



**NICOLE GALLOWAY, CPA**  
**Missouri State Auditor**

To the County Commission  
and  
Officeholders of Osage County, Missouri

The Office of the State Auditor contracted for an audit of Osage 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 Stopp & VanHoy, CPAs and Business Advisors, is attached.

A handwritten signature in black ink that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA  
State Auditor

November 2022  
Report No. 2022-102



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**Nicole Galloway, CPA**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### Recommendations in the contracted audit of Osage County

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2021-001

The county periodically review its actual expenditures as compared to budgeted amounts in order to prevent expenditures in excess of budget. An amended budget should be prepared and approved as necessary to comply with statutes.

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2021-002

Management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate Schedule of Expenditures of Federal Awards (SEFA) is prepared.

**The County of Osage  
Linn, Missouri  
Independent Auditor's Report and Financial Statements  
For the year ended December 31, 2021**



**The County of Osage  
Linn, Missouri  
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## *Independent Auditor's Report*

To the County Commission and  
Officeholders of Osage County, Missouri

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of Osage County, Missouri, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Osage County, Missouri's basic financial statements as listed in the table of contents.

#### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash balances of each fund of Osage County, Missouri as of December 31, 2021, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the basis of accounting practices prescribed or permitted by Missouri law as described in Note 1.

#### *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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of Osage County, Missouri as of December 31, 2021, or the changes in financial position and cash flows thereof for the year then ended.

#### ***Basis for Opinion***

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 are required to be independent of Osage County, Missouri 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 audit opinions.

#### *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statements, the financial statements are prepared by Osage County, Missouri on the basis of accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by Missouri law to demonstrate compliance with the State of Missouri's regulatory basis of accounting and budget laws. 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Osage County, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***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 judgment 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 judgment 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 Osage County, Missouri'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Osage County, Missouri'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.

## **Other Matters**

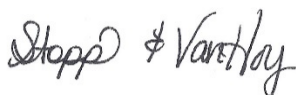
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Osage County, Missouri's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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. Such 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 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2022 on our consideration of Osage County, Missouri'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 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 Osage County, Missouri's internal control over financial reporting and compliance.



Creve Coeur, Missouri  
September 8, 2022

**The County of Osage**  
**Linn, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2021**

<u>Fund</u>	Cash and Equivalents January 1, 2021	Receipts 2021	Disbursements 2021	Cash and Equivalents December 31, 2021
General Revenue	\$ 321,519	\$ 3,151,111	\$ 2,764,029	\$ 708,601
Special Road and Bridge	524,023	1,657,222	1,842,797	338,448
Assessment	84,399	243,223	213,352	114,270
911	92,744	808,492	657,430	243,806
Emergency Management	23,818	90,531	104,008	10,341
Annex	432,897	1,104	36,468	397,533
Bad Check	10,268	1,303	1,597	9,974
Building and Grounds	61,947	37,448	56,092	43,303
Capital Infrastructure	422,682	337,350	360,236	399,796
Sheriff Special (Civil Fees)	4,058	24,766	21,013	7,811
Conceal and Carry	10,152	13,821	15,562	8,411
Domestic Violence	1,047	2,055	2,500	602
Law Enforcement Training	860	1,220	475	1,605
Prosecuting Attorney Training	1,226	1,541	1,339	1,428
Jail Renovation	347,257	747,697	608,162	486,792
Rollback Reserve	562,766	28,999	-	591,765
Recorder Technology	17,206	10,382	3,099	24,489
Election Services	11,960	2,839	1,000	13,799
Inmate Security	9,559	23,732	16,692	16,599
Help America Vote Act (HAVA)	1	-	-	1
Special Election	5	17,192	17,192	5
Law Enforcement Restitution	3,057	2,300	-	5,357
CARES Act Grant	68,015	88	57,462	10,641
American Rescue Plan Act	-	1,324,104	203,399	1,120,705
Use Tax	582,133	486,183	247,500	820,816
Tax Maintenance	23,212	11,739	5,150	29,801
Total	<u>\$ 3,616,811</u>	<u>\$ 9,026,442</u>	<u>\$ 7,236,554</u>	<u>\$ 5,406,699</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	General Revenue Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ 300,000	\$ 305,039
Sales Taxes	1,250,000	1,339,361
Intergovernmental	173,086	111,916
Charges for Services	479,325	639,717
Interest	14,700	4,570
Other Receipts	13,843	11,211
Transfers In	737,962	739,297
Total Receipts	2,968,916	3,151,111
<u>Disbursements</u>		
County Commission	103,420	104,981
County Clerk	113,120	107,999
Elections	31,165	13,422
Building and Grounds	63,892	63,521
Employee Fringe Benefits	304,921	277,595
Treasurer	46,300	44,894
Collector	112,160	101,289
Recorder of Deeds	48,600	47,502
Circuit Clerk	13,880	10,774
Public Administrator	43,444	42,770
Sheriff	887,006	847,231
Jail	287,963	284,856
Prosecuting Attorney	132,026	129,447
Juvenile Office	29,400	23,840
Coroner	23,431	23,427
Health and Welfare	424,506	455,361
Other Disbursements	162,654	178,520
Transfers Out	6,600	6,600
Emergency	68,370	-
Total Disbursements	2,902,858	2,764,029
Receipts Over (Under)		
Disbursements	\$ 66,058	\$ 387,082
Cash and Equivalents, Jan 1	321,519	321,519
Cash and Equivalents, Dec 31	\$ 387,577	\$ 708,601

