

IN THE CIRCUIT COURT OF DUNKLIN COUNTY, MISSOURI

STATE OF MISSOURI,

Plaintiff,

Vs.

Korey D. Adams
39312 East Sud Drive
Malden, Missouri

Case No. _____

PROBABLE CAUSE AFFIDAVIT

Comes now, Trooper R. R. Gibson #835 being duly sworn according to law and states upon information and belief, that the above named defendant committed the following crimes, to wit:

CHARGES: Stealing (F)

DATE OF OFFENSE: January 1, 2017 - March 5, 2021

LOCATION OF OFFENSE: Malden, Missouri

The facts which form the basis for this belief are:

- a. Set forth in (an investigative report) (a handwritten statement by the affiant) which is attached hereto and incorporated herein by reference.
- b. As follows (write out factual circumstances) :

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1. On August 22, 2022, Dunklin County Prosecuting Attorney, Nicholas Jain, requested the assistance of the Troop E Division of Drug and Crime Control, Criminal Investigative Unit to investigate an alleged stealing case, perpetrated by Jennifer Adams during her employment at the Dunklin County Sewer District #1 in Malden. An audit completed by the Missouri State Auditor has found evidence \$100,000 or more was stolen from the Sewer District. The suspects in this matter are Jennifer M. Adams and Korey D. Adams, of 39312 East Sue Drive in Malden.

2. On October 17, 2023, The Missouri State Auditor's Office released the comprehensive audit report of the Dunklin County Sewer District for the dates of January 1, 2017 through March 5, 2021. The objectives of the audit included, but were not limited to:

A. Evaluate the district's internal controls over significant management and financial functions.

B. Evaluate the district's compliance with certain legal provisions.

C. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

D. Determine the extent of money missing and/or misappropriated from the district, if any.

3. After reviewing the State Auditor's report it is apparent that at least \$160,000 in money and sewer services is missing and/or misappropriated from the Dunklin County Sewer District for the above mentioned dates when Jennifer Adams was employed as bookkeeper and Korey Adams served as Dunklin County Sewer District, Board President.

4. The State Auditor for this case is Scott Fitzpatrick. He prepared the Missouri State Auditor's Report which is referenced in this probable cause statement and attached to the case file.

5. According to the State Auditor's investigation and report, money and sewer services totaling at least \$62,579 were missing and/or misappropriated from the district from January 1, 2017, through March 5, 2021. An estimated, additional \$98,096 was not deposited during this time and is also likely missing. Payroll overpayments totaling

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\$54,049 were made to Bookkeeper, Jennifer Adams. Unsupported payments totaling \$4,567 were made to the Dunklin County Sewer District Board President, Korey Adams and Jennifer Adams. Sewer services totaling \$3,063 were not paid by Jennifer and Korey Adams. An additional estimated and actual sewer security deposits and sewer receipts totaling \$98,996 were not deposited. The following table (Page 8) is one of multiple tables attached to the full State Auditor's report identifying the missing/misappropriated funds:

	Year Ended December 31,				January 1 through March 5,	Total
	2017	2018	2019	2020	2021	
Payroll overpayments to Bookkeeper (Appendix H)	\$ 30,799	7,531	7,343	7,369	1,007	54,049
Unsupported and questionable payments to Board President (Appendix I)	1,440	898	1,036	660	120	4,154
Unsupported and questionable payments to Bookkeeper (Appendix I)	99	0	59	255	0	413
Sewer services not paid	702	702	766	766	127	3,063
Undeposited sewer security deposits (Appendix J)	400	400	100	0	0	900
Estimated undeposited sewer <u>security</u> deposits	0	0	200	1,000	100	1,300
Estimated undeposited sewer receipts	21,474	12,315	36,164	25,815	1,028	96,796
Total	\$ 54,914	21,846	45,668	35,865	2,382	160,675

6. The state auditor's report indicates Jennifer Adams overpaid herself \$54,049 from January 1, 2017 to March 5, 2021. This was accomplished using different methods including issuing herself more than one check each month, issuing herself bonus and mileage checks which were all not approved by the Board. Korey Adams, Jennifer Adams husband and Board president signed at least 13 of the checks which were overpayments. These overpayments were previously identified, and Jennifer Adams entered into a written agreement for repayment to the sewer district. The agreement was for a monthly payment of at least \$1,200 be paid to the district and a payment of \$13,492 in April 2019, if the balance had not been previously paid. The agreement was signed by all Board members including the Board president, Korey Adams. The state auditor's report reveals only \$5,200 of the agreed upon amount of \$27,892 was repaid.

7. According to the state auditor's report, several checks included in the unsupported and questionable payments were made to the Board President, Korey Adams, including several of which were signed by him. In the memo line of these checks was indicated reimbursement for personal cellular phone. The amount of these checks totaled \$4,154. According to sworn testimony by two other Board members indicated there was no documentation or approval for a cellular phone allowance for the Board President. There is also no meeting minutes retained which indicate the Board approved cellular phone allowances.

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8. All attachments and investigative materials provided by the State Auditor's Office will be maintained with the final case file.

[Redacted signature area]

TPR R.R. Johnson

10/24/2023

Signature of Complaining Witness

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