



SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

To the County Commission
and
Officeholders of Reynolds County, Missouri

The Office of the State Auditor contracted for an audit of Reynolds County's financial statements for the 2 years 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 CR Williams & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "S. Fitzpatrick". The signature is stylized with a large "S" and a cursive "Fitzpatrick".

Scott Fitzpatrick
State Auditor

April 2023
Report No. 2023-016



Scott Fitzpatrick
Missouri State Auditor

RECOMMENDATION SUMMARY

Recommendations in the contracted audit of Reynolds County

2021 & 2020-001

The county strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system should be regularly reviewed.

REYNOLDS COUNTY, MISSOURI
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020, & 2021

PREPARED BY:
CRWilliams & Associates LLC
Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT

To the County Commission
The County of Reynolds, Missouri

Unmodified and Adverse Opinions

We have audited the accompanying financial statements of Reynolds County, Missouri, which comprise the Statement of Receipts, Disbursements, and Changes in Cash Balances- All Governmental Funds – Regulatory Basis, Comparative Statements of Receipts, Disbursements, Changes in Cash Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, and the related notes to the financial statements.

Unmodified Opinion on the Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, Statement of Receipts, Disbursements, and Changes in Cash Balances- All Governmental Funds – Regulatory Basis, Comparative Statements of Receipts, Disbursements, Changes in Cash Balances- Budget and Actual – All Governmental Funds- Regulatory Basis and the Statement of Assets and Liabilities Arising From Cash Transactions – Agency Funds – Regulatory Basis as of December 31, 2021, and 2020, in accordance with financial reporting provisions of Missouri Law 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 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, and 2020, or changes in net position and cash flows thereof for the years then ended.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Reynolds County, State of 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 qualified audit opinions.

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INDEPENDENT AUDITOR'S REPORT- (continued)

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.

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.

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 Reynolds County'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 *Governmental 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.

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INDEPENDENT AUDITOR'S REPORT- (continued)

Auditor's Responsibilities for the Audit of the Financial Statements - *continued*

- 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 Reynolds 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 Reynolds 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

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INDEPENDENT AUDITOR'S REPORT- (continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March xx, 2023 on our consideration of Reynolds County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Reynolds 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 Reynolds County's internal control over financial reporting and compliance.

CRWilliams & Associates LLC

St. Louis, Missouri

March 13, 2023

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

FUNDS	CASH	RECEIPTS	DISBURSEMENTS	CASH
	January 01, 2021	2021	2021	December 31, 2021
General Fund	\$ 645,541	\$ 1,989,408	\$ 1,604,434	\$ 1,030,515
Special Road and Bridge Fund	1,949,149	1,958,707	2,136,346	1,771,510
Assessment Fund	62,052	155,247	159,616	57,683
Sheriff's Training Fund	415	440	234	621
Prosecuting Attorney Fund	740	559	-	1,299
Inmate Security Fund	26,677	32,130	21,489	37,318
Recorder User Fee Fund	37,016	12,846	14,679	35,183
Children's Trust Fund	127	130	-	257
Senior Services Fund	21,087	41,770	44,284	18,573
Sheriff's Civil Fee Fund	20,152	4,599	2,783	21,968
FEMA Fund	1,000	-	-	1,000
Covid-19 ARPA	45,939	612,044	119,374	538,609
Sheriffs Revolving Fund	4,793	3,340	2,232	5,901
County Law Enforcement Restitution Fund	22,892	14,229	6,140	30,981
Administrative Handling Costs Fund	5,306	742	65	5,983
Election Services Fund	9,527	1,524	647	10,404
Tax Maintenance Fund	28,687	10,449	6,842	32,294
Title III Fund	81,536	21,782	-	103,318
LEPC Fund	31,798	-	-	31,798
Matching Grant Fund	165,326	9,307	25,839	148,794
Senate Bill 40 Fund	15,472	158,580	153,465	20,587
TOTALS	\$ 3,175,232	\$ 5,027,833	\$ 4,298,469	\$ 3,904,596

See notes to financial statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

FUNDS	CASH January 01, 2020	RECEIPTS 2020	DISBURSEMENTS 2020	CASH December 31, 2020
General Fund	\$ 492,782	\$ 1,806,988	\$ 1,654,229	\$ 645,541
Special Road and Bridge Fund	517,698	3,433,090	2,001,639	1,949,149
Assessment Fund	105,132	160,278	203,358	62,052
Sheriff's Training Fund	743	422	750	415
Prosecuting Attorney Fund	200	540	-	740
Inmate Security Fund	28,492	27,756	29,571	26,677
Recorder User Fee Fund	32,980	12,768	8,732	37,016
Children's Trust Fund	292	135	300	127
Senior Services Fund	16,253	49,932	45,098	21,087
Sheriff's Civil Fee Fund	25,677	5,791	11,316	20,152
FEMA Fund	1,000	-	-	1,000
Covid-19 ARPA	-	739,549	693,610	45,939
Sheriffs Revolving Fund	2,165	6,847	4,219	4,793
County Law Enforcement Restitution Fund	17,313	11,242	5,663	22,892
Administrative Handling Costs Fund	6,305	496	1,495	5,306
Election Services Fund	5,419	34,195	30,087	9,527
Tax Maintenance Fund	39,880	10,842	22,035	28,687
Title III Fund	59,186	23,018	668	81,536
LEPC Fund	31,798	-	-	31,798
Matching Grant Fund	201,777	2,098	38,549	165,326
Senate Bill 40 Fund	40,950	262,265	287,743	15,472
TOTALS	<u>\$ 1,626,042</u>	<u>\$ 6,588,252</u>	<u>\$ 5,039,062</u>	<u>\$ 3,175,232</u>

