

Taney County, Missouri
Basic Financial Statements
Year Ended December 31, 2020

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Taney County Commission
Taney County
Forsyth, Missouri

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Taney County, Missouri, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the component unit financial statements of the Developmentally Disabled Board, Dorgan Weaver Housing Corporation, Combs-Redfern Apartments, Inc., Tantone Industries, Inc., and Dignity Now Inc.. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, based on our report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information, as of December 31, 2020, and the respective changes in modified cash basis financial position and cash flows thereof where applicable, for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

As described in Note 1, Taney County prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Taney County, Missouri's basic financial statements. The Management's Discussion and Analysis and budgetary comparison information, which are the responsibility of management, are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Taney County, Missouri's basic financial statements. The Combining Nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The Combining Nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate 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 additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are 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 August 19, 2021, on our consideration of Taney County'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 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 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 Taney County's internal control over financial reporting and compliance.

Handwritten signature in black ink that reads "KPM CPAs, PC". The letters are cursive and slanted to the right.

KPM CPAs, PC
Springfield, Missouri
August 19, 2021

Management's Discussion and Analysis

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

Our discussion and analysis of Taney County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2020, within the limitations of the County's modified cash basis of accounting. Please read it in conjunction with the County's financial statements.

Financial Highlights

The overall net position of the County decreased by \$3,098,329.

The fund balance for the General Fund increased by \$24,417.

The total increase between both Road and Bridge Funds was \$895,313.

In 2020 Taney County received less sales tax revenues than what was projected for the budget year.

Using this Annual Report

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34 as applicable to the County's modified cash basis of accounting.

Report Components

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances.

Fund Financial Statements

Fund financial statements focus on the individual parts of the County government. Fund financial statements also report the County operations in more detail than the government-wide statements by providing information about the County's major funds. These statements tell how these services were financed in the short term as well as what remains for future spending.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Supplementary Information

This Management's Discussion and Analysis, pension information and the budgetary comparison schedules represent additional financial information. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as "the basic financial statements").

Other Reporting Requirements

This part of the annual report includes optional financial information, which includes the combining statements for the County's nonmajor funds and reports required by the Federal Government. This other financial information is provided to address certain needs of various users of the County's annual report.

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

Basis of Accounting

The County has elected to present its financial statements on the modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Basis of accounting is a reference to *when* financial events are recorded, such as the timing for recognizing receipts, disbursements, and their related assets and liabilities. Under the County's modified cash basis of accounting, receipts and disbursements and the related assets are recorded when they result from cash transactions. The modification to the cash basis relates to the presentation of investments.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenue (such as accounts receivable billed or services provided not yet collected) and liabilities and their related expenses (such as accounts payable and expenses for goods and services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Government-wide Statement of Net Position and the Statement of Activities

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?". The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all of the County's assets resulting from the use of the modified cash basis of accounting.

The statements report the County's net position and changes in it. Over time, increases and decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. However, the reader will need to consider other non-financial factors, such as changes in the County tax base, and the condition of the County's facilities, to assess the overall health of the County.

The Statement of Activities is presented by its governmental functions which include general government, judicial, public safety, public works, health and welfare, highway and roads, other activities and transfer station. The Statement of Activities shows the net cost of these functions before considering the general receipts of the County.

Fund Financial Statements

The fund financial statements provide detailed information about the County's funds. These funds are required to be established by state law and by bond covenants. These fund financial statements help the reader to determine whether there are more or fewer financial resources that can be spent in the near future for County programs.

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

Governmental Funds: Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

Proprietary Funds: When the County charges customers for the services it provides – whether to outside customers or to other units of the County – these services are generally reported in proprietary funds.

Financial Analysis of the County as a Whole

Net Position – Modified Cash Basis

	December 31,	
	2020	2019
Assets		
Cash and investments	\$ 32,212,467	\$ 35,310,796
Total Assets	<u>\$ 32,212,467</u>	<u>\$ 35,310,796</u>
Net Position		
Restricted	\$ 25,968,309	\$ 28,650,708
Unrestricted	6,244,158	6,660,088
Total Net Position	<u>\$ 32,212,467</u>	<u>\$ 35,310,796</u>

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

Changes in Net Position – Modified Cash Basis

	Year Ended December 31,	
	2020	2019
Receipts		
Program Receipts		
Charges for services	\$ 7,140,483	\$ 6,172,776
Operating grants and contributions	6,809,862	158,202
Capital grants and contributions	360,411	1,214,919
General Receipts		
Sales tax receipts	25,327,884	27,210,904
Motor vehicle sales tax	1,287,987	1,356,780
Other taxes	683,227	796,250
Interest	616,353	590,661
Other receipts	856,996	432,410
Total Receipts	43,083,203	37,932,902
Disbursements		
General government	6,675,690	6,848,914
Judicial	1,344,297	1,292,248
Health and wellness	3,559,961	-
Public safety	5,838,252	6,029,380
Public works	50,000	50,000
Highway and roads	8,729,558	9,118,274
Airport	380,837	1,674,469
Sewer	14,214,393	9,288,524
Debt service	1,529,690	1,529,690
Other	1,637,588	1,219,889
Transfer station	2,221,266	1,388,321
Total Disbursements	46,181,532	38,439,709
Increase (Decrease) in Net Position	\$ (3,098,329)	\$ (506,807)

Overall receipts of the County increased by \$5,150,301 from the prior year. Tax revenues were down \$2,064,836 and charges for services were up \$967,707. Overall disbursements of the County were up \$7,741,823.

Financial Analysis of the County's Funds

Certain funds experienced noteworthy changes from the prior year and are highlighted as follows:

- The General Fund balance increased by \$24,417 for the year ended December 31, 2020.
- The Road and Bridge Trust Fund increased by \$984,690.

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

- The Law Enforcement Sales Tax Fund increased by \$153,083, which increased the fund balance to \$1,276,054 as of December 31, 2020.
- County Sewer Sales Tax Fund decreased \$6,415,602, which decreased the fund balance to \$7,821,588.

Financial Analysis Budget Versus Actual Results – General Fund

	Budget		Actual
	Original	Final	
Receipts			
Taxes	\$ 8,628,000	\$ 8,628,000	\$ 7,899,479
Commissions	750,000	750,000	772,258
Licenses and permits	85,900	85,900	77,551
Intergovernmental receipts	321,000	971,000	260,917
Fees and charges	2,302,500	2,302,500	2,776,288
Other	273,500	273,500	244,440
Total Receipts	<u><u>\$ 12,360,900</u></u>	<u><u>\$ 13,010,900</u></u>	<u><u>\$ 12,030,933</u></u>
Disbursements			
General government	\$ 5,932,691	\$ 5,932,691	\$ 5,753,396
Judicial	1,910,070	1,910,070	1,288,715
Public safety	4,674,501	4,674,501	4,601,117
Public works	50,000	50,000	50,000
Other	2,113,700	2,763,700	1,637,588
Airport	716,400	716,400	380,837
Total Disbursements	<u><u>\$ 15,397,362</u></u>	<u><u>\$ 16,047,362</u></u>	<u><u>\$ 13,711,653</u></u>

The County has always budgeted so that if there is a need that arises they are covered without having to revisit the budget process. The Commission has determined to do a better job of budgeting what we will have as a fund balance to carry forward, but there are several of the minor funds that are controlled by other elected officials and it makes sense to budget and appropriate the entire amount in those funds in case they are needed by those officials. We, as a County, have done a better job of applying expenses when they are actually expended instead of using a contingency fund as an expense line. This should make the County's budget more accurate and help the County use it as a tool for controls.

Taney County

Management's Discussion and Analysis

Year Ended December 31, 2020

Economic Factors and Next Year's Budget

The COVID-19 pandemic economically impacted Taney County in 2020. Taney County's economy was affected mightily with businesses being shut down or required to have limited operations during the COVID-19 pandemic. Without our businesses being in full operation, the County was impacted with receiving lower sales tax revenues than what was budgeted for the 2020 Budget year.

The COVID-19 pandemic will continue to impact Taney County's Budget for 2021. Just how detrimental is unforeseen at this time. With more knowledge about the pandemic and vaccines being available to our country, Taney County should be able to increase business operations, which would significantly improve the sales tax revenues and improve the economy.

In August of 2020, Taney County Citizens passed a new Law Enforcement Tax to help with the ever increasing services needed to protect and serve the people with Law Enforcement and Judicial services. The new Law Enforcement Tax will provide increased services within the Prosecutor, Juvenile and Sheriff Departments. This will help the county support the additional output for these needed services in our County for 2021 Budget year.

There are a few major capital improvement projects that will take place in 2021. One of these capital improvements will be the repair to the county parking garage. Another capital improvement is the sewer system project in Venice on the Lake. These capital improvements and more will help improve the structure of the county and continue to improve the economy.

Contacting the County's Financial Management

You may contact the Auditor's office for more information by phone at (417) 546-7215 or by mail at:

P.O. Box 1606
Forsyth, MO 65653

Taney County

Statement of Net Position – Modified Cash Basis

December 31, 2020

	Primary Government			Component Units						
	Governmental	Business-Type	Total	Taney County Regional	Taney County Health Center	Develop- mentally Disabled Board	Dorgan-Weaver Housing Corporation	Combs-Redfern Apartments Inc.	Tantone Industries Inc.	Dignity Now Inc.
	Activities	Activities		Sewer District	Health Center	Disabled Board	Corporation	Apartments Inc.	Industries Inc.	Dignity Now Inc.
Assets										
Cash and investments	\$ 31,488,498	\$ 723,969	\$ 32,212,467	\$ 6,345,208	\$ 1,642,154	\$ 1,482,260	\$ 106,825	\$ 72,130	\$ 147,436	\$ 67,238
Total Assets	<u>\$ 31,488,498</u>	<u>\$ 723,969</u>	<u>\$ 32,212,467</u>	<u>\$ 6,345,208</u>	<u>\$ 1,642,154</u>	<u>\$ 1,482,260</u>	<u>\$ 106,825</u>	<u>\$ 72,130</u>	<u>\$ 147,436</u>	<u>\$ 67,238</u>
Net Position										
Restricted	\$ 25,968,309	\$ -	\$ 25,968,309	\$ 3,599,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,520,189	723,969	6,244,158	2,745,298	1,642,154	1,482,260	106,825	72,130	147,436	67,238
Total Net Position	<u>\$ 31,488,498</u>	<u>\$ 723,969</u>	<u>\$ 32,212,467</u>	<u>\$ 6,345,208</u>	<u>\$ 1,642,154</u>	<u>\$ 1,482,260</u>	<u>\$ 106,825</u>	<u>\$ 72,130</u>	<u>\$ 147,436</u>	<u>\$ 67,238</u>

See accompanying notes to the financial statements.

