

To Honorable County Council Members  
Honorable Steve Ehlmann, County Executive

October 26, 2018

The County Registrar examination opened March 19, 2018 has been completed, and the final report is being issued today. The scope of the review covered January 1, 2015 – December 31, 2017. Fieldwork for the review was completed on April 26, 2018, and our report reflects the results of work performed through that date. Responses were requested for by August 30, 2018 and received on October 26, 2018.

The objectives of the review were to determine whether internal controls were adequate and effective, operations and records were in compliance with established standards, regulations, policies and procedures, and resources were being used efficiently.

The examination covered record archiving, requests, and copies, license fees, annexation reports, and report filing. We reviewed the internal control environment surrounding those activities, as well as performed an evaluation of the effectiveness and efficiency with which department objectives are being achieved. In addition, reviews for compliance with the County Charter and Ordinances, Missouri Statutes, and internal policies and procedures were performed.

This audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, and consisted of examining, on a test basis, sufficient evidence to afford a reasonable basis, for our opinion.

In our opinion, except for the opportunities included in this report, internal controls were adequate and effective, and operations and records were in compliance with established standards.

The issuance of this report completes the formal examination process. However, if you wish to discuss any aspects of the audit or report, please contact me.

*Brent Statler*

Brent R. Statler, CPA, CGAP  
County Auditor

**Attachment**

Copy to Joann Leykam, Director of Administration  
Bob Schnur, Finance Department Director  
Brenda Hinton, County Registrar



**County Registrar  
Examination Report  
Opened March 19, 2018**

Scope: January 1, 2015 – December 31, 2017

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**BACKGROUND AND INTRODUCTION**

**Authority and Activity:**

Chapter 129 of the County Code established the Office of the County Registrar as a division of the Department of Finance. Upon creation of the office, non-election duties previously performed by the County Clerk were transferred to the Registrar. Code Section 112.040 designates the Registrar as the custodian of records for St. Charles County, responsible for archiving those documents.

Additional duties for the Registrar include certifying tax rates and annexations, determining fines settlements, tracking personal financial disclosures, filing certain State reports, and issuing licenses for liquor sales, auctioneers, ferries, notaries, tow trucks, bicycle events, and peddlers. Note: Some of the tax-related requirements are performed by the Department of Finance.

The County Registrar’s program mission as stated in the 2018 budget is as follows:

The Registrar is a division of the Finance Department and does not have a separate mission statement.
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**Funding:**

The primary funding for the County Registrar is provided by the general revenue fund and expenditures are included within the budget of the Finance Department and not reported here. Therefore, only the historical revenue is presented here.

County Registrar General Revenue Fund – Revenues Fiscal Years 2013-2018	
Fiscal Year	Licenses and Fees
2013	\$256,913
2014	\$263,164
2015	\$266,226
2016	\$287,139
2017	\$248,208
2018*	\$283,100

\* These are the approved budget amounts from the 2018 budget.

**Staffing:**

The number of full-time equivalent authorized positions for the County Registrar remained constant at 2.0 full-time budgeted positions from 2013 to 2018. Note: One position is currently unfilled.

## II. STATUS BOARD

The status board provides a summary of the County Registrar’s functions and processes. Each cell located under a function represents an activity that is to be completed to ensure that the process is performed in an effective and efficient manner. The color of the cells represents the assessment regarding completion of the activity. The legend below gives a description of the definition of each color.

- Red indicates management's immediate attention is required.
- Yellow indicates an opportunity for improvement exists.
- Green indicates there is no action necessary currently.
- Blue indicates a process that was not included in the scope of the review.
- Grey indicates a County issue that should be addressed by management but is not necessarily a direct responsibility of the audited department/office.

