

**PRELIMINARY OFFICIAL STATEMENT DATED JUNE 3, 2025**

**NEW ISSUE  
BOOK-ENTRY ONLY  
BANK-QUALIFIED**

**S&P RATINGS: Program Rating: AA+  
District Underlying Rating: A  
See "RATINGS" herein.**

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" in this Official Statement.*



**\$2,500,000  
EXETER R-VI SCHOOL DISTRICT  
OF BARRY COUNTY, MISSOURI  
GENERAL OBLIGATION SCHOOL BUILDING BONDS  
(MISSOURI DIRECT DEPOSIT PROGRAM)  
SERIES 2025**

**Dated: Date of Issuance**

**Due: March 1, as shown below**

The Bonds will be issued as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. The Bonds will be available for purchase in denominations of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. DTC will receive all payments with respect to the Bonds from UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds. DTC is required to remit such payments to DTC Participants for subsequent disbursement to the beneficial owners of the Bonds. Semiannual interest will be payable on March 1 and September 1, beginning on March 1, 2026\*.

The Bonds and the interest thereon will constitute general obligations of Exeter R-VI School District of Barry County, Missouri (the "District"), payable from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

The Bonds or portions thereof are subject to optional [and mandatory] redemption prior to maturity as more fully described herein. See the caption "THE BONDS – Redemption Provisions" herein.

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**MATURITY SCHEDULE: SEE INSIDE FRONT COVER**

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*The Bonds are offered when, as and if issued by the District, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel. Certain legal matters related to the Official Statement will be passed upon by Gilmore & Bell, P.C., Kansas City, Missouri. It is expected that the Bonds will be available for delivery in book-entry form through DTC, New York, New York on or about \_\_\_\_\_, 2025.*



The date of this Official Statement is \_\_\_\_\_, 2025.

\* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**\$2,500,000**  
**EXETER R-VI SCHOOL DISTRICT**  
**OF BARRY COUNTY, MISSOURI**  
**GENERAL OBLIGATION SCHOOL BUILDING BONDS**  
**(MISSOURI DIRECT DEPOSIT PROGRAM)**  
**SERIES 2025**

**MATURITY SCHEDULE\***  
**BASE CUSIP: 06883G**

**SERIAL BONDS**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>		
<b><u>March 1</u></b>	<b><u>Amount*</u></b>	<b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b>
2026	\$200,000			
---				
2028	35,000			
2029	45,000			
2030	50,000			
2031	60,000			
2032	70,000			
2033	80,000			
2034	90,000			
2035	100,000			

**TERM BONDS**

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>		
<b><u>March 1</u></b>	<b><u>Amount*</u></b>	<b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b>
2037	\$230,000			
---				
2039	285,000			
---				
2041	345,000			
---				
2043	415,000			
---				
2045	495,000			

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\* Preliminary; subject to change. Serial maturities may be aggregated into one or more term certificates with mandatory sinking fund payments per the serial maturity schedule.

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**EXETER R-VI SCHOOL DISTRICT  
OF BARRY COUNTY, MISSOURI**

101 Locust Street  
Exeter, Missouri 65647  
(417) 835-2922

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**BOARD OF EDUCATION**

Eric O'Neill, President & Member  
Mitch Sorenson, Vice President & Member  
Sammy Schmidt, Treasurer & Member  
Lance Eaton, Member  
Stacy Hall, Member  
Kelly Lee, Member  
Bryce Stephens, Member

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**ADMINISTRATION**

Tim Jordan, Superintendent

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**UNDERWRITER**

Raymond James & Associates, Inc.  
Leawood, Kansas

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**BOND & DISCLOSURE COUNSEL**

Gilmore & Bell, P.C.  
Kansas City, Missouri

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**CERTIFIED PUBLIC ACCOUNTANTS**

KPM CPAs, PC  
Springfield, Missouri

## REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the District and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may overallocate or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or “blue sky” laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

### CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the District’s current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS SET FORTH IN **APPENDIX C** TO THIS OFFICIAL STATEMENT.

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## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

<b>District:</b>	Exeter R-VI School District of Barry County, Missouri
<b>Issue:</b>	\$2,500,000 General Obligation School Building Bonds (Missouri Direct Deposit Program), Series 2025
<b>Dated Date:</b>	Date of issuance of the Bonds
<b>Interest Payment Dates:</b>	March 1 and September 1, beginning March 1, 2026*
<b>Principal Due:</b>	Serial Bonds are due on March 1 in the years 2026* and 2028* through 2035*, inclusive, as detailed on the inside cover page of this Official Statement. Term Bonds are due on March 1 in the years 2037*, 2039*, 2041*, 2043* and 2045*, as detailed on the inside cover page of this Official Statement, subject to mandatory sinking fund redemption prior to maturity as described herein.
<b>Optional Redemption:</b>	The Bonds maturing on March 1, 2037* and thereafter are subject to optional redemption on March 1, 2035* and at any time thereafter, in whole or in part, at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.
<b>Authorization:</b>	The Bonds are authorized by a resolution of the Board of Education of the District pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 108 and 164 of the Revised Statutes of Missouri, as amended.
<b>Security:</b>	The Bonds will be general obligations of the District and will be payable from ad valorem taxes which may be levied without limitations as to rate or amount upon all taxable property, real and personal, within the territorial limits of the District. See also the caption <b>“SECURITY AND SOURCES OF PAYMENT FOR THE BONDS”</b> herein.
<b>Credit Rating:</b>	S&P Global Ratings ( <b>“S&amp;P”</b> ) has assigned the Bonds the rating of <b>“AA+”</b> conditioned upon the execution and delivery of the Direct Deposit Agreement described under the caption <b>“SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Direct Deposit of State Aid Payments.”</b> In addition, S&P has assigned the Bonds an underlying rating of <b>“A”</b> based on S&P’s evaluation of the credit worthiness of the District.
<b>Purpose:</b>	The Bonds are being issued for the purpose of financing capital improvements in the District, as further described under the caption <b>“PLAN OF FINANCING – The Projects.”</b>
<b>Tax Exemption:</b>	Gilmore & Bell, P.C., Bond Counsel, will provide an opinion as to the tax exemption of the Bonds as discussed under <b>“TAX MATTERS”</b> in this Official Statement.
<b>Bank Qualification:</b>	The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
<b>Paying Agent:</b>	UMB Bank, N.A., Kansas City, Missouri
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ( <b>“DTC”</b> ), New York, New York. DTC will act as securities depository of the Bonds.

\* Preliminary; subject to change.

## OFFICIAL STATEMENT

**\$2,500,000**  
**EXETER R-VI SCHOOL DISTRICT**  
**OF BARRY COUNTY, MISSOURI**  
**GENERAL OBLIGATION SCHOOL BUILDING BONDS**  
**(MISSOURI DIRECT DEPOSIT PROGRAM)**  
**SERIES 2025**

### INTRODUCTION

*This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page, and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.*

#### **Purpose of the Official Statement**

The purpose of this Official Statement is to furnish information relating to (1) Exeter R-VI School District of Barry County, Missouri (the “**District**”), and (2) the General Obligation School Building Bonds (Missouri Direct Deposit Program), Series 2025 (the “**Bonds**”) of the District, dated the date of their issuance and delivery, to be issued in the principal amount of \$2,500,000.

#### **The District**

The District is a school district and political subdivision organized and existing under the laws of the State of Missouri (the “**State**”). For general, economic and financial information about the District, see *Appendix A* to this Official Statement.

#### **Purpose of the Bonds**

The Bonds are being issued for the purpose of paying the costs of (1) acquiring, constructing, improving, repairing, renovating, furnishing and equipping school facilities and sites, including constructing an agricultural shop/classroom, bathrooms, locker rooms, a weightroom and an additional classroom; acquiring property currently leased by the District; and installing HVAC at the gymnasium and renovating and improving Middle School classrooms (the “**Projects**”), as further described under the caption “**PLAN OF FINANCING – The Projects,**” and (2) issuing the Bonds. The Bonds were authorized at an election held in the District on April 8, 2025 (the “**Bond Election**”). See the caption “**PLAN OF FINANCING – Authorization of the Bonds**” herein.

#### **Security and Source of Payment**

The Bonds will be general obligations of the District and will be payable from ad valorem taxes which may be levied without limitations as to rate or amount upon all taxable property, real and personal, within the territorial limits of the District. In addition, the District will enter into a Direct Deposit Agreement (hereinafter defined), whereby the District will pledge its State Aid to the payment of the Bonds. The Direct Deposit Agreement will require that a portion of the District’s State Aid payments be transferred directly to the Deposit Trustee (hereinafter defined) which will, in turn, transfer amounts as needed to the paying agent for the Bonds in order to provide for payment of debt service on the Bonds. See also the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” herein.

## **Other Outstanding Obligations Payable**

In addition to the Bonds, the District is obligated to meet from ad valorem taxes the principal and interest requirements on the District's other general obligation bonds as set forth in *Appendix A* to this Official Statement under **"DEBT STRUCTURE OF THE DISTRICT – Current Long-Term General Obligation Indebtedness."** In addition, the District has an outstanding lease financing as set forth in *Appendix A* to this Official Statement under the caption **"DEBT STRUCTURE OF THE DISTRICT – Other Long-Term Obligations of the District."**

## **Financial Statements**

Audited financial statements of the District, as of and for the year ended June 30, 2024, are included in *Appendix B* to this Official Statement. These financial statements have been audited by KPM CPAs, PC, Springfield, Missouri, independent certified public accountants, to the extent and for the period indicated in the Independent Auditors' Report which is also included in *Appendix B* to this Official Statement.

## **Continuing Disclosure Information**

Pursuant to a Continuing Disclosure Undertaking dated as of [\_\_\_\_\_, 2025] (the **"Continuing Disclosure Undertaking"**), the District has agreed to provide certain annual financial information, operating data and notices of certain events to the Municipal Securities Rulemaking Board via the Electronic Municipal Market Access system (**"EMMA"**), in accordance with Rule 15c2-12 (the **"Rule"**) promulgated by the Securities and Exchange Commission. See *Appendix C: "Form of Continuing Disclosure Undertaking."*

The District adopted Administrative Procedure DC-1-AP(1): Taxing and Borrowing Authority and Limitations – (Bond Compliance) on November 10, 2020, setting forth written policies and procedures to promote compliance with federal tax law and with the District's continuing disclosure undertakings for certain taxable, tax-exempt and other tax-advantaged obligations of the District after issuance of such bonds and obligations.

