



**Nicole Galloway, CPA**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the City of Berger

Accounting Controls and Procedures	The Board of Aldermen has not adequately segregated accounting duties or ensured documented supervisory or independent reviews over various financial accounting functions are performed. The City Clerk did not issue receipt slips for most payments received. City personnel did not prepare bank reconciliations for the city's 14 bank accounts. The city does not have a formal bidding policy and has not established policies for the selection of vendors providing professional services.
Meeting Minutes	Open meeting minutes did not always document the specific reasons or section of law allowing the meetings to be closed. Some topics discussed and voted on in closed meetings were not allowable under the Sunshine Law. The city failed to prepare minutes for 3 of the 8 closed meetings and 2 of the 16 open meetings held from June 17, 2019, through June 30, 2020.
Budgets and Published Financial Statements	City budgets prepared for the years ended June 30, 2018, 2019, and 2020, did not include all required elements. The city does not publish semiannual financial statements as required by state law.
Compensation Ordinance	Other than the Mayor, the city does not have an ordinance establishing the compensation of city officials and the city's part-time employee.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



---

**Recommendations in the audit of the City of Berger**

---

**Accounting Controls and  
Procedures**

The Board of Aldermen:

- 1.1 Segregate the accounting duties to the extent possible and implement appropriate reviews and monitoring procedures.
- 1.2 Require issuance of prenumbered receipt slips for all monies received.
- 1.3 Ensure adequate monthly bank reconciliations are prepared. Any differences between accounting records and reconciliations should be promptly investigated and resolved.
- 1.4 Establish formal bidding policies and procedures and periodically solicit proposals for professional services.

---

**Meeting Minutes**

The Board of Aldermen:

- 2.1 Ensure specific reasons for closing a meeting are documented in the open minutes, ensure only topics allowed by state law are discussed in closed meetings, and discussions are limited to the specific reasons cited for closing the meeting.
- 2.2 Ensure minutes are prepared and retained for all open and closed meetings.

---

**Budgets and Published  
Financial Statements**

The Board of Aldermen:

- 3.1 Prepare annual budgets that contain all information required by state law.
- 3.2 Publish semiannual financial statements as required by state law.

---

**Compensation Ordinance**

The Board of Aldermen establish, by ordinance, the compensation of city officials and employees.