x) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

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- x) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- x) We are responsible for and have accurately prepared the audit section of the Data Collection Form as required by the Uniform Guidance.
- y) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

Signature:

Mark Shahan

Title:

Presiding Commissioner

ATTEST:

Dandra Collop

County Clerk

Mark Shahan

Presiding Commissioner, Mark Shahan