NICOLE GALLOWAY, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Iron County, Missouri

The Office of the State Auditor contracted for an audit of Iron County's financial statements for the year ended December 31, 2021, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by Daniel Jones & Associates, Certified Public Accountants, is attached.

Nicole R. Galloway, CPA
State Auditor

November 2022
Report No. 2022-101

P.O. Box 869 • Jefferson City, MO 65102 • (573) 751-4213 • FAX (573) 751-7984

Recommendations in the contracted audit of Iron County

2021-001	The Sheriff's office prepare accurate and timely bank reconciliations for all accounts.
2021-002	The Collector's office prepare accurate and timely bank reconciliations for all accounts.
2021-003	Procedures should be implemented requiring management to include all funds of the county in the audited financial statements.

THE COUNTY OF IRON
IRONTON, MISSOURI
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR’S REPORTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

THE COUNTY OF IRON
IRONTON, MISSOURI
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Daniel Jones
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT

To the County Commission
The County of Iron, Missouri

Adverse and Unmodified Opinions

We have audited the financial statements of the County of Iron ("County"), Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash Balances - Governmental Funds - Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions - Fiduciary Funds-Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash Balances - Budget and Actual - Governmental Funds - Regulatory Basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash of the presented funds of the County as of December 31, 2021, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the financial reporting provisions prescribed or permitted by Missouri law described in Note I.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2021, or changes in net position and cash flows thereof for the year then ended.

Adverse Opinion on SB 40 Fund

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the Statement of Receipts, Disbursements and Changes in Cash Balances as of December 31, 2021 of the SB 40 Fund in accordance with the financial reporting provisions prescribed or permitted by Missouri law as described in Note I.

Basis for Adverse and Unmodified 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We

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are required to be independent of the County, 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 qualified and adverse audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note I of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Matter Giving Rise to Adverse Opinion on SB40 Fund

Management has elected to exclude the financial statements of the SB 40 Fund due to records not available from the SB40 at time of report, which, if included would be reported separately in the Statement of Receipts, Disbursements and Changes in Cash Balances. Accounting principles generally accepted in the United States of America, as applied to the County's regulatory basis of accounting, require all funds to be included and reported on. The amount by which this departure would affect receipts, disbursements and cash balances of the County because of the omitted fund has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law. Management is also responsible 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.

Auditor's 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 auditor's 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 judgement 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 judgement 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 County'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Iron's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by *Title 2* U.S. Code of Federal Regulations *Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note I.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2022, on our consideration of the County of Iron'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 County'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 County of Iron's internal control over financial reporting and compliance.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

September 22, 2022

FINANCIAL STATEMENTS

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

FUND	CASH JANUARY 1, 2021	RECEIPTS 2021	DISBURSEMENTS 2021	CASH DECEMBER 31, 2021
General Revenue Fund	$ 924,761.03	$ 3,234,917.84	$ 2,363,671.79	$ 1,796,007.08
Special Road and Bridge Fund	237,460.99	1,130,340.22	1,222,930.63	144,870.58
Assessment Fund	40,240.68	266,732.87	219,435.38	87,538.17
Law Enforcement Training Fund	83.39	745.15	234.79	593.75
Prosecuting Attorney Training Fund	486.93	909.23	530.72	865.44
Marriage Fund	664.98	368.22	950.00	83.20
Sheriff's Revolving Fund	2,668.42	4,983.03	5,486.38	2,165.07
Record Preservation Fund	12,399.13	4,050.59	14,025.95	2,423.77
Sheriff's Civil Fund	2,469.13	2,957.64	2,000.00	3,426.77
Prosecuting Attorney Admin Handling Cost Fund	9,444.36	4,302.05	3,751.18	9,995.23
Recorder's Technical Fund	6,475.76	2,450.71	575.55	8,350.92
Election Services Fund	9,143.95	4,210.19	3,198.29	10,155.85
Prisoner Security Fund	2,853.84	11,494.85	9,035.33	5,313.36
Prosecuting Attorney Delinquent Fund	729.24	3.13	-	732.37
Law Enforcement Restitution Fund	36,737.51	39,168.17	36,399.97	39,505.71
Coronavirus Relief Fund	278,188.39	157.42	278,345.81	-
Special Election Fund	4,639.00	14,124.87	13,606.42	5,157.45
Tax Maintenance Fund	11,029.76	15,265.77	13,153.06	13,142.47
American Rescue Plan Act Fund	-	985,810.97	365,998.33	619,812.64
	$ 1,580,476.49	$ 5,722,992.92	$ 4,553,329.58	$ 2,750,139.83