Taney County

Statement of Activities – Modified Cash Basis

Year Ended December 31, 2020

Functions/Programs	Primary Government						
	<u>Disbursements</u>	Program Receipts			Net (Disbursements), Receipts and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General government	\$ (6,675,690)	\$ 2,647,221	\$ 85,883	\$ 14,956	\$ (3,927,630)	\$ -	\$ (3,927,630)
Judicial	(1,344,297)	203,927	11,414	-	(1,128,956)	-	(1,128,956)
Health and wellness	(3,559,961)	-	6,561,471	-	3,001,510	-	3,001,510
Public safety	(5,838,252)	1,679,776	98,131	-	(4,060,345)	-	(4,060,345)
Public works	(50,000)	-	-	-	(50,000)	-	(50,000)
Highway and roads	(8,729,558)	-	51,563	199,804	(8,478,191)	-	(8,478,191)
Airport	(380,837)	425,440	-	145,651	190,254	-	190,254
Sewer	(14,214,393)	-	-	-	(14,214,393)	-	(14,214,393)
Debt service	(1,529,690)	-	-	-	(1,529,690)	-	(1,529,690)
Other	(1,637,588)	79,240	1,400	-	(1,556,948)	-	(1,556,948)
Total Governmental Activities	<u>(43,960,266)</u>	<u>5,035,604</u>	<u>6,809,862</u>	<u>360,411</u>	<u>(31,754,389)</u>	<u>-</u>	<u>(31,754,389)</u>
Business-Type Activities							
Transfer station	(2,221,266)	2,104,879	-	-	-	(116,387)	(116,387)
Total Business-Type Activities	<u>(2,221,266)</u>	<u>2,104,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(116,387)</u>	<u>(116,387)</u>
Total Primary Government	<u><u>\$ (46,181,532)</u></u>	<u><u>\$ 7,140,483</u></u>	<u><u>\$ 6,809,862</u></u>	<u><u>\$ 360,411</u></u>	<u>(31,754,389)</u>	<u>(116,387)</u>	<u>(31,870,776)</u>

See accompanying notes to the financial statements.

Taney County

Statement of Activities – Modified Cash Basis

Year Ended December 31, 2020

Component Units	<u>Disbursements</u>	Program Receipts			Primary Government Net (Disbursements), Receipts, and Changes in Net Position		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Taney County Regional Sewer District	\$ (13,505,112)	\$ 1,959,072	\$ 11,652,437	\$ -			
Taney County Health Center	(3,330,779)	734,387	1,147,380	-			
Developmentally Disabled Board	(2,831,918)	1,877,991	56,050	-			
Dorgan-Weaver Housing Corp.	(67,395)	75,433	-	-			
Combs-Redfern Apartments Inc.	(67,831)	81,152	-	-			
Tantone Industries, Inc.	(518,160)	246,167	311,663	-			
Dignity Now, Inc.	(319)	-	5,533	-			
Total Component Units	<u><u>\$ (20,321,514)</u></u>	<u><u>\$ 4,974,202</u></u>	<u><u>\$ 13,173,063</u></u>	<u><u>\$ -</u></u>			
General Receipts, Lease Proceeds and Transfers							
Ad valorem taxes				-	-	-	
Sales taxes				25,327,884	-	25,327,884	
Motor vehicle sales taxes and gas taxes				1,287,987	-	1,287,987	
Other taxes				683,227	-	683,227	
Interest				599,268	17,085	616,353	
Other receipts				751,339	105,657	856,996	
Lease Proceeds				-	-	-	
Transfers				389,941	(389,941)	-	
Total General Receipts, Lease Proceeds and Transfers				<u>29,039,646</u>	<u>(267,199)</u>	<u>28,772,447</u>	
<i>Increase (Decrease) in Net Position</i>				(2,714,743)	(383,586)	(3,098,329)	
Net Position, Beginning of year				34,203,241	1,107,555	35,310,796	
Net Position, End of year				<u><u>\$ 31,488,498</u></u>	<u><u>\$ 723,969</u></u>	<u><u>\$ 32,212,467</u></u>	

See accompanying notes to the financial statements.

Taney County

Statement of Activities – Modified Cash Basis

Year Ended December 31, 2020

	Component Units						
	Net (Disbursements), Receipts, and Changes in Net Position						
	Taney County Regional Sewer District	Taney County Health Center	Develop- mentally Disabled Board	Dorgan-Weaver Housing Corporation	Combs-Redfern Apartments Inc.	Tantone Industries Inc.	Dignity Now Inc.
Component Units							
Taney County Regional Sewer District	\$ 106,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taney County Health Center	-	(1,449,012)	-	-	-	-	-
Developmentally Disabled Board	-	-	(897,877)	-	-	-	-
Dorgan-Weaver Housing Corp.	-	-	-	8,038	-	-	-
Combs-Redfern Apartments Inc.	-	-	-	-	13,321	-	-
Tantone Industries, Inc.	-	-	-	-	-	39,670	-
Dignity Now, Inc.	-	-	-	-	-	-	5,214
Total Component Units	<u>106,397</u>	<u>(1,449,012)</u>	<u>(897,877)</u>	<u>8,038</u>	<u>13,321</u>	<u>39,670</u>	<u>5,214</u>
General Receipts, Lease Proceeds and Transfers							
Ad valorem taxes	-	1,546,136	1,105,097	-	-	-	-
Sales taxes	-	-	-	-	-	-	-
Motor vehicle sales taxes and gas taxes	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Interest	63,661	9,442	5,901	146	57	-	50
Other receipts	50,661	117,252	274,937	3,616	4,094	-	-
Lease Proceeds	2,000,000	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Total General Receipts, Lease Proceeds and Transfers	<u>2,114,322</u>	<u>1,672,830</u>	<u>1,385,935</u>	<u>3,762</u>	<u>4,151</u>	<u>-</u>	<u>50</u>
<i>Increase (Decrease) in Net Position</i>	2,220,719	223,818	488,058	11,800	17,472	39,670	5,264
Net Position, Beginning of year	4,124,489	1,418,336	994,202	95,025	54,658	107,766	61,974
Net Position, End of year	<u>\$ 6,345,208</u>	<u>\$ 1,642,154</u>	<u>\$ 1,482,260</u>	<u>\$ 106,825</u>	<u>\$ 72,130</u>	<u>\$ 147,436</u>	<u>\$ 67,238</u>

See accompanying notes to the financial statements.

Taney County

Balance Sheet – Governmental Funds – Modified Cash Basis

December 31, 2020

	Special Revenue Funds						Nonmajor Special Revenue Funds	Total Governmental Funds
	General Fund	Road & Bridge Trust Fund	Road & Bridge Fund	Law Enforcement Sales Tax Fund	County Sewer Sales Tax Fund	Coronavirus Fund		
Assets								
Cash and investments	\$ 5,140,142	\$ 11,371,206	\$ 1,599,267	\$ 1,276,054	\$ 7,821,588	\$ 2,572,592	\$ 1,707,649	\$ 31,488,498
Total Assets	<u>\$ 5,140,142</u>	<u>\$ 11,371,206</u>	<u>\$ 1,599,267</u>	<u>\$ 1,276,054</u>	<u>\$ 7,821,588</u>	<u>\$ 2,572,592</u>	<u>\$ 1,707,649</u>	<u>\$ 31,488,498</u>
Fund Balances								
Restricted for								
Road and Bridge	\$ -	\$ 11,371,206	\$ 1,599,267	\$ -	\$ -	\$ -	\$ -	\$ 12,970,473
Public Safety	-	-	-	1,276,054	-	-	389,964	1,666,018
Sewer	-	-	-	-	7,821,588	-	-	7,821,588
Health and Welfare	-	-	-	-	-	2,572,592	-	2,572,592
Elections	-	-	-	-	-	-	59,080	59,080
Recorder	-	-	-	-	-	-	463,617	463,617
Judicial	-	-	-	-	-	-	285,766	285,766
Tax maintenance	-	-	-	-	-	-	129,175	129,175
Assigned to								
Assessment Fund	-	-	-	-	-	-	380,047	380,047
Unassigned	5,140,142	-	-	-	-	-	-	5,140,142
Total Fund Balances	<u>\$ 5,140,142</u>	<u>\$ 11,371,206</u>	<u>\$ 1,599,267</u>	<u>\$ 1,276,054</u>	<u>\$ 7,821,588</u>	<u>\$ 2,572,592</u>	<u>\$ 1,707,649</u>	<u>\$ 31,488,498</u>

See accompanying notes to the financial statements.

Taney County

Statement of Receipts, Disbursements, and Changes In Fund Balance – Governmental Funds – Modified Cash Basis

Year Ended December 31, 2020

	Special Revenue Funds						Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge Trust Fund	Road and Bridge Fund	Law Enforcement Sales Tax Fund	County Sewer Sales Tax Fund	Coronavirus Fund		
Receipts								
Taxes	\$ 7,899,479	\$ 7,695,227	\$ 1,287,987	\$ 2,239,271	\$ 7,695,101	\$ -	\$ 482,029	\$ 27,299,094
Collector's commission	772,258	-	-	-	-	-	-	772,258
Licenses and permits	77,551	-	-	-	-	-	-	77,551
Intergovernmental	260,917	217,307	51,563	-	-	6,595,323	89,259	7,214,369
Fees and charges	2,776,288	-	-	-	-	-	1,409,509	4,185,797
Other	244,440	634,572	111,173	12,522	205,448	-	98,358	1,306,513
Total Receipts	12,030,933	8,547,106	1,450,723	2,251,793	7,900,549	6,595,323	2,079,155	40,855,582
Disbursements								
General government	5,753,396	-	-	-	-	-	922,294	6,675,690
Judicial	1,288,715	-	-	-	-	-	55,582	1,344,297
Health and wellness	-	-	-	-	-	3,559,961	-	3,559,961
Public safety	4,601,117	-	-	569,020	-	-	668,115	5,838,252
Public works	50,000	-	-	-	-	-	-	50,000
Airport	380,837	-	-	-	-	-	-	380,837
Other	1,637,588	-	-	-	-	-	-	1,637,588
Highway and roads	-	7,527,454	1,202,104	-	-	-	-	8,729,558
Sewer	-	-	-	-	14,214,393	-	-	14,214,393
Debt service	-	-	-	1,529,690	-	-	-	1,529,690
Total Disbursements	13,711,653	7,527,454	1,202,104	2,098,710	14,214,393	3,559,961	1,645,991	43,960,266
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(1,680,720)	1,019,652	248,619	153,083	(6,313,844)	3,035,362	433,164	(3,104,684)
Other Financing Sources (Uses)								
Operating transfers in (out)	1,705,137	(34,962)	(337,996)	-	(101,758)	(462,770)	(377,710)	389,941
Total other Financing Sources (Uses)	1,705,137	(34,962)	(337,996)	-	(101,758)	(462,770)	(377,710)	389,941
<i>Excess (Deficit) of Receipts and Other Sources Over Disbursements and Other (Uses)</i>	24,417	984,690	(89,377)	153,083	(6,415,602)	2,572,592	55,454	(2,714,743)
Fund Balance, January 1	5,115,725	10,386,516	1,688,644	1,122,971	14,237,190	-	1,652,195	34,203,241
Fund Balance, December 31	\$ 5,140,142	\$ 11,371,206	\$ 1,599,267	\$ 1,276,054	\$ 7,821,588	\$ 2,572,592	\$ 1,707,649	\$ 31,488,498

See accompanying notes to the financial statements.