See notes to financial statements.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

GENERAL REVENUE FUND				
RECEIPTS	2021		2020	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>
Property taxes	\$ 623,000	\$ 647,353	\$ 598,000	\$ 649,265
Sales Taxes	275,000	603,201	260,000	314,905
Intergovernmental	571,139	675,617	555,532	780,663
Charges for Services	42,700	47,153	40,200	43,477
Interest	15,000	16,084	15,000	18,678
TOTAL	<u>1,526,839</u>	<u>1,989,408</u>	<u>1,468,732</u>	<u>1,806,988</u>
DISBURSEMENTS				
County Commission	103,453	105,777	100,737	105,560
County Clerk	110,545	112,327	107,733	107,524
Elections	27,425	28,179	65,050	72,879
Buildings and Grounds	87,908	89,622	78,742	92,163
Employee Fringe Benefits	229,671	234,632	224,500	227,181
County Treasurer	47,376	47,195	46,690	45,922
Collector	91,793	87,911	83,266	86,835
Recorder of Deeds	52,676	50,695	51,095	49,799
Circuit Clerk	9,950	7,198	4,750	3,351
Court Administration	3,056	2,439	3,056	1,679
Public Administrator	30,700	30,507	29,743	28,135
Sheriff	421,608	375,284	414,886	403,571
Jail	50,550	52,023	43,550	44,086
Patrol Cars	107,000	88,745	104,774	104,243
Prosecuting Attorney	131,408	123,429	124,467	124,733
Juvenile Officer	25,403	25,403	25,403	25,403
Coroner	23,364	23,447	22,934	22,573
Publications	4,000	3,868	50,729	62,488
Health and Welfare	-	-	4,200	3,616
Victims Advocate Grant	43,229	43,523	-	-
Emergency Fund	-	-	44,033	42,488
Other	66,878	72,230	60,000	-
TOTAL	<u>1,667,993</u>	<u>1,604,434</u>	<u>1,690,338</u>	<u>1,654,229</u>
RECEIPTS OVER(UNDER)				
DISBURSEMENTS	(141,154)	384,974	(221,606)	152,759
CASH BALANCES, JANUARY 1	<u>645,541</u>	<u>645,541</u>	<u>492,782</u>	<u>492,782</u>
CASH BALANCES, DECEMBER 31	<u>\$ 504,387</u>	<u>\$ 1,030,515</u>	<u>\$ 271,176</u>	<u>\$ 645,541</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

		SPECIAL ROAD AND BRIDGE FUND			
		2021		2020	
	RECEIPTS	BUDGET	ACTUAL	BUDGET	ACTUAL
Property taxes		\$ 546,000	\$ 551,222	\$ 520,000	\$ 575,581
Sales Taxes		776,800	835,840	824,750	774,875
Intergovernmental		100,000	77,516	455,000	1,623,892
Interest		18,000	22,503	13,000	18,507
CDBG Grant		-	-	-	1,856
Other		457,718	471,626	634,000	438,379
TOTAL		<u>1,898,518</u>	<u>1,958,707</u>	<u>2,446,750</u>	<u>3,433,090</u>
DISBURSEMENTS					
Salaries		560,000	552,472	555,000	543,547
Employee Fringe Benefits		139,250	118,729	111,500	132,061
Supplies		30,400	30,168	49,100	25,367
Insurance		144,200	147,970	142,600	139,921
Road & Bridge Materials		670,000	374,948	220,000	174,888
Equipment Repairs		175,000	149,418	175,000	152,134
Fuel and Lubricants		170,000	145,865	170,000	104,399
Equipment Purchases		112,000	128,908	150,000	382,336
R&B Construction		450,218	444,470	626,000	267,859
Other		75,000	43,398	47,000	79,127
TOTAL		<u>2,526,068</u>	<u>2,136,346</u>	<u>2,246,200</u>	<u>2,001,639</u>
RECEIPTS OVER(UNDER)					
DISBURSEMENTS		(627,550)	(177,639)	200,550	1,431,451
CASH BALANCES, JANUARY 1		<u>1,949,149</u>	<u>1,949,149</u>	<u>517,698</u>	<u>517,698</u>
CASH BALANCES, DECEMBER 31		<u>\$ 1,321,599</u>	<u>\$ 1,771,510</u>	<u>\$ 718,248</u>	<u>\$ 1,949,149</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021, and 2020