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	GENERAL REVENUE FUND	
	2021	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	$ 559,000.00	$ 637,302.62
Sales Taxes	1,010,000.00	1,766,385.14
Intergovernmental	487,550.00	462,622.41
Charges for Services	244,000.00	338,238.27
Interest	5,000.00	13,091.83
Other	8,400.00	17,277.57
Transfers In	-	-
TOTAL RECEIPTS	2,313,950.00	3,234,917.84
DISBURSEMENTS		
County Commission	126,732.00	126,283.20
County Clerk	99,452.00	93,602.19
Elections	9,200.00	9,197.15
Buildings and Grounds	468,900.00	444,790.59
Employee Fringe Benefits	305,000.00	262,506.50
County Treasurer	49,152.00	47,414.63
Collector	89,316.00	87,956.18
Recorder of Deeds	57,652.00	56,440.14
Circuit Clerk	8,650.00	4,214.69
Court Administration	13,585.00	7,985.89
Public Administrator	53,402.00	50,703.33
Sheriff	430,774.00	424,805.97
Jail	263,200.00	257,956.11
Prosecuting Attorney	280,007.00	272,774.40
Juvenile Officer	42,350.00	42,350.00
Coroner	40,959.00	37,979.78
Other	156,560.00	121,311.04
Transfers Out	22,400.00	12,400.00
Emergency Fund	30,000.00	3,000.00
TOTAL DISBURSEMENTS	2,547,291.00	2,363,671.79
RECEIPTS OVER (UNDER) DISBURSEMENTS	(233,341.00)	871,246.05
CASH BALANCES, JANUARY 1	924,761.03	924,761.03
CASH BALANCES, DECEMBER 31	$ 691,420.03	$ 1,796,007.08

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	SPECIAL ROAD AND BRIDGE FUND	
	2021	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	$ 536,500.00	$ 573,615.05
Intergovernmental	472,600.00	500,192.61
Charges for Services	-	-
Interest	1,500.00	7,136.81
Other	49,435.00	49,395.75
Transfers In	-	-
TOTAL RECEIPTS	1,060,035.00	1,130,340.22
DISBURSEMENTS		
Salaries	435,800.00	428,133.18
Employee Fringe Benefits	180,500.00	176,803.56
Materials and Supplies	119,500.00	95,490.18
Insurance	47,000.00	46,837.40
Road & Bridge Materials	170,000.00	208,619.99
Equipment Repairs	75,300.00	61,143.31
Equipment Rental	-	-
Equipment Purchases	100,500.00	102,033.98
Construction	34,935.00	36,450.93
Other	72,970.00	67,418.10
Transfers Out	-	-
TOTAL DISBURSEMENTS	1,236,505.00	1,222,930.63
RECEIPTS OVER (UNDER) DISBURSEMENTS	(176,470.00)	(92,590.41)
CASH BALANCES, JANUARY 1	237,460.99	237,460.99
CASH BALANCES, DECEMBER 31	$ 60,990.99	$ 144,870.58

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	ASSESSMENT FUND		LAW ENFORCEMENT TRAINING FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental	$ 206,000.00	$ 250,918.16	$ -	$ -
Charges for Services	-	3,004.31	-	743.00
Interest	-	410.40	10.00	2.15
Other	6,300.00	-	600.00	-
Transfers In	22,400.00	12,400.00	-	-
TOTAL RECEIPTS	234,700.00	266,732.87	610.00	745.15
DISBURSEMENTS				
Salaries	154,463.00	135,594.09	-	-
Employee Fringe Benefits	49,600.00	39,368.26	-	-
Office Supplies	5,300.00	7,607.99	-	-
Equipment	2,550.00	3,124.49	-	-
Mileage and Gasoline	5,000.00	144.93	-	-
Training	4,500.00	2,555.56	-	-
Computer	17,750.00	13,220.26	-	-
Attorney & Consultants	17,500.00	7,276.25	-	-
Postage	4,500.00	4,500.00	-	-
Insurance	6,000.00	1,679.00	-	-
Telephone	2,000.00	1,579.40	-	-
Publications	300.00	312.51	-	-
Printing Books & Lists	600.00	-	-	-
Appraisal Guide	1,000.00	1,025.00	-	-
GIS System	2,100.00	96.42	-	-
Other	300.00	1,351.22	675.00	234.79
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	273,463.00	219,435.38	675.00	234.79
RECEIPTS OVER (UNDER) DISBURSEMENTS	(38,763.00)	47,297.49	(65.00)	510.36
CASH BALANCES, JANUARY 1	40,240.68	40,240.68	83.39	83.39
CASH BALANCES, DECEMBER 31	$ 1,477.68	$ 87,538.17	$ 18.39	$ 593.75

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	PROSECUTING ATTORNEY TRAINING FUND		MARRIAGE FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for Services	-	906.70	-	-
Interest	-	2.53	-	3.22
Other	850.00	-	300.00	365.00
Transfers In	-	-	-	-
TOTAL RECEIPTS	850.00	909.23	300.00	368.22
DISBURSEMENTS				
Marriage License	-	-	950.00	950.00
Other	850.00	530.72	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	850.00	530.72	950.00	950.00
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	378.51	(650.00)	(581.78)
CASH BALANCES, JANUARY 1	486.93	486.93	664.98	664.98
CASH BALANCES, DECEMBER 31	$ 486.93	$ 865.44	$ 14.98	$ 83.20

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	SHERIFF'S REVOLVING FUND		RECORD PRESERVATION FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Sales Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for Services	-	4,970.00	-	4,014.00
Interest	100.00	13.03	-	36.59
Other	7,000.00	-	2,700.00	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	7,100.00	4,983.03	2,700.00	4,050.59
DISBURSEMENTS				
Equipment	7,000.00	5,486.38	-	-
Training	-	-	-	-
Microfilm & Storage	-	-	14,026.00	14,025.95
Other	-	-	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	7,000.00	5,486.38	14,026.00	14,025.95
RECEIPTS OVER (UNDER) DISBURSEMENTS	100.00	(503.35)	(11,326.00)	(9,975.36)
CASH BALANCES, JANUARY 1	2,668.42	2,668.42	12,399.13	12,399.13
CASH BALANCES, DECEMBER 31	$ 2,768.42	$ 2,165.07	$ 1,073.13	$ 2,423.77