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Special Road and Bridge Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ 450,000	\$ 449,765
Sales Taxes	-	-
Intergovernmental	917,965	946,850
Charges for Services	-	-
Interest	5,000	2,042
Other Receipts	-	33,565
Transfers In	225,000	225,000
Total Receipts	<u>1,597,965</u>	<u>1,657,222</u>
<u>Disbursements</u>		
Salaries	425,000	390,786
Employee Fringe Benefits	110,583	97,099
Supplies	38,000	30,298
Insurance	18,000	20,961
Road and Bridge Materials	436,000	430,286
Equipment Repairs	140,000	146,629
Rentals	-	-
Equipment Purchases	311,000	308,000
Road and Bridge Construction	330,000	321,348
Other Disbursements	27,250	97,390
Transfers Out	-	-
Total Disbursements	<u>1,835,833</u>	<u>1,842,797</u>
Receipts Over (Under)		
Disbursements	\$ (237,868)	\$ (185,575)
Cash and Equivalents, Jan 1	<u>524,023</u>	<u>524,023</u>
Cash and Equivalents, Dec 31	<u>\$ 286,155</u>	<u>\$ 338,448</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Assessment Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	215,891	224,362
Charges for Services	9,295	7,502
Interest	1,064	400
Other Receipts	-	4,359
Transfers In	6,600	6,600
Total Receipts	<u>232,850</u>	<u>243,223</u>
<u>Disbursements</u>		
Salaries	134,872	111,235
Employee Fringe Benefits	23,536	17,203
Materials and Supplies	4,000	5,746
Services	8,630	4,875
Other Disbursements	-	-
Capital Outlay	65,292	74,293
Transfers Out	-	-
Total Disbursements	<u>236,330</u>	<u>213,352</u>
Receipts Over (Under)		
Disbursements	\$ (3,480)	\$ 29,871
Cash and Equivalents, Jan 1	<u>84,399</u>	<u>84,399</u>
Cash and Equivalents, Dec 31	<u>\$ 80,919</u>	<u>\$ 114,270</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	911 Fund		Emergency Management Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	685,000	747,727	-	-
Intergovernmental	9,720	10,022	101,440	86,453
Charges for Services	-	372	-	3,871
Interest	100	115	625	57
Other Receipts	-	8,456	200	150
Transfers In	41,800	41,800	-	-
Total Receipts	<u>736,620</u>	<u>808,492</u>	<u>102,265</u>	<u>90,531</u>
<u>Disbursements</u>				
Salaries	418,900	430,893	-	-
Employee Fringe Benefits	87,682	73,326	-	-
Materials and Supplies	15,079	22,779	4,850	6,408
Services	23,090	19,237	19,697	21,808
Other Disbursements	1	4,385	4,080	-
Capital Outlay	88,562	29,810	26,084	27,992
Transfers Out	77,000	77,000	47,800	47,800
Total Disbursements	<u>710,314</u>	<u>657,430</u>	<u>102,511</u>	<u>104,008</u>
Receipts Over (Under)				
Disbursements	\$ 26,306	\$ 151,062	\$ (246)	\$ (13,477)
Cash and Equivalents, Jan 1	<u>92,744</u>	<u>92,744</u>	<u>23,818</u>	<u>23,818</u>
Cash and Equivalents, Dec 31	<u>\$ 119,050</u>	<u>\$ 243,806</u>	<u>\$ 23,572</u>	<u>\$ 10,341</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Annex Fund		Bad Check Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	2,500	1,275
Interest	-	1,104	60	28
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	1,104	2,560	1,303
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	20,000	-	300	-
Services	3,000	-	3,000	1,263
Other Disbursements	-	-	2,500	-
Capital Outlay	20,000	36,468	-	334
Transfers Out	-	-	-	-
Total Disbursements	43,000	36,468	5,800	1,597
Receipts Over (Under)				
Disbursements	\$ (43,000)	\$ (35,364)	\$ (3,240)	\$ (294)
Cash and Equivalents, Jan 1	432,897	432,897	10,268	10,268
Cash and Equivalents, Dec 31	\$ 389,897	\$ 397,533	\$ 7,028	\$ 9,974

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Building and Grounds Fund		Capital Infrastructure Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	34,500	37,363	314,000	336,270
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	300	85	2,200	1,080
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	34,800	37,448	316,200	337,350
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	6,305
Other Disbursements	-	-	31,500	-
Capital Outlay	49,489	56,092	-	128,931
Transfers Out	-	-	225,000	225,000
Total Disbursements	49,489	56,092	256,500	360,236
Receipts Over (Under)				
Disbursements	\$ (14,689)	\$ (18,644)	\$ 59,700	\$ (22,886)
Cash and Equivalents, Jan 1	61,947	61,947	422,682	422,682
Cash and Equivalents, Dec 31	\$ 47,258	\$ 43,303	\$ 482,382	\$ 399,796