## **Compliance with Prior Undertakings Under the Rule**

For fiscal years 2020 through 2024, the District failed to timely file its audited financial statements on EMMA and failed to file "failure to file" notices relating thereto.

The District has engaged a third party to remediate the missed filings and ensure compliance with its ongoing continuing disclosure obligations.

## **Bond Ratings**

The District has received the ratings set forth on the cover page from S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC (**"S&P"**) on this issue. See the caption **"RATINGS"** herein. Such ratings reflect only the views of S&P, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that the ratings will not be revised, either downward or upward, or withdrawn entirely, by S&P if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

## PLAN OF FINANCING

### Authorization of the Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 108 and 164 of the Revised Statutes of Missouri, as amended. The Bonds are being issued pursuant to a resolution of the Board of Education of the District (the “**Bond Resolution**”). Issuance of the Bonds was approved by 88.6% (179 to 23) of the qualified voters of the District voting at the Bond Election.

### The Projects

Proceeds of the Bonds will be used for the purpose of financing the costs of acquiring, constructing, improving, repairing, renovating, furnishing and equipping school facilities and sites, including constructing an agricultural shop/classroom, bathrooms, locker rooms, a weightroom and an additional classroom; acquiring property currently leased by the District; and installing HVAC at the gymnasium and renovating and improving Middle School classrooms. Construction of the improvements will begin by the end of May, 2025, and they are estimated to be completed by the end of July, 2026.

Various projects to be completed with proceeds of the Bonds are described in additional detail as follows:

- *Agricultural Shop/Classroom* – Construction of an agricultural shop/classroom which will include large bay doors and multiple welding stations for student use. The facility will also include space for food science and wood working classes.
- *Facilities Improvements* – Construction of a new band classroom, a new weightroom and locker room bathrooms. Installation of windows and renovation and improvements to walls, flooring and sinks at the Middle School.

### Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the expected uses of such funds, in connection with the plan of financing:

#### *Sources of Funds:*

Par Amount of the Bonds	\$2,500,000
Reoffering Premium	
Total	

#### *Uses of Funds:*

Deposit to Capital Projects Fund	\$
Costs of issuance for the Bonds**	
Total	<u>\$</u>

\* Preliminary; subject to change.

\*\* Including Underwriter’s discount.

## THE BONDS

*The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Resolution for the detailed terms and provisions thereof.*

### General Description

The Bonds will be issued in the principal amount shown on the cover page, will be dated the date of their issuance, and will consist of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The Bonds will mature on March 1 in the years and in the principal amounts shown on the cover page of this Official Statement. Interest on the Bonds will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2026\*.

Interest will be paid to the registered owners of the Bonds as shown on the registration books maintained by UMB Bank, N.A., Kansas City, Missouri (the “**Paying Agent**”) at the close of business on the “**Record Date**” for payment of such interest, which Record Date is the 15<sup>th</sup> day (whether or not a business day) of the calendar month next preceding an interest payment date, (a) by check or draft mailed by the Paying Agent to the address of such registered owners shown on the registration books of the Paying Agent, or (b) in the case of an interest payment to DTC or any successor securities depository or any registered owners of \$500,000 or more in the aggregate principal amount of Bonds, by electronic transfer to such registered owner upon written notice given to the Paying Agent by such registered owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address (which shall be in the continental United States) including the bank ABA routing number and account number to which such registered owner wishes to have such transfer directed. While the Bonds remain in book-entry only form, payments to Beneficial Owners (as defined herein) are governed by the rules of DTC as described in *Appendix D* to this Official Statement. If DTC ceases to act as securities depository for the Bonds, payment may be made as described in the Bond Resolution.

### Book-Entry Only System

Ownership interests in the Bonds will be available to purchasers only through a book-entry only system (the “**Book-Entry Only System**”) described in *Appendix D* to this Official Statement.

### Registration, Transfer and Exchange of Bonds

The District covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent as provided in the Bond Resolution. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner’s duly authorized agent. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution. The District shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by the Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The District and the Paying Agent shall not be required to register the transfer or exchange of any Bond (a) after notice calling such bond or portion thereof for redemption has been mailed by the Paying Agent pursuant to the Bond Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) during a period beginning at the opening of business on the day after receiving written notice from the District of its intent to pay defaulted interest and ending at the close of business on the date fixed for the payment of defaulted interest pursuant to the Bond Resolution.

**Redemption Provisions**

**Optional Redemption.** At the option of the District, the Bonds or portions thereof maturing on March 1, 20\_\_, and thereafter, may be called for redemption and payment prior to their stated maturity on March 1, 20\_\_, and at any time thereafter, in whole or in part in such amounts for each stated maturity as determined by the District at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

**[Mandatory Sinking Fund Redemption.** The Bonds are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Bond Resolution on such dates and in such principal amounts shown below at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

<u>Term Bonds Maturing on March 1, 20</u>		<u>Term Bonds Maturing on March 1, 20</u>	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
<u>Term Bonds Maturing on March 1, 20</u>			
<u>Year</u>	<u>Principal Amount</u>		

\*Final Maturities]

**Selection of Bonds to be Redeemed.** When less than all Bonds are to be redeemed, such Bonds shall be redeemed from maturities selected by the District, and Bonds of less than a full maturity shall be selected by the Paying Agent in multiples of \$5,000 principal amount by lot or in such other equitable manner as the Paying Agent may determine.

**Notice and Effect of Call for Redemption.** Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the District by mailing a copy of an official redemption notice by first class mail at least 20 days prior to the redemption date to the State Auditor of Missouri, the Underwriter and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the District defaults in the payment of the redemption price) such Bonds or portion of Bonds shall cease to bear interest. The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified above to DTC. It is expected that DTC will, in turn, notify the DTC Participants and that the DTC Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a

DTC Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a DTC Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

## SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

### General

***Pledge of Full Faith and Credit.*** The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District. The full faith, credit and resources of the District are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

***Levy and Collection of Annual Tax.*** Under the Bond Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. Except as otherwise provided in the section below captioned “**Direct Deposit of State Aid Payments,**” the proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District and shall be used solely for the payment of the principal or redemption price of and interest on the Bonds as and when the same become due, taking into account scheduled mandatory redemptions, if any, and the fees and expenses of the Paying Agent.

### Direct Deposit of State Aid Payments

Pursuant to Section 360.111 of the Revised Statutes of Missouri and related statutes (the “**Deposit Law**”), the State of Missouri (the “**State**”) will transfer to a Missouri bank, as direct deposit trustee (the “**Deposit Trustee**”), a portion of the District’s State aid payments and distributions normally used for operational purposes (“**State Aid**”) in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the “**Direct Deposit Agreement**”) with the Office of the Treasurer of the State of Missouri (“**Treasurer’s Office**”), the Department of Elementary and Secondary Education of the State of Missouri (“**DESE**”), the Health and Educational Facilities Authority of the State of Missouri (the “**Authority**”) and the Deposit Trustee. Under the Direct Deposit Agreement, the District will pledge its State Aid to the payment of the Bonds. The Direct Deposit Agreement will provide that one-sixth (1/6) of the annual debt service to be paid on the Bonds during the bond year ending on March 1, 2026, will be deposited with the Deposit Trustee in each of the six (6) months of July, 2025 through December, 2025; and one-tenth (1/10) of the annual debt service to be paid on the Bonds during the bond year ending March 1, 2027 will be deposited with the Deposit Trustee in each of the ten (10) months of March, 2026 through December, 2026, and for each bond year thereafter, one-tenth (1/10) of the annual debt service due on the Bonds in each succeeding bond year will be deposited with the Deposit Trustee in each succeeding ten (10) similar months (March through December) so long as the Bonds are outstanding. Amounts of State Aid to the District in excess of the amounts required to be deposited with the Deposit Trustee will be transferred directly to the District as has historically been the case with all State Aid.

Each month, pursuant to the terms of the Direct Deposit Agreement, DESE will advise the Treasurer’s Office of the amount of the District’s State Aid to be deposited with the Deposit Trustee for the purpose of paying the Bonds, as specified in the Direct Deposit Agreement. If there is a shortfall in a monthly payment, it is to be made up in the succeeding monthly payment of State Aid. Following receipt of the deposits, the Deposit Trustee will invest the amounts for the benefit of the District in legally permitted investments. The Deposit Trustee will transfer to the Paying Agent the amount necessary for payment of debt service on the Bonds not

later than the business day prior to each payment date with respect to the Bonds. The District remains obligated to provide funds to the Paying Agent for debt service on the Bonds if the amounts of State Aid transferred are not sufficient to pay the Bonds when due.

Nothing in the Deposit Law or the Direct Deposit Agreement relieves the District of its obligation to make payments of principal and interest on the Bonds, or to impose any debt service levy sufficient to retire the Bonds. Moneys of the District which would otherwise be used to pay the Bonds on each payment date will be transferred to the District's operational funds to replace State Aid funds used to pay the Bonds. The State has not committed pursuant to the Deposit Law, the Direct Deposit Agreement or otherwise to maintain any particular level of State Aid on behalf of the District, and the State is not obligated in any manner, contractually or morally, to make payments of debt service on the Bonds, other than its obligation to make transfers to the Deposit Trustee as described above. No assurance can be made that the amount of annual State Aid to the District will not in the future drop below that of the annual debt service requirements on the Bonds.

## **RISK FACTORS AND INVESTMENT CONSIDERATIONS**

*The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.***

### **Ad Valorem Property Taxes**

The Bond Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See the section captioned "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – History of Property Valuations**" in *Appendix A* to this Official Statement. In addition, the issuance of additional general obligation bonds by the District or by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See the section captioned "**DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying General Obligation Indebtedness**" in *Appendix A* to this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 15% of the assessed valuation of taxable tangible property in the District. See the section captioned "**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity**" in *Appendix A* to this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. See "**Property Valuations – Current Assessed Valuation**" and "**Major Property Taxpayers**" under the caption "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**" in *Appendix A* to this Official Statement.