	ASSESSMENT FUND				SHERIFF'S TRAINING FUND			
	2021		2020		2021		2020	
RECEIPTS	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Intergovernmental	\$ 30,850	\$ 32,524	\$ 31,000	\$ 30,933	\$ -	\$ -	\$ -	\$ -
Charges for Services	109,400	119,582	93,400	121,779	500	440	500	422
Interest	3,000	1,021	1,800	3,368	-	-	-	-
Other	4,200	2,120	-	4,198	-	-	-	-
TOTAL	147,450	155,247	126,200	160,278	500	440	500	422
DISBURSEMENTS								
Assessor Salaries	108,330	107,539	105,380	105,616	-	-	-	-
Employee Fringe Benefits	27,050	28,197	35,500	36,605	-	-	-	-
Consultants	12,000	-	40,000	27,961	-	-	-	-
Supplies	1,800	2,661	1,200	3,526	-	-	-	-
Mapping Maintenance	2,300	1,472	-	207	-	-	-	-
Hardware/Software	18,500	17,725	23,350	27,297	-	-	-	-
Training	2,200	2,022	2,100	2,146	750	234	750	750
TOTAL	172,180	159,616	207,530	203,358	750	234	750	750
RECEIPTS OVER(UNDER) DISBURSEMENTS	(24,730)	(4,369)	(81,330)	(43,080)	(250)	206	(250)	(328)
CASH BALANCES, JANUARY 1	62,052	62,052	105,132	105,132	415	415	743	743
CASH BALANCES, DECEMBER 31	\$ 37,322	\$ 57,683	\$ 23,802	\$ 62,052	\$ 165	\$ 621	\$ 493	\$ 415

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	PROSECUTING ATTORNEY FUND				INMATE SECURITY FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Charges for Services	\$ 500	\$ 559	\$ 200	\$ 540	\$ 20,000	\$ 32,080	\$ 20,000	\$ 27,756
Other	-	-	-	-	-	50	-	-
TOTAL	500	559	200	540	20,000	32,130	20,000	27,756
DISBURSEMENTS								
Training	-	-	200	-	-	-	-	-
Direct TV	-	-	-	-	600	645	550	506
Communication Expense	-	-	-	-	10,000	10,618	10,725	11,892
Jail Supplies	-	-	-	-	8,800	9,626	10,725	17,173
Professional Expense	-	-	-	-	600	600	-	-
TOTAL	-	-	200	-	20,000	21,489	22,000	29,571
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	500	559	-	540	-	10,641	(2,000)	(1,815)
CASH BALANCES, JANUARY 1	740	740	200	200	26,677	26,677	28,492	28,492
CASH BALANCES, DECEMBER 31	\$ 1,240	\$ 1,299	\$ 200	\$ 740	\$ 26,677	\$ 37,318	\$ 26,492	\$ 26,677

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	RECORDER USER FEE FUND				CHILDREN'S TRUST FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Charges for Services	\$ 11,900	\$ 12,830	\$ 10,900	\$ 12,769	\$ 135	\$ 130	\$ 175	\$ 135
Other	-	16	-	-	-	-	-	-
TOTAL	11,900	12,846	10,900	12,769	135	130	175	135
DISBURSEMENTS								
Recorder Supplies	17,500	14,679	13,100	8,733	-	-	-	-
Whole Health Outreach	-	-	-	-	-	-	-	300
Other	-	-	-	-	-	-	275	-
TOTAL	17,500	14,679	13,100	8,733	-	-	275	300
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(5,600)	(1,833)	(2,200)	4,036	135	130	(100)	(165)
CASH BALANCES, JANUARY 1	37,016	37,016	32,980	32,980	127	127	292	292
CASH BALANCES, DECEMBER 31	\$ 31,416	\$ 35,183	\$ 30,780	\$ 37,016	\$ 262	\$ 257	\$ 192	\$ 127

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	SENIOR SERVICES FUND				SHERIFF'S CIVIL FEE FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property Tax	\$ 50,000	\$ 41,770	\$ 50,000	\$ 49,932	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	5,700	4,599	7,500	5,791
TOTAL	50,000	41,770	50,000	49,932	5,700	4,599	7,500	5,791
DISBURSEMENTS								
Senior Services Activities	49,226	44,284	49,226	45,098	-	-	-	-
Sheriff Equipment and Supplies	-	-	-	-	3,000	2,783	11,070	11,316
TOTAL	49,226	44,284	49,226	45,098	3,000	2,783	11,070	11,316
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	774	(2,514)	774	4,834	2,700	1,816	(3,570)	(5,525)
CASH BALANCES, JANUARY 1	21,087	21,087	16,253	16,253	20,152	20,152	25,677	25,677
CASH BALANCES, DECEMBER 31	\$ 21,861	\$ 18,573	\$ 17,027	\$ 21,087	\$ 22,852	\$ 21,968	\$ 22,107	\$ 20,152