Taney County

Statement of Net Position – Proprietary Fund – Modified Cash Basis

December 31, 2020

	<u>Proprietary Fund Transfer Station Fund</u>
Assets	
Current Assets	
Cash and investments	\$ 723,969
Total Assets	<u>\$ 723,969</u>
Net Position	
Unrestricted	\$ 723,969
Total Net Position	<u>\$ 723,969</u>

See accompanying notes to the financial statements.

Taney County

Statement of Receipts, Disbursements, and Changes in Net Position – Proprietary Fund – Modified Cash Basis

Year Ended December 31, 2020

	Proprietary Fund
	Transfer Station Fund
Operating Receipts	
Charges for services	\$ 2,104,879
Total Operating Receipts	2,104,879
Operating Disbursements	
Salaries and employee benefits	639,528
Insurance	17,097
Supplies	150,979
Telephone and utilities	2,663
Repair and maintenance	177,216
Landfill services	567,594
Capital Outlay	653,889
Other	12,300
Total Operating Disbursements	2,221,266
<i>Operating (Loss)</i>	(116,387)
Nonoperating Receipts	
Interest receipts	17,085
Other receipts	105,657
Total Nonoperating Receipts	122,742
<i>Income Before Operating Transfers</i>	6,355
Operating transfers (out)	(389,941)
Net (Loss)	(383,586)
Net Position, January 1	1,107,555
Net Position, December 31	\$ 723,969

See accompanying notes to the financial statements.

Taney County

Statement of Cash Flows – Proprietary Fund – Modified Cash Basis

Year Ended December 31, 2020

	Enterprise Fund
	Transfer Station Fund
Cash Flows from Operating Activities	
Cash received from customers	\$ 2,210,536
Cash paid to suppliers	(1,581,738)
Cash paid to employees	(639,528)
Net Cash (Used) by Operating Activities	(10,730)
Cash Flows from Investing Activities	
Interest received	17,085
Net Cash Provided by Investing Activities	17,085
Cash Flows from Noncapital Financing Activities	
Transfers (to) other funds	(389,941)
Net Cash (Used) by Noncapital Financing Activities	(389,941)
<i>Net (Decrease) in Cash and Cash Equivalents</i>	(383,586)
Cash and Cash Equivalents, Beginning of year	1,107,555
Cash and Cash Equivalents, End of year	\$ 723,969
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating (loss)	\$ (116,387)
Adjustments to reconcile operating Income to net cash provided by operating activities:	
Other receipts	105,657
Net Cash (Used) by Operating Activities	\$ (10,730)

See accompanying notes to the financial statements.

Taney County

Statement of Net Position – Custodial Funds – Modified Cash Basis

December 31, 2020

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 26,581,696
Investments	128,425
Total Assets	<u>\$ 26,710,121</u>
Liabilities	
Due to others	\$ 507,138
Due to other governments	26,202,983
Total Liabilities	<u>26,710,121</u>
Net Position	
Unrestricted	-
Total Net Position	<u>\$ -</u>

See accompanying notes to the financial statements.

Taney County

Statement of Changes in Net Position – Custodial Funds – Modified Cash Basis

December 31, 2020

	<u>Custodial Funds</u>
Additions	
Collections	
Taxes for other governments	\$ 67,409,962
Fees	2,798,720
Interest	6,663
Total Additions	<u>70,215,345</u>
Deductions	
Distributions	
Taxes distributed to other governments	68,452,296
Distribution to others	1,763,049
Total Deductions	<u>70,215,345</u>
<i>Excess of Additions Over Deductions</i>	-
Net Position, beginning of year	-
Net Position, end of year	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

Taney County

Notes to the Financial Statements

December 31, 2020

1. Summary of Significant Accounting Policies

Taney County, Missouri (the County) is a county of the 1st class and operates under a three-member County Commission.

The accounting methods and procedures adopted by the primary government of Taney County, Missouri, conform to the modified cash basis of accounting as applied to governmental entities. The following is a summary of the more significant policies.

Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is accountable for the component unit and the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The County is a primary government, which is governed by a three member county commission. As required by accounting principles generally accepted in the United States of America, the County has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Component Units

Taney County Health Center

The Taney County Health Center, which is governed by an elected Board of Directors, provides public health services to the residents of Taney County. The Taney County Health Center is included in the financial statements of the County as a component unit due to its financial relationship with the County.

The Taney County Health Center issues separate financial statements. The Taney County Health Center's financial statements may be obtained by contacting the Center at (417) 546-4725.

Taney County Regional Sewer District

The Taney County Regional Sewer District (the District) is a public utility responsible for the construction, operation and maintenance of sanitary sewer facilities in the unincorporated portion of Taney County, Missouri. The District is a component unit of Taney County (the County) government, and members of the District's Board of Trustees are appointed by the County Commission.

The Capital Improvement Sales Tax revenues are provided by a countywide sales tax of one-half of one percent. Sales tax revenues are collected and accounted for by the County. The tax revenues are used for construction and improvement of wastewater collection and treatment and facilities benefiting the County as a whole and repayment of long-term debt for which the tax receipts are pledged.

Taney County

Notes to the Financial Statements

December 31, 2020

The Taney County Regional Sewer District issues separate financial statements that may be obtained by calling (417) 546-7221.

Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections

The Developmentally Disabled Board d.b.a. Developmental Connections, which is governed by a board of directors appointed by the County Commission, provides disability services to the residents of Taney County. The Developmentally Disabled Board d.b.a. Developmental Connections is included in the financial statements of the County as a component unit due to its financial relationship with the County.

The Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections issued separate financial statements that may be obtained by calling (417) 335-4135.

Dorgan-Weaver Housing Corporation

The Dorgan-Weaver Housing Corporation, which is governed by an appointed Board of Directors, provides housing to developmentally disabled residents of Taney County. The Dorgan-Weaver Housing Corporation is included in the financial statements of the County as a component unit due to its financial relationship with the Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections.

Combs-Redfern Apartments, Inc.

The Combs-Redfern Apartments, Inc., which is governed by an appointed Board of Directors, provides housing to developmentally disabled residents of Taney County. The Combs-Redfern Apartments, Inc. is included in the financial statements of the County as a component unit due to its financial relationship with the Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections.

Tantone Industries, Inc.

Tantone Industries, Inc., which is governed by an appointed Board of Directors, provides production employment opportunities to lower range educable and upper range trainable developmentally disabled residents of Taney County. Tantone Industries, Inc. is included in the financial statements of the County as a component unit due to its financial relationship with the Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections.

Dignity Now, Inc.

Dignity Now, Inc., which is governed by an appointed Board of Directors, provides services and support for children with developmental disabilities and their families. Dignity Now, Inc. is included in the financial statements of the County as a component unit due to its financial relationship with the Taney County Board for the Developmentally Disabled d.b.a. Developmental Connections.

Government-Wide Financial Statements

The government-wide statements display information about the primary government and its component units. Interfund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide Statement of Net Position, both the governmental and business-type activities are consolidated and presented on the modified cash basis of accounting.

Taney County

Notes to the Financial Statements

December 31, 2020

The government-wide Statement of Activities presents a comparison between direct disbursements and program receipts for each function of the County's governmental and business-type activities. Direct disbursements are those that are specifically associated with a program or a function. Program receipts include charges for goods or services offered by the programs and grants and contributions that are restricted to meet operating and capital disbursements of a particular program. Receipts that are not classified as program receipts, including all taxes, are presented as general receipts.

Fund Financial Statements

Separate fund financial statements report information on the County's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

The County reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Road and Bridge Trust Fund: The Road and Bridge Trust Fund of the County is used to account for resources restricted for highway and road disbursements.

Road and Bridge Fund: The Road and Bridge Fund of the County is used to account for motor vehicle and gas tax receipts designated for highway and road improvements.

Law Enforcement Sales Tax Fund: The Law Enforcement Sales Tax Fund of the County is used to account for resources restricted for law enforcement disbursements.

County Sewer Sales Tax Fund: The County Sewer Sales Tax Fund of the County is used to account for resources restricted for sewer related disbursements.

Coronavirus Fund: The Coronavirus Fund of the County is used to account for COVID-19 relief funds provided by the Treasury Department for navigating the impact of the COVID-19 outbreak.

The County also reports the following fund types:

Custodial Funds: Custodial funds account for miscellaneous assets held by the County for other funds, governmental units, and individuals. The custodial funds are custodial in nature and do not involve measurement of results of operations.

The County reports the following major proprietary fund:

Transfer Station Fund: The Transfer Station Fund of the County is used to account for the County's waste collection operations.

Taney County

Notes to the Financial Statements

December 31, 2020

Basis of Accounting

The government-wide Statement of Net Position and Statement of Activities and the fund financial statements are presented using the modified cash basis of accounting. This basis recognizes assets, net position/fund equity, receipts, and disbursements when they result from cash transactions. The cash basis has been modified to include investments of the County. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Also, as a result of the modified cash basis, capital assets and long-term debt are not presented in the financial statements.

If the County used the basis of accounting recognized as generally accepted, the fund financial statements for the governmental funds would use the modified accrual basis of accounting. All government-wide financial statements and proprietary fund financial statements would be presented on the accrual basis of accounting.

Cash and Investments

The County pools cash and investment resources of various funds in the County Treasurer's office in order to facilitate the management of cash and investments. Cash applicable to a particular fund is readily identifiable. Some County offices also hold cash and investments in their own separate bank accounts as required by state statute. The balance in the pooled cash account is available to meet current operating requirements. Investments of the County are carried at cost and include U.S. Government Agency obligations and Certificates of Deposit.