## **Senior Property Tax Credit Program**

In 2024, the Missouri General Assembly passed Senate Bill 756 (further amending Section 137.1050 of the Revised Statutes of the State of Missouri, as amended, originally enacted by the Missouri General Assembly in 2023 by Senate Bill 190), which authorizes counties to grant property tax credits to residential property owners who have attained the age of 62 years or older equal to the difference between the real property tax liability on the homestead in the current year minus the real property tax liability on such homestead in the year in which the taxpayer became eligible to receive the tax credit (the “**Senior Property Tax Credit Program**”). Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by the county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. As of the date of this Official Statement, the Barry County Commission has not implemented the Senior Property Tax Credit Program in Barry County.

The potential financial impact of the Senior Property Tax Credit Program on the District is not yet ascertainable. If the District’s property tax revenues are reduced in a given year as a result of the Senior Property Tax Credit Program, there will be less property tax revenues available to pay principal of and interest on the Bonds. In addition, the District is permitted to retain in its debt service fund up to one year’s debt service payments and can increase the debt service levy for future years to address the potential decrease from implementation of the Senior Property Tax Credit Program and to ensure continued payment of the principal of and interest on the Bonds. See “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**” in *Appendix A* of this Official Statement.

## **Secondary Market Prices and Liquidity**

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor’s or the issuer’s circumstances, and may require commitment of the investor’s funds for an indefinite period of time, perhaps until maturity.

## **No Reserve Fund or Credit Enhancement**

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to ensure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the District to pay the Bonds. As described under the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” in this Official Statement, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal and interest on the Bonds on all taxable tangible property in the District.

## **Ratings**

S&P Global Ratings has assigned the Bonds the program rating, and the District the underlying rating, set forth on the cover page. Such ratings reflect only the views of such rating agency, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in

effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in their judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. See the caption “**RATINGS**” herein.

### **Bankruptcy**

In addition to the limitations on remedies contained in the Bond Resolution, the rights and remedies provided by the Bonds may be limited by and are subject to (i) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors’ rights, (ii) the application of equitable principles, and (iii) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri, as amended, requires that any interest and sinking fund moneys only be used to pay principal and interest on the Bonds. The District, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

### **Pensions**

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri (“**PSRS**”) and (ii) The Public Education Employee Retirement System of Missouri (“**PEERS**”). See “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Pension and Employee Retirement Plans**” in *Appendix A* to this Official Statement. Future required contribution increases beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the District’s operations or limit the District’s ability to generate additional revenues in the future.

### **State Aid and Direct Deposit Agreement**

Approximately 45% of the District’s revenue for the fiscal year ended June 30, 2024 was derived from State Aid. See the captions “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue,**” and “**– State Revenue**” in *Appendix A* to this Official Statement. A portion of the District’s State Aid is currently pledged to the payment of the Bonds and will be directly deposited by the State with the Deposit Trustee for payment of the Bonds. See “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct Deposit of State Aid Payments**” in this Official Statement. Reductions in State Aid could occur in the future if, for example, the State of Missouri faces fiscal problems or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

### **Enrollment**

Significant portions of the revenue the District receives are directly affected by the District’s enrollment. A significant decrease in enrollment could reduce the amount of future revenue the District receives, which may adversely affect the District’s financial position and results of operations. No assurance can be given that economic, social, legislative and other factors beyond the control of the District will not negatively impact student enrollment and revenues dependent thereon. Increased competition from other educational facilities, including virtual facilities and charter schools, which may offer comparable programs at lower prices, could adversely affect the ability of the District to maintain enrollment, or could adversely affect the ability of the District to attract faculty and other staff. Under the Missouri Course Access and Virtual School Program, eligible students may enroll in virtual courses, and the school district will have to pay for that course if certain criteria are met. Charter schools are allowed in certain limited areas of Missouri provided certain criteria are met; there are or may be pending in the General Assembly of Missouri legislative proposals that, if enacted, could expand the prevalence of charter schools. It cannot be predicted whether or in what form any proposed legislation might

be enacted or whether, if enacted, it would negatively impact the District's enrollment, financial position or operations. For information about the historical enrollment of the District, see **"THE DISTRICT – History of Enrollment"** in *Appendix A* to this Official Statement.

### **Amendment of the Bond Resolution**

Certain amendments, effected by resolution of the District, to the Bonds and the Bond Resolution may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (a) extend the maturity of any payment of principal or interest due upon any Bond; (b) alter the optional redemption provisions of any Bond; (c) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (d) permit preference or priority of any Bond over any other Bond; or (e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Resolution without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The District may also amend or supplement the Bond Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

### **[Loss of Premium from Redemption**

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the caption **"THE BONDS – Redemption Provisions"** in this Official Statement.]

### **Tax-Exempt Status and Risk of Audit**

The failure of the District to comply with certain covenants set forth in the Bond Resolution could cause the interest on the Bonds to become included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bond Resolution does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and Missouri income tax purposes. See **"TAX MATTERS"** in this Official Statement.

The Internal Revenue Service (the **"IRS"**) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the District as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

### **Adverse Tax Legislation**

There may be proposed from time to time in the Congress of the United States legislation, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to herein or affect the market value of the Bonds. It cannot be predicted whether or in what form any proposed legislation might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

## **Defeasance Risks**

When all Bonds are deemed paid and discharged as provided in the Bond Resolution, the requirements contained in the Bond Resolution and the pledge of the District's faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations (as defined in the Bond Resolution) that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the stated maturity or prior redemption date. There is no legal requirement in the Bond Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

## **Cybersecurity Risks**

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the District's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

## **LEGAL MATTERS**

### **Legal Proceedings**

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the District or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the District's ability to meet its obligations to pay the Bonds.

### **Approval of Legality**

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Certain legal matters relating to this Official Statement will also be passed upon by Bond Counsel.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional

judgment, of the transactions opined upon or of the future performance of parties to such transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

## TAX MATTERS

*The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.*

### Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., as Bond Counsel to the District (“**Bond Counsel**”), under the law existing as of the issue date of the Bonds:

**Federal and State of Missouri Tax Exemption.** The interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

**Alternative Minimum Tax.** The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

**Bank Qualification.** The Bonds are “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the section captioned “**TAX MATTERS.**”

### Other Tax Consequences

**[Original Issue Discount.** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to

maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

***[Original Issue Premium.*** For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

***Sale, Exchange or Retirement of Bonds.*** Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

***Reporting Requirements.*** In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

***Collateral Federal Income Tax Consequences.*** Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

## RATINGS

S&P Global Ratings, a division of S&P Global, Inc. (“**S&P**”), has assigned the Bonds the rating as shown on the cover page conditioned upon the execution and delivery of the Direct Deposit Agreement described under the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Direct Deposit of State Aid Payments**” hereof. In addition, S&P has assigned the Bonds an underlying rating shown on the cover page based on S&P’s evaluation of the credit worthiness of the District without consideration that payments on the Bonds are to be made pursuant to the Direct Deposit Program.

At present, S&P maintains four categories of investment grade ratings—AAA, AA, A and BBB. Under S&P criteria, debt rated “AA” has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree; debt rated “A” has a strong capacity to pay interest and repay principal although it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than “AAA”- and “AA”-rated debt. Ratings reflect only the view of S&P at the time such ratings are given, and the District and the Underwriter make no representation as to the appropriateness of such ratings or that such ratings will not be changed, suspended or withdrawn.

S&P relies on the District and others for the accuracy and completeness of the information submitted in connection with the ratings. Ratings are not “market” ratings nor recommendations to buy, hold or sell the Bonds, and such ratings may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. Any downward revision, suspension or withdrawal of ratings could have an adverse effect on the market price and marketability of the Bonds. An explanation of the significance of ratings may be obtained only from S&P at the following address: S&P Global Ratings, 55 Water Street, New York, New York 10041.

## MISCELLANEOUS

### **Underwriting**

Raymond James & Associates, Inc., Leawood, Kansas (the “**Underwriter**”), has agreed to purchase the Bonds at a price of \$ \_\_\_\_\_ (which is equal to the aggregate original principal amount of the Bonds, plus an original issue premium of \$ \_\_\_\_\_, less an underwriting discount of \$ \_\_\_\_\_). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

### **Certain Relationships**

Gilmore & Bell, P.C., Bond Counsel to the District, has represented the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing them in connection with the issuance of the Bonds.

### **Certification and Other Matters Regarding Official Statement**

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the District, certified public accountants and other sources which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Bonds, the President of the Board of Education of the District, acting on behalf of the District, will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement

of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the District. Neither the District nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District's ability to make payments required of it; and further, neither the District nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Bond Resolution.

**Additional Information**

Additional information regarding the District or the Bonds may be obtained from the District in care of Superintendent, Exeter R-VI School District of Barry County, Missouri, 101 Locust Street, Exeter, Missouri 65647, Telephone: (417) 835-2922, or from the Underwriter, Raymond James & Associates, Inc., 11551 Ash Street, Suite 250, Leawood, Kansas 66211, Attention: Allan Markley, Telephone: (913) 374-3349.

**EXETER R-VI SCHOOL DISTRICT OF BARRY  
COUNTY, MISSOURI**

By: \_\_\_\_\_  
President of the Board of Education

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APPENDIX A

GENERAL, ECONOMIC AND FINANCIAL INFORMATION OF THE DISTRICT

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## THE DISTRICT

### General Description

The District is located in the southwestern corner of Missouri and encompasses approximately 38 square miles entirely in Barry County (which is highlighted on the map to the right). The District's schools are located in Exeter, Missouri (the "City"), which is located approximately 60 miles southwest of Springfield, Missouri and approximately 15 miles north of the Arkansas border.



### Organization and Board of Education

The District is a reorganized school district formed pursuant to Chapter 162 of the Revised Statutes of Missouri, as amended ("RSMo") and operates under the oversight of the Missouri Department of Elementary and Secondary Education ("DESE"). The District is governed by a seven-member Board of Education (the "Board"). The members of the Board are elected by the voters of the District for three-year staggered terms. All Board members are elected at-large and serve without compensation. The Board is responsible for all policy decisions. The President of the Board is elected by the Board from among its members for a term of one year and has no regular administrative duties. The Secretary and Treasurer are appointed by the Board and may or may not be members of the Board.