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	SHERIFF'S CIVIL FUND		PROSECUTING ATTORNEY ADMIN HANDLING COST FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	$ -	$ 2,945.83	$ -	$ 4,262.91
Interest	100.00	11.81	100.00	39.14
Other	13,000.00	-	5,900.00	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	13,100.00	2,957.64	6,000.00	4,302.05
DISBURSEMENTS				
Services and Other	8,500.00	2,000.00	-	-
Expenses	-	-	5,000.00	3,631.18
Mops Fees	-	-	-	120.00
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	8,500.00	2,000.00	5,000.00	3,751.18
RECEIPTS OVER (UNDER) DISBURSEMENTS	4,600.00	957.64	1,000.00	550.87
CASH BALANCES, JANUARY 1	2,469.13	2,469.13	9,444.36	9,444.36
CASH BALANCES, DECEMBER 31	$ 7,069.13	$ 3,426.77	$ 10,444.36	$ 9,995.23

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	RECORDER'S TECHNICAL FUND		ELECTION SERVICES FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	-	2,218.75	-	-
Interest	$ -	$ 231.96	$ -	$ 41.34
Other	1,700.00	-	5,454.00	4,168.85
Transfers In	-	-	-	-
TOTAL RECEIPTS	1,700.00	2,450.71	5,454.00	4,210.19
DISBURSEMENTS				
Office Expenses	-	-	10,000.00	3,198.29
Recorder's Technical Fees	6,500.00	575.55	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	6,500.00	575.55	10,000.00	3,198.29
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,800.00)	1,875.16	(4,546.00)	1,011.90
CASH BALANCES, JANUARY 1	6,475.76	6,475.76	9,143.95	9,143.95
CASH BALANCES, DECEMBER 31	$ 1,675.76	$ 8,350.92	$ 4,597.95	$ 10,155.85

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	PRISONER SECURITY FUND		PROSECUTING ATTORNEY DELINQUENT FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	$ -	$ 11,470.96	$ -	$ -
Interest	100.00	23.89	-	3.13
Other	10,500.00	-	-	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	10,600.00	11,494.85	-	3.13
DISBURSEMENTS				
Prisoner Security	10,000.00	9,035.33	-	-
Sheriff Expenses	-	-	-	-
Other	-	-	-	-
TOTAL DISBURSEMENTS	10,000.00	9,035.33	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	600.00	2,459.52	-	3.13
CASH BALANCES, JANUARY 1	2,853.84	2,853.84	729.24	729.24
CASH BALANCES, DECEMBER 31	$ 3,453.84	$ 5,313.36	$ 729.24	$ 732.37

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	LAW ENFORCEMENT RESTITUTION FUND		CORONAVIRUS RELIEF FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Charges for Services	$ -	$ 39,019.00	$ -	$ -
Interest	-	149.17	-	-
Other	15,000.00	-	-	157.42
Transfers In	-	-	-	-
TOTAL RECEIPTS	15,000.00	39,168.17	-	157.42
DISBURSEMENTS				
Law Enforcement Expenses	15,000.00	36,399.97	-	-
Coronavirus Relief Funds	-	-	-	278,345.81
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	15,000.00	36,399.97	-	278,345.81
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	2,768.20	-	(278,188.39)
CASH BALANCES, JANUARY 1	36,737.51	36,737.51	278,188.39	278,188.39
CASH BALANCES, DECEMBER 31	$ 36,737.51	$ 39,505.71	$ 278,188.39	$ -

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	SPECIAL ELECTION FUND		TAX MAINTENANCE FUND	
	2021		2021	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Intergovernmental	$ -	$ 14,104.01	$ -	$ -
Charges for Services	-	-	-	15,265.77
Interest	-	20.86	-	-
Other	26,000.00	-	28,000.00	-
Transfers In	-	-	-	-
TOTAL RECEIPTS	26,000.00	14,124.87	28,000.00	15,265.77
DISBURSEMENTS				
Other	25,780.00	2,863.98	28,000.00	13,153.06
Office Expenses	-	143.49	-	-
Election Expense	-	10,358.95	-	-
Poll Rent	-	240.00	-	-
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	25,780.00	13,606.42	28,000.00	13,153.06
RECEIPTS OVER (UNDER) DISBURSEMENTS	220.00	518.45	-	2,112.71
CASH BALANCES, JANUARY 1	4,639.00	4,639.00	11,029.76	11,029.76
CASH BALANCES, DECEMBER 31	$ 4,859.00	$ 5,157.45	$ 11,029.76	$ 13,142.47

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	AMERICAN RESCUE PLAN ACT FUND	
	2021	
	BUDGET	ACTUAL
RECEIPTS		
Property Taxes	$ -	$ -
Intergovernmental	-	985,810.97
Interest	-	-
Other	-	-
Transfers In	-	-
TOTAL RECEIPTS	-	985,810.97
DISBURSEMENTS		
Construction/Repairs	-	365,998.33
Other	-	-
Transfers Out	-	-
TOTAL DISBURSEMENTS	-	365,998.33
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	619,812.64
CASH BALANCES, JANUARY 1	-	-
CASH BALANCES, DECEMBER 31	$ -	$ 619,812.64