Fund Balance Classification

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources as follows:

Nonspendable fund balance: This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted fund balance: This classification reflects the constraints imposed on resources either a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Commission removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance: This classification reflects the amounts constrained by the County's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Taney County

Notes to the Financial Statements

December 31, 2020

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

In circumstances when a disbursement is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Net Position

In the government-wide financial statements, equity is displayed, when applicable, in two components as follows:

Restricted: This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted: This consists of net position that does not meet the definition of restricted.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the County first applies restricted net position.

Operating Receipts and Disbursements

Operating receipts and disbursements for the proprietary fund are those that result from providing services, producing and delivering goods and services. All other receipts and disbursements are considered non-operating.

Compensated Absences

The County has a county-wide policy on vacation and sick leave for all employees. Leave is taken at the discretion of each officeholder. The accumulated liability for compensated absences as of December 31, 2020, was \$270,846.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the County considers all accounts subject to withdrawal by check or on demand to be cash and cash equivalents. All other deposits are considered to be investments.

Net Patient Service Revenue

The Taney County Health Center has agreements with third-party payors that provide for payments to the Health Center at amounts different from its established rates. Services rendered to Medicaid program beneficiaries are reimbursed prospectively at the Medicaid per diem rate in effect with no settlement made on the difference between the interim per diem rates paid and actual costs.

Pensions

Financial reporting information included in the notes to the financial statements pertaining to the County's participation in the State of Missouri County Employees' Retirement Fund (CERF) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* as applicable to the County's modified cash basis of accounting

Taney County

Notes to the Financial Statements

December 31, 2020

Financial reporting information included in the notes to the financial statements pertaining to the County's participation in the Missouri Local Government Employees' Retirement System (LAGERS) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* as applicable to the County's modified cash basis of accounting

The financial statements were prepared using the modified cash basis of accounting. Therefore, employee and employer contributions are recognized when paid and the County's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

2. Cash & Investments

Primary Government

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the Statement of Net Position as "Cash and investments." In addition, investments are separately held by several of the County's funds. State statutes require that County deposits be fully collateralized in the name of the County. As of December 31, 2020, all bank balances on deposit were entirely insured or collateralized with securities.

County Investments

Statutes authorize the County to invest in investments that are:

Obligations of the U.S. government, the State of Missouri, this county; In bonds, bills, notes, debentures or other obligations guaranteed as to payment of principal and interest by the government of the United States or any agency or instrumentality thereof, or the State of Missouri; In revenue bonds of the County; In certificates of deposit; savings accounts as defined in Chapter 369, Revised Missouri Statutes; or in interest-bearing time deposits when such funds are held in U.S. banks; state banks; savings and loan associations operating under Chapter 369, Revised Missouri Statutes; or savings and loan associations authorized by the U.S. government so long as such deposits, savings accounts and interest-bearing deposits are secured by one or more of the types of securities described in subparagraphs (a), (b) or (c) of this section; Banker's acceptances issued by domestic commercial banks possessing the highest rating issued by a nationally recognized rating agency; Commercial paper issued by domestic corporations that has received the highest rating issued by a nationally recognized rating agency; or Investments permitted by the County that are authorized in the model investment policy prepared by the State of Missouri for political subdivisions.

The County's investments at December 31, 2020, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Taney County			
Certificates of Deposit	1/13/2021 - 12/27/2022	\$ 14,155,000	\$ 14,360,851
		<u>\$ 14,155,000</u>	<u>\$ 14,360,851</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counter party, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Certificates of deposit are

Taney County

Notes to the Financial Statements

December 31, 2020

classified as investments but are considered deposits for custodial risk determination. State statutes require that the County's deposits be collateralized in the name of the County by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2020, all Certificates of Deposit are entirely insured or collateralized with securities.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the County's investments will decrease as a result of increase in interest rates. The County will minimize the risk that the market value of fixed income securities in the portfolio will fall due to changes in the general interest rates by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for ongoing operations and by investing operating funds primarily in shorter term fixed income securities.

Taney County Regional Sewer District

State statutes require that the District's deposits be insured or collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2020, all bank balances on deposit are entirely insured or collateralized.

The District's investments at December 31, 2020, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
Certificate of Deposit	1/28/2021	<u>\$ 225,395</u>

Certificates of Deposit

Certificates of deposit are classified as investments but are considered deposits for custodial risk determination. State statutes require that the District's deposits be collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2020, all Certificates of Deposit are entirely insured or collateralized with securities. Certificates of deposit are held to maturity.

The District does not have a policy on interest rate risk.

Taney County Board for the Developmentally Disabled

State statutes require that the Board's deposits be insured or collateralized in the name of the Board by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2020, all bank balances on deposit are entirely insured or collateralized.

Investments of the Board as of December 31, 2020, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
Dignity Now Community Foundation of the Ozarks Investment Pool	N/A	<u>\$ 38,936</u>

Taney County

Notes to the Financial Statements

December 31, 2020

Certificates of Deposit

Certificates of deposit are classified as investments but are considered deposits for custodial risk determination. State statutes require that the Board's deposits be collateralized in the name of the Board by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2020, all Certificates of Deposit were insured or collateralized with securities.

Interest Rate Risk

The Board's certificates of deposit are held to maturity to minimize interest rate risk.

3. Claims, Judgments, & Contingencies

Federal and State Grants

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2020, significant amounts of grant disbursements have not been audited by grantor governments, but the County believes that disallowed disbursements, if any, based on subsequent audits, will not have a material effect on any of the individual government funds or the overall financial position of the County.

Legal Matters

There are a number of claims and/or lawsuits to which the County is a party as a result of certain injuries and various other matters and complaints arising in the ordinary course of County activities. The County's management and legal counsel anticipate that the potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.

4. Employee Pension Plan – CERF – Primary Government

State of Missouri County Employees' Retirement Fund

General Information about the Pension Plan

Plan Description. Taney County of Missouri's defined benefit pension plan provides certain retirement and death benefits to its members. The County participates in the State of Missouri County Employees' Retirement Fund (CERF). 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.

Taney County

Notes to the Financial Statements

December 31, 2020

CERF was established by an act of the Missouri General Assembly effective August 28, 1994 and administered in accordance with RSMo. 50.1000 – 50.1300. As such, it is CERF's responsibility to administer the law in accordance expressed intent of the General Assembly. The plan as amended through November 1, 2010 is in a form acceptable under the Internal Revenue Code. The responsibility for the operations and administration of CERF is vested in the CERF Board of Directors consisting of eleven members. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the CERF website at www.mocerf.org.

Benefits Provided. CERF provides retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service and who terminate employment after December 31, 1999 may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature.

Cost-of-Living Adjustments (COLA). Annual cost-of-living adjustments not to exceed 1% are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% and may be amended only by action of Missouri Legislature.

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, participated county employees hired on or after February 25, 2002 are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees.

Eligible employees of the employer contribute 4% to the pension plan. The employer did not elect to make all or a portion of the required 4% contribution on behalf of employees.

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
- Interest earned on investment of the above collections prior to remittance to CERF

Taney County

Notes to the Financial Statements

December 31, 2020

During 2020 and 2019 the County collected and remitted to CERF, employee contributions of \$286,867 and \$283,146, respectively, for the years then ended. The County's contributions to CERF were \$774,484 for the year ended December 31, 2020.

5. Employee Pension Plan – LAGERS – Primary Government

Missouri Local Government Employees Retirement System

General Information about the Pension Plan

Plan Description. Taney County's (which includes Taney County Health Department) defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The County participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly.

The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided. LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

<u>2020 Valuation</u>	
Benefit multiplier	2.00% for life
Final average salary	5 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms. At June 30, 2020, the following employees were covered by the benefit terms:

	<u>General</u>	<u>Police</u>	<u>Total</u>
Inactive employees or beneficiaries currently receiving benefits	144	38	182
Inactive employees entitled to but not yet receiving benefits	103	28	131
Active employees	231	43	274
	<u>478</u>	<u>109</u>	<u>587</u>

Taney County

Notes to the Financial Statements

December 31, 2020

Contributions. The employer is required to contribute amounts as least equal to the actuarially determined rate, as established by LAGERS using the individual entry-age actuarial method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contributions are 14.6% (General) and 16.5% (Police) of annual covered payroll.

During the year ended December 31, 2020 the County made contributions of \$1,289,995 and the Taney County Health Department made contributions of \$237,842.

6. Employee Pension Plan – LAGERS – Taney County Regional Sewer District

Missouri Local Government Employees Retirement System

General Information about the Pension Plan

Plan Description. The Taney County Regional Sewer District’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The Taney County Regional Sewer District participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided. LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 and receive a reduced allowance.

<u>2020 Valuation</u>	
Benefit multiplier	2.00% for life
Final average salary	5 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Taney County

Notes to the Financial Statements

December 31, 2020

Employees Covered by Benefit Terms. At June 30, 2020, the following employees were covered by the benefit terms:

	<u>General</u>
Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to but not yet receiving benefits	2
Active employees	8
	<u>13</u>

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS using the individual entry-age actuarial method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 17.7% (General) of annual covered payroll.

During the year ended December 31, 2020, the Taney County Regional Sewer District made contributions of \$92,201.

7. Assessed Valuation, Tax Levy, & Legal Debt Margin

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and are payable by December 31.

The 2020 assessed valuation of the tangible taxable property and the tax levies per \$100 assessed valuation of that property were as follows:

Assessed Valuation	
Real estate	\$ 944,520,450
Personal property	171,475,802
	<u>\$1,115,996,252</u>
Tax Levy	
General Fund	<u>\$ -</u>

The legal debt margin at December 31, 2020, is computed as follows:

Constitutional debt limit	\$ 111,599,625
General obligation bonds payable	-
Legal Debt Margin	<u>\$ 111,599,625</u>

Under Article VI, Section 26(b) and (c), Missouri Constitution, the County, by a vote of its qualified electors voting therein, may incur an indebtedness for any purpose authorized by law of the County or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the County.