The current members and officers of the Board are:

<u>Name</u>	<u>Office</u>	<u>Current Term Began</u>	<u>Current Term Expires</u>
Eric O'Neill	President & Member	April 2025	April 2028
Mitch Sorensen	Vice President & Member	April 2024	April 2027
Sammy Schmidt	Treasurer & Member	April 2024	April 2027
Lance Eaton	Member	April 2023	April 2026
Stacy Hall	Member	April 2023	April 2026
Kelly Lee	Member	April 2023	April 2026
Bryce Stephens	Member	April 2025	April 2028

### Administration

The Board appoints the Superintendent who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Mr. Tim Jordan began as Superintendent of the District on July 1, 2021. Before his role as Superintendent, Mr. Jordan served in the District as a fourth-grade teacher in the District for four years, Elementary School counselor for two years and Elementary School principal for 10 years.

Mr. Jordan earned his Bachelor's degree in Elementary Education and Teaching and a Master's degree in Counselor Education/School Counseling and Guidance Services from Evangel University, a Master's degree in Educational Leadership and Administration from Lindenwood University and his Educational Specialist degree in Superintendency and Educational System Administration from Arkansas State University.

Additional members of the administrative staff are appointed by the Board upon recommendation by the Superintendent.

**Professional Staff, Teachers and Employees**

The District has a total of 54 employees, including 3 administrative personnel, 26 teachers and 25 non-certificated employees. On average, teachers employed by the District have 12.3 years of teaching experience, compared to a statewide average of 13.1 years, and 33.3% of the District’s teachers hold advanced degrees compared to a statewide average of 61.1%. For the 2023-2024 school year, the average salary for all teaching staff was \$42,496, compared to a statewide average salary for teaching staff of \$57,794.

**Educational Facilities**

The District operates two schools as described below. The aggregate replacement cost of the current physical facilities of the District as most recently determined for insurance purposes is approximately \$12,634,671.

<u>Name of School</u>	<u>Grades Served</u>
Exeter Elementary	PK-6
Exeter Junior High/High	7-12

**History of Enrollment**

Listed below are the District’s fall enrollment figures for the following school years.

<u>School Year</u>	<u>Enrollment</u>
2024-2025	330
2023-2024	340
2022-2021	311
2020-2021	311
2019-2020	297

Source: The District; DESE.

**Other District Statistics**

The following table shows additional information about the District compiled by DESE for the following fiscal years.

	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
Avg. Daily Attendance (ADA)	283	286	294	297	327
Current Expenditures per Pupil	\$9,553	\$10,386	\$9,699	\$10,457	\$9,543
Students per Teacher	11	12	12	12	12
Students per Classroom Teacher	14	14	14	14	15

Source: DESE.

**District Accreditation**

DESE administers the Missouri School Improvement Program (“MSIP”), the state’s school accountability system for reviewing and accrediting public school districts in Missouri. Since MSIP was established in 1990, five review cycles have been completed, each cycle lasting from five to six years. The sixth cycle, referred to as MSIP 6, began in the 2021-2022 school year.

The District is accredited. The MSIP classification is not a bond or debt rating but is solely an evaluation made by DESE.

## National School Lunch Program

Certain District students are eligible to receive free or reduced price lunches (“FRL”) under The National School Lunch Program, which include students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program) or that qualify based on household income. The following table shows information about the District’s students’ participation in the program.

<u>School</u>	<u>January 2025 Full-Time Enrollment FRL Count</u>	<u>January 2025 Full-Time Enrollment</u>	<u>January 2025 Percentage of FRL Participation</u>
Exeter High	69.00	107.00	64.49%
Exeter Elementary	168.00	216.00	77.78

Source: DESE.

## ECONOMIC INFORMATION CONCERNING THE DISTRICT

### Population

The following table shows population figures for the District, the City, Barry County and the State of Missouri from the last three decennial censuses and the latest available estimate.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2023</u>
District	1,824	1,891	1,860	2,532
City of Exeter	704	772	733	997
Barry County	34,010	35,597	34,534	34,831
State of Missouri	5,595,211	5,988,927	6,154,913	6,168,181

Source: U.S. Census Bureau; Missouri Census Data Center - American Community Survey 5-Year Estimates (2019-2023).

The following table shows population distribution by age for the District, the City, Barry County and the State of Missouri from the latest available estimate.

<u>Estimated Population Distribution by Age</u>				
<u>Age</u>	<u>District</u>	<u>City of Exeter</u>	<u>Barry County</u>	<u>State of Missouri</u>
Under 5 years	245	119	2,050	359,915
5-19 years	522	181	6,713	1,187,955
20-24 years	84	63	1,630	402,879
25-44 years	706	306	7,805	1,596,432
45-64 years	593	236	9,017	1,541,871
65 years and over	<u>382</u>	<u>92</u>	<u>7,616</u>	<u>1,079,129</u>
Total	<u>2,532</u>	<u>997</u>	<u>34,831</u>	<u>6,168,181</u>
Median age	37.0	34.1	43.0	38.9

Source: Missouri Census Data Center - American Community Survey 5-Year Estimates (2019-2023).

### Commerce, Industry and Employment

**Major Employers.** Listed below are the major employers located in and near the District, including the communities of Cassville and Neosho:

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
La-Z-Boy Manufacturing, Inc.	Manufacturing	925
George's Inc.	Meat processing	850
Regal Rexnord Corp.	Automotive manufacturing	812
Scholastic Books	Book Publishing	500
Wal-Mart Supercenter	Retail	460
Freeman Neosho Hospital	Healthcare	371
Mercy Hospital Cassville	Healthcare	262
Justin Brands	Boot Manufacturing	217
Twin Oaks Cabinet Shops	Cabinet Makers	157
Branco Enterprises, Inc.	Construction	150

Source: Data Axle Genie

**Employment Figures.** The following table sets forth employment figures (not seasonally adjusted) for Barry County, the State of Missouri and the United States:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025*</u>
<b>Barry County</b>					
Total Labor Force	15,060	14,409	14,286	14,414	14,707
Unemployed	633	392	484	599	706
Unemployment Rate	4.2%	2.7%	3.4%	4.2%	4.8%
<b>State of Missouri</b>					
Total Labor Force	3,031,845	3,042,699	3,095,018	3,131,182	3,146,623
Unemployed	126,113	79,757	95,951	114,296	137,989
Unemployment Rate	4.2%	2.6%	3.1%	3.7%	4.3%
<b>United States</b>					
Total Labor Force	161,204,000	164,287,000	167,116,000	168,106,000	170,194,333
Unemployed	8,623,000	5,996,000	6,080,000	6,761,000	7,427,000
Unemployment Rate	5.3%	3.6%	3.6%	4.0%	4.3%

Source: Missouri Economic Research and Information Center, Missouri Department of Economic Development.

\* Average through March, 2025.

### Medical and Health Facilities

There are multiple healthcare options for District residents. Mercy Hospital Cassville, located four miles east of the District, is a 13-bed community hospital, that offers emergency care, heart and vascular services, therapy services and imaging services to District residents. CoxHealth Cassville Clinic, located four miles east of the District, offers a full range of health care services.

Freeman Neosho Hospital, located approximately 35 miles northwest of the District in Neosho, is a 25-bed critical care access hospital that offers inpatient and outpatient medical care including critical care, cardiac rehabilitation, emergency services, occupational therapy, physical therapy, skilled nursing, surgical services, radiology and speech therapy, among others.

## **Higher Education**

Crowder College is a two-year community college located in Neosho, approximately 35 miles northwest of the District, with an enrollment of approximately 4,000 students. Established in 1963, Crowder College offers Associate of Arts, Associate of Science, Associate of Applied Science degrees and certificates in over 80 programs.

Other undergraduate and graduate studies are available within 60 miles of the District, including the University of Arkansas in Fayetteville, Missouri Southern State University in Joplin, Missouri State University in Springfield and Drury University in Springfield.

## **Municipal Services and Utilities**

*Water and Sewer:* The City provides water and sewer services to District residents.

*Electric:* Barry County Electric Cooperative provides electricity to District residents.

*Natural Gas:* Spire Missouri, Inc. provides natural gas services to District residents.

## **Transportation Facilities**

The District is bisected by U.S. Highway 76 and is approximately 35 miles east of Interstate Highway 49 which runs from north-south from Kansas City, Missouri to Fort Smith, Arkansas. The District is approximately 60 miles southwest of Springfield, Missouri.

The District is located approximately 60 miles southwest of the Springfield-Branson National Airport, which offers nonstop flights to multiple destinations in the United States. The District is also approximately 48 miles northeast of the Northwest Arkansas National Airport which offers nonstop flights to more than 20 cities in the United States.

## **Recreational Facilities**

Within short driving distances, there are multiple recreational facilities available to District residents. In nearby Cassville (approximately four miles east of the District), the Cassville YMCA includes the Cassville Aquatic Center which is a 200,000-gallon water park with water slides, zero depth entry pools, and interactive water features. South Park, in Cassville, includes two playground areas, three softball fields, six soccer fields, an 18-hole disc golf course and access to the scenic Greenway Trail.

Roaring River State Park, located 11 miles south of the District, is the State of Missouri's most popular state park, drawing nearly 2 million visitors each year. One of only three state parks stocked with Rainbow Trout, it attracts anglers from across the region. In addition to fishing, the park has seven hiking trails, picnic tables, a nature center, a campground, RV park and lodging.

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## Income and Home Values

The following table presents per capita personal income<sup>(1)</sup> for Barry County and the State of Missouri for the years 2021 through 2023, the latest date for which such information is available:

<u>Year</u>	<u>Barry County Per Capita Personal Income</u>	<u>State of Missouri Per Capita Personal Income</u>
2023	\$45,250	\$62,604
2022	45,526	59,007
2021	42,077	56,639

Source: U.S. Department of Commerce - Bureau of Economic Analysis.