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	FEMA FUND				COVID-19 ARPA			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	608,937	612,044	735,596	739,549
TOTAL	-	-	-	-	608,937	612,044	735,596	739,549
DISBURSEMENTS								
Professional Fees	-	-	-	-	-	811	-	2,047
Administrative Expenses	-	-	-	-	-	3,355	-	4,427
Facilitate Distance Learning	-	-	-	-	-	4,500	-	2,980
Food Program	-	-	-	-	-	-	-	59
Improve Telework Capabilities of Public Employees	-	-	-	-	-	3,716	-	10,963
Payroll for Public Health & Safety Employee	-	-	-	-	45,939	86,755	-	215,010
Personal Protective Equipment	-	-	-	-	-	1,207	-	59,400
Public Health Expenses	-	-	-	-	-	19,030	-	398,724
TOTAL	-	-	-	-	45,939	119,374	-	693,610
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	-	-	-	-	562,998	492,670	735,596	45,939
CASH BALANCES, JANUARY 1	1,000	1,000	1,000	1,000	45,939	45,939	-	-
CASH BALANCES, DECEMBER 31	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 608,937	\$ 538,609	\$ 735,596	\$ 45,939

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	SHERIFF'S REVOLVING FUND				COUNTY LAW ENFORCEMENT RESTITUTION FUND			
	2021		2020		2021		2020	
RECEIPTS	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Charges for Services	\$ 4,000	\$ 3,340	\$ 3,000	\$ 6,847	\$ 10,000	\$ 14,229	\$ 14,000	\$ 11,242
TOTAL	4,000	3,340	3,000	6,847	10,000	14,229	14,000	11,242
DISBURSEMENTS								
Sheriff Expenses	7,900	2,232	1,900	4,219	-	-	-	-
Patrol Car Expenses	-	-	-	-	2,000	1,050	10,300	5,366
Supplies	-	-	-	-	2,000	5,090	-	297
TOTAL	7,900	2,232	1,900	4,219	4,000	6,140	10,300	5,663
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(3,900)	1,108	1,100	2,628	6,000	8,089	3,700	5,579
CASH BALANCES, JANUARY 1	4,793	4,793	2,165	2,165	22,892	22,892	17,313	17,313
CASH BALANCES, DECEMBER 31	\$ 893	\$ 5,901	\$ 3,265	\$ 4,793	\$ 28,892	\$ 30,981	\$ 21,013	\$ 22,892

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	ADMINISTRATIVE HANDLING COSTS FUND				ELECTION SERVICES FUND			
	2021		2020		2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Charges for Services	\$ 496	\$ 712	\$ 700	\$ 496	\$ 3,725	\$ 1,524	\$ 5,000	\$ 34,195
Other	-	30	-	-	-	-	-	-
TOTAL	496	742	700	496	3,725	1,524	5,000	34,195
DISBURSEMENTS								
Bad Check Fees	1,495	65	-	-	-	-	-	-
Salaries	-	-	1,577	1,495	-	-	-	-
Supplies					3,000	647	3,000	30,087
TOTAL	1,495	65	1,577	1,495	3,000	647	3,000	30,087
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(999)	677	(877)	(999)	725	877	2,000	4,108
CASH BALANCES, JANUARY 1	5,306	5,306	6,305	6,305	9,527	9,527	5,419	5,419
CASH BALANCES, DECEMBER 31	\$ 4,307	\$ 5,983	\$ 5,428	\$ 5,306	\$ 10,252	\$ 10,404	\$ 7,419	\$ 9,527

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	TAX MAINTENANCE FUND				TITLE III FUNDS			
	2021		2020		2021		2020	
RECEIPTS	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Charges for Services	\$ 11,842	\$ 10,449	\$ 10,971	\$ 10,842	\$ -	\$ -	\$ -	\$ -
Intergovernmental receipts	-	-	-	-	30,000	21,782	30,000	23,018
TOTAL	11,842	10,449	10,971	10,842	30,000	21,782	30,000	23,018
DISBURSEMENTS								
Supplies	22,586	6,802	6,600	22,035	-	-	-	-
Other	-	40	-	-	-	-	-	-
Title III to Subrecipient	-	-	-	-	-	-	30,000	668
TOTAL	22,586	6,842	6,600	22,035	-	-	30,000	668
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	(10,744)	3,607	4,371	(11,193)	30,000	21,782	-	22,350
CASH BALANCES, JANUARY 1	28,687	28,687	39,880	39,880	81,536	81,536	59,186	59,186
CASH BALANCES, DECEMBER 31	\$ 17,943	\$ 32,294	\$ 44,251	\$ 28,687	\$ 111,536	\$ 103,318	\$ 59,186	\$ 81,536