Record Archival and Access	Liquor Licenses	Towing Licenses	Ferry Licenses	Auctioneer Licenses	Notary Public
The Registrar is the chief archivist for County records.	Applicants submit a copy of the State liquor license, completed application, and a property tax receipt.	Applicant submits completed application, certificate of insurance, vehicle titles and safety inspections.	Applicant must complete an application and provide a petition and site plan.	Applicant completes an application listing relevant information.	Applicant completes notary commission application and submits it to the Secretary of State.
Departments/Offices file all public records with the Registrar to be recorded and archived, holding some records while notifying the Registrar of what is maintained.	License fee is charged based on a State fee sheet plus a \$3 certification fee.	Applicant also submits valid operator’s licenses and criminal background checks for all drivers.	Registrar forwards the application, petition, and site plan to the Planning & Zoning Division.	License fees are based on the State’s amounts: 1 mo. - \$10, 3 mo. - \$20, 6 mo. - \$30, and 1 yr. - \$50.	If approved, State sends the notary commission to the Registrar and notifies the applicant.
Documents are recorded in the archive database system, noting location, required retention, and other notes.	Registrar enters the license info and receipts the payment into MUNIS and issues a receipt to the customer.	The one-year license fee is \$50 for the initial license and \$35 for renewal.	If P&Z Commission approves the plan, it is sent to the County Council for final approval.	The Registrar also charges a \$5 processing fee, issuing the license after all fees are collected.	Applicants must pick up commissions at the Registrar Office within 3 months or the notary will expire.
Documents are destroyed upon approval from the Council once the State/ Federal retention requirements have elapsed.	License is printed (different color every year), numbered, certified, and given to the customer.	Money is collected and receipted into MUNIS. A receipt is issued to the customer.	Applicant pays a license fee of \$100 for the initial license and \$25 for renewal every 3 years.	Fees are receipted into MUNIS and a receipt is issued to the customer.	A license fee is \$5 and is receipted into MUNIS. A receipt is issued to the customer.
Under Sunshine Laws, citizens may request to view any public records.	All documentation is kept on file in the Registrar Office.	All money collected is deposited with the Finance Department.	The Registrar certifies the petition, which serves as the license, receipts the fee, and issues a receipt.	Fees are deposited with the Finance Dept.	All fees collected are deposited with the Finance Department.

Record Archival and Access	Liquor Licenses	Towing Licenses	Ferry Licenses	Auctioneer Licenses	Notary Public
The request can be submitted in person, by phone, or email.	The Registrar creates a report in MUNIS for expired licenses.	License status is tracked by the Registrar on an Excel spreadsheet.	The Registrar sends a renewal notice when it is time to renew the license.		The Registrar enters the info in MUNIS.
The Registrar retrieves the records and notifies the requestor that they are available for viewing.	The report is sent to the Public Health Department to be included as part of their inspections.	The Registrar sends renewal notices to the towing companies 3 months in advance of the expiration date.	After the initial year, only a petition for renewal approved by the P&Z Comm. and Council is required.		A log of license issued is maintained, including name, address, expiration date, and page number.
Copies of records are available for a fee of \$0.10 per standard page.					Log entries must be retained for 5 years.
Fees for records in other formats (disk, DVD, etc.) are based on the cost to produce the record.					Notaries renew the license every 4 years.
Payments are entered in MUNIS and the customer is issued a receipt.					

Tax Rate Reporting	Criminal Fines Settlement	Personal Financial Disclosures	Notice Posting	Annexations	Report Filing	Other Duties
The Registrar uses the State web portal to report certified tax rates.	Registrar receives a report of monies collected from the Finance Dept.	Annually the State Ethics Commission contacts the Registrar for a list of public officials and certain employees.	Code Sec. 2.603.1 requires the Registrar to post any new ordinances that provide a penalty for violation.	Cities annex land in accordance with State statutes.	The registrar completes reports for the State per RSMO 137.295.	PEDDLE LICENSES: Applicant submits a completed form and fee payment.
Pro forma rates are created based on information from the Assessor and BOE.	The State sends a MO DESE report listing student population by district.	The Registrar works with the Counselor to determine who must file based on statutes.	Ordinances must be posted in at least 6 public places and one newspaper.	City sends the Registrar 3 certified land identification reports.	Form 1309, 1310, and 1313 are annually sent to the Dept. of Revenue (A1).	The Registrar forwards the application to the Police Dept. for review.
The Registrar sends pro forma tax rate sheets to the appropriate political subdivisions.	Using the data, the Registrar calculates each district's % of total students.	The list of names is submitted to the State by Dec. 15 <sup>th</sup> .	Notices are posted with MO Lawyers Media and in the Co. Admin. Building.	The Registrar sends copies to the Assessor and Recorder.	The reports are the personal property, real estate, and railroad/utility aggregates.	Licenses are issued for approved applications with any additional fees collected.