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF IRON
IRONTON, MISSOURI
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
FIDUCIARY FUNDS - REGULATORY BASIS
AS OF DECEMBER 31, 2021

	COLLECTOR ACCOUNTS	RECORDER OF DEEDS	SHERIFF ACCOUNTS	LAW LIBRARY	COURTHOUSE PRESERVATION
ASSETS					
Cash and Cash Equivalents	$ 7,741,511.99	$ 7,280.41	$ 3,457.62	$ 20,358.72	$ 2,005.12
TOTAL ASSETS	7,741,511.99	7,280.41	3,457.62	20,358.72	2,005.12
LIABILITIES AND FUND BALANCES					
TOTAL LIABILITIES	7,741,511.99	7,280.41	3,457.62	20,358.72	2,005.12
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 7,741,511.99	$ 7,280.41	$ 3,457.62	$ 20,358.72	$ 2,005.12

	STATE SCHOOL REVOLVING FUND	CEMETERY FUND	SURPLUS TAX FUND	GRAND TOTAL CUSTODIAL FUNDS
ASSETS				
Cash and Cash Equivalents	$ 4.34	$ 2,045.37	$ 23,210.43	$ 7,799,874.00
TOTAL ASSETS	4.34	2,045.37	23,210.43	7,799,874.00
LIABILITIES AND FUND BALANCES				
TOTAL LIABILITIES	4.34	2,045.37	23,210.43	7,799,874.00
UNRESERVED FUND BALANCES	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 4.34	$ 2,045.37	$ 23,210.43	$ 7,799,874.00

The accompanying notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Iron, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1857 by an Act of the Missouri Territory. In addition to the three Commissioners, there are ten elected Constitutional Officers: County Clerk, Collector, Treasurer, Sheriff, Assessor, Coroner, Circuit Clerk, Recorder of Deeds, Public Administrator, and Prosecuting Attorney.

As discussed further in Note I, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of the County.

The County's operations include tax assessments and collections, state/county courts, county recorder, public safety, transportation, economic development, and social and recreation services.

The financial statement referred to above include only the County of Iron, Missouri, which consist of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. For the year ended December 31, 2021, the financial statements omit the Statements of Receipts and Disbursements and Budgetary Comparison Information for the SB 40 fund.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Statement of Receipts, Disbursements and Changes in Cash Balances– Governmental Funds, a Statement of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Fiduciary Funds.

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. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Governmental Fund Types

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

Fiduciary Fund Types

Fiduciary Funds – Fiduciary funds consist of custodial funds. 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 accounted for and reported similarly to the governmental funds. 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 officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

As a result of using this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting

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

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.

2. On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

4. A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.

6. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.

   Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.

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

   State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. 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 2021, for purposes of taxation, was:

	2021
Real Estate	$ 139,494,670
Personal Property	48,422,800
Railroad and Utilities	42,562,968
	$ 230,480,438

During 2021, the County Commission approved a $0.6137 tax levy per $100 of assessed valuation of tangible taxable property, for purposes of County taxation, as follows:

		2021
General Revenue Fund	$	0.2393
Special Road and Bridge Fund		0.2811
Senate Bill 40 Fund		0.0933
	$	0.6137

F. Cash 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 balances. Cash equivalents include repurchase agreements and any other instruments with an original maturity of 90 days or less. 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 balances are presented in Note II.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

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 eliminated due to reporting the financial statements on the regulatory basis of accounting. Legally required transfers are reported as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

II. CASH AND CASH EQUIVALENTS

The County maintains a cash investment pool that is available for all funds. Each fund type's portion of this pool is displayed as "Cash and Cash Equivalents" under each fund's caption. Deposits with maturities greater than three months are considered investments. In addition, cash is separately held by several of the County’s funds.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, the carrying amounts of the County’s deposits were $2,750,139.83, and the bank balances were $10,206,667.58. The total bank balances as of December 31, 2021, were insured through the Federal Deposit Insurance Corporation and securities set by the County’s financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits and cash equivalents shown above are included in the financial statements at December 31, 2021, as follows:

Statements of Receipts, Disbursements and Changes in Cash Balances		
Deposits and cash equivalents	$	2,750,139.83
Total Governmental Funds		2,750,139.83
Statement of Assets and Liabilities Arising from Cash Transactions – Fiduciary Funds:		
Deposits		7,799,874.00
Total Custodial Funds		7,799,874.00
Total Deposits and Investments as of December 31, 2021	$	10,550,013.83

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’s investment policy does not include custodial credit risk requirements. The County’s deposits were not exposed to custodial credit risk for the year ended December 31, 2021.

II. CASH AND CASH EQUIVALENTS (concluded)

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County 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 of assets in specific maturity, specific issuer or specific class of securities. The County's investments were not exposed to concentration of investment credit risk for the year ended December 31, 2021.

III. LONG-TERM DEBT

On June 21, 2019, the County entered into a lease purchase agreement with First State Community Bank for an F-150 Truck for $99,480. The lease requires five annual payments of $22,224.45 and matures on June 1, 2024. The lease carries an interest rate of 3.75%.

On September 26, 2019, the County entered into a lease purchase agreement with Southern Bank for motor graders for $304,500. The lease requires six annual payments of $58,112.38 and matures on November 1, 2025. This lease carries an interest rate of 3.90%.