<sup>(1)</sup> Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. “**Personal Income**” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “**Net Earnings**” is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

The following table presents the estimated median household income for the District, the City, Barry County and the State of Missouri:

	<u>Median Household Income</u>
District	\$49,408
City of Exeter	48,214
Barry County	56,611
State of Missouri	68,920

Source: Missouri Census Data Center, American Community Survey, 5-year estimates (2019-2023).

The following table presents the number of and median value of owner-occupied housing units in the District, the City, Barry County and the State of Missouri:

	<u>Number of Owner- Occupied Units</u>	<u>Median Home Value</u>
District	717	\$132,800
City of Exeter	222	106,300
Barry County	10,007	172,900
State of Missouri	1,688,072	215,600

Source: Missouri Census Data Center, American Community Survey, 5-year estimates (2019-2023).

## DEBT STRUCTURE OF THE DISTRICT

### Overview

The following table summarizes certain financial information concerning the District after issuance of the Bonds (unless otherwise noted). This information should be reviewed in conjunction with the other information contained in this section and the financial statements of the District in *Appendix B* to this Official Statement.

2024 Assessed Valuation <sup>(1)</sup>	\$19,713,936
2024 Estimated Actual Valuation <sup>(2)</sup>	\$94,304,143
Outstanding General Obligation Bonds (“ <b>Direct Debt</b> ”) <sup>(3)</sup>	\$2,670,000
Lease Debt <sup>(4)</sup>	\$187,635
Total Direct Debt and Lease Debt	\$2,857,635
Estimated Population (2023)	2,532
Per Capita Direct Debt	\$1,055
Ratio of Direct Debt to Assessed Valuation	13.54%
Ratio of Direct Debt to Estimated Actual Valuation	2.83%
Per Capita Direct Debt and Lease Debt	\$1,129
Ratio of Direct Debt and Lease Debt to Assessed Valuation	14.50%
Ratio of Direct Debt and Lease Debt to Estimated Actual Valuation	3.03%
Overlapping and Underlying General Obligation Debt (“ <b>Indirect Debt</b> ”)	\$0
Total Direct Debt, Lease Debt and Indirect Debt	\$2,857,635
Per Capita Direct Debt, Lease Debt and Indirect Debt	\$1,129
Ratio of Direct Debt, Lease Debt and Indirect Debt to Assessed Valuation	14.50%
Ratio of Direct Debt, Lease Debt and Indirect Debt to Estimated Valuation	3.03%

<sup>(1)</sup> Includes real and personal property valuation as provided by the Barry County Clerk, excluding assessed valuation of attributable to state assessed railroad and utility property located within the District. For further details see “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT.**”

<sup>(2)</sup> Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios see “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT.**”

<sup>(3)</sup> Includes the Bonds. See “**DEBT STRUCTURE OF THE DISTRICT – Current Long-Term General Obligation Indebtedness**”

<sup>(4)</sup> See “**DEBT STRUCTURE OF THE DISTRICT – Other Long-Term Obligations of the District**”

### Current Long-Term General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the District following issuance of the Bonds.

<u>Type of Bonds</u>	<u>Date of Bonds</u>	<u>Amount Outstanding</u>
Refunding Bonds, Series 2013	May 30, 2013	\$ 170,000
School Building Bonds, Series 2025	[June 25, 2025]	<u>2,500,000</u>
<b>Total</b>		<b>\$2,670,000</b>

**History of General Obligation Indebtedness**

The following table shows the outstanding general obligation debt of the District for each of the following fiscal years:

<u>As of June 30</u>	<u>Total Outstanding Debt</u>	<u>Debt as % of Assessed Value<sup>(1)</sup></u>
2024	\$250,000	1.28%
2023	325,000	1.77
2022	400,000	2.31
2021	470,000	2.85
2020	535,000	3.29

Source: District’s Annual Secretary of the Board Report for fiscal years ended June 30, 2020 through June 30, 2024.

<sup>(1)</sup> The assessed valuation used is the assessed valuation of the District after Board of Equalization adjustments of the calendar year prior to the fiscal year shown. Assessed valuation excludes state assessed railroad and utility property located in the District. If state assessed railroad and utility property located in the District were taken into account, the debt as a percentage of total assessed valuation would be lower than the percentages shown. For more information, see “**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity.**”

The District has never defaulted on the payment of any of its debt obligations.

**Legal Debt Capacity**

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized school purposes not to exceed 15% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date. The current legal debt limitation and debt margin of the District are as follows:

**Legal Debt Limitation and Debt Margin**

Constitutional Debt Limitation under Article VI, Section 26(b) (15% of 2024 assessed valuation)	\$2,957,090
General Obligation Bonds Outstanding and Authorized But Not Issued <sup>1</sup>	<u>(2,670,000)</u>
Legal Debt Margin under Article VI, Section 26(b)	<u>\$ 287,090</u>

<sup>1</sup> Including the Bonds.

The District’s legal debt limit and debt margin would be higher if (i) the amount in the Debt Service Fund available to pay principal of the bonds, and (ii) the valuation of state assessed railroad and utility property that is physically located within the boundaries of the District were both taken into account. Neither amount was included in the calculations of debt limit or debt margin.

Because of the manner in which tax collections are distributed to school districts from assessments of state assessed railroad and utility property (see “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – County Revenue**”), the cumbersome task of determining the valuation of such property physically located within a school district is not normally undertaken unless, without the value of such property included in the calculation, the school district would exceed its legal debt limit.

## General Obligation Bonds Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for all outstanding general obligation bonds of the District, including the Bonds.

<b>Fiscal Year Ended June 30</b>	<b>Outstanding Bonds</b>		<b>The Bonds</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal*</b>	<b>Interest</b>	
2025	\$ 80,000	\$6,500.00	\$ 0		
2026	85,000	4,420.00	200,000		
2027	85,000	2,210.00	0		
2028	0	0.00	35,000		
2029	0	0.00	45,000		
2030	0	0.00	50,000		
2031	0	0.00	60,000		
2032	0	0.00	70,000		
2033	0	0.00	80,000		
2034	0	0.00	90,000		
2035	0	0.00	100,000		
2036	0	0.00	110,000		
2037	0	0.00	120,000		
2038	0	0.00	135,000		
2039	0	0.00	150,000		
2040	0	0.00	165,000		
2041	0	0.00	180,000		
2042	0	0.00	200,000		
2043	0	0.00	215,000		
2044	0	0.00	235,000		
2045	0	0.00	260,000		
<b>Total</b>	<b>\$250,000</b>	<b>\$13,130.00</b>	<b>\$2,500,000</b>		
<b>Less 3/1/25 Payment</b>	<b>(80,000)</b>	<b>(6,500.00)</b>	<b>(0)</b>		
<b>Current</b>	<b>\$170,000</b>	<b>\$6,630.00</b>	<b>\$2,500,000</b>		

\* Preliminary; subject to change.

The principal and interest requirements on the District's general obligation bonds (including the Bonds) are payable from amounts in the District's Debt Service Fund generated by a levy on all taxable tangible property in the District. The Debt Service Fund levy may be set, without limitation as to rate or amount, at the level required to make payments on the general obligation bonds. See "FINANCIAL INFORMATION CONCERNING THE DISTRICT."

### Other Long-Term Obligations of the District

In December 2015, the District entered into a Lease Purchase Agreement with the Exeter R-VI School District Building Corporation for the purposes of refinancing a project that consisted of constructing classroom additions and a cafeteria/multi-purpose room. As of the date of this Official Statement, the principal amount outstanding on the lease is \$187,635. See Note 7 to the financial statements included in *Appendix B* to this Official Statement.

### Future Borrowing Plans

Other than the improvements financed by the Bonds, the District does not have any plans to finance additional improvements at this time.

## Overlapping or Underlying General Obligation Indebtedness

As of the date of this Official Statement, to the District's knowledge, there are no political subdivisions with boundaries overlapping the District that have outstanding general obligation debt. However, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

## FINANCIAL INFORMATION CONCERNING THE DISTRICT

### Accounting, Budgeting and Auditing Procedures

The District presents its governmental activities in fund financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, in conformity with the requirements of Missouri law and DESE. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures when they result from modified cash transactions.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. District resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Transactions have been recorded in the following funds for the accounting of all District funds:

- **General (Incidental) Fund:** The General Fund is the primary operating fund of the District. It is used to account for general activities of the District, including expenditures for non-certificated employees, pupil transportation costs, plant operation, fringe benefits, student body activities, community services, food service and any expenditures not required or permitted to be accounted for in other funds.
- **Special Revenue (Teachers') Fund:** The Special Revenue Fund accounts for expenditures for certificated employees involved in administration and instruction. It includes revenues restricted by the State and the local tax levy for the payment of teacher salaries and certain employee benefits.
- **Debt Service Fund:** The Debt Service Fund accounts for the accumulation of resources for the payment of, principal, interest and paying agent charges on, long-term general obligation debt.
- **Capital Projects Fund:** The Capital Projects Fund accounts for resources restricted for the acquisition or construction of specific capital projects or items. It accounts for the proceeds of long-term debt, taxes and other receipts designated for construction of major capital assets and all other capital outlay.

The Treasurer of the District is responsible for handling all moneys of the District and administering the above funds. All moneys received by the District from whatever source are credited to the appropriate fund. Moneys may be disbursed from such funds by the Treasurer only for the purpose for which they are levied, collected or received and only upon checks drawn by the Treasurer pursuant to orders of the Board or upon orders for payment issued by the Treasurer pursuant to orders of the Board.

An annual budget of estimated receipts and disbursements for the coming fiscal year is prepared by the Superintendent and is presented to the Board prior to July 1 for approval. The District's fiscal year is July 1 through June 30. The budget lists estimated receipts by funds and sources and estimated disbursements by funds

and purposes and includes a statement of the rate of levy per \$100 of assessed valuation required to raise each amount shown on the budget as coming from District property taxes.

The financial records of the District are audited annually by an independent public accountant according to the modified cash basis of accounting. The most recent annual audit has been performed by KPM CPAs, P.C., certified public accountants. The audited financial statements of the District for the fiscal year ended June 30, 2024, together with the independent auditor’s report thereon, are included in this Official Statement at **Appendix B**. A summary of significant accounting policies of the District is contained in the notes accompanying the financial statements in **Appendix B**. The audited financial statements for earlier years with reports by the certified public accountants are available for examination in the District’s office.