Taney County

Notes to the Financial Statements

December 31, 2020

8. Long-Term Debt – Taney County Regional Sewer District

During 2004, the District entered into an agreement with the Missouri Leveraged State Water Pollution Control Revolving Fund Program to sell \$15,590,000 in Wastewater System Revenue Bonds, Series 2004C. The bonds bear interest at 3.0% to 5.25%. The interest paid is offset by an interest subsidy from the State of Missouri’s 50% bond reserves. Interest payments are due semi-annually on January 1 and July 1 of each year with annual principal payments due January 1 of each year. The bonds also require an administrative fee payable annually on January 1 of each year at .714% of the outstanding principal balance. The bonds outstanding at December 31, 2020, are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Administrative Fee</u>	<u>Total</u>
2021	\$ 995,000	\$ 26,119	\$ 5,696	\$ 1,026,815
	<u>\$ 995,000</u>	<u>\$ 26,119</u>	<u>\$ 5,696</u>	<u>\$ 1,026,815</u>

Lease Payable

During the year ended December 31, 2020, in exchange for monies for the purpose of constructing and equipping of an administration building and maintenance facility, the District granted a property lien to the bank of Missouri, which will be released upon fulfillment by the District of the lease purchase agreement. The lease purchase bears interest at 2.395% with principal payments due July 1st of each year. In the event of default, the lessor shall have the right to terminate the lease after 30 days.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 165,000	\$ 44,839	\$ 209,839
2022	185,000	44,559	229,559
2023	190,000	40,066	230,066
2024	195,000	35,550	230,550
2025	200,000	30,718	230,718
2026	205,000	25,861	230,861
2027	205,000	20,883	225,883
2028	210,000	15,949	225,949
2029	220,000	10,806	230,806
2030	225,000	5,463	230,463
	<u>\$ 2,000,000</u>	<u>\$ 274,694</u>	<u>\$ 2,274,694</u>

Taney County

Notes to the Financial Statements

December 31, 2020

The following table is a summary of the changes in the long-term debt for the year ended December 31, 2020:

	Balance December 31, 2019	New Obligations	Retired	Balance December 31, 2020	Current Portion
2004 SRF Revenue Bonds Payable	\$ 1,960,000	\$ -	\$ 965,000	\$ 995,000	\$ 995,000
Capital Lease Payable	-	2,000,000	-	2,000,000	165,000
	<u>\$ 1,960,000</u>	<u>\$ 2,000,000</u>	<u>\$ 965,000</u>	<u>\$ 2,995,000</u>	<u>\$ 1,160,000</u>

9. Long-Term Debt – Primary Government

On August 25, 2015, the County issued Lease Refunding Certificates of Participation Series 2015A and 2015B for the purpose of an advance refunding of the Series 2006 Lease Certificates of Participation, which were issued for the construction of a new judicial facility. The County intends to make principal and interest payments on the lease from revenues generated from the 1/8 cent law enforcement sales tax passed by voters on November 8, 2005. The sales tax will continue until December 31, 2022.

The lease agreement requires principal payments ranging from \$815,000 to \$1,590,000 plus interest of 2.02%. Principal payments are due April 1 of each year with interest due semi-annually on April 1 and October 1.

The lease agreement provides for the cancellation of the lease should the County fail to appropriate funds on the annual renewal dates. However, the County does not foresee exercising its option to cancel.

The total annual minimum lease payments required at December 31, 2020, are as follows:

<u>Year Ending December 31,</u>	
2021	\$ 1,609,487
2022	1,638,581
2023	831,463
	<u>Total Minimum Lease Payments</u> 4,079,531
	Less Amount Representing Interest (144,531)
	<u>Principal Balance, December 31, 2020</u> <u>\$ 3,935,000</u>

The following schedule presents the changes in the long-term debt for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Retirements	Balance December 31, 2020	Current Portion
2015A Certificates of Participation	\$ 5,405,000	\$ -	\$ 1,470,000	\$ 3,935,000	\$ 1,530,000
Compensated absences	193,246	77,600	-	270,846	-
	<u>\$ 5,598,246</u>	<u>\$ 77,600</u>	<u>\$ 1,470,000</u>	<u>\$ 4,205,846</u>	<u>\$ 1,530,000</u>

Taney County

Notes to the Financial Statements

December 31, 2020

10. Long-Term Debt – Taney County Health Center

On July 1, 2008, the Health Department issued \$850,000 in Certificates of Participation, Series 2008, to build an addition to the existing building. The interest rate on the Certificates was 4.85% until July 1, 2013, and then changed to 3.612%. This rate will be in effect until December 1, 2018. At that time, the interest rate will be adjusted again based on market rates, for the remaining 5 years. Principal and interest payments are due monthly. The Certificates of Participation outstanding at December 31, 2020, based on the current rate, are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 71,435	\$ 7,358	\$ 78,793
2022	74,952	3,841	78,793
2023	38,904	492	39,396
	<u>\$ 185,291</u>	<u>\$ 11,691</u>	<u>\$ 196,982</u>

The following table is a summary of the changes in the long-term debt for the year ended December 31, 2020:

	<u>Balance</u> <u>December 31,</u> <u>2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>December 31,</u> <u>2020</u>	<u>Current</u> <u>Portion</u>
2008 Certificate of Participation	\$ 253,296	\$ -	\$ 68,005	\$ 185,291	\$ 71,435
Compensated absences	63,776	34,247	-	98,023	-
	<u>\$ 317,072</u>	<u>\$ 34,247</u>	<u>\$ 68,005</u>	<u>\$ 283,314</u>	<u>\$ 71,435</u>

11. Lease Payable – Board For The Developmentally Disabled

On November 1, 2010, the Board issued Taxable Lease Certificates of Participation – Recovery Zone Economic Development Project Series 2010 for the construction of a new sheltered workshop facility. The Board has designated the Certificates as Recovery Zone Economic Development Bonds. The Board has elected to receive a credit from the Secretary of the United States Department of the Treasury in accordance with Section 6431 of the IRS code equal to 45% of the stated interest paid on the Bonds. Such payments will be received directly by the Board and used to make interest payments due on the Certificates. Receipt of the interest subsidy is subject to the Board filing an IRS Form 80-38-CP. The failure of the Board to file Form 80-38-CP could reduce or eliminate the amount of the interest subsidy.

The lease agreement requires principal payments ranging from \$55,000 to \$120,000 plus interest at 6%. Principal payments are due December 1 of each year with interest due semi-annually on June 1 and December 1.

The lease agreement provides for the cancellation of the lease should the Board fail to appropriate funds on the annual renewal dates. However, the Board does not foresee exercising its option to cancel.

Taney County

Notes to the Financial Statements

December 31, 2020

The total annual minimum lease payments required at December 31, 2020, are as follows:

Year Ending December 31,	Principal
2021	\$ 115,373
2022	117,578
2023	119,643
2024	121,568
2025	123,354
	Total Minimum Lease Payments 597,516
	Less Amount Representing Interest (47,516)
	Principal Balance, December 31, 2020 \$ 550,000

The following schedule presents the changes in the long-term debt for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Retirements	Balance December 31, 2020	Current Portion
2010 Certificates of Participation	\$ 645,000	\$ -	\$ 95,000	\$ 550,000	\$ 100,000

12. Line of Credit – Board for the Developmentally Disabled

At December 31, 2020, the Organization had a \$250,000 secured line of credit with Commerce Bank to be drawn upon as needed with a variable interest rate not to exceed 4%. As of December 31, 2020, there was no outstanding balance. A total of \$3,675 interest was paid in the current year.

The following schedule presents the changes in short-term debt for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Deletions	Balance December 31, 2020
Line of Credit	\$ 186,325	\$ -	\$ 186,325	\$ -

13. Mortgage Payable – Dorgan-Weaver Housing Corporation

As of December 31, 2020, the Board had a mortgage payable of \$1,531,400. The mortgage payable represents a capital advance from the U.S. Department of Housing and Urban Development for the construction of a 14-unit residential facility. The mortgage bears no interest and repayment is not required as long as the housing remains available for very low-income persons with disabilities.

Taney County

Notes to the Financial Statements

December 31, 2020

The following represents the changes in the mortgage payable during the year ended December 31, 2020:

Balance, December 31, 2019	\$ 1,531,400
Additions	-
Repayments	-
Balance, December 31, 2020	<u><u>\$ 1,531,400</u></u>

14. Mortgage Payable – Combs-Redfern Apartments Inc.

As of December 31, 2020, the Board had a mortgage payable of \$2,054,431. The mortgage payable represents a capital advance from the U.S. Department of Housing and Urban Development for the construction of a 14-unit residential facility. The mortgage bears no interest and repayment is not required as long as the housing remains available for very low-income persons with disabilities.

Balance, December 31, 2019	\$ 2,054,431
Additions	-
Repayments	-
Balance, December 31, 2020	<u><u>\$ 2,054,431</u></u>

15. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

16. Interfund Transfers

Interfund transfers for the year ended December 31, 2020, consisted of the following:

	Transfers In (Out)
General Fund	\$ 1,705,137
Road and Bridge Trust Fund	(34,962)
Road and Bridge Fund	(337,996)
Sewer Sales Tax Fund	(101,758)
Assessment Fund	(95,285)
Tax Maintenance Fund	(31,000)
E-911 Fund	(118,028)
Recorder Tech Fund	(133,397)
Transfer Station Fund	(389,941)
Coronavirus Fund	(462,770)
	<u><u>\$ -</u></u>

Taney County

Notes to the Financial Statements

December 31, 2020

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

17. Commitments

At December 31, 2020, the County was committed to the following contracts for sewer improvements:

- Flat Creek Excavating in the amount of \$226,524
- Tom Boyce Excavating in the amount of \$563,581
- Excel Excavating in the amount of \$909,403

At December 31, 2020, the County was committed to the following intergovernmental funding agreements:

- City of Hollister WWFT and Sanitary Sewer Improvement Project \$2,953
- City of Hollister – Hollister Inn Lift Station Replacement \$11,000
- City of Rockaway Beach WWFT Screening and Grit Removal Project \$50,500
- City of Hollister Tertiary Filtration Project \$113,760
- City of Branson Sanitary Sewer Infrastructure Improvement Project \$255,931

18. Commitments – Taney County Regional Sewer District

As of December 31, 2020, the District was committed to Tom Boyce Excavating in the amount of \$503,702 and Excel Excavating in the amount of \$840,880 and Flat Creek Excavating in the amount of \$1,100,475 and Rich Kramer Construction in the amount of \$1,394,646 for utility improvements.

19. Tax Abatements

Taney County

As of December 31, 2020, the County was affected by tax abatement programs provided by the City of Branson, Missouri and the City of Hollister, Missouri. Both the City of Branson, Missouri and the City of Hollister, Missouri, provide tax abatements through the Real Property Tax Increment Allocation Redevelopment Act (Tax Incremental Financing).

Tax Incremental Financing (TIF) is an economic development tool which redirects local tax revenues towards the redevelopment of eligible properties that are otherwise economically unfeasible. Sections 99.800 – 99.865, RSMo, the Real Property Tax Increment Allocation Redevelopment Act, enables cities to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. Real estate taxes in the redevelopment area are frozen at the current level or base valuation.