Tax Rate Reporting	Criminal Fines Settlement	Personal Financial Disclosures	Notice Posting	Annexations	Report Filing	Other Duties
The political subs review the rates, adjust if necessary, and certify them.	The district receives a % of the funds equal to the % of total students.	The State sends forms to the people on the submitted list in Dec.	Notices are emailed to each city government and public library with a request to post the notice.	The Assessor and Counselor review the annexation and notifies the Registrar upon approval.	Form 1315A is sent each month to the Dept. of Revenue.	Licenses and application documentation are kept on file.
The certification is returned to the Registrar with an affidavit and resolution.	The completed report is sent to the County Executive for approval.	Replies are due by May 1 <sup>st</sup> or 30 days after taking office (elected official).		The Registrar sends notice to all applicable departments, utilities, and related parties.	The form reports disbursements made by the Collector and is due by the 10 <sup>th</sup> day of the month.	<b>BICYCLE EVENT LICENSES: Applicant submits a completed form, event documentation, and fee payment. (B1)</b>
The Registrar enters the rates into the State web portal for approval within 3 days of receipt.	The approved report is sent to the Finance Dept. to distribute funds to the districts by Sept. 30 <sup>th</sup> .	Reports are sent to the State with a copy provided to Registrar.			Per RSMO 51.163, an annual statement is sent to MO DESE.	The Registrar forwards the application to the Police Dept. for review and action. (B1)
The State Auditor sends notification of rate compliance which is forwarded to the political subs.	A copy of the report is filed with the MO School Finance Dept.				The statement of taxes and fees collected for the school districts is due by June 30 <sup>th</sup> .	Licenses are issued for approved applications with any additional fees collected.
Political subs have 15 days to accept or reject the tax rates.					Forms 11 & 11A are completed electronically using info from the Assessor.	The Registrar maintains any documentation.
The Registrar notifies the State of the political subs acceptance or challenging of rates.					The forms are emailed to the State Tax Commission by July 20 <sup>th</sup> (11) and after the Board of Equalization adjourns (11A).	
Approved rates are provided to the Collector to enter into the tax database system.						

### **III. EXECUTIVE SUMMARY**

Following is a summary of opportunities for improvement which were noted during our review of the County Registrar:

#### **A. Compliance Opportunities**

1. Report Filing: Forms 1309, 1310, 1313, or 1315A have not been submitted to the Department of Revenue since 2014.

#### **B. Control / Interdepartmental Opportunities**

1. Organized Bicycle Permits: During a review of bicycle event permit procedures, it was noted that several of the ordinance procedures were changed and/or not followed.

## Compliance – Report Filing

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>Per Missouri statutes, the County Clerk (Registrar) is required to file forms 1309 (RSMO 137.295), 1310 (RSMO 151.180), and 1313 (Dept. of Revenue regulation) with the Missouri Department of Revenue annually and form 1315A (RSMO 139.430) monthly.</p>	<p>Forms 1309, 1310, 1313, or 1315A have not been submitted to the Department of Revenue since 2014.</p> <p><u>Note:</u> In past years, the Registrar was unable to submit the reports due to not receiving the required information from other County offices.</p> <p><u>Note 2:</u> There are no stated penalties provided for in the statutes.</p>	<p>Compliance with State Statutes.</p>	<p>The Registrar should ensure that all reports are filed on a timely basis.</p>	<p>Since the review, Forms 1313 have been completed and submitted. We plan on meeting with the County Collector to resolve the remaining reports since they provide the necessary information to complete the remaining reports.</p>

**Control / Interdepartmental – Organized Bicycle Permits**

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>Section 270.010: Organized Bicycle Event requires a permit for an event, contest, procession, or parade containing 25 or more cyclists on any highway, roadway, or street within a 2-hour window. An organization may obtain a single event permit or an annual permit. Per Section 270.100 (D) 5, "If a road to be closed is a State road, however, the Chief of Police shall notify the Missouri Department of Transportation [MODOT] and provide for the road's closure only with the Department's concurrence provided by the Department to the Chief of Police"; and 270.010E.2, "upon issuing a single event permit or an annual permit the Registrar shall also request the County's Office of Public Information to make public the name, organizer, date and hours and route of any event, contest, procession or parade for which such permit is issued along with the name of any road that is to be closed and the date and time of it closure, by posting that information on (1) The County's website and (2) The County's closed-channel television service."</p>	<p>During a review of bicycle event permit procedures, the following was noted:</p> <ol style="list-style-type: none"> <li>1) The County does not broadcast road closures on the County's closed-channel television service; and</li> <li>2) The applicant rather than the Police Department notifies MODOT of a State road closure.</li> </ol> <p><u>Note:</u> The Registrar requires confirmation of MODOT approval from the applicant.</p>	<p>Opportunity for improved reporting of information to the public and compliance with the County Code.</p>	<p>The County Registrar needs to request that the Communications Department broadcast notification of Organized Bicycle Events as required by ordinance. Furthermore, the County should require the Police Department to notify MODOT or update the ordinance to allow the applicant to contact MODOT on state road closures.</p>	<p>Road closures are now emailed to Video Productions Manager to add to the County's Cable TV Channel. The process of state road closure will be reviewed to determine if a change to the existing ordinance is necessary.</p>