



**INFORMATION REQUIRED FOR  
FEDERAL AWARDS REPORTING**

**December 31, 2020**

**CITY OF BALLWIN, MISSOURI**  
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**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***

Honorable Mayor and Board of Aldermen  
City of Ballwin, 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, each major fund, and the aggregate remaining fund information of the City of Ballwin, Missouri, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Ballwin, Missouri's basic financial statements, and have issued our report thereon dated May 5, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Ballwin, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Ballwin, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Ballwin, Missouri's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Ballwin, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
May 5, 2021

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

Honorable Mayor and Board of Aldermen  
City of Ballwin, Missouri

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

We have audited the City of Ballwin, Missouri's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Ballwin, Missouri's major federal programs for the year ended December 31, 2020. The City of Ballwin, Missouri's major federal programs are identified in the summary of auditors' 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 programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the City of Ballwin, Missouri's major federal programs 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 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 the 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 the City of Ballwin, 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 each major federal program. However, our audit does not provide a legal determination of the City of Ballwin, Missouri's compliance.

### **Opinion on Each Major Federal Programs**

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

## **Report on Internal Control over Compliance**

Management of the City of Ballwin, 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 the City of Ballwin, 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 the City of Ballwin, 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.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Ballwin, Missouri, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Ballwin, Missouri's basic financial statements. We issued our report thereon dated May 5, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Kerber, Eck & Braedel LLP*

St. Louis, Missouri  
May 5, 2021

**CITY OF BALLWIN, MISSOURI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor Pass-through Grantor Program Title	Federal CFDA Number	Pass-Through Identification Number	Expenditures
U.S. Department of Treasury:			
Direct:			
Equitable Sharing	21.016	N/A	\$ 38,145
Passed through St. Louis County:			
Coronavirus Relief Fund	21.019	N/A	<u>2,090,913</u>
Total U.S. Department of Treasury			2,129,058
U.S. Department of Justice:			
Direct:			
Equitable Sharing Program	16.922	N/A	15,258
U.S. Department of Transportation:			
Passed through Missouri Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	STP - 4939(608)	<u>42,998</u>
Total Highway Planning and Construction Cluster			42,998
Passed through Missouri Department of Transportation, Highway Safety Division:			
State and Community Highway Safety	20.600	20-PT-02-002	4,965
State and Community Highway Safety	20.600	20-PT-02-039	90
State and Community Highway Safety	20.600	21-PT-02-058	<u>1,018</u>
Total State and Community Highway Safety			6,073
National Priority Safety Programs	20.616	20-M2HVE-05-002	2,420
National Priority Safety Programs	20.616	21-M2HVE-05-009	<u>509</u>
Total National Priority Safety Programs			2,929
Passed through Missouri Department of Transportation, Alcohol Open Container Requirements:			
Alcohol Open Container Requirements	20.607	20-154-AL-003	3,610
Alcohol Open Container Requirements	20.607	20-154-AL-004	726
Alcohol Open Container Requirements	20.607	21-154-AL-065	291
Alcohol Open Container Requirements	20.607	21-154-AL-066	<u>178</u>
Total Alcohol Open Container Requirements			4,805
Total U.S. Department of Transportation			<u>56,805</u>
Total			<u>\$ 2,201,121</u>

The accompanying notes are in integral part of this schedule.



**CITY OF BALLWIN, MISSOURI**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE A | BASIS OF PRESENTATION**

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

**NOTE B | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual 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.

**NOTE C | INDIRECT COST RATE**

The City has not elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**CITY OF BALLWIN, MISSOURI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**1. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified?                          yes              X  no
- Significant deficiency identified that is not  
  considered to be a material weakness?                  yes              X  none reported

Noncompliance material to financial  
statements noted?          yes              X  no

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified?                          yes              X  no
- Significant deficiency identified that is not  
  considered to be a material weakness?                  yes              X  none reported

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

Any audit findings disclosed that are required  
to be reported in accordance with 2 CFR Section  
200.516(a) of the Uniform Guidance?                  yes              X  no

The program tested as a major program was:

    Coronavirus Relief Fund    CFDA # 21.019

The threshold for distinguishing Type A and B programs was \$750,000.

Auditee qualified as a low-risk auditee?                  yes              X  no

**CITY OF BALLWIN, MISSOURI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**2. FINDINGS – FINANCIAL STATEMENT AUDIT**

There were no findings which are required to be reported in accordance with Generally Accepted Government Auditing Standards.

**3. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT**

There were no findings and questioned costs related to major federal award programs.