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Sheriff Special (Civil Fees) Fund		Conceal and Carry Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	15,000	24,766	10,000	13,821
Interest	-	-	-	-
Other Receipts	15,870	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>30,870</u>	<u>24,766</u>	<u>10,000</u>	<u>13,821</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	5,000	4,677	1,000	1,069
Services	7,200	16,336	500	14,493
Other Disbursements	10,000	-	2,000	-
Capital Outlay	6,000	-	4,000	-
Transfers Out	-	-	-	-
Total Disbursements	<u>28,200</u>	<u>21,013</u>	<u>7,500</u>	<u>15,562</u>
Receipts Over (Under)				
Disbursements	\$ 2,670	\$ 3,753	\$ 2,500	\$ (1,741)
Cash and Equivalents, Jan 1	<u>4,058</u>	<u>4,058</u>	<u>10,152</u>	<u>10,152</u>
Cash and Equivalents, Dec 31	<u>\$ 6,728</u>	<u>\$ 7,811</u>	<u>\$ 12,652</u>	<u>\$ 8,411</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Domestic Violence Fund		Law Enforcement Training Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,910	2,055	1,100	1,220
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>1,910</u>	<u>2,055</u>	<u>1,100</u>	<u>1,220</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	2,500	2,500	1,400	475
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>2,500</u>	<u>2,500</u>	<u>1,400</u>	<u>475</u>
Receipts Over (Under)				
Disbursements	\$ (590)	\$ (445)	\$ (300)	\$ 745
Cash and Equivalents, Jan 1	<u>1,047</u>	<u>1,047</u>	<u>860</u>	<u>860</u>
Cash and Equivalents, Dec 31	<u>\$ 457</u>	<u>\$ 602</u>	<u>\$ 560</u>	<u>\$ 1,605</u>

See Notes to the Financial Statements

**The County of Osage**  
**Linn, Missouri**  
**Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the year ended December 31, 2021**

	Prosecuting Attorney Training Fund		Jail Renovation Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	675,000	747,697
Intergovernmental	-	-	-	-
Charges for Services	-	1,541	-	-
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	1,541	675,000	747,697
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	1,226	1,339	12,000	32,247
Other Disbursements	-	-	-	-
Capital Outlay	-	-	150,900	150,915
Transfers Out	-	-	425,000	425,000
Total Disbursements	1,226	1,339	587,900	608,162
Receipts Over (Under)				
Disbursements	\$ (1,226)	\$ 202	\$ 87,100	\$ 139,535
Cash and Equivalents, Jan 1	1,226	1,226	347,257	347,257
Cash and Equivalents, Dec 31	\$ -	\$ 1,428	\$ 434,357	\$ 486,792

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Rollback Reserve Fund		Recorder Technology Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	8,000	10,382
Interest	5,500	3,999	-	-
Other Receipts	-	-	-	-
Transfers In	25,000	25,000	-	-
Total Receipts	<u>30,500</u>	<u>28,999</u>	<u>8,000</u>	<u>10,382</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	6,525	3,099
Other Disbursements	-	-	-	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>-</u>	<u>-</u>	<u>6,525</u>	<u>3,099</u>
Receipts Over (Under)				
Disbursements	\$ 30,500	\$ 28,999	\$ 1,475	\$ 7,283
Cash and Equivalents, Jan 1	<u>562,766</u>	<u>562,766</u>	<u>17,206</u>	<u>17,206</u>
Cash and Equivalents, Dec 31	<u>\$ 593,266</u>	<u>\$ 591,765</u>	<u>\$ 18,681</u>	<u>\$ 24,489</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Election Services Fund		Inmate Security Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	2,055	2,055	-	-
Charges for Services	753	753	18,620	23,698
Interest	-	31	132	34
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>2,808</u>	<u>2,839</u>	<u>18,752</u>	<u>23,732</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	1,500	3,352
Services	2,700	1,000	-	13,340
Other Disbursements	-	-	-	-
Capital Outlay	-	-	12,000	-
Transfers Out	-	-	-	-
Total Disbursements	<u>2,700</u>	<u>1,000</u>	<u>13,500</u>	<u>16,692</u>
Receipts Over (Under)				
Disbursements	\$ 108	\$ 1,839	\$ 5,252	\$ 7,040
Cash and Equivalents, Jan 1	<u>11,960</u>	<u>11,960</u>	<u>9,559</u>	<u>9,559</u>
Cash and Equivalents, Dec 31	<u>\$ 12,068</u>	<u>\$ 13,799</u>	<u>\$ 14,811</u>	<u>\$ 16,599</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Help America Vote Act (HAVA) Fund		Special Election Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	23,100	17,192
Interest	-	-	-	-
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	-	-	23,100	17,192
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	10,191
Services	-	-	-	3,520
Other Disbursements	-	-	-	2,146
Capital Outlay	-	-	-	-
Transfers Out	-	-	23,100	1,335
Total Disbursements	-	-	23,100	17,192
Receipts Over (Under)				
Disbursements	\$ -	\$ -	\$ -	\$ -
Cash and Equivalents, Jan 1	1	1	5	5
Cash and Equivalents, Dec 31	\$ 1	\$ 1	\$ 5	\$ 5