**Sources of Revenue**

The District finances its operations through the local property tax levy, state sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including without limitation State Aid for transportation, a state sales tax on cigarettes and a pro rata share of interest income from the counties in which each school district operates. Debt service on general obligation bonds is paid from amounts in the District’s Debt Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board. See **“Certain Permitted Fund Transfers – Transfers from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund.”**

State and federal revenue, as well as **“Proposition C”** sales tax revenue (included in the **“Local Revenue”** category below), are received on a continuous monthly basis throughout the fiscal year. Local taxes, however, are received primarily in January, over six months into a school district’s fiscal year. Districts that receive a smaller percentage of revenue from state and federal aid and depend more on local revenues will typically carry a larger fund balance than other districts that may be receiving a larger percent of its revenue from state and federal aid amounts rather than local taxes.

For the 2023-2024 fiscal year, the District’s sources of revenue were as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
Local Revenue:		
Property Taxes	\$820,729	17.29%
Proposition C Sales Tax	510,698	10.76%
Other	360,122	7.58%
County Revenue:		
Railroad & Utility Property Taxes	34,436	0.73%
Fines, Forfeitures & Other	2,793	0.06%
State Revenue	2,159,081	45.47%
Federal Revenue	848,480	17.87%
Other Revenue	<u>11,627</u>	<u>0.24%</u>
<b>Total Revenue</b>	<b>\$4,747,966</b>	<b>100.00%</b>

Source: District’s Annual Secretary of the Board Report for fiscal year ended June 30, 2024.

## Local Revenue

The primary sources of “local revenue” are (1) taxes upon real and personal property within a district, excluding railroad and utility property taxes, which are more fully described below, and (2) receipts from a 1% State sales tax (commonly referred to as “**Proposition C revenues**”) approved by the voters in 1982.

Proposition C revenues are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district’s weighted average daily attendance (see “*Weighted ADA*” under “**State Revenue**” below). Proposition C payments vary each month due to cash availability, which is based on sales taxes paid during the second preceding month. The table below shows the approximate amount each school district received per pupil from Proposition C revenues for the following fiscal years:

<b>Fiscal Year Ended</b>	<b>Proposition C Revenue</b>
<b><u>June 30</u></b>	<b><u>(Per Pupil)</u></b>
2024	\$1,475
2023	1,287
2022	1,214
2021	1,046
2020	1,006

For the current 2024-2025 fiscal year, each school district is expected to receive approximately \$1,514 per pupil from Proposition C revenues; however, however, this is a preliminary estimate and subject to change.

## County Revenue

For school taxation purposes, all state assessed railroad and utility property within a county is taxed uniformly at a rate determined by averaging the tax rates of all school districts in the county. No determination is made of the assessed value of the railroad and utility property that is physically located within the boundaries of each school district. Such tax collections for each county are distributed to the school districts within that county according to a formula based in part on total student enrollments in each district and in part on the taxes levied by each district. County revenue also includes certain fines and forfeitures collected with respect to violations within the boundaries of the school district.

## State Revenue

The primary source of state revenue or “**State Aid**” is provided under a formula enacted under Chapter 163, RSMo. The amount of State Aid for school districts in Missouri is calculated using a formula that is primarily student-needs-based.

**Property Tax Levy Requirements.** The sum of a district’s local property tax levies in its Incidental and Teachers’ Funds must be at least \$2.75 per \$100 of assessed valuation in order for the district to receive increases in State Aid above the level of State Aid it received in the 2005-2006 fiscal year. Levy reductions required as a result of a “Hancock rollback” (see “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Tax Rates – Operating Levy**” below) will not affect a district’s eligibility for State Aid increases.

**The Formula.** A district’s State Aid is determined by first multiplying the district’s weighted average daily attendance (“**Weighted ADA**”) by the state adequacy target (“**State Adequacy Target**”). This figure may be adjusted upward by a dollar value modifier (“**DVM**”). The product of the Weighted ADA multiplied by the State Adequacy Target multiplied by the DVM is then reduced by a district’s local effort (“**Local Effort**”) to calculate a district’s final State Aid amount. The State Aid amount is distributed to school districts on a monthly basis.

**Weighted ADA.** Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for students who qualify for free and reduced-price lunch (“FRL”), receive special education services (“IEP”), or possess limited English language proficiency (“LEP”). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds (based on the percentage of students in each of the categories in certain high performing districts (“Performance Districts”), which thresholds can change every two years. Beginning with the 2018-2019 fiscal year, certain school districts who operate early childhood education programs will also be able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the total number of FRL students between the ages of 5 and 18 who are included in the school district’s calculation of ADA. The District’s State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District’s Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the District’s Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

Section 163.021 RSMo provides that “whenever there has existed within the school district an infectious disease, contagion, epidemic, plague or similar condition” (like COVID-19), the apportionment of school funds and all other distribution of school moneys, such as Proposition C revenues, shall be made on the basis of the school district’s ADA (or Weighted ADA) for the next preceding fiscal year in which such condition existed. Therefore, if the District’s ADA (or Weighted ADA) for any future fiscal year is substantially reduced as a result of an infectious disease, contagion, epidemic, plague or similar condition, the District will be allowed to base its revenue distributions on its ADA (or Weighted ADA) for the fiscal year immediately preceding the fiscal year in which the condition existed.

**State Adequacy Target.** The State Aid formula requires DESE to calculate a “State Adequacy Target,” which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE’s calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated thereafter.

The table below shows the State Adequacy Target for the following fiscal years:

<b>Fiscal Year Ended</b>	<b>State Adequacy</b>
<b><u>June 30</u></b>	<b><u>Target</u></b>
2024	\$6,375
2023	6,375
2022	6,375
2021	6,375
2020	6,375

The State Adequacy Target for the current 2024-2025 fiscal year is expected to be \$6,760 per pupil based on the Governor’s recommendations; however, this is a preliminary estimate and subject to change.

**Dollar Value Modifier.** The DVM is an index of the relative purchasing power of a dollar in different areas of the state. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the state median wage per job) minus one. The law provides that the DVM can never be less than 1.000. DESE revises the DVM for each district on an annual basis. The DVM for the District for the 2022-2023 and 2023-2024 fiscal years was 1.024 and 1.013, respectively. The DVM for the District for the 2024-2025 fiscal year is 1.010.

**Local Effort.** For the 2006-2007 fiscal year, the Local Effort figure utilized in a school district’s State Aid calculation was the amount of locally generated revenue that the school district would have received in the 2004-2005 fiscal year if its operating levy was set at \$3.43. The \$3.43 amount is called the “**performance levy.**” For all years subsequent to the 2006-2007 fiscal year, a school district’s Local Effort amount has been frozen at the 2006-2007 amount, except for adjustments due to increased locally collected fines or decreased assessed valuation in the school district. Growth in assessed valuation and operating levy increases will result in additional local revenue to the school district, without affecting State Aid payments.

**Categorical-Source Add-Ons.** In addition to State Aid distributed pursuant to the formula as described above, the formula provides for the distribution of certain categorical sources of State Aid to school districts. These include (1) 75% of allowable transportation costs, (2) the career ladder entitlement, (3) the vocational education entitlement and (4) educational and screening program entitlements.

**Classroom Trust Fund (Gambling Revenue) Distributions.** A portion of the State Aid received under the formula will be in the form of a distribution from the “**Classroom Trust Fund,**” a fund in the state treasury containing a portion of the state’s gambling revenues. This money is distributed to school districts on the basis of ADA (versus *Weighted* ADA, which applies to the basic formula distribution). The funds deposited into the Classroom Trust Fund are not earmarked for a particular fund or expense and may be spent at the discretion of the local school district except that, beginning with the 2010-2011 fiscal year, all proceeds of the Classroom Trust Fund in excess of amounts received in the 2009-2010 fiscal year must be placed in the Teachers’ or Incidental Funds. The table below shows the approximate amount each school district received per pupil from the Classroom Trust Fund for the following fiscal years:

<b>Fiscal Year Ended June 30</b>	<b>Classroom Trust Fund (Per Pupil)</b>
2024	\$472
2023	425
2022	430
2021	435
2020	327*

\* Casinos were temporarily closed during the fiscal year ended June 30, 2020 due to COVID-19 resulting in less gaming revenue for such period.

The estimated Classroom Trust Fund distributions to school districts during the current 2024-2025 fiscal year are expected to be equal to approximately \$621; however, this is a preliminary estimate and subject to change.

Classroom Trust Fund dollars do not increase the amount of State Aid.

**Mandatory Deposit and Expenditures of Certain Amounts in the Teachers’ Fund.** The following state and local revenues must be deposited in the Teachers’ Fund: (1) 75% of basic formula State Aid, excluding State Aid distributed from the Classroom Trust Fund (gambling revenues); (2) 75% of one-half of the district’s local share of Proposition C revenues; (3) 100% of the career ladder state matching payments; and (4) 100% of local revenue from fines and escheats based on violations or abandoned property within the district’s boundaries.

In addition to these mandatory deposits, school districts are also required to spend for certificated staff compensation and tuition expenditures each year the amounts described in clauses (1) and (2) of the preceding paragraph. Since the 2007-2008 fiscal year, school districts are further required to spend for certificated staff compensation and tuition expenditures each year, per the second preceding year's Weighted ADA, as much as was spent in the previous year from local and county tax revenues deposited in the Teachers' Fund, plus the amount of any transfers from the Incidental Fund to the Teachers' Fund that are calculated to be local and county tax sources. This amount is to be determined by dividing local and county tax sources in the Incidental Fund by total revenue in the Incidental Fund. Commencing with the 2006-2007 fiscal year, the formula provides that certificated staff compensation now includes the costs of public school retirement and Medicare for those staff members. These items were previously paid from the Incidental Fund.

Failure to satisfy the deposit and expenditure requirements applicable to the Teachers' Fund will result in a deduction of the amount of the expenditure shortfall from a district's basic formula State Aid for the following year, unless the district receives an exemption from the State Board of Education.