The following is a summary of changes in long-term debt for the year ended December 31, 2021:

	Balance at December 31, 2020	Amount Borrowed	Amount Repaid	Balance at December 31, 2021	Interest Paid During Year
F-150 Truck	$ 81,048.22	$ -	$ 39,753.14	$ 41,295.08	$ 2,055.59
Motor Graders	211,439.96	-	49,866.22	161,573.74	8,246.16
Totals	$ 292,488.18	$ -	$ 89,619.36	$ 202,868.82	$ 10,301.75

III. LONG-TERM DEBT (concluded)

The future payments for the Lease Purchase Agreements as of December 31, 2021, are as follows:

Year Ending December 31,	Interest	Principal	Total
2022	$ 1,570.07	$ 13,255.17	$ 14,825.24
2023	7,367.48	65,570.14	72,937.62
2024	4,825.22	68,112.40	72,937.62
2025	2,181.31	55,931.11	58,112.42
	$ 15,944.08	$ 202,868.82	$ 218,812.90

On July 26, 2016, the Recorder's office entered into an operating lease agreement with RiteGroup for copiers. The lease requires a monthly payment of $149 and has a term of 63 months which expired in 2021. Payments on this lease totaled $1,490 during 2021.

IV. INTERFUND TRANSFERS

The following transfers were made during the year ended December 31, 2021.

	2021	
	Transfers In	**Transfers Out**
General Revenue Fund	$ -	$ 12,400.00
Assessment Fund	12,400.00	-
	$ 12,400.00	**$ 12,400.00**

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS)

Plan Description

The Iron County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. Iron 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. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. 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 information provided below. 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.

	2021 Valuation
Benefit Multiplier:	1.50%
Final Average Salary:	5 Years
Member Contributions:	4%

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.

Employees Covered By Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

	General	Police
Inactive employees or beneficiaries currently receiving benefits	24	8
Inactive employees entitled to but not yet receiving benefits	7	8
Active employees	33	2
	64	18

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS) (continued)

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 4% of their gross pay to the pension plan. Employer contribution rates are 0.3% (General) and 2.1% (Police) of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2021.

Actuarial Assumptions

The total pension liability in the February 28, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2021 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS) (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash/Leverage	-25.00%	-0.29%

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS) (continued)

Changes in the Net Pension Liability

Schedule of Changes in Net Pension Liability and Related Ratios

	General Division	Police Division
A. Total Pension Liability		
1 Service Cost	$ 119,604	$ 25,410
2 Interest on Total Pension Liability	323,800	57,902
3 Changes of Benefit Terms	-	-
4 Difference between expected and actual experience of the Total Pension Liability	(138,628)	(119,968)
5 Changes of Assumptions	(119,552)	(16,330)
6 Benefit payments, including refunds of employee contributions	(217,378)	(115,360)
7 Net change in total pension liability	(32,154)	(168,346)
8 Total pension liability - beginning	4,514,244	842,835
9 Total pension liability - ending	$ 4,482,090	$ 674,489
B. Plan Fiduciary Net Position		
1 Contributions - employer	$ 3,720	$ 4,809
2 Contributions - employee	49,605	6,937
3 Net investment income	1,570,680	285,759
4 Benefit payments, including refunds of employee contributions	(217,378)	(115,360)
5 Pension plan administrative expense	(6,678)	(1,848)
6 Other (net transfer)	(81,671)	(3,141)
7 Net change in plan fiduciary net position	1,318,278	177,156
8 Plan fiduciary net position - beginning	5,825,412	1,035,580
9 Plan fiduciary net position - ending	$ 7,143,690	$ 1,212,736
C. Net Pension Liability / (Asset)	$ (2,661,600)	$ (538,247)
D. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	159.38%	179.80%
E. Covered-Employee Payroll	$ 1,155,096	$ 71,245
F. Net Pension Liability as a Percentage of Covered Employee Payroll	-230.42%	755.49%

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS) (continued)

Sensitivity of the Net Position Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
General Division:			
Total Pension Liability (TPL)	$ 5,033,180	$ 4,482,090	$ 4,018,162
Plan Fiduciary Net Position	7,143,690	7,143,690	7,143,690
Net Pension Liability / (Asset) (NPL)	$ (2,110,510)	$ (2,661,600)	$ (3,125,528)
Police Division:			
Total Pension Liability (TPL)	$ 763,515	$ 674,489	$ 602,267
Plan Fiduciary Net Position	1,212,736	1,212,736	1,212,736
Net Pension Liability / (Asset) (NPL)	$ (449,221)	$ (538,247)	$ (610,469)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the employer recognized pension expense of $(221,578) for the General and $(65,551) for Police. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	General		Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 120,893	$ (114,745)	$ 5,577	$ (100,206)
Changes in assumptions	-	(95,684)	-	(12,703)
Net difference between projected and actual earnings on pension plan investments	-	(766,115)	-	(141,191)
Employer contributions subsequent to the measurement date	-	-	-	-
Total	$ 120,893	$ (976,544)	$ 5,577	$ (254,100)

V. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM (LAGERS) (concluded)

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending December 31, 2021.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Net Deferred Outflows of Resources - General	Net Deferred Outflows of Resources - Police
2022	$ (222,534)	$ (68,524)
2023	(164,903)	(60,599)
2024	(184,743)	(61,283)
2025	(283,011)	(58,117)
2026	(460)	-
Thereafter	-	-
Total	$ (855,651)	$ (248,523)

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee or retiree participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government.

CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system.

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) (concluded)

A. Plan Description (concluded)

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service and who terminated employment after December 31, 1999, may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system. 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.

B. Contributions

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 8 years of creditable service, accumulated employee contributions (other than those made by the county) are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees. Total contributions remitted to CERF for the year ended December 31, 2021, was $51,552.28.

VII. POST-EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County. The County had one participant in COBRA with approximate premium payments of $16,827.71 as of December 31, 2021.

VIII. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Section 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 $11,628 for the year ended December 31, 2021.

IX. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

Various suits and claims against the County are presently pending. It is management's opinion that any liability resulting from pending suits in excess of insurance coverage will not have a material effect on the basic financial statements of the County at December 31, 2021.

B. Compensated Absences

The County provides regular full-time employees with vacation time after they have completed their introductory period. Full-time employees are entitled to one week of vacation. After two years and through the fifth year, each full-time employee shall have two weeks of vacation and three weeks for six through ten years and four weeks from the eleventh year on. Employees may accrue vacation leave to a maximum of 30 days. An employee terminating employment with the County shall be reimbursed for any unused accumulated vacation leave. Regular full-time employees shall earn one and one-quarter days of sick leave for each complete calendar month of employment and be allowed to accumulate up to 60 days. Sick leave is not paid out upon termination of employment with Iron County.

C. 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 refunding 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.

X. 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. Insurance is obtained from commercial insurance companies. 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 (Section 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 $2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

XI. SUBSEQUENT EVENTS

There were no subsequent events to report as of the audit report date.

SUPPLEMENTARY SCHEDULES AND AUDITOR'S REPORT

STATE COMPLIANCE SECTION

SCHEDULE OF STATE FINDINGS

Actual expenditures exceed budget expenditures in the Law Enforcement Restitution Fund in the amount of $21,399.97.

There was no budget prepared for the Prosecuting Attorney Delinquent Fund, American Rescue Plan Act Fund and Coronavirus Relief Fund.

FEDERAL COMPLIANCE SECTION

INDEPENDENT AUDITOR'S 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*

To the County Commission
The County of Iron, 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 County of Iron ("County") which comprise the Statement of Receipts, Disbursements and Changes in Cash Balances - Governmental Funds - Regulatory Basis and the Statements of Assets and Liabilities Arising From Cash Transactions - Fiduciary Funds - Regulatory Basis as of December 31, 2021, and the related Statements of Receipts, Disbursements and Changes in Cash Balances - Budget and Actual - Governmental Funds - Regulatory Basis as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 22, 2022.

In our report, because the County prepared its financial statements using financial reporting provisions prescribed or permitted by Missouri law, our opinion stated that the financial statements were not presented fairly in conformity with accounting principles generally accepted in the United States of America. However, the presented financial statements were found to be fairly stated in accordance with the financial reporting provisions prescribed or permitted by Missouri law, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In addition, in our report, because management has elected to exclude the financial statements of the SB40 Fund, our opinion is that the financial statements, do not present fairly the Statement of Receipts Disbursements and Changes in Cash Balances of the SB40 Fund in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2021-003 to be a material weakness.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001 and 2021-002 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001, 2021-002 and 2021-003.

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

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.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

September 22, 2022

Daniel Jones
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the County Commission
The County of Iron, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited County of Iron's ("County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

September 22, 2022

The County of Iron
Ironton, Missouri
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
PASSED THROUGH STATE OFFICE OF ADMINISTRATION				
School and Roads - Grants to State	10.665	N/A	$ 107,121.19	$ 168,033.24
Total U.S. Department of Agriculture			107,121.19	168,033.24
U.S. DEPARTMENT OF INTERIOR				
DIRECT PROGRAM				
Payments in Lieu of Taxes	15.226	N/A	-	192,078.00
PASSED THROUGH STATE OFFICE OF ADMINISTRATION:				
National Forest Acquired Lands	15.438	N/A	73,336.30	97,781.73
Total U.S. Department of Interior			73,336.30	289,859.73
U.S. DEPARTMENT OF TRANSPORTATION				
PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:				
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER:				
Highway Planning and Construction	20.205	BRO-B047(015)	-	31,934.05
PASSED THROUGH UNIVERSITY OF CENTRAL MISSOURI:				
Enforcement - St. Patrick's DWI	20.607	SAF142-0157	-	2,698.74
HIGHWAY SAFETY CLUSTER:				
Enforcement - Youth Seat Belt	20.616	SAF143-0157	-	296.96
Total U.S. Department of Transportation			-	34,929.75
U.S. DEPARTMENT OF TREASURY				
PASSED THROUGH STATE TREASURER'S OFFICE:				
COVID-19: Coronavirus Relief Fund	21.019	N/A	-	278,345.81
COVID-19: American Rescue Plan Funds	21.027	N/A	-	365,998.33
Total U.S. Department of Treasury			-	644,344.14
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
PASSED THROUGH STATE DEPARTMENT OF SOCIAL SERVICES:				
Child Support Enforcement	93.563	43600179600	-	32,980.00
Total U.S. Department of Health and Human Services			-	32,980.00
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 180,457.49**	**$ 1,170,146.86**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the County of Iron under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Iron, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County of Iron.

NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3-INDIRECT COST RATE

The County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

During the year ended December 31, 2021, the County provided $107,121.19 in federal awards to sub-recipients for the Schools and Roads – Grants to States under Federal Assistance Listing Number 10.665 and $73,336.30 in federal awards to sub-recipients for the National Forest Acquired Lands under Federal Assistance Listing Number 15.438.

NOTE 5 – DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (Unaudited)

The County did not receive any donated personal protective equipment during the year ended December 31, 2021.

THE COUNTY OF IRON
IRONTON, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Qualified and adverse - Regulatory Basis

2. Internal control over financial reporting:

a. Material weakness(es) identified? _X_ Yes ___ No

b. Significant deficiency(ies) identified? _X_ Yes ___ None Reported

3. Noncompliance material to financial statements noted? _X_ Yes ___ No

B. Federal Awards

1. Internal control over major federal programs:

a. Material weakness(es) identified? ___ Yes _X_ No

b. Significant deficiency(ies) identified? ___ Yes _X_ None Reported

2. Type of auditor's report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? ___ Yes _X_ No

4. Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
21.019	COVID-19: Coronavirus Relief Fund
21.027	COVID-19: American Rescue Plan Funds

5. Dollar threshold used to distinguish between type A and type B programs: $ 750,000

6. Auditee qualified as low-risk auditee? ___ Yes _X_ No

II. FINANCIAL STATEMENT FINDINGS

2021-001 Criteria: A bank reconciliation is used to compare records to those of the bank to see if there are any differences between these two sets of records for cash transactions. Fraud detection, bank and accounting errors are the reasons for completing a bank reconciliation.

Condition: During our audit, we were informed that the Sheriff's office has not prepared bank reconciliations for the audit period. According to the Sheriff's office, the previous administration did not have records of reconciliations performed for all accounts as of December 31, 2021.

Cause: Lack of oversight by management.

Effect: By not preparing monthly bank reconciliations, fraud detection, bank and accounting errors could go undetected, causing the financial statements to be improperly reported.

Recommendation: We recommend that the Sheriff's office prepare accurate and timely bank reconciliations for all accounts.

Views of Responsible Officials: This has been discussed with the Sheriff's office. A new administrator has been hired in the Sheriff's office and has begun doing bank reconciliations monthly as well as keeping accurate records of those reconciliations. The Sheriff's office phone number is (573) 546-7051.

2021-002 Criteria: A bank reconciliation is used to compare records to those of the bank to see if there are any differences between these two sets of records for cash transactions. Fraud detection, bank and accounting errors are the reasons for completing a bank reconciliation.

Condition: During our audit, we were informed that the Collector's office has not prepared bank reconciliations for the audit period. According to the Collector's office, the previous administration did not have records of reconciliations performed for all accounts as of December 31, 2021.

Cause: Lack of oversight by management.

Effect: By not preparing monthly bank reconciliations, fraud detection, bank and accounting errors could go undetected, causing the financial statements to be improperly reported.

Recommendation: We recommend that the Collector's office prepare accurate and timely bank reconciliations for all accounts.

Views of Responsible Officials: This has been discussed with the Collector's office. The Collector has begun doing bank reconciliations monthly as well as keeping accurate records of those reconciliations starting in March of 2022. The Collector's office phone number is (573) 546-2911.

II. FINANCIAL STATEMENT FINDINGS (concluded)

2021-003 Criteria: Accounting principles generally accepted in the United States of America, as applied to the County's regulatory basis of accounting, require all funds to be included and reported on in its audited financial statements.

Condition: Management has elected to exclude the financial statements of the SB 40 Fund, which, if included would be reported separately in the Statement of Receipts and Disbursements and Changes in Cash Balances and the Budget and Actual statements.

Cause: There are no procedures in place that require management to include all funds of the County in the audited financial statements.

Effect: Because of the failure to require inclusion of all funds in the financial statements, the County does not comply with accounting principles generally accepted in the United States of America, as applied to the County's regulatory basis of accounting.

Recommendation: Procedures should be implemented requiring management to include all funds of the County in the audited financial statements.

Views of Responsible Officials: Management has discussed with the SB40 Board and the SB40 Board has hired an outside accounting firm to provide accurate and complete records going forward.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Findings and Questioned Costs for the year ended December 31, 2021.

I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

2020-001 Criteria: A bank reconciliation is used to compare records to those of the bank to see if there are any differences between these two sets of records for cash transactions. Fraud detection, bank and accounting errors are the reasons for completing a bank reconciliation.

Condition: During our audit, we were informed that the Sheriff's office has not prepared bank reconciliations for the audit period. According to the Sheriff's office, the previous administration did not have records of reconciliations performed for all accounts as of December 31, 2020.

Cause: During the year, the County Sheriff's office turned over to a new Sheriff.

Effect: By not preparing monthly bank reconciliations, fraud detection, bank and accounting errors could go undetected, causing the financial statements to be improperly reported.

Recommendation: We recommend that the Sheriff's office prepare accurate and timely bank reconciliations for all accounts.

Views of Responsible Officials: The Sheriff's office has begun reconciling all bank accounts on a monthly basis as well as keeping accurate records of those reconciliations. The Sheriff's office phone number is (573) 546-7051.

Status: This finding is repeated in the current year as 2021-001.

II. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS – PRIOR YEAR

There were no federal award findings or questioned costs noted for the year ended December 31, 2020.