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Law Enforcement Restitution Fund		CARES Act Grant Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	650	2,300	-	-
Interest	-	-	-	88
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>650</u>	<u>2,300</u>	<u>-</u>	<u>88</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	68,015	50,000
Other Disbursements	-	-	-	-
Capital Outlay	600	-	-	-
Transfers Out	-	-	-	7,462
Total Disbursements	<u>600</u>	<u>-</u>	<u>68,015</u>	<u>57,462</u>
Receipts Over (Under)				
Disbursements	\$ 50	\$ 2,300	\$ (68,015)	\$ (57,374)
Cash and Equivalents, Jan 1	<u>3,057</u>	<u>3,057</u>	<u>68,015</u>	<u>68,015</u>
Cash and Equivalents, Dec 31	<u>\$ 3,107</u>	<u>\$ 5,357</u>	<u>\$ -</u>	<u>\$ 10,641</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	American Rescue Plan Act Fund		Use Tax Fund	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	380,000	484,691
Intergovernmental	1,322,277	1,322,277	-	-
Charges for Services	-	-	-	-
Interest	1,900	1,827	3,500	1,492
Other Receipts	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>1,324,177</u>	<u>1,324,104</u>	<u>383,500</u>	<u>486,183</u>
<u>Disbursements</u>				
Salaries	-	-	-	-
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services	-	-	-	-
Other Disbursements	-	-	-	-
Capital Outlay	203,399	203,399	-	-
Transfers Out	-	-	247,500	247,500
Total Disbursements	<u>203,399</u>	<u>203,399</u>	<u>247,500</u>	<u>247,500</u>
Receipts Over (Under)				
Disbursements	\$ 1,120,778	\$ 1,120,705	\$ 136,000	\$ 238,683
Cash and Equivalents, Jan 1	<u>-</u>	<u>-</u>	<u>582,133</u>	<u>582,133</u>
Cash and Equivalents, Dec 31	<u>\$ 1,120,778</u>	<u>\$ 1,120,705</u>	<u>\$ 718,133</u>	<u>\$ 820,816</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2021**

	Tax Maintenance Fund	
	Budget	Actual
<u>Receipts</u>		
Property Taxes	\$ -	\$ -
Sales Taxes	-	-
Intergovernmental	-	-
Charges for Services	12,000	11,664
Interest	150	75
Other Receipts	-	-
Transfers In	-	-
Total Receipts	<u>12,150</u>	<u>11,739</u>
<u>Disbursements</u>		
Salaries	-	-
Employee Fringe Benefits	-	-
Materials and Supplies	1,800	1,441
Services	1,205	2,799
Other Disbursements	-	-
Capital Outlay	-	910
Transfers Out	-	-
Total Disbursements	<u>3,005</u>	<u>5,150</u>
Receipts Over (Under)		
Disbursements	\$ 9,145	\$ 6,589
Cash and Equivalents, Jan 1	<u>23,212</u>	<u>23,212</u>
Cash and Equivalents, Dec 31	<u>\$ 32,357</u>	<u>\$ 29,801</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Statement of Assets and Liabilities Arising From Cash Transactions  
Custodial Funds - Regulatory Basis  
December 31, 2021**

	Collector	County Clerk	Recorder	Health Department	Prosecuting Attorney	Sheriff	Treasurer	Total
<b>Assets</b>								
Cash and Equivalents	\$ 7,401,185	\$ 734	\$ 10,283	\$ 2,067	\$ -	\$ 7,570	\$ 93,536	\$ 7,515,375
Total Assets	7,401,185	734	10,283	2,067	-	7,570	93,536	7,515,375
<b>Liabilities and Fund Balances</b>								
Total Liabilities	7,401,185	734	10,283	2,067	-	7,570	93,536	7,515,375
Fund Balances	7,401,185	734	10,283	2,067	-	7,570	93,536	7,515,375
Fund Balances	-	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	<u>\$ 7,401,185</u>	<u>\$ 734</u>	<u>\$ 10,283</u>	<u>\$ 2,067</u>	<u>\$ -</u>	<u>\$ 7,570</u>	<u>\$ 93,536</u>	<u>\$ 7,515,375</u>

See Notes to the Financial Statements

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies**

Organized in 1841, the county of Osage was named after the Osage River. It is a third-class county, and the county seat is Linn. The County's government is composed of a three-member board of commissioners and the following separately elected Constitutional Officers: Assessor, Circuit Clerk, County Clerk, Collector, Coroner, Treasurer, Recorder of Deeds, Sheriff, Public Administrator, and Prosecuting Attorney.

As discussed further in Note 1, 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).

Reporting Entity

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

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

The financial statements referred to above include only the primary government of Osage County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise Osage County's legal entity.

The financial statements do not include financial data for the County's legally separate component unit, which accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, require to be reported with the financial data of the County. In accordance with accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, the Osage County Senate Bill 40 Board has issued separate reporting entity financial statements. For information on this component unit, please contact the Senate Bill 40 Board by calling (573) 897-3095 (or write to 205 E. Main St., Linn, Missouri 65051).

Certain elected County officials, such as the County Collector, Treasurer, and Sheriff, collect and hold monies in a trustee capacity as an agent of individual, taxing units, or other government. These assets, which are held by these officeholders for the sole benefit of external parties, are included in the Statement of Assets and Liabilities Arising from Cash Transactions - Custodial Funds - Regulatory Basis.

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Osage County, Missouri, and the comparisons of such information with the corresponding budgeted information for all funds of the County. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the county's general operation fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Basis of Accounting (continued)

As a result of the use of 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.

Budget and Budgetary Accounting

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

On or before January 15th, each elected official 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.

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.

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.

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

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 financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.