A school board may transfer any portion of the unrestricted balance remaining in the Incidental Fund to the Teachers' Fund. Any district that uses a transfer from the Incidental Fund to pay for more than 25% of the annual certificated compensation obligation of the district, and has an Incidental Fund balance on June 30 in any year in excess of 50% of the combined Incidental and Teachers' Fund expenditures for the fiscal year just ended, will be required to transfer the excess from the Incidental Fund to the Teachers' Fund.

### **Federal Revenue**

School districts receive certain grants and other revenue from the federal government that are required to be used for the specified purposes of the grant or funding program.

The federal "Every Student Succeeds Act" ("ESSA") was signed into law on December 10, 2015. ESSA replaces the "No Child Left Behind Act." Each state education agency must develop a state accountability plan ("ESSA Plan") that incorporates testing based on challenging academic standards. The ESSA Plans were required to be submitted to the United States Department of Education (the "DOE") in 2017. Under ESSA, states can decide how much weight to give standardized tests in their accountability systems and determine what consequences, if any, should attach to poor performance. However, at least 95% of eligible students are required to take the state-chosen standardized tests, and federal funding can be withheld if states fall below the 95% threshold.

The State submitted its plan to the DOE on September 13, 2017 in order to meet the September 18, 2017 deadline. The DOE approved the State's plan on January 16, 2018. Under ESSA, the State will continue to test students through the Missouri Assessment Program.

### **Certain Permitted Fund Transfers**

***Limited Sources of Funds for Capital Expenditures.*** School districts may only pay for capital outlays from the Capital Projects Fund. Sources of revenues in the Capital Projects Fund are limited to: (i) proceeds of general obligation bonds (which are repaid from a Debt Service Fund levy) and lease financings; (ii) revenue from the school district's local property tax levy for the Capital Projects Fund; (iii) certain permitted transfers from the Incidental Fund; and (iv) a portion of the funds distributed to school districts from the Classroom Trust Fund.

**Capital Projects Fund Levy.** Prior to setting tax rates for the Teachers' and Incidental Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Teachers' and Incidental Funds to an amount below \$2.75. For the current fiscal year ending June 30, 2025, the District's Capital Projects Fund levy is \$0.2000 per \$100 of assessed valuation.

**Transfers from the Incidental Fund to the Capital Projects Fund.** In addition to money generated from the Capital Projects Fund levy, each school district may transfer money from the Incidental Fund to the Capital Projects Fund for certain purposes, including: (1) the amount to be expended for transportation equipment that is considered an allowable cost under the State Board of Education rules for transportation reimbursements during the current year; (2) the amount necessary to satisfy obligations of the Capital Projects Fund for state-approved area vocational-technical schools; (3) current year obligations for lease-purchase obligations entered into prior to January 1, 1997; (4) the amount necessary to repay costs of one or more guaranteed energy savings performance contracts to renovate buildings in the school district, provided that the contract specified that no payment or total of payments shall be required from the school district until at least an equal total amount of energy and energy-related operating savings and payments from the vendor pursuant to the contract have been realized; and (5) to satisfy current year capital project expenditures, an amount not to exceed the greater of (a) \$162,326 or (b) seven percent (7%) of the State Adequacy Target (see "**State Adequacy Target**" above) times a school district's Weighted ADA. The District transferred \$192,049 from the Incidental Fund to the Capital Projects Fund under this provision during the 2023-2024 fiscal year.

**Transfers from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund.** If a school district is not using the seven percent (7%) or the \$162,326 transfer discussed in parts (5)(a) and (5)(b) of the prior paragraph and is not making payments on lease purchases pursuant to Section 177.088, RSMo, then the school district may transfer from the Incidental Fund to the Debt Service and/or the Capital Projects Fund the greater of (1) the State Aid received in the 2005-2006 school year as a result of no more than eighteen (18) cents of the sum of the Debt Service Fund levy and Capital Projects Fund levy used in the foundation formula and placed in the Capital Projects Fund or Debt Service Fund, or (2) five percent (5%) of the State Adequacy Target (see "**State Adequacy Target**" above) times the district's Weighted ADA. Because the District made a transfer under the provision discussed in the prior paragraph, the District was not eligible to make a transfer under this provision during the 2023-2024 fiscal year.

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## Fund Balances Summary

The following Summary Statement of Revenues, Expenditures and Changes in Fund Balances was prepared from the District's Annual Secretary of the Board Reports for the fiscal years ended June 30, 2020 through 2024. The statement set forth below should be read in conjunction with the other financial statements and notes set forth in *Appendix B* of this Official Statement and the financial statements on file at the District's office.

### Summary Statement of Revenues, Expenditures and Changes in Fund Balances All Governmental Funds

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>General (Incidental) Fund</b>					
Balance--Beginning of Year	\$1,208,859	\$1,258,347	\$1,586,563	\$1,390,092	\$1,476,078
Revenues	1,674,961	2,079,377	1,559,745	2,058,418	2,493,495
Expenditures	(1,431,200)	(1,583,753)	(1,564,167)	(1,780,383)	(2,045,304)
Transfers In (Out)	(194,274)	(167,407)	(192,049)	(192,049)	(192,049)
Balance--End of Year	\$1,258,347	\$1,586,563	\$1,390,092	\$1,476,078	\$1,732,219
<b>Special Revenue (Teachers') Fund</b>					
Balance--Beginning of Year	\$0	\$0	\$0	\$0	\$0
Revenues	1,628,453	1,719,790	1,645,650	1,782,060	1,857,224
Expenditures	(1,628,453)	(1,719,790)	(1,645,650)	(1,782,060)	(1,857,224)
Transfers In (Out)	0	0	0	0	0
Balance--End of Year	\$0	\$0	\$0	\$0	\$0
<b>Debt Service Fund</b>					
Balance--Beginning of Year	\$262,043	\$299,957	\$335,030	\$374,727	\$414,859
Revenues	115,579	115,817	123,434	126,557	131,826
Expenditures	(77,665)	(80,745)	(83,736)	(86,425)	(84,150)
Balance--End of Year	\$299,957	\$335,030	\$374,727	\$414,859	\$462,535
<b>Capital Projects Fund</b>					
Balance--Beginning of Year	\$569,733	\$674,253	\$733,837	\$926,319	\$1,187,489
Revenues	216,825	118,646	123,513	237,277	265,422
Expenditures	(306,579)	(226,469)	(123,081)	(168,155)	(182,018)
Transfers In (Out)	194,274	167,407	192,049	192,049	192,049
Balance--End of Year	\$674,253	\$733,837	\$926,319	\$1,187,489	\$1,462,942
<b>Total Governmental Funds</b>					
Balance--Beginning of Year	\$2,040,635	\$2,232,557	\$2,655,430	\$2,691,138	\$3,078,426
Revenues	3,635,819	4,033,631	3,452,342	4,204,311	4,747,966
Expenditures	(3,443,897)	(3,610,758)	(3,416,634)	(3,817,023)	(4,168,696)
Balance--End of Year	\$2,232,557	\$2,655,430	\$2,691,138	\$3,078,426	\$3,657,696

Source: District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2020 through 2024.

## **Risk Management**

The District is exposed to various risks of loss from, among things, tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains several policies of insurance, providing coverage that includes casualties to the District's facilities and general liability insurance, which policies are subject to certain deductible clauses. There has been no significant reduction in insurance coverage from the previous year.

## **Pension and Employee Retirement Plans**

**General.** The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri ("**PSRS**"), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts and certain other educational entities in Missouri and employees of certain related employers; and (ii) The Public Education Employee Retirement System of Missouri ("**PEERS**"), which provides retirement and disability benefits to employees of school districts and certain other educational entities in Missouri and of certain related employers who work 20 or more hours per week and do not contribute to PSRS. Benefit provisions relating to both PSRS and PEERS are set forth in Chapter 169, RSMo. The statutes assign responsibility for the administration of both plans to a seven-member Board of Trustees of PSRS (the "**PSRS Board**"). PSRS and PEERS had 534 and 531 contributing employers, respectively, during the fiscal year ended June 30, 2024.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 (the "**2024 PSRS/PEERS ACFR**"), the comprehensive financial report for the plans, is available at [www.psr-peers.org/About-Us](http://www.psr-peers.org/About-Us). The link to the 2024 PSRS/PEERS ACFR is provided for general background information only, and the information in the 2024 PSRS/PEERS ACFR is not incorporated by reference herein. The 2024 PSRS/PEERS ACFR provides detailed information about PSRS and PEERS, including their respective financial positions, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plans.

**PSRS and PEERS Contributions.** Employees who contribute to PSRS are not eligible to make Social Security contributions, except in limited circumstances. For the fiscal year ended June 30, 2024, PSRS contributing employees were required to contribute 14.5% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 14.5% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 1.0% in aggregate of PSRS contributing member covered pay of the previous year.

Employees who contribute to PEERS are eligible to make Social Security contributions. For the fiscal year ended June 30, 2024, PEERS contributing employees were required to contribute 6.86% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 6.86% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 0.5% in aggregate of PEERS contributing member covered pay of the previous year.

**PSRS and PEERS Funded Status.** PSRS and PEERS reported funded ratios of 87.2% and 88.1%, respectively, as of June 30, 2024, according to the 2024 PSRS/PEERS ACFR. Funded ratios are intended to estimate the ability of current plan assets to satisfy projected future liabilities. The PSRS and PEERS funded ratios are determined by dividing the smoothed actuarial value of plan assets by the plan's actuarial accrued liability determined under the entry age normal cost method with normal costs calculated as a level percentage

of payrolls, along with certain actuarial assumptions based on an experience study conducted in 2021. PSRS and PEERS amortize unfunded actuarial liabilities using a closed 30-year method. Additional assumptions and methods used to determine the actuarial funded status of PSRS and PEERS are set forth in the Actuarial Section of the 2024 PSRS/PEERS ACFR. The funding objective of each plan, as stated in each plan’s Actuarial Funding Policy, is to achieve a funded ratio of 100% over a closed 30-year period.