Sales tax revenues were reduced by \$2,504,018 and \$311,744 under the Tax Incremental Financing Agreement and by the City of Branson, Missouri and by the by the City of Hollister, Missouri, respectively.

Taney County

Notes to the Financial Statements

December 31, 2020

Taney County Board for the Developmentally Disabled

As of December 31, 2020, the Board was affected by tax abatement programs provided by the City of Branson. The City of Branson provided tax abatements through the Real Property Tax Increment Allocation Redevelopment Act (Tax Incremental Financing).

Tax Incremental Financing (TIF) is an economic development tool which redirects local tax revenues towards the redevelopment of eligible properties that are otherwise economically unfeasible. Sections 99.800-99.865, RSMo, the Real Property Tax Increment Allocation Redevelopment Act, enables cities to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. Real estate taxes in the redevelopment area are frozen at the current level or base valuation. Property tax revenues were reduced by \$37,429 under the Tax Incremental Financing Agreements entered into by the City of Branson, Missouri.

Taney County Health Department

As of December 31, 2020, the health department was affected by tax abatement programs provided by the City of Branson. The City of Branson provided tax abatements through the Real Property Tax Increment Allocation Redevelopment Act (Tax Incremental Financing).

Tax Incremental Financing (TIF) is an economic development tool which redirects local tax revenues towards the redevelopment of eligible properties that are otherwise economically unfeasible. Sections 99.800-99.865, RSMo, the Real Property Tax Increment Allocation Redevelopment Act, enables cities to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. Real estate taxes in the redevelopment area are frozen at the current level or base valuation. Property tax revenues were reduced by \$66,036 and \$7,951 under the Tax Incremental Financing Agreements entered into by the City of Branson, Missouri and the City of Hollister, respectfully.

20. Risks & Uncertainties

During 2020, a strain of coronavirus (COVID-19) was identified as a global pandemic and began affecting the health of large portions of the global population. The detrimental impact of this virus is not yet determinable, but will likely be significant for both the local and global economy. COVID-19 has been identified as a significant risk and uncertainty that could impact future operations and result in changes in estimates and assumptions made in the financial statements.

Supplementary Information

Taney County

Budgetary Comparison Schedule – General Fund – Modified Cash Basis

Year Ended December 31, 2020

Receipts	Original Budget	Final Budget	Actual	Variance with Final Budget
Taxes				
County sales tax	\$ 8,408,000	\$ 8,408,000	\$ 7,692,248	\$ (715,752)
Payment in lieu of taxes	210,000	210,000	190,752	(19,248)
Other taxes	10,000	10,000	16,479	6,479
	<u>8,628,000</u>	<u>8,628,000</u>	<u>7,899,479</u>	<u>(728,521)</u>
Collector's Commission				
Collection commissions	750,000	750,000	772,258	22,258
Licenses and Permits				
Beverage licenses	85,000	85,000	76,317	(8,683)
ATV permits	900	900	1,234	334
	<u>85,900</u>	<u>85,900</u>	<u>77,551</u>	<u>(8,349)</u>
Intergovernmental Receipts				
Federal	313,000	963,000	249,037	(713,963)
Other	8,000	8,000	11,880	3,880
	<u>321,000</u>	<u>971,000</u>	<u>260,917</u>	<u>(710,083)</u>
Fees and Charges				
Court	73,000	73,000	49,607	(23,393)
Public administration	70,000	70,000	92,651	22,651
County clerk	800	800	780	(20)
Recorder of deeds	650,000	650,000	614,407	(35,593)
Tax sale publication	17,000	17,000	1,262	(15,738)
Planning and zoning	30,000	30,000	33,803	3,803
Sheriff fees	770,000	770,000	1,414,595	644,595
Phone and vending	700	700	395	(305)
Election reimbursement	90,000	90,000	63,661	(26,339)
Computer room	1,000	1,000	447	(553)
Animal Control	90,000	90,000	79,240	(10,760)
Airport	510,000	510,000	425,440	(84,560)
	<u>2,302,500</u>	<u>2,302,500</u>	<u>2,776,288</u>	<u>473,788</u>
Other				
Interest income	75,500	75,500	87,243	11,743
Miscellaneous	168,000	168,000	122,419	(45,581)
Sale of property	30,000	30,000	34,778	4,778
	<u>273,500</u>	<u>273,500</u>	<u>244,440</u>	<u>(29,060)</u>
Total Receipts	<u>12,360,900</u>	<u>13,010,900</u>	<u>12,030,933</u>	<u>(979,967)</u>

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – General Fund – Modified Cash Basis

Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Disbursements				
Current				
General Government				
University extension	47,258	47,258	44,972	2,286
Collector of revenue	80,029	80,029	237,465	(157,436)
Treasurer	21,450	21,450	115,868	(94,418)
Recorder of deeds	253,608	253,608	225,407	28,201
County commission	272,879	272,879	246,230	26,649
Administrative office	598,528	598,528	617,982	(19,454)
Employee fringe benefits	2,970,000	2,970,000	2,630,389	339,611
Information technology	365,060	365,060	308,286	56,774
Planning and zoning	182,327	182,327	163,786	18,541
Election and voter registration	236,100	236,100	234,067	2,033
County clerk	189,802	189,802	195,641	(5,839)
Auditor	4,700	4,700	114,164	(109,464)
Building and grounds	710,950	710,950	619,139	91,811
	5,932,691	5,932,691	5,753,396	179,295
Judicial				
Court administration	145,115	145,115	9,192	135,923
Circuit judge	268,115	268,115	169,064	99,051
Circuit clerk	135,015	135,015	18,913	116,102
Coroner	202,195	202,195	97,737	104,458
Court reporter	2,500	2,500	1,327	1,173
Public administrator	138,875	138,875	134,798	4,077
Juvenile	241,114	241,114	229,276	11,838
Prosecuting attorney	777,141	777,141	628,408	148,733
	1,910,070	1,910,070	1,288,715	621,355
Public Safety				
Sheriff	2,625,290	2,625,290	2,707,616	(82,326)
Jail	1,739,532	1,739,532	1,616,113	123,419
Animal control	238,182	238,182	216,911	21,271
Emergency management	71,497	71,497	60,477	11,020
	4,674,501	4,674,501	4,601,117	73,384
Other	2,113,700	2,763,700	1,637,588	1,126,112
Public Works				
Pooled Services	50,000	50,000	50,000	-
Airport				
Airport	716,400	716,400	380,837	335,563
Total Disbursements	15,397,362	16,047,362	13,711,653	2,335,709
<i>(Deficit) of Receipts Over Disbursements</i>	(3,036,462)	(3,036,462)	(1,680,720)	1,355,742
Other Financing Sources (Uses)				
Operating transfers (out)	(1,000,000)	(1,000,000)	(300,000)	700,000
Operating transfers in	2,279,942	2,279,942	2,005,137	(274,805)
Total Other Financing Sources (Uses)	1,279,942	1,279,942	1,705,137	425,195
<i>(Deficit) of Receipts and Other Sources Over Disbursements and Other (Uses)</i>	(1,756,520)	(1,756,520)	24,417	1,780,937
Fund Balance, January 1	5,115,725	5,115,725	5,115,725	-
Fund Balance, December 31	\$ 3,359,205	\$ 3,359,205	\$ 5,140,142	\$ 1,780,937

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – Road and Bridge Trust Fund – Modified Cash Basis

Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Receipts				
Taxes	\$ 8,400,000	\$ 8,400,000	\$ 7,695,227	\$ (704,773)
Intergovernmental receipts	1,300,000	1,300,000	217,307	(1,082,693)
Other receipts	150,000	150,000	634,572	484,572
Total Receipts	9,850,000	9,850,000	8,547,106	(1,302,894)
Disbursements				
Highway and Roads				
Wages and benefits	2,780,000	2,780,000	2,258,851	521,149
Computer related disbursements	56,000	56,000	21,830	34,170
Mileage and training	5,000	5,000	1,118	3,882
Professional services	55,000	55,000	36,906	18,094
Rental equipment	5,000	5,000	11,934	(6,934)
Telephone and utilities	72,500	72,500	58,905	13,595
Insurance	150,000	150,000	142,013	7,987
Repair and maintenance	470,000	470,000	521,815	(51,815)
Equipment	1,504,000	1,504,000	1,481,185	22,815
Road construction	3,780,000	3,780,000	1,120,049	2,659,951
Road supplies	2,616,000	2,616,000	1,825,683	790,317
Other supplies	50,350	50,350	33,476	16,874
Other	1,021,200	1,021,200	13,689	1,007,511
Total Disbursements	12,565,050	12,565,050	7,527,454	5,037,596
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(2,715,050)	(2,715,050)	1,019,652	3,734,702
Other Financing Sources (Uses)				
Operating transfers in	330,000	330,000	300,000	(30,000)
Operating transfers (out)	(334,962)	(334,962)	(334,962)	-
Total Other Financing Sources (Uses)	(4,962)	(4,962)	(34,962)	(30,000)
<i>Excess (Deficit) of Receipts and Other Sources Over Disbursements and Other (Uses)</i>	(2,720,012)	(2,720,012)	984,690	3,704,702
Fund Balance, January 1	10,386,516	10,386,516	10,386,516	-
Fund Balance, December 31	\$ 7,666,504	\$ 7,666,504	\$ 11,371,206	\$ 3,704,702

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – Road and Bridge Fund – Modified Cash Basis

Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Receipts				
Taxes	\$ 1,260,000	\$ 1,260,000	\$ 1,287,987	\$ 27,987
Intergovernmental receipts	54,500	54,500	51,563	(2,937)
Other receipts	30,250	30,250	111,173	80,923
Total Receipts	1,344,750	1,344,750	1,450,723	105,973
Disbursements				
Highway and Roads				
Wages and benefits	1,426,500	1,426,500	1,164,945	261,555
Capital Outlay	531,500	531,500	26,859	504,641
Other	10,000	10,000	10,300	(300)
Total Disbursements	1,968,000	1,968,000	1,202,104	765,896
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(623,250)	(623,250)	248,619	871,869
Other Financing (Uses)				
Operating transfers (out)	(337,996)	(337,996)	(337,996)	-
Total Other Financing (Uses)	(337,996)	(337,996)	(337,996)	-
<i>Excess (Deficit) of Receipts Over Disbursements and Other (Uses)</i>	(961,246)	(961,246)	(89,377)	871,869
Fund Balance, January 1	1,688,644	1,688,644	1,688,644	-
Fund Balance, December 31	\$ 727,398	\$ 727,398	\$ 1,599,267	\$ 871,869