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

During the audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures which exceeded budgeted expenditures: Special Road and Bridge, Emergency Management, Building and Grounds, Capital Infrastructure, Conceal and Carry, Prosecuting Attorney Training, Jail Renovation, Inmate Security, and Tax Maintenance.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

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 for the purposes of taxation was as follows:

	General Revenue	Special Road and Bridge
Real Estate	\$ 145,388,050	\$ 125,495,090
Personal Property	61,422,961	54,221,360
Railroad and Utilities	32,170,723	26,999,423
	\$ 238,981,734	\$ 206,715,873

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year for the purpose of County taxation, was as follows:

General Revenue	\$	0.0251
Special Road and Bridge		0.2163

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer's 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 balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety 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 investments 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 2.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Interfund Transactions

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing.

Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

**Note 2 - Deposits and Investments**

Osage County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents." Cash held for others is displayed on the statement of assets and liabilities arising from cash transactions as "Cash and Equivalents."

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

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

	<u>Carrying Value</u>	<u>Bank Balances</u>
Deposits	\$ 12,396,612	\$ 12,487,515
Investments	<u>525,462</u>	<u>525,462</u>
Total Deposits and Investments as of December 31, 2021	<u>\$ 12,922,074</u>	<u>\$ 13,012,977</u>
Total Cash and Equivalents - Governmental Funds	\$ 5,406,699	
Total Cash and Equivalents - Custodial Funds	<u>7,515,375</u>	
	<u>\$ 12,922,074</u>	

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 deposits were not exposed to custodial credit risk for the year ended December 31, 2021; all deposits and investments were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized.

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 that 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.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 2 - Deposits and Investments (continued)**

Custodial Credit Risk - Investments (continued)

All investments, evidenced by individual securities, are registered in the name of the County or of a type that are not exposed to custodial credit risk.

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 following investments represent more than 5%, individually, of total investments:

Issuer	Investment Type	Balance	% of Portfolio
Mid America Bank	Cert. of Deposit	\$ 225,462	42.91%
Legends Bank	Cert. of Deposit	300,000	57.09%

**Note 3 - Long-Term Debt**

On January 1, 2015, the County entered into a lease purchase agreement for the purpose of refunding the previously issued Series 2009 Certificates of Participation. The project completed included installing a geothermal heating and cooling system in the County's courthouse building, renovating and improving the existing jail facilities located in the basement of the courthouse, and making various other improvements and renovations to the courthouse building. The lease purchase is for \$1,587,800 with a maturity date of October 1, 2027. The lease purchase agreement calls for 26 semi-annual payments of unequal amounts, which includes interest of 3.25%.

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

	Balance at 1/1/2021	Amount Borrowed	Amount Repaid	Balance at 12/31/2021	Interest Paid During Year
Lease Purchase - Improvements	\$ 927,900	\$ -	\$ (122,000)	\$ 805,900	\$ 28,915

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 3 - Long-Term Debt (continued)**

The following is the future minimum payments for all lease obligations as of December 31, 2021:

Year Ending December 31,	Principal	Interest	Total
2022	\$ 121,100	\$ 25,209	\$ 146,309
2023	129,600	21,203	150,803
2024	132,500	16,967	149,467
2025	135,200	12,639	147,839
2026	142,600	8,185	150,785
2027	144,900	3,533	148,433
	<u>\$ 805,900</u>	<u>\$ 87,736</u>	<u>\$ 893,636</u>

**Note 4 - Operating Leases**

On January 11, 2017, the County entered into an operating lease agreement with Caterpillar Financial for a motor grader. The lease agreement requires five annual payments of \$26,350 beginning January 2017 and ending January 2022. At the end of the lease term, the County will have the option to purchase the motor grader for \$175,140. The County has satisfied all required payments on this lease as of December 31, 2021.

On January 11, 2017, the County entered into an operating lease agreement with Caterpillar Financial for a motor grader. The lease agreement requires five annual payments of \$26,350 beginning January 2017 and ending January 2022. At the end of the lease term, the County will have the option to purchase the motor grader for \$160,755. The County has satisfied all required payments on this lease as of December 31, 2021.

On August 14, 2018, the County entered into an operating lease agreement with Caterpillar Financial for a motor grader. The lease agreement requires five annual payments of \$29,015 beginning August 2018 and ending August 2023. At the end of the lease term, the County will have the option to purchase the motor grader for \$160,860.

**Note 5 - Interfund Transfers**

Transfers between funds for the year ended December 31, 2021 are as follows:

Fund	Transfers In	Transfers Out
General Revenue	\$ 739,297	\$ 6,600
Special Road and Bridge	225,000	-
Assessment	6,600	-
911	41,800	77,000
Emergency Management	-	47,800
Capital Infrastructure	-	225,000
Jail Renovation	-	425,000
Rollback Reserve	25,000	-
Special Election	-	1,335
CARES Act Grant	-	7,462
Use Tax	-	247,500
	<u>\$ 1,037,697</u>	<u>\$ 1,037,697</u>

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 6 - County Employees' Retirement Fund (CERF)**

Plan Description

The County Employees' Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elected or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840 RSMo., circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997 RSMo., and certain personnel not defined as an employee per Section 50.1000(8) RSMo. The Fund was created by an act of legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

Benefits Provided

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

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, Missouri, 65101, by calling (573) 632-9203, or by visiting the CERF website at [www.mocerf.org](http://www.mocerf.org).