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	LEPC FUND				MATCHING GRANT FUND			
	2021		2020		2021		2020	
RECEIPTS	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Intergovernmental receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,307	\$ -	\$ 2,099
Charges for Services	1,500	-	500	-	-	-	-	-
TOTAL	1,500	-	500	-	-	9,307	-	2,099
DISBURSEMENTS								
Miscellaneous	-	-	500	-	-	-	-	-
Supplies	-	-	-	-	25,000	25,839	-	38,550
TOTAL	-	-	500	-	25,000	25,839	-	38,550
RECEIPTS OVER(UNDER)								
DISBURSEMENTS	1,500	-	-	-	(25,000)	(16,532)	-	(36,451)
CASH BALANCES, JANUARY 1	31,798	31,798	31,798	31,798	165,326	165,326	201,777	201,777
CASH BALANCES, DECEMBER 31	\$ 33,298	\$ 31,798	\$ 31,798	\$ 31,798	\$ 140,326	\$ 148,794	\$ 201,777	\$ 165,326

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

SENATE BILL 40 FUND				
	2021		2020	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property tax	\$ 140,000	\$ 158,580	\$ 155,000	\$ 262,265
TOTAL	140,000	158,580	155,000	262,265
DISBURSEMENTS				
Sheltered Workshop Expenses	140,000	153,465	156,000	287,743
TOTAL	140,000	153,465	156,000	287,743
RECEIPTS OVER(UNDER) DISBURSEMENTS	-	5,115	(1,000)	(25,478)
CASH BALANCES, JANUARY 1	15,472	15,472	40,950	40,950
CASH BALANCES, DECEMBER 31	\$ 15,472	\$ 20,587	\$ 39,950	\$ 15,472

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS – REGULATORY BASIS
AS OF DECEMBER 31, 2021

	Collector Accounts	Sheriff's Accounts	Law Library	Prosecuting Attorney	Overplus Fund	Capital School Fund	Ambulance Fund	School Fund	Unclaimed Fees Fund
ASSETS									
Cash and Cash Equivalents	\$ 3,416,897	\$ 7,419	\$ -	\$ -	\$ 62,449	\$ 37,599	\$ 1	\$ -	\$ 1,781
TOTAL ASSETS	<u>3,416,897</u>	<u>7,419</u>	<u>-</u>	<u>-</u>	<u>62,449</u>	<u>37,599</u>	<u>1</u>	<u>-</u>	<u>1,781</u>
LIABILITIES									
Total Liabilities	3,416,897	7,419	-	-	62,449	37,599	1	-	1,781
TOTAL LIABILITIES	<u>\$ 3,416,897</u>	<u>\$ 7,419</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,449</u>	<u>\$ 37,599</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1,781</u>
	Recorder Account	Healthcenter Fund	Sweetwater Cemetery	Country Retirement Fund	Library Fund	Sheltered Workshop	Senior Services	Tax Deposit	Total Agency Funds
ASSETS									
Cash and Cash Equivalents	\$ 2,088	\$ -	\$ 2,784	\$ 6,195	\$ -	\$ 1	\$ -	\$ 26,197	\$ 3,563,410
TOTAL ASSETS	<u>2,088</u>	<u>-</u>	<u>2,784</u>	<u>6,195</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>26,197</u>	<u>3,563,410</u>
LIABILITIES									
Total Liabilities	2,088	-	2,784	6,195	-	1	-	26,197	3,563,410
TOTAL LIABILITIES	<u>\$ 2,088</u>	<u>\$ -</u>	<u>\$ 2,784</u>	<u>\$ 6,195</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 26,197</u>	<u>\$ 3,563,410</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS – REGULATORY BASIS
AS OF DECEMBER 31, 2020

	Collector Accounts	Sheriff's Accounts	Law Library	Prosecuting Attorney	Overplus Fund	Capital School Fund	Ambulance Fund	School Fund	Unclaimed Fees Fund
ASSETS									
Cash and Cash Equivalents	\$ 2,636,906	\$ 2,059	\$ -	\$ -	\$ 62,665	\$ 5,093	\$ 1	\$ 45	\$ 1,816
TOTAL ASSETS	<u>2,636,906</u>	<u>2,059</u>	<u>-</u>	<u>-</u>	<u>62,665</u>	<u>5,093</u>	<u>1</u>	<u>45</u>	<u>1,816</u>
LIABILITIES									
Total Liabilities	2,636,906	2,059	-	-	62,665	5,093	1	45	1,816
TOTAL LIABILITIES	<u>\$ 2,636,906</u>	<u>\$ 2,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,665</u>	<u>\$ 5,093</u>	<u>\$ 1</u>	<u>\$ 45</u>	<u>\$ 1,816</u>

