



GERDING, KORTE & CHITWOOD CPAS
Professional Corporation
Certified Public Accountants

May 3, 2023

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Boonville, MO 65233
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Fax: (660) 882-7765

www.gkccpas.com

City of Meta, Missouri
Deidra Buechter, City Clerk
P.O. Box 65
Meta, Missouri 65058

Dear Ms. Buechter:

We appreciate your confidence in Gerding, Korte & Chitwood, P.C., and are pleased to confirm our understanding of the services we are to provide the City of Meta, Missouri (the "City"), for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the City as of and for the year ended June 30, 2023.

We have also been engaged to report on supplementary information other than required supplementary information that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS) and will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1. Non-Major Funds Combining Statements;
2. Schedule of Revenues Collected, Expenditures Paid, Changes in Fund Balance – Budget and Actual – Governmental Funds.

PARTNERS
Joseph E. Chitwood
Travis W. Hundley
Jeffrey A. Chitwood
Amy L. Watson
Benjamin E. Carrier

PARTNERS EMERITI
Robert A. Gerding
Fred W. Korte, Jr.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with the modified cash basis of accounting; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the City and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in the financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, test of physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk of material misstatement as part of our audit planning:

- Management override of controls
- Lack of segregation of duties
- Improper revenue recognition

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Test of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have direct and material effect on the financial statements. Our tests, if performed, will be less in scope that would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of the City in conformity with the modified cash basis of accounting and proposing audit adjustments based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with the modified cash basis of accounting, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain

written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with the modified cash basis of accounting. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the modified cash basis of accounting; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the modified cash basis of accounting; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will perform the following procedures for us:

- Document internal control procedures for our review and consideration.
- Type all confirmation letters.
- Assist us in tracking down any exceptions noted in the returned confirmation letters.
- Pull all invoices selected in our test selection, and subsequently refile those invoices.
- Pull all other items in our test selections and subsequently refile those items.
- Perform detailed account analysis as directed by our staff.

In the interest of facilitating our services to your City, we may communicate by facsimile transmission or send electronic mail over the internet. Such communications may include information that is confidential to your City. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these electronic devices during this engagement.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Gerding, Korte & Chitwood and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a Cognizant or Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. General Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gerding, Korte & Chitwood personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, those documents will be returned to you promptly upon completion of the engagement. The balance of our engagement file, other than the financial statement, which we will provide to you at the conclusion of the engagement, is our property, and we will provide copies of such documents at our discretion and if compensated for any time and costs associated with the effort.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our standard hourly rates, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we become obligated to pay any judgment or similar award, agree to pay any amount in settlement, and/or incur any costs as a result of any inaccurate or incomplete information that you provide to us during the course of this engagement, you agree to indemnify us, defend us, and hold us harmless against such obligations, agreements, and/or costs.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that you will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the County of Cooper, State of Missouri, by the American Arbitration Association, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Missouri law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report production, typing, postage, travel, copies, and telephone, etc.). We estimate our gross fee, will not exceed \$7,400. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur additional costs.

Our fees for consultation during the year will be based upon the hourly rate of the person performing the services. Our rates vary among our staff, but generally our partners charge from \$175 to \$200 per hour and our staff rates range from \$100 to \$150 per hour. There will be no charge for infrequent, insignificant contact throughout the year.

The proposed fee does not include additional audit work that would be required for any new debt or debt refunding or an audit report presentation to the board of alderpersons. The additional time required would be billed at our standard rates.

The proposed fee does not include a Uniform Guidance Audit which is required if expenditures of federal awards exceed \$750,000. If a Uniform Guidance Audit is required, additional time will be necessary and we will discuss it with you and arrive at a new mutually agreeable fee.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Jeffrey A. Chitwood is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to management and those charged with governance. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of that report is solely to describe the scope of 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 on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in the *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the City, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return to us.

Very truly yours,

GERDING, KORTE & CHITWOOD

A handwritten signature in black ink that reads "Jeffrey A. Chitwood". The signature is written in a cursive style with a large initial "J".

Jeffrey A. Chitwood, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Meta, Missouri.

Management signature: _____

Title: Clerk _____

Date: _____

Governance signature: _____

Title: Mayor _____

Date: _____

CITY OF META
2023 Business/Liquor License Application

Name of Business: Backroad Bites LLC

Business Physical Address: 3644 Mch 205, Meta, Mo 65058

Business Mailing Address: 71

Business Phone No.: 573-645-8465 Cell Phone: 11 Fax: N/A

Type of Business: Food Vendor

Will food or beverages be sold? Yes

(If Applicable) Liquor by the Drink: Yes ___ No Liquor by Original Package: Yes ___ No ___

Name of Applicant Applying: Jacob Howard

Relationship to Business: Owner / Manager / President / Other _____

Name of Owner if different than Applicant: _____

Address of Owner if different than Applicant: _____

Alternate Contact Name/Number in case of Emergency: Derrick DiNatale 573-308-9357