Contributions

Prior to January 1, 2003, participating county employees 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 6%. If any employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions 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 6% contribution on behalf of employees. During 2021, the County collected and remitted to CERF, employee contributions of \$115,400 for the year ended.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 6 - County Employees' Retirement Fund (CERF)(continued)**

Contributions (continued)

In addition to the above contributions required of employees, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of personal property tax declarations;
- Twenty dollars on each merchants' and manufacturers' license issued;
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one dollar on each document recorded;
- Three sevenths of the fee on delinquent property taxes; and
- Interest earned on investment of the above collections prior to remittance to CERF.

The County collected and remitted CERF fees and penalties of \$86,110 for the year ended December 31, 2021.

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information can be found in the notes to the financial statements of CERF's Annual Financial Report.

**Note 7 - Prosecuting Attorney Retirement Fund**

In accordance with state statute Section 56.807 RSMo., the County contributes annually 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 contributed \$3,366 for the year ended December 31, 2021.

**Note 8 - Other Retirement Plans**

Osage County has 457 and 401(a) plans administered by Empower Retirement which are paid by a deduction from employees' salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions collected and remitted by the County for the year ended December 31, 2021 for the 457 plan were \$23,499, and employee contributions collected and remitted by the County for the year ended December 31, 2021 for the 401(a) plan were \$14,402.

**Note 9 - 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.

**Note 10 - Claims, Commitments, and Contingencies**

Litigation

The County can be subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition of the County.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 10 - Claims, Commitments, and Contingencies (continued)**

Compensated Absences

The County provides employees with up to 24 days of paid vacation based upon the number of years of continuous service. Vacation days do carry forward if they are unused. Upon termination, an employee is reimbursed for any unused vacation days. Employees accrue eight hours of sick leave per month for a total of twelve days for the year. The County allows employees to carry forward any and all unused sick leave up to 720 hours. However, upon termination, employees do not get reimbursed for sick leave. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

The County receives proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned. Such audits could result in refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

**Note 11 - 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 537.700 RSMo). 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 specific 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-Injured 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 \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

**Note 12 - Subsequent Events**

The County has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through September 8, 2022, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**Note 13 - Prior Period Adjustment**

Beginning fund balance has been restated to exclude certain funds that were held in a custodial capacity and include certain funds over which the County holds discretion over expenditures. This change will have no impact on operations of the County.

**The County of Osage  
Linn, Missouri  
Notes to the Financial Statements  
For the year ended December 31, 2021**

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**Note 13 - Prior Period Adjustment (continued)**

Beginning fund balance, as originally stated on December 31, 2020	\$ 3,679,756
Prior Period Adjustment - Exclude Circuit Clerk Interest Fund	(28,203)
Prior Period Adjustment - Exclude County Clerk MDC Fund	(35)
Prior Period Adjustment - Exclude Family Court Fund	(24,495)
Prior Period Adjustment - Exclude Law Library Fund	(11,259)
Prior Period Adjustment - Include Domestic Violence Fund	<u>1,047</u>
Beginning fund balance, as restated on December 31, 2020	<u><u>\$ 3,616,811</u></u>

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*

*Independent Auditor's Report*

To the County Commissioners and  
Officeholders of Osage County, Missouri

We have audited, in accordance with 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 Osage County, Missouri as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Osage County, Missouri's basic financial statements, and have issued our report thereon dated September 8, 2022.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Osage County, Missouri's internal control over financial reporting (internal control) as a basis for designing 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 Osage County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Osage County, Missouri's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Osage County, Missouri'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 an instance of noncompliance or other matters that is required to be reported under

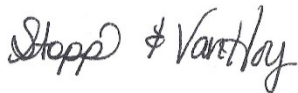
*Government Auditing Standards*, and which is described in the schedule of findings and questioned costs as item 2021-001.

### **Osage County, Missouri's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on Osage County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Osage County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

### **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.



Creve Coeur, Missouri  
September 8, 2022

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE  
UNIFORM GUIDANCE

*Independent Auditor's Report*

To the County Commission and  
Officeholders of Osage County, Missouri

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Osage County, Missouri's 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 Osage County, Missouri's major federal programs for the year ended December 31, 2021. Osage County, Missouri'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, Osage County, Missouri 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 Osage County, Missouri 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 Osage County, Missouri's compliance with the compliance requirements referred to above.

***Responsibilities 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 Osage County, Missouri'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 Osage County, Missouri'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 GAAS, *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 Osage County, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Osage County, Missouri'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 Osage County, Missouri'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 Osage County, Missouri'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.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on Osage County, Missouri's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Osage County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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

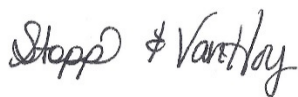
deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-002, to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on Osage County, Missouri's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Osage County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Creve Coeur, Missouri  
September 8, 2022