	Recorder Account	Healthcenter Fund	Sweetwater Cemetery	Country Retireme nt Fund	Library Fund	Sheltered Workshop	Senior Services	Total Agency Funds
ASSETS								
Cash and Cash Equivalents	\$ 2,769	\$ 1	\$ 3,200	\$ 6,067	\$ 1	\$ 2	\$ -	\$ 2,720,625
TOTAL ASSETS	<u>2,769</u>	<u>1</u>	<u>3,200</u>	<u>6,067</u>	<u>1</u>	<u>2</u>	<u>-</u>	<u>2,720,625</u>
LIABILITIES								
Total Liabilities	2,769	1	3,200	6,067	1	2	-	2,720,625
TOTAL LIABILITIES	<u>\$ 2,769</u>	<u>\$ 1</u>	<u>\$ 3,200</u>	<u>\$ 6,067</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2,720,625</u>

See notes to Financial Statements

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Reynolds, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1845 by an Act of the Missouri Territory. In addition to the three Commissioners, there are ten elected Constitutional Officers: Assessor, County Clerk, Collector, Coroner, Treasurer, Circuit Clerk, Recorder of Deeds, Sheriff, Prosecuting Attorney, and Public Administrator.

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

B. Basis of Presentation

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

Governmental resources are allocated to and accounted for in individual funds based on 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:

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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 the determination of and changes in financial position rather than upon net income.

Fiduciary Fund Types

Agency - Agency 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. Agency funds are accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of the 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

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

a. Basis of Accounting

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.

b. Budget and Budgetary Accounting

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

- i. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
- ii. 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.
- iii. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget included estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed the 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.
- iv. 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.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

b. Budget and Budgetary Accounting-continued

- v. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
- vi. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Adjustments made during the year are reflected in the budget information in the financial statements.
- vii. 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.
- viii. 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.

II. PROPERTY TAXES

Property taxes attach as an enforceable lien on the 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 years 2020 and 2021, for purposes of taxation, was:

	2021	2020
Real Estate	\$134,455,597	\$ 133,657,702
Personal Property	35,586,311	33,762,936
Railroad and Utilities	7,459,954	7,288,781
Total	<u>\$177,501,862</u>	<u>\$ 174,709,419</u>

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

II. Property Taxes - continued

During 2021 and 2020, the County Commission approved a \$0.89 and \$0.88, respectively, tax levy per \$100 of assessed valuation of tangible taxable property, for purposes of County taxation, as follows:

	2021	2020
General Revenue Fund	\$ 0.3984	\$ 0.4127
Road and Bridge Fund	0.3500	0.3500
Senate Bill 40	0.1000	0.1000
Senior Services Fund	0.0300	0.0300
Total	<u>\$ 0.8784</u>	<u>\$ 0.8927</u>

III. Cash and Investments

Deposits and investments are stated at cost, which approximates the 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 fund's 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, 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 V.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

IV. 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.

V. CASH AND INVESTMENTS

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" 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, and 2020, the carrying amount of the County's deposits was \$7,468,006 and \$5,895,857, and the bank balances were \$7,607,289 and \$6,151,745, respectively. The total bank balances as of December 31, 2021, and December 31, 2020, 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 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	\$ 3,904,596
Total Governmental Funds	<u>3,904,596</u>

Statement of Assets and Liabilities Arising
from Cash transactions - Agency Funds:

Deposits and Cash Equivalents	\$ 3,563,410
Total Agency Funds	<u>3,563,410</u>
Total Deposits and Cash Equivalents	<u><u>\$ 7,468,006</u></u>

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

V. CASH AND INVESTMENTS -continued

The carrying values of deposits shown above are included in the financial statements at December 31, 2020, as follows:

Statements of Receipts, Disbursements, and Changes in Cash Balances:

Deposits and Cash Equivalents	\$ 3,175,232
Total Governmental Funds	<u>3,175,232</u>

Statement of Assets and Liabilities Arising
from Cash transactions - Agency Funds:

Deposits and Cash Equivalents	\$ 2,720,625
Total Agency Funds	<u>2,720,625</u>
Total Deposits and Cash Equivalents	<u><u>\$ 5,895,857</u></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 investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2021, and December 31, 2020.

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.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

V. CASH AND INVESTMENTS -continued

The concentration of Investment Credit Risk

The 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). The County has no policy in place to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. The County's investments were not exposed to a concentration of investment credit risk for the years ended December 31, 2021, and 2020.

VI. INTERFUND TRANSFERS

There were no transfers made for the years ending December 31, 2021, and 2020.

VII. 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 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.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

VII. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) - continued

B. Plan Description

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 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.

C. 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 2% 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 are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Total contributions remitted to CERF for the years ended December 31, 2021, and 2020 were \$144,735.76 and \$134,916.37 respectively.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

VIII. 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 did not have any COBRA participants at December 31, 2021, and December 31, 2020.