Missouri Retail Sales Tax Number (If applicable): _____

Federal Tax ID Number/Social Security Number 8101045205

Have you ever been convicted of any violation of laws or ordinance of this or any other state or municipality other than minor traffic violations? No

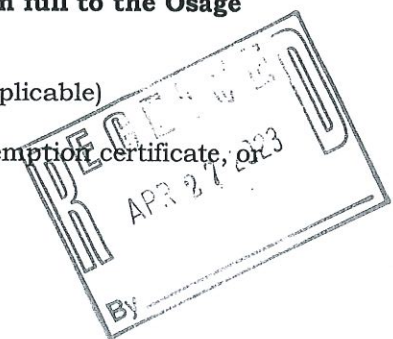
\$25.00 is due for each business license
\$50.00 is due for each liquor license

Personal and Real Estate Taxes (delinquent/current) must be paid in full to the Osage County Collector before a business license can be approved.

A copy of no sales tax due statement from Department of Revenue (If applicable)

A copy of state retail sales license, Interstate Commerce commission exemption certificate, or sales tax exemption certificate (If applicable)

A copy of Workers Compensation Insurance (If applicable)



Jacob Howard
Signature of Applicant

April 19, 2023
Date





601 Monroe Street, Suite 201
Jefferson City, MO 65101
ph (573) 634-3181
www.bartlettwest.com

Engineer's Report – for the City of Meta Monthly Board Meeting – May 10th, 2023 (2nd Wednesday)

To: Mayor and Board of Aldermen (City of Meta)

From: Blake Wilbers, Gary Davis, & Dillon Feely (Bartlett & West)

What we accomplished within the last month

- Lead Service Line Inventory (LSLI)
 - Meta has selected Bartlett & West to conduct their LSLI!
 - First step is signing forms for MO-DNR.
- Drinking Water System
 - ARPA results were released, and Meta is deemed as being in the eligible/waitlisted category.
 - There are project milestones for applicants that were selected and if they do not meet the deadline then their ARPA funds will be passed on to the next in line (waitlist). Something to keep in mind moving forward.
 - State Revolving Fund (SRF) funding through MO-DNR
 - DNR said Meta could reapply for SRF funding again for possible larger grant.
 - The SRF Program is a loan and potential grant funding opportunity.
 - The City submitted their updated SRF application before the deadline and now we wait to hear of funding opportunities released in October!
- Park
 - Updated cost estimate and site plan to eliminate the flagpole and sign for MRPC to resubmit for the DNR LWCF program.

What we plan to do this month

- Begin on the Lead Service Line Inventory (LSLI) work. Get surveys out to customers.
- Review all applicable records the City may have on their water system.
- Continue to provide on call services for the water system and any questions the City may have.

Upcoming events and conferences

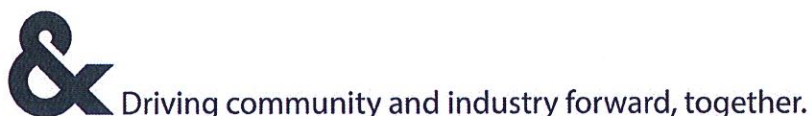
- None at this time.

Legislative and regulatory updates

- Future regulatory and legislative changes pertaining to the City's drinking water system will be listed in this section of the monthly report.
- All water systems in the United States are required to perform a lead service line inventory for service line pipes on both side of the meter (City and customer) by October 16, 2024.

Funding opportunities

- DNR has just released funding for the inventory, planning, and replacement of lead service lines. Whereas previously the ARPA funding was just for the inventory. This is a supplemental funding package and is a grant and loan opportunity. We suggest the City apply for the funding to see how much grant funding and potential loan money they would be awarded.



- No harm in applying for funding.

Other relevant topics

- None.

Input needed from Client or others

- Sign Task Order #3 between the City and Bartlett & West to commence Lead Service Line Inventory (LSLI) work.
- Sign/fill out certificate regarding debarment and suspension form.
- Sign/fill out business entity certification/E-verify MOU.
- Sign/fill out affidavit of work authorization.
- Sign/fill out certification regarding lobbying.
- Sign/fill out procurement certification form.
- Upload Request for Proposals (RFP) for LSLI onto ARPA website or send to MODNR PM.
- All applicable records/data for the water system to review for possible lead detection.
- Signature on MODNR grant and loan opportunity for lead service line replacement plan and physical replacement/construction.

Contact information

- We are always willing to attend City Board of Aldermen meeting, so please don't hesitate to reach out!
- The City of Meta's on-call engineers are listed below. Feel free to call, text, or email anytime!

Attachments

- None.

Blake Wilbers

Gary Davis, P.E.

blake.wilbers@bartwest.com - (573) 690-8393 gary.davis@bartwest.com - (573) 469-1561

Dillon Feely, P.E.

dillon.feely@BARTWEST.COM – (573) 659-6716



Driving Community and Industry Forward, Together.