**The County of Osage  
Linn, Missouri  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Passed through state:				
Missouri Department of Health and Senior Services WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	ERS04521081	\$ 21,303	\$ -
<b>U.S. Department of the Interior</b>				
Direct Program:				
Payments in Lieu of Taxes	15.226	n/a	834	-
<b>U.S. Department of Justice</b>				
Passed through state:				
Missouri Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020(a) - LLEBG	9,999	-
<b>U.S. Department of Transportation</b>				
Highway Planning and Construction Cluster				
Passed through state:				
Missouri Department of Transportation Highway Planning and Construction	20.205	BRO-B076(16)	321,086	-
Total Highway Planning and Construction Cluster			<u>321,086</u>	<u>-</u>
Highway Safety Cluster				
Passed through state:				
Missouri Department of Transportation State and Community Highway Safety	20.600	22-PT-02-031	9,461	-
Passed through:				
University of Central Missouri - Missouri Safety Center National Priority Safety Programs	20.616	21-M2HVE-05-034	922	-
Total Highway Safety Cluster			<u>10,383</u>	<u>-</u>
Passed through state:				
University of Central Missouri - Missouri Safety Center Alcohol Open Container Requirements	20.607	21-154-AL-037	2,235	-
<b>U.S. Department of Treasury</b>				
Passed through state:				
Missouri State Treasurer's Office COVID-19 Coronavirus Relief Fund	21.019	n/a	57,462	-
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	n/a	203,399	-
<b>U.S. Department of Health and Human Services</b>				
Passed through state:				
Missouri Department of Health and Senior Services Immunization Cooperative Agreements	93.268	DH210049800	54,125	-
Passed through state:				
Missouri Department of Health and Senior Services Epidemiology and Laboratory Capacity of Infection Diseases (ELC)	93.323	DH210049191	123,956	-

See Notes to the Schedule of Expenditures of Federal Awards

**The County of Osage  
Linn, Missouri  
Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Health and Human Services (continued)</b>				
Passed through state:				
Missouri Department of Health and Senior Services				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	n/a	17,021	-
Passed through state:				
Missouri Department of Health and Senior Services				
Children's Health Insurance Program	93.767	n/a	33,962	-
Passed through state:				
Missouri Department of Health and Senior Services				
Maternal and Child Health Services Block Grant to the States	93.994	DH200048156	20,780	-
<b>U.S. Department of Homeland Security</b>				
Passed through state:				
Missouri Department of Public Safety				
Emergency Management Performance Grant	97.042	EMK-2020-EP-00004- 85	20,121	-
Emergency Management Performance Grant	97.042	EMK-2021-EP-00006- 086	11,180	-
Emergency Management Performance Grant	97.042	EMK-2021-EP-00005- S34	3,397	-
			34,698	-
Passed through state:				
Missouri Department of Public Safety				
Homeland Security Grant Program	97.067	EMW-2020-SS-00051- 35	4,410	-
Total Expenditures of Federal Awards			\$ 915,653	\$ -

**The County of Osage**  
**Linn, Missouri**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

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**Note 1 - Summary of Significant Accounting Policies**

Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply 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). This Uniform Guidance requires a schedule that provides total federal awards expended for each federal program and the Assistance Listing Number or other identifying number when the Assistance Listing Number is not available.

This schedule includes all federal awards administered by Osage County, Missouri.

Basis of Presentation

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Because the Schedule presents only a selected portion of the operations of Osage County, Missouri, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Osage County, Missouri.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas certain types of expenditures are not allowed or are limited to as to reimbursements.

Federal expenditures are considered to have occurred when cash is disbursed for allowable expenditures.

Osage County, Missouri has elected to use the 10% de minimis indirect cost rate.

**Note 2 - Donated Personal Protective Equipment**

Osage County received no donated personal protective equipment which had been purchased with federal funds. This footnote is unaudited.

**The County of Osage  
Linn, Missouri  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021**

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**Section 1 - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued Unmodified Regulatory Basis

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None Reported

Any noncompliance material to financial statements noted?   X   Yes \_\_\_\_\_ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiencies identified not considered to be material weaknesses?   X   Yes \_\_\_\_\_ None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR section 200.516(a)?   X   Yes \_\_\_\_\_ No

Identification of Major Programs:

Assistance Listing Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes   X   No

**The County of Osage  
Linn, Missouri  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021**

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**Section 2 - Financial Statement Findings**

2021-001 **Criteria:** Missouri statutes requires Counties to prepare an annual budget as applicable to each fund. Actual expenditures are not to exceed the budgeted expenditures.

**Condition:** During the audit, it was noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures which exceeded budgeted expenditures: Special Road and Bridge, Emergency Management, Building and Grounds, Capital Infrastructure, Conceal and Carry, Prosecuting Attorney Training, Jail Renovation, Inmate Security, and Tax Maintenance.

**Cause:** Oversight

**Effect:** The County is in violation of Missouri Revised Statutes due to exceeding budgets in certain funds.

**Recommendation:** We recommend that the County periodically review its actual expenditures as compared to budgeted amounts in order to prevent expenditures in excess of budget. An amended budget should be prepared and approved as necessary to comply with statutes.

**Management's Response:** The County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The expected completion date is December 31, 2022.

**Section 3 - Federal Award Findings**

2021-002 Federal Grantor: U.S. Department of Agriculture  
U.S. Department of Interior  
U.S. Department of Justice  
U.S. Department of Transportation  
U.S. Department of Health and Human Services  
U.S. Department of Homeland Security

Pass-Through Grantor: Missouri Department of Health and Senior Services  
Missouri Department of Public Safety  
Missouri Department of Transportation  
University of Central Missouri - Missouri Safety Center

Federal Assistance Listing Numbers and Program Titles:

10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children
15.226	Payments in Lieu of Taxes
16.738	Edward Byrne Memorial Justice Assistance Grant Program
20.205	Highway Planning and Construction
20.600	State and Community Highway Safety
20.607	Alcohol Open Container Requirements
20.616	National Priority Safety Programs
93.268	Immunization Cooperative Agreements
93.323	Epidemiology and Laboratory Capacity of Infection Diseases (ELC)

**The County of Osage  
Linn, Missouri  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021**

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**Section 3 - Federal Award Findings (continued)**

2021-002 Federal Assistance Listing Numbers and Program Titles (continued):

(cont.)	93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response
	93.767	Children's Health Insurance Program
	93.994	Maternal and Child Health Services Block Grant to the States
	97.042	Emergency Management Performance Grant
	97.067	Homeland Security Grant Program

**Criteria:** Title 2 U.S. *Code of Federal Regulations* Part 200 requires auditees to prepare an accurate Schedule of Expenditures of Federal Awards (SEFA) containing awards expended, assistance listing title and number, award number, name of the Federal awarding agency, name of pass-through entity, and awards paid to subrecipients.