IX. 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 the administration of this plan. The County has contributed \$3,366.00 and \$3,646.50, respectively, for the years, ended December 31, 2021, and 2020.

X. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County was involved in pending litigation as of the audit report date. The County's attorneys are vigorously defending the County in these matters. County management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the County.

B. Compensated Absences

The County provides employees with up to four weeks of paid vacation based on the number of years of continuous service. This ranges from getting one week after the first year of service, and four weeks after fifteen years of service. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable. County employees receive two personal days when they start, after one year they get six days. An employee is not reimbursed for an unused personal time upon termination of employment. These have not been subjected to auditing procedures.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

XI. CLAIMS COMMITMENTS AND CONTINGENCIES - continued

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.

XII. 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 participating 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 their 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.

XIII. 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 were evaluated through March 13, 2023, the date the financial statements were be available issued. o There were no subsequent events report as of the audit report date.

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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 and
Officeholders of Reynolds County, 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 Reynolds 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 – Agency Funds – Regulatory Basis as of December 31, 2020, and 2021, and the related Statement of Receipts, Disbursements, and Changes in Cash Balances – Budget and Actual – Governmental Funds – Regulatory Basis as of and for the years ended December 31, 2020, and 2021, and the related notes to the financial statements, which collectively comprise the County's basis financial statement, and have issued our report thereon dated March 13, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Reynolds County, Missouri'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 Reynolds County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Reynolds 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2020 & 2021-001 that we consider to be significant deficiency.

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REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS* - continued

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Reynolds 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 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 item 2021 & 2020-001.

Reynolds County, Missouri's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on Reynolds County, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Reynolds County, Missouri'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.

CRWilliams & Associates LLC

St. Louis, Missouri
March 13, 2023

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

To the County Commissioner
Reynolds County, Missouri

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

We have audited Reynolds 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 Reynolds County, Missouri's major federal programs for the year ended December 31, 2021, and 2020. Reynolds 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, Reynolds County, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on *ALN 21.019 Coronavirus Relief Fund* for the year ended December 31, 2021, and 2020.

Basis for Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Auditor's Responsibilities for the Audit of the Compliance section of our report.

We are required to be independent of Reynolds 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 Reynolds County, Missouri's compliance with the compliance requirements referred to above.

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

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 grants agreements applicable to Reynolds 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 Reynolds 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 generally accepted auditing standards, *Government Auditing Standards*, and 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 Reynolds County, Missouri'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 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 Reynolds 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 Reynolds 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 Reynolds County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

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

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.

CRWilliams & Associates LLC

St. Louis, Missouri
March 13, 2023

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Federal Assistance Listing Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Amount Sent to Subrecipients</u>
20.205	U. S. DEPARTMENT OF TRANSPORTATION Passed through State: Highway and Transportation Commission - Highway Planning and Const.	BRO - B0009(009)	444,470	-
21.019	United States Department of Treasury Direct programs: Coronavirus Relief Fund	N/A	119,374	8,808
TOTAL			<u>\$ 563,844</u>	<u>\$ 8,808</u>

See notes to the schedule of expenditures of federal awards

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Total Federal Expenditures	Amount Sent to Subrecipients
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state:			
	Office of Administration -			
10.665	Schools	R1, R2, R3	\$ 182,114	182,114
10.665	Title III Project	N/A	23,018	23,018
10.665	Road & Bridge	FR-2018-18	60,705	60,705
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
	Passed through state:			
	Department of Economic Development -			
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-16-DC-29-001	32,560	-
	Department of Interior			
15.226	PILT (payment in lieu of taxes)	P.L.116-94	213,497	-
U.S. DEPARTMENT OF JUSTICE				
	Passed through:			
	State Department of Public Safety -			
16.575	Crime Victim Assistance	2017-VA-GX-0035	41,340	-
	Missouri Sheriffs' Association -			
12.U01	Corp Deputy	W9127S20P0101	16,159	-
12.U01	Forest Meth	18-LE-11090500-031	2,775	-
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state:			
	Highway and Transportation Commission -			
20.205	Highway Planning and Const.	BRO - B0009(009)	295,016	-
20.607	DWI Enforcement Grants	19-154-AL-131	560	-
UNITED STATES DEPARTMENT OF TREASURY				
	Direct programs:			
21.019	Coronavirus Relief Fund	N/A	693,610	286,939
ELECTION ASSISTANCE COMMISSION				
	Passed through the Office of Secretary of State -			
90.404	HAVA Cares Grant 2020	N/A	9,714	-
TOTAL			\$ 1,571,067	552,775

See notes to the schedule of expenditures of federal awards

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEARS ENDED DECEMBER 31, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the County of Reynolds under programs of the federal government for the year ended December 31, 2020. 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 Reynolds, it is not intended to and does not present the financial position, changes in net assets, or cash flows, of the County of Reynolds.