County of Iron, Missouri

Iron County Courthouse
250 S Main St.
Ironton, Missouri 63650

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED 12/31/2021

Finding: 2020-001
Status: This finding has been repeated as 2021-001 finding and has been corrected as of the audit report date.

County of Iron, Missouri

Iron County Courthouse
250 S. Main St.
Ironton, Missouri 63650

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
12/31/2021

FINDING NUMBER	PLANNED CORRECTIVE ACTION	ANTICIPATED COMPLETION DATE	RESPONSIBLE CONTACT PERSON
2021-001	This has been resolved as of the audit report date. The Sheriff's office has begun reconciling all bank accounts on a monthly basis as well as keeping accurate records of those reconcilations and working with the Treasurer's office. The Sheriff's office phone number is 573-546-7051.	Resolved	County Sheriff-Jeff Burkett
2021-002	This has been resolved as of the audit report date. The County Collector (Crystal Skaggs), has begun reconciling all bank accounts on a monthly basis as well as keeping accurate records of those reconcilations. The Collector's office phone number is 573-546-2911.	Resolved	Crystal Skaggs, Collector
2021-003	The SB40 board has hired an outside accounting firm to help them get their financials records in order. The County Clerk has also spoken with the outside accounting firm so this will not happen again. The SB40 Treasurer's phone number is 816-682-2060.	12/31/2022	Marsha Womble, County Clerk and Rae Zumwalt, SB40 Treasurer

Daniel Jones
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

September 22, 2022

To the Board of Commissioners
Iron County

In planning and performing our audit of the regulatory based financial statements of the County of Iron (County) as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency that we consider to be a material weakness and certain deficiencies in internal control that we consider to be significant deficiencies.

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. We consider 2021-003 to be a material weakness.

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. We consider the following deficiencies in internal control to be significant deficiencies

Our comments concerning internal control and other significant matters are presented as follows:

I. Deficiencies Considered to be Significant and Material
II. Information Required by Professional Standards

The County's management has provided written responses to the findings in this report that were identified in our audit. These responses have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of the County Commission, County Officeholders, the Missouri State Auditor and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT AND MATERIAL

2021-001 Criteria: A bank reconciliation is used to compare records to those of the bank to see if there are any differences between these two sets of records for cash transactions. Fraud detection, bank and accounting errors are the reasons for completing a bank reconciliation.

Condition: During our audit, we were informed that the Sheriff's office has not prepared bank reconciliations for the audit period. According to the Sheriff's office, the previous administration did not have records of reconciliations performed for all accounts as of December 31, 2021.

Cause: Lack of oversight by management.

Effect: By not preparing monthly bank reconciliations, fraud detection, bank and accounting errors could go undetected, causing the financial statements to be improperly reported.

Recommendation: We recommend that the Sheriff's office prepare accurate and timely bank reconciliations for all accounts.

Views of Responsible Officials: This has been discussed with the Sheriff's office. A new administrator has been hired in the Sheriff's office and has begun doing bank reconciliations monthly as well as keeping accurate records of those reconciliations. The Sheriff's office phone number is (573) 546-7051.

2021-002 Criteria: A bank reconciliation is used to compare records to those of the bank to see if there are any differences between these two sets of records for cash transactions. Fraud detection, bank and accounting errors are the reasons for completing a bank reconciliation.

Condition: During our audit, we were informed that the Collector's office has not prepared bank reconciliations for the audit period. According to the Collector's office, the previous administration did not have records of reconciliations performed for all accounts as of December 31, 2021.

Cause: Lack of oversight by management.

Effect: By not preparing monthly bank reconciliations, fraud detection, bank and accounting errors could go undetected, causing the financial statements to be improperly reported.

Recommendation: We recommend that the Collector's office prepare accurate and timely bank reconciliations for all accounts.

Views of Responsible Officials: This has been discussed with the Collector's office. The Collector has begun doing bank reconciliations monthly as well as keeping accurate records of those reconciliations starting in March of 2022. The Collector's office phone number is (573) 546-2911.

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT AND MATERIAL (concluded)

2021-003 Criteria: Accounting principles generally accepted in the United States of America, as applied to the County's regulatory basis of accounting, require all funds to be included and reported on in its audited financial statements.

Condition: Management has elected to exclude the financial statements of the SB 40 Fund, which, if included would be reported separately in the Statement of Receipts and Disbursements and Changes in Cash Balances and the Budget and Actual statements.

Cause: There are no procedures in place that require management to include all funds of the County in the audited financial statements.

Effect: Because of the failure to require inclusion of all funds in the financial statements, the County does not comply with accounting principles generally accepted in the United States of America, as applied to the County's regulatory basis of accounting.

Recommendation: Procedures should be implemented requiring management to include all funds of the County in the audited financial statements.

Views of Responsible Officials: Management has discussed with the SB40 Board and the SB40 Board has hired an outside accounting firm to provide accurate and complete records going forward.

II. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards* and the Uniform Guidance

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 12, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2021. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Due to the County applying the regulatory basis of accounting, no estimates are made during the preparation of financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 22, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other matters

We noted during our audit certain matters that were not considered to be significant deficiencies or material weaknesses. Several county offices have limited numbers of staff which inherently increases the risk of misstatement. Officeholders appear to have mitigating controls in place to lower these risks to an acceptable level but the commission does need to be aware of these risks and offices need to remain vigilant in deterring the potential for erroneous or fraudulent activity.