**Condition:** The Schedule of Expenditures of Federal Awards (SEFA) contained errors. The County's current internal controls over SEFA reporting are not sufficient enough to ensure correct SEFA reporting.

Assistance Listing Number	As Reported On Original County SEFA	As Corrected	\$ Difference
10.557	\$ 20,260	\$ 21,303	\$ 1,043
15.226	-	834	834
16.738	-	9,999	9,999
20.205	305,552	321,086	15,534
20.600	-	9,461	9,461
20.607	-	2,235	2,235
20.616	-	922	922
93.268	-	54,125	54,125
93.323	-	123,956	123,956
93.354	-	17,021	17,021
93.767	-	33,962	33,962
93.994	146,507	20,780	(125,727)
97.042	35,453	34,698	(755)
97.067	19,483	4,410	(15,073)

**Cause:** Management did not follow reporting requirements related to the Schedule of Expenditures of Federal Awards.

**Effect:** Federal expenditures reported in the SEFA were incorrect. Additionally, several programs reported were missing the correct assistance listing title and number, name of Federal awarding agency, and name of pass-through entity.

**Recommendation:** We recommend management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate SEFA is prepared.

**The County of Osage**  
**Linn, Missouri**  
**Schedule of Findings and Questioned Costs**  
**For the year ended December 31, 2021**

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**Section 3 - Federal Award Findings**

2021-002 **Management's Response:** County officers and employees have diligently tried to maintain sufficient records so that (cont.) the SEFA can be accurately completed. Title 2 *U.S. Code of Federal Regulations* Part 200 is being reviewed and training sessions will be initiated by the County Clerk's office. The County Clerk is working towards capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA by the next audit period. The County is also going to consider retaining an expert/consultant to assist in completing the next SEFA. The expected completion date is December 31, 2022.

**The County of Osage  
Linn, Missouri  
Summary Schedule of Prior Year Findings and Questioned Costs  
For the year ended December 31, 2021**

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In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Osage County, Missouri, on the applicable findings in the prior audit report issued for the year ended December 31, 2020.

**Prior Year Federal Award Findings**

2020-001 **U.S. Department of Treasury  
Coronavirus Relief Fund (Federal Assistance Listing Number - 21.019)  
Period of Performance**

**Statement of Condition:** The purpose of the Coronavirus Relief Fund (the Fund) is to provide direct payments to state, territorial, tribal, and certain local governments to cover necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease (COVID-19). The Treasury Department issued a federal register with additional guidance on the requirements and allowable costs of the Fund.

**Criteria:** In accordance with the federal register noted above, the period of performance of the grant ends on December 31, 2021. The guidance notes it is necessary that the performance or delivery of a good or a service take place during the covered period (the period of performance).

**Effect of Condition:** We identified costs charged to the grant for which the performance of a service will not take place until after the covered period (the period of performance).

**Cause of Condition:** The County originally had a different interpretation of the guidance.

**Questioned Costs:** We identified \$25,091 of costs charged to the grant for which the performance of a service will not take place until after the covered period (the period of performance).

**Recommendation:** We recommend the County review the federal register noted above to ensure future costs charged to the grant meet the requirements and allowable costs of the Fund.

**Management's Response:** The County originally had a different interpretation of the guidance, but subsequently agreed with the auditors' interpretation.

**Status:** Management has implemented proper controls to ensure compliance with period of performance compliance requirements, therefore, this finding will not be repeated in the current year.

# OSAGE COUNTY CLERK

NICCI KAMMERICH  
OSAGE COUNTY CLERK

VALERIE PRATER  
ACCOUNTING CLERK

←—————→  
205 East Main Street  
PO BOX 826  
Linn, MO 65051  
[www.osagecountygov.com](http://www.osagecountygov.com)

HEATHER GYORKOS  
ACCOUNTING CLERK

BROOKE DUDENHOEFFER  
FRONT DESK/VOTER REGISTRATION  
CLERK

## CORRECTIVE ACTION PLAN

Audit Finding Reference: 2021-001

Planned Corrective Action: The County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary.

Name of Contact Person: Nicci Bouse-Kammerich, County Clerk

Anticipated completion date: December 31, 2022

Audit Finding Reference: 2021-002

Planned Corrective Action: County officers and employees have diligently tried to maintain sufficient records so that the SEFA can be accurately completed. Title 2 U.S. *Code of Federal Regulations* Part 200 is being reviewed and training sessions will be initiated by the County Clerk's office. The County Clerk is working towards capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA by the next audit period. The County is also going to consider retaining an expert/consultant to assist in completing the next SEFA

Name of Contact Person: Nicci Bouse-Kammerich, County Clerk

Anticipated completion date: December 31, 2022