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

NOTE 4 – SUBRECIPIENTS

During the year ended December 31, 2021 the County provided \$8,808 in federal awards to sub-recipients for the Schools Grants to States under Federal Assistance Listing Number 21.019.

During the year ended December 31, 2020, the County provided \$265,836, in federal awards to sub-recipients for the Schools, Title III Project and Roads – Grants to States under Federal Assistance Listing Number 10.665 and \$286,939, in federal awards to sub-recipients for the Schools Grants to States under Federal Assistance Listing Number 21.019.

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

The County received donated face masks, hand sanitizer, protective gloves and disinfected wipes from the State of Missouri during 2021 and 2020.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021 and 2020

II. FINANCIAL STATEMENT FINDINGS

Significant Deficiency and Noncompliance

2021 & 2020-001: Budgetary Policies Noncompliance

Condition: During our audit for December 2021 and 2020, we noted the following budgetary noncompliance:

1. The County did not allocate a budget for the Matching grant in 2020 (*repeat finding in 2019*), and FEMA fund for the year 2021 and 2020 (*repeat finding in 2019*).
2. The County actual expenditures exceeded the budget for the following funds:
 - a. Inmate Security Fund -(2020 & 2021)
 - b. Senior Services Fund - (2020)
 - c. Sherriff's Civil Fee Fund- (2020)
 - d. Senate Bill 40 Fund – (2021 and 2020)
 - e. Sherriff's Revolving Fund- (2020)
 - f. County Law Enforcement Restitution Fund- (2021)
 - g. Election Services Fund – (2020)
 - h. Tax Maintenance Fund- (2020)
 - i. Matching Grant Fund- (2021)
 - j. COVID-19 ARPA Fund (2021 & 2020)

Criteria:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund. Adoption of a formal budget is required by law.
2. Section 50.740 RSMo prohibits expenditures in excess of approved budget.

Cause: There is a significant deficiency in the budgetary system in the County. In addition, the County has poor budgetary control.

Effect: These conditions were a violation of the budgetary policies. These will lead to overspending of funds and misappropriation of assets.

Recommendation: We recommend that the County strictly adheres to the internal budgetary control procedures and the statutory requirements established for the State of Missouri. It is also recommended that the budgetary system be regularly reviewed.

Management Response: Going forward our office will have better records of any and all amendments made. See page 44 to see more on client response.

THE COUNTY OF REYNOLDS
CENTERVILLE, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

II. FEDERAL AWARD FINDINGS AND QUESTIONED COST

There were no Federal Award Findings and Questioned Costs for the year ended December 31, 2021 and 2020.

REYNOLDS COUNTY, MISSOURI
SCHEDULE OF PRIOR YEARS' FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021, and 2020

- A. For the year ending December 31, 2019, the Matching Grant Fund did not have a budget. – UNRESOLVED
- B. For the year ending December 31, 2018, the FEMA fund did not have a budget. This was mandated by FEMA to have a non-interest-bearing account to receive FEMA funds late in the year. This money was, however, budgeted under the Special Road and Bridge Fund. – UNRESOLVED.
- C. For the year ending December 31, 2018, the Title III fund did not have a budget prepared. - RESOLVED

Alicia Baker

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PO Box 10
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PHONE (573)648-2494
FAX (573)648-2449
Email: reynolds@sos.mo.gov

Cheryl White
Deputy Clerk

Donelle Santhuff
Secretary

Management Response on Findings 2021 & 2020-002: Budgetary Policies Noncompliance

- 1) The county opened a matching grant fund and took \$100,000.00 from County Revenue and \$100,000.00 from Road & Bridge. The funds are not used until a grant has been approved. Covid 19/Cares Act Funds was received May 2020 and there was no budget amended for the income. In 2021 the county amended the budget on the income in the amount of \$608,937.00 and the expense amount of \$345,938.71. For 2021 there was no FEMA funds. In 2020 the county received income of \$1,535,084.43 for the 2019 floods.
- 2) **a:** Inmate security fund should have been amended/county over spent in 2020 \$7570.91 & in 2021 \$3,010.25
b: Senior Services fund received \$669.57 more than estimated.
c: The county over spent \$245.77
d: The Senate Bill 40 for 2021 income was \$18,673.62 more than budgeted.
e: The Sherriff's Revolving Fund was over budgeted \$2319.25
f: The county restitution fund 2021 was under budgeted \$21.40
g: The election services fund we received for 2020 \$34,194.67 and with expended \$30,086.73. In May of 2020 we received \$29,213.48 for the Mo Cares Act and we actually refunded \$19,499.34 back to the Secretary of States Office.
h: on the Tax Maintenance fund we were under budget \$14.21 for 2020.
i: On the matching grant fund we budgeted \$25,000 and we spent \$25,838.80 over spending by \$838.80.

Also see attached budget amendments and commission court records.

Going forward our office will take better records of any and all amendments made.



Alicia Baker
Reynolds County Clerk