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – Law Enforcement Sales Tax Fund – Modified Cash Basis

Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Receipts				
Taxes	\$ 2,100,000	\$ 2,100,000	\$ 2,239,271	\$ 139,271
Other receipts	10,000	10,000	12,522	2,522
Total Receipts	2,110,000	2,110,000	2,251,793	141,793
Disbursements				
Public Safety	860,220	860,220	569,020	-
Debt Service	1,600,000	1,600,000	1,529,690	1,030,980
Total Disbursements	2,460,220	2,460,220	2,098,710	1,030,980
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(350,220)	(350,220)	153,083	503,303
Other Financing Sources (Uses)				
Operating transfers in	1,000,000	1,000,000	300,000	(700,000)
Operating transfers (out)	(1,000,000)	(1,000,000)	(300,000)	700,000
Total Other Financing Sources (Uses)	-	-	-	-
<i>(Deficit) of Receipts and Other Sources Over Disbursements and Other (Uses)</i>	(350,220)	(350,220)	153,083	503,303
Fund Balance, January 1	1,122,971	1,122,971	1,122,971	-
Fund Balance, December 31	\$ 772,751	\$ 772,751	\$ 1,276,054	\$ 503,303

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – County Sewer Sales Tax Fund – Modified Cash Basis

Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Receipts				
Taxes	\$ 8,400,000	\$ 8,400,000	\$ 7,695,101	\$ (704,899)
Other receipts	142,321	142,321	205,448	63,127
Total Receipts	<u>8,542,321</u>	<u>8,542,321</u>	<u>7,900,549</u>	<u>(641,772)</u>
Disbursements				
Sewer	18,154,780	18,154,780	14,214,393	3,940,387
Total Disbursements	<u>18,154,780</u>	<u>18,154,780</u>	<u>14,214,393</u>	<u>3,940,387</u>
<i>(Deficit) of Receipts Over Disbursements</i>	(9,612,459)	(9,612,459)	(6,313,844)	3,298,615
Other Financing (Uses)				
Operating transfers (out)	(101,758)	(101,758)	(101,758)	-
Total Other Financing (Uses)	<u>(101,758)</u>	<u>(101,758)</u>	<u>(101,758)</u>	<u>-</u>
<i>(Deficit) of Receipts Over Disbursements and Other (Uses)</i>	(9,714,217)	(9,714,217)	(6,415,602)	3,298,615
Fund Balance, January 1	14,237,190	14,237,190	14,237,190	-
Fund Balance, December 31	<u>\$ 4,522,973</u>	<u>\$ 4,522,973</u>	<u>\$ 7,821,588</u>	<u>\$ 3,298,615</u>

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Budgetary Comparison Schedule – Coronavirus Fund – Modified Cash Basis

Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Receipts				
Intergovernmental	\$ -	\$ 6,601,471	\$ 6,595,323	\$ (6,148)
Total Receipts	-	6,601,471	6,595,323	(6,148)
Disbursements				
Health and wellness	-	6,601,471	3,559,961	3,041,510
Total Disbursements	-	6,601,471	3,559,961	3,041,510
<i>Excess of Receipts Over Disbursements</i>	-	-	3,035,362	3,035,362
Other Financing (Uses)				
Operating transfers (out)	-	-	(462,770)	(462,770)
Total Other Financing (Uses)	-	-	(462,770)	(462,770)
<i>Excess of Receipts Over Disbursements and Other (Uses)</i>	-	-	2,572,592	2,572,592
Fund Balance, January 1	-	-	-	-
Fund Balance, December 31	\$ -	\$ -	\$ 2,572,592	\$ 2,572,592

See accompanying notes to the Budgetary Comparison Schedules.

Taney County

Notes to the Budgetary Comparison Schedules

Year Ended December 31, 2020

Budgets and Budgetary Accounting

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

1. In accordance with Chapter 67, RSMo, the County adopts a budget for each fund.
2. Prior to January, the County Auditor, who serves as the Budget Officer, submits to the Commission a proposed budget for the fiscal year beginning on the following January 1. The budget includes estimated receipts and proposed disbursements for all County funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Commission, the budget document is available for public inspection.
4. In January, the budget is legally enacted by a vote of the Commission.
5. Subsequent to its formal approval of the budget, the Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Commission. Individual amendments were not material to the original appropriations, which were amended.
6. Budgets for County funds are prepared and adopted on the modified cash basis (budget basis), recognizing receipts when collected and disbursements when paid.

Other Reporting Requirements

Taney County

Combining Statement of Assets and Fund Balances – Non-Major Special Revenue Funds – Modified Cash Basis

December 31, 2020

	Assessment Fund	Law Enforcement Training Fund	Prosecuting Attorney Training Fund	E-911 Fund	Tax Maintenance Fund	Prosecuting Attorney Delinquent Tax Fund	Sheriff Civil Fees Fund	Vest Grant Fund	Prosecuting Attorney Bad Check Fund	Sheriff Drug Forfeiture Fund	Circuit Clerk Treatment Courts Fund	Circuit Clerk Driven Courts Fund
Assets												
Cash and investments	\$ 380,047	\$ 4,378	\$ 5,507	\$ 83,960	\$ 129,175	\$ 59,246	\$ 38,282	\$ 564	\$ 75,067	\$ 2,048	\$ 31,205	11,747
Total Assets	\$ 380,047	\$ 4,378	\$ 5,507	\$ 83,960	\$ 129,175	\$ 59,246	\$ 38,282	\$ 564	\$ 75,067	\$ 2,048	\$ 31,205	\$ 11,747
Fund Balances												
Restricted for												
Public safety	\$ -	\$ 4,378	\$ -	\$ 83,960	\$ -	\$ -	\$ 38,282	\$ 564	\$ -	\$ 2,048	\$ -	\$ -
Elections	-	-	-	-	-	-	-	-	-	-	-	-
Recorder	-	-	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	5,507	-	-	59,246	-	-	75,067	-	31,205	11,747
Tax maintenance	-	-	-	-	129,175	-	-	-	-	-	-	-
Assigned												
Assessment	380,047	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	\$ 380,047	\$ 4,378	\$ 5,507	\$ 83,960	\$ 129,175	\$ 59,246	\$ 38,282	\$ 564	\$ 75,067	\$ 2,048	\$ 31,205	\$ 11,747

Taney County

Combining Statement of Assets and Fund Balances – Non-Major Special Revenue Funds – Modified Cash Basis

December 31, 2020

	Local Emergency Planning Commission Fund	Election Services Fund	Recorder Tech Fund	Law Library Fund	Domestic Violence Fund	Sheriff Revolving Fund	Inmate Security Fund	Circuit Clerk Interest Fund	Circuit Clerk Education Fund	Local Law Enforcement Block Grant Fund	Total
Assets											
Cash and investments	\$ 11,875	\$ 59,080	\$ 463,617	\$ 20,211	\$ 5,976	\$ 70,749	\$ 171,979	\$ 16,381	\$ 66,402	\$ 153	\$ 1,707,649
Total Assets	<u>\$ 11,875</u>	<u>\$ 59,080</u>	<u>\$ 463,617</u>	<u>\$ 20,211</u>	<u>\$ 5,976</u>	<u>\$ 70,749</u>	<u>\$ 171,979</u>	<u>\$ 16,381</u>	<u>\$ 66,402</u>	<u>\$ 153</u>	<u>\$ 1,707,649</u>
Fund Balances											
Restricted for											
Public safety	\$ 11,875	\$ -	\$ -	\$ -	\$ 5,976	\$ 70,749	\$ 171,979	\$ -	\$ -	\$ 153	\$ 389,964
Elections	-	59,080	-	-	-	-	-	-	-	-	59,080
Recorder	-	-	463,617	-	-	-	-	-	-	-	463,617
Judicial	-	-	-	20,211	-	-	-	16,381	66,402	-	285,766
Tax maintenance	-	-	-	-	-	-	-	-	-	-	129,175
Assigned											
Assessment	-	-	-	-	-	-	-	-	-	-	380,047
Total Fund Balances	<u>\$ 11,875</u>	<u>\$ 59,080</u>	<u>\$ 463,617</u>	<u>\$ 20,211</u>	<u>\$ 5,976</u>	<u>\$ 70,749</u>	<u>\$ 171,979</u>	<u>\$ 16,381</u>	<u>\$ 66,402</u>	<u>\$ 153</u>	<u>\$ 1,707,649</u>

Taney County

Combining Statement of Receipts, Disbursements, and Changes in Fund Balance – Non-Major Special Revenue Funds – Modified Cash Basis Year Ended December 31, 2020

	Assessment Fund	Law Enforcement Training Fund	Prosecuting Attorney Training Fund	E-911 Fund	Tax Maintenance Fund	Prosecuting Attorney Delinquent Tax Fund	Sheriff Civil Fees Fund	Vest Grant Fund	Prosecuting Attorney Bad Check Fund	Sheriff Drug Forfeiture Fund	Circuit Clerk Treatment Courts Fund	Circuit Clerk Driven Courts Fund
Receipts												
Taxes	\$ -	\$ -	\$ -	\$ 482,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	716,687	2,535	3,182	42,926	124,555	2,476	37,707	-	11,118	-	14,591	9,050
Other receipts	6,901	1,524	77	57,663	3,206	1,183	643	12	1,555	20	29	11,414
Total Receipts	723,588	4,059	3,259	582,618	127,761	3,659	38,350	12	12,673	20	14,620	20,464
Disbursements												
General government	685,064	-	-	-	78,262	-	-	-	-	-	-	-
Judicial	-	-	1,041	-	-	13,580	-	-	3,544	-	6,786	8,717
Public safety	-	3,382	-	491,609	-	-	25,194	388	-	500	-	-
Total Disbursements	685,064	3,382	1,041	491,609	78,262	13,580	25,194	388	3,544	500	6,786	8,717
<i>Excess (Deficit) of Receipts Over Disbursements</i>	38,524	677	2,218	91,009	49,499	(9,921)	13,156	(376)	9,129	(480)	7,834	11,747
Other Financing Sources (Uses)												
Operating transfers in (out)	(95,285)	-	-	(118,028)	(31,000)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(95,285)	-	-	(118,028)	(31,000)	-	-	-	-	-	-	-
<i>Excess (Deficit) of Receipts and Sources Over Disbursements and Other (Uses)</i>	(56,761)	677	2,218	(27,019)	18,499	(9,921)	13,156	(376)	9,129	(480)	7,834	11,747
Fund Balance, January 1	436,808	3,701	3,289	110,979	110,676	69,167	25,126	940	65,938	2,528	23,371	-
Fund Balance, December 31	\$ 380,047	\$ 4,378	\$ 5,507	\$ 83,960	\$ 129,175	\$ 59,246	\$ 38,282	\$ 564	\$ 75,067	\$ 2,048	\$ 31,205	\$ 11,747

Taney County

Combining Statement of Receipts, Disbursements, and Changes in Fund Balance – Non-Major Special Revenue Funds – Modified Cash Basis Year Ended December 31, 2020

	Local Emergency Planning Commission Fund	Election Services Fund	Recorder Tech Fund	Law Library Fund	Domestic Violence Fund	Sheriff Revolving Fund	Inmate Security Fund	Circuit Clerk Interest Fund	Circuit Clerk Education Fund	Local Law Enforcement Block Grant Fund	Total
Receipts											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 482,029
Intergovernmental receipts	3,377	85,882	-	-	-	-	-	-	-	-	89,259
Fees and charges	-	7,363	234,052	11,189	5,917	39,079	137,018	2,613	7,451	-	1,409,509
Other receipts	193	1,143	8,436	109	59	1,367	2,696	20	106	2	98,358
Total Receipts	<u>3,570</u>	<u>94,388</u>	<u>242,488</u>	<u>11,298</u>	<u>5,976</u>	<u>40,446</u>	<u>139,714</u>	<u>2,633</u>	<u>7,557</u>	<u>2</u>	<u>2,079,155</u>
Disbursements											
Current											
General government	-	72,686	86,282	-	-	-	-	-	-	-	922,294
Judicial	-	-	-	12,843	-	-	-	6,688	2,383	-	55,582
Public safety	1,102	-	-	-	7,693	43,638	94,609	-	-	-	668,115
Total Disbursements	<u>1,102</u>	<u>72,686</u>	<u>86,282</u>	<u>12,843</u>	<u>7,693</u>	<u>43,638</u>	<u>94,609</u>	<u>6,688</u>	<u>2,383</u>	<u>-</u>	<u>1,645,991</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	2,468	21,702	156,206	(1,545)	(1,717)	(3,192)	45,105	(4,055)	5,174	2	433,164
Other Financing Sources (Uses)											
Operating transfers in (out)	-	-	(133,397)	-	-	-	-	(1,363)	1,363	-	(377,710)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(133,397)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,363)</u>	<u>1,363</u>	<u>-</u>	<u>(377,710)</u>
<i>Excess (Deficit) of Receipts and Other Sources Over Disbursements and Other (Uses)</i>	2,468	21,702	22,809	(1,545)	(1,717)	(3,192)	45,105	(5,418)	6,537	2	55,454
Fund Balance, January 1	9,407	37,378	440,808	21,756	7,693	73,941	126,874	21,799	59,865	151	1,652,195
Fund Balance, December 31	<u>\$ 11,875</u>	<u>\$ 59,080</u>	<u>\$ 463,617</u>	<u>\$ 20,211</u>	<u>\$ 5,976</u>	<u>\$ 70,749</u>	<u>\$ 171,979</u>	<u>\$ 16,381</u>	<u>\$ 66,402</u>	<u>\$ 153</u>	<u>\$ 1,707,649</u>



Independent Auditors' 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*

Taney County Commission
Taney County
Forsyth, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of Taney County, Missouri, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Taney County, Missouri's basic financial statements and have issued our report dated August 19, 2021. Our report includes a reference to other auditors who audited the financial statements of the Taney County Developmentally Disabled Board, Dorgan-Weaver Housing Corporation, Combs-Redfern Apartments Inc., Tantone Industries, and Dignity Now Inc., as described in our report on Taney County, Missouri's financial statements. This report does not include results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Taney County, Missouri's internal control over financial reporting to determine the 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 Taney County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taney 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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
August 19, 2021



Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Taney County Commission
Taney County, Missouri
Forsyth, Missouri

Report on Compliance for Each Major Federal Program

We have audited Taney County, Missouri's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2020. Taney County, Missouri's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Taney County, Missouri's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Taney County, Missouri's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on Taney County, Missouri's compliance.

Opinion on Each Major Federal Program

In our opinion, Taney County, Missouri, complied, in all material respects, with the types of requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

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Report on Internal Control over Compliance

Management of Taney County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Taney County, Missouri's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Taney County, Missouri's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

KPM CPAs, PC

KPM CPAS, PC
Springfield, Missouri
August 19, 2021

Taney County

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2020

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number/ Identifying Number</u>	<u>Pass-through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Homeland Security				
State Emergency Management Agency				
Emergency Management Performance Grants	97.042	EMK-2020-EP-00004-111	\$ -	\$ 26,448
Disaster Grants - Public Assistance	97.036	FEMA-4317-DR-MO FEMA-4451-DR-MO	-	31,706
			-	152,175
			-	183,881
Total U.S. Department of Homeland Security			-	210,329
U.S. Department of Agriculture				
Missouri State Treasurer's Office				
School and Roads - Grants to States	10.665	N/A	-	173,277
Total U.S. Department of Agriculture			-	173,277
U.S. Department of Treasury				
State of Missouri Treasurer's Office				
Coronavirus Relief Fund	21.019	COVID 19-TANE	3,057,705	4,022,730
Total U.S. Department of Treasury			3,057,705	4,022,730
Election Assistance Commission				
Missouri Secretary of State				
COVID 19 - 2020 HAVA Election Security Grants	90.404	00202	-	41,197
Total Election Assistance Commission			-	41,197
U.S. Department of Transportation				
Missouri Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction Grant	20.205	BRO-NBIL-B106(001)	-	17,503
Total U.S. Department of Transportation			-	17,503
U.S. Department of Justice				
Direct				
Bulletproof Vest Partnership Grant	16.607	N/A	-	940
Total U.S. Department of Justice			-	940
U.S. Department of Interior				
Direct				
Payments in Lieu of Taxes	15.226	N/A	-	190,752
Total U.S. Department of Interior			-	190,752
U.S. Army Corp Engineers				
Direct				
Cooperative Agreement	12.000	W91275-15-2-0041 TRL-LETC-15	-	1,101
			-	1,101
Total U.S. Army Corp Engineers			-	2,202
Total Expenditures of Federal Awards			<u>\$ 3,057,705</u>	<u>\$ 4,658,930</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Taney County

Notes to the Schedule of Expenditures of Federal Awards

Year Ended December 31, 2020

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Taney County, Missouri 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 Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Taney County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Taney County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Taney County elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. Subrecipients

Taney County provided funds to subrecipients in the amount of \$3,057,705 in the current year.

Taney County

Summary Schedule of Findings and Questioned Costs

Year Ended December 31, 2020

Section I: Summary Schedule of Audit Results

Financial Statements	
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis of accounting:	Unmodified
Internal Control over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No
Federal Awards	
Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major federal program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No
Identification of major federal program:	
CFDA Number(s)	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II: Financial Statement Findings

None

Section III: Federal Awards Findings and Questioned Costs

None

Taney County

Schedule of Prior Audit Findings

Year Ended December 31, 2020

There were no prior audit findings.



Taney County Commission
Taney County
Forsyth, Missouri

In planning and performing our audit of the basic financial statements of Taney County, Missouri, for the year ended December 31, 2020, we considered the County's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

In addition to the 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*, we became aware of additional matters to bring to your attention. The following paragraphs summarize our comments and recommendations regarding these matters.

1. Signatures on Checks

In our prior audits, we have noted that more than one signature is required on only some of the checks issued from the County's bank accounts, while some checks issued by the County require only one signature. These accounts include the Circuit Clerk Accounts. A policy requiring more than one signature on every check is one internal control procedure to prevent unauthorized disbursements.

We Commend:

The County for having more than one signature on required checks issued from the Circuit Clerk bank accounts.

2. Purchase Orders

Currently, the County purchase order system does not allow for dollar amounts of quoted prices or bid amounts to be entered on the purchase order. This ability would allow the County to match up the quoted prices and bid amounts to the invoices prior to payment of the invoice. This would help prevent the overpayment for goods and services to vendors.

We Recommend:

The County request a modification to the purchase order system to allow for amounts to be entered for quoted prices and bid amounts. The County should then adopt a policy requiring these amounts to be entered onto the purchase order and matched to the invoice prior to payment.

3. Accounts Payable and Payroll

During our audit, we noted the County has segregated accounts payable and payroll functions from the Auditor's Office. However, the accounts payable and payroll functions are still not under the County Clerk's Office. State Statutes indicate the responsibility for the functions is with the County Clerk's Office. Also, better segregation of duties can be achieved if these functions are located in the County Clerk's Office.

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We Recommend:

The County consider moving accounts payable and payroll to the County Clerk's Office.

4. New Pronouncement

GASB Statement No. 87 – Leases – This Statement establishes a single model for lease accounting. It changes the definition of a lease and requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The effective date is for the County's year ending December 31, 2022, with earlier application encouraged.

We Recommend:

The County examine the new pronouncements to determine the effect these will have on future financial reporting and to ensure successful implementation on the effective dates.

5. Cybersecurity

Cybersecurity threats are increasing and government entities of all sizes are at risk for a breach of their information systems. With this increase in risk, entities should be continually evaluating risk and taking steps necessary to ensure the security of information systems. Steps include identifying critical information systems, training employees to properly identify threats received in emails or by other means, and adopting internal communication methods other than email.

It is important that entities develop a recovery plan outlining procedures that personnel should follow once a cybersecurity breach is discovered. Additionally, entities should be aware of any insurance in place to help protect them from liabilities that can occur as the result of a breach.

We Recommend:

The County continue to evaluate its cybersecurity risks and take the necessary steps to reduce the risk of cybersecurity threats to their information systems. This evaluation should be performed frequently as technology and information systems are continually changing.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

We appreciate this opportunity to serve as Taney County, Missouri's independent auditor and the courtesies and assistance extended to us by the County's employees.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
August 19, 2021



Taney County Commission
Taney County
Forsyth, Missouri

We have audited the basic financial statements of Taney County, Missouri, for the year ended December 31, 2020, and have issued our report thereon dated August 19, 2021. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated January 6, 2021, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated January 6, 2021.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Taney County, Missouri, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No material misstatements were detected as a result of audit procedures.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 19, 2021.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We were not engaged to report on the supplementary information which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we do not express an opinion or provide any assurance on it.

With respect to the other financial information and the Schedule of Expenditures of Federal Awards accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other financial information and the Schedule of Expenditures of Federal Awards to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This report is intended solely for the use of the County Commission and management of Taney County, Missouri, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
August 19, 2021