The following provides a historical comparison of actual employer contributions to actuarially determined contributions and the historical funded status for the plans for the years shown:

**Schedule of Employer Contributions**

<b>Year Ended June 30</b>	<b><u>PSRS</u></b>			<b><u>PEERS</u></b>		
	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/ (Deficiency)<sup>(1)</sup></b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/ (Deficiency)<sup>(1)</sup></b>
2024	\$832,366,273	\$819,926,016	\$(12,440,257)	\$163,252,197	\$162,777,627	\$(474,570)
2023	771,873,895	792,646,705	20,772,810	145,744,095	147,463,789	1,719,694
2022	756,968,491	764,348,407	7,379,916	134,786,669	135,180,782	394,113
2021	702,442,650	745,638,245	43,195,595	123,733,066	126,877,255	3,144,189
2020	679,495,757	724,995,473	45,499,716	119,461,270	124,544,728	5,083,458

Source: “Schedules of Employer Contributions” in the Financial Section of the 2024 PSRS/PEERS ACFR.

<sup>(1)</sup> The annual statutory increase in the total contribution rate may not exceed 1% of pay for PSRS and 0.5% of pay for PEERS. The limitation on contribution increases resulted in a deficiency for some of the years presented. Contributions were funded to the maximum statutory limit each year.

**Schedule of Funding Progress**

*(Dollar amounts in thousands)*

<b>Year Ended June 30</b>	<b><u>PSRS</u></b>			<b><u>PEERS</u></b>		
	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Funded Ratio</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Funded Ratio</b>
2024	\$51,430,822	\$58,971,485	87.2%	\$6,881,439	\$7,810,188	88.1%
2023	49,122,410	57,193,631	85.9	6,459,684	7,401,637	87.3
2022	47,185,300	55,405,260	85.2	6,113,154	6,998,708	87.3
2021	45,033,548	52,834,297	85.2	5,756,526	6,560,854	87.7
2020	41,705,059	49,641,020	84.0	5,257,847	6,089,401	86.3

Source: “Schedule of Funding Progress” in the Actuarial Section of the 2024 PSRS/PEERS ACFR.

As stated in the Financial Statement Information Related to the Public School and Education Employee Retirement Systems of Missouri prepared by PSRS and PEERS and provided to the District, the District's contributions to PSRS and PEERS for the years shown were as follows:

**District Contributions to PSRS and PEERS**

	<b><u>PSRS</u></b>			<b><u>PEERS</u></b>	
<b><u>Year Ended June 30</u></b>	<b><u>Annual Contribution</u></b>	<b><u>Contribution (% of Payroll)</u></b>		<b><u>Annual Contribution</u></b> <sup>(1)</sup>	<b><u>Contribution (% of Payroll)</u></b>
2024	\$216,603	14.50%		\$64,175	6.90%
2023	207,475	14.50		49,335	6.89
2022	206,326	14.50		47,039	6.86

Source: Financial Statement Information Related to the Public School and Education Employee Retirement Systems of Missouri, prepared by PSRS and PEERS for the District (Unaudited).

<sup>(1)</sup> The annual contributions equaled or exceeded the amounts required by the PSRS Board for each year.

The District's contribution to PSRS and PEERS during the fiscal year ended June 30, 2024 constituted approximately 6.4% of the District's total expenditures during the fiscal year. The District will be required to contribute 14.5% of covered payroll for PSRS contributing employees and 6.86% of covered payroll for PEERS contributing employees during the fiscal year ending June 30, 2025, equal to the contribution percentages for the fiscal year ended June 30, 2024.

***Estimated Proportionate Share of PSRS/PEERS Liability.*** The District has not implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, because the District's financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. PSRS and PEERS, however, have implemented GASB Statement No. 67, *Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25*. Accordingly, PSRS and PEERS are required annually to provide each contributing Missouri school district reports estimating each district's proportionate share of the net pension liability of PSRS and PEERS as of the end of the prior fiscal year. The estimate is computed for each district by multiplying the net pension liability of a plan (calculated by determining the difference between the plan's total pension liability and fiduciary net position) by a percentage reflecting the district's proportionate share of contributions to the plan during the fiscal year (calculated by dividing the District's actual contributions by the actual contributions of all participating employers for PSRS and PEERS, respectively, for the fiscal year ended June 30, 2024). At June 30, 2025 (measured as of June 30, 2024), the District's proportionate share of the net pension liability of PSRS and PEERS was \$1,834,629 and \$343,092, respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2024, the District's contribution to PSRS and PEERS represented 0.0265% and 0.0398%, respectively, of the overall contributions to PSRS and PEERS during the fiscal year. In addition, for the year ended June 30, 2025, the District recognized pension expense of \$159,897 for PSRS and \$89,281 for PEERS, its proportionate share of the total pension expense. Detailed information about the calculation of the net pension liability of the plans, including information about the assumptions used, is available in Note 6 of the 2024 PSRS/PEERS ACFR.

The net pension liability of PSRS and PEERS is based on a 7.3% discount rate, which was also the assumed investment rate of return for the plans effective for the fiscal year ended June 30, 2024. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1% higher or lower discount rate at June 30, 2025 (measured as of June 30, 2024) would be as follows:

**Proportionate Share of Net Pension Liability Sensitivity**

	<b>1.0% Decrease <u>(6.3%)</u></b>	<b>Current Discount Rate <u>(7.3%)</u></b>	<b>1.0% Increase <u>(8.3%)</u></b>
District’s proportionate share of PSRS net pension liability	\$3,806,905	\$1,834,629	\$201,596
District’s proportionate share of PEERS net pension liability	\$723,580	\$343,092	\$26,051

For additional information regarding the District’s pensions and employee retirement plans, see Note 5 to the District’s financial statements included as *Appendix B* to this Official Statement. For additional information regarding PSRS and PEERS, see the 2024 PSRS/PEERS ACFR.

**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**

**Property Valuations**

*Assessment Procedure.* All taxable real and personal property within the District is assessed annually by the County Assessor of Barry County, Missouri (“**County Assessor**”). Missouri law requires that personal property be assessed at various levels up to 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property .....	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property .....	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, the County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

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**Current Assessed Valuation.** The following table shows the total locally assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District) according to the assessments, after Board of Equalization adjustments, for property owned as of January 1, 2024.

<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>	<u>% of Est. Actual Valuation</u>
<b>Real:</b>				
Residential	\$9,974,219	19.00%	\$52,495,889	55.67%
Agricultural	2,321,490	12.00%	19,345,750	20.51%
Commercial <sup>(1)</sup>	<u>1,662,582</u>	32.00%	<u>5,195,569</u>	5.51%
<b>Total Real</b>	\$13,958,291		\$77,037,208	
<b>Personal<sup>(2)</sup></b>	<u>5,755,645</u>	33.33% <sup>(2)</sup>	<u>17,266,935</u>	<u>18.31%</u>
<b>Total Real &amp; Personal</b>	<b>\$19,713,936</b>		<b>\$94,304,143</b>	<b>100.00%</b>

Source: County Clerk of Barry County.

(1) Includes locally assessed railroad and utility property.

(2) Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See “*Assessment Procedure*” discussed above.

**History of Property Valuations.** The total assessed valuation of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District according to the assessments of January 1, after Board of Equalization adjustments, in each of the following years has been as follows:

<u>Calendar Year</u>	<u>Assessed Valuation</u>	<u>% Change</u>
2024	\$19,713,936	1.26%
2023	19,468,177	6.03
2022	18,361,286	6.11
2021	17,304,501	4.84
2020	16,505,129	1.35

Source: District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2021 through 2024; Barry County Clerk.

### Property Tax Levies and Collections

**Generally.** Property taxes are levied and collected for the District by the County, for which Barry County receives a collection fee of the gross tax collections made.

The District is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the District’s debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the Barry County Clerk (the “**County Clerk**”). As required under SB 711 (discussed below), the District must informally project nonbinding tax levies for the year and return such projected tax levies to the County Clerk in April. The District must fix its ad valorem property tax rates and certify them to the County Clerk no later than September 1 for entry in the tax books. Taxes are levied at the District’s tax rate per \$100 of assessed valuation. The Missouri State Auditor is responsible for reviewing the rate of tax to ensure that it does not exceed constitutional rate limits.

Real and personal property within the District is assessed by the County Assessor. The County Assessor is responsible for preparing the tax rolls each year and for submitting tax rolls to the Board of Equalization of the County. The Board of Equalization has the authority to question and determine the proper value of property and then adjust and equalize individual properties appearing on the tax rolls. After local appeal procedures have been completed, the books are finalized and sent to the County Collector. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December.

The County Collector is required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

***District's Rights in Event of Tax Delinquency.*** Taxes are due by December 31 and become delinquent if not paid to the County Collector by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of 18% of each year's delinquency. Taxes on real estate become delinquent on January 1 and the County Collector is required to enforce the State's lien by offering the property for sale in August. If the offering does not produce a bid equal to the delinquent taxes plus interest, penalty, and costs, the property is offered for sale again the following year. If the second offering also does not produce a bid adequate to cover the amount due, the property is sold the following year to the highest bidder. Tax sales at the first or second offerings are subject to the owner's redemption rights. Delinquent personal property taxes constitute a debt of the person assessed with the taxes, and a personal judgment can be rendered for such taxes against the debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

### **Tax Abatement and Tax Increment Financing**

Under state law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be "blighted." The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 135 and 137 (Missouri Works Enhanced Enterprise Zones), Chapter 100, RSMo and Article VI Section 27(b) of the Missouri Constitution authorize real and personal property tax abatement for corporations for certain projects. Currently, there are tax abatement projects located within the District. For more information about tax abatement within the District, see Note E to the District's financial statements included in *Appendix B* to this Official Statement.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a "blighted area," "conservation area," or "economic development area," each as defined in such statute.

While currently no portions of the District are located in tax increment financing redevelopment areas ("**TIF Redevelopment Areas**"), this could change in the future. Tax increment financing does not diminish the amount of property tax revenues collected by the District in an affected area compared to prior to the establishment of a TIF Redevelopment Area, but instead acts to freeze such revenues at current levels and deprives the District and other taxing districts of all or part of future increases in ad valorem real property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas (the "**TIF Increment**"). The TIF Increment is captured by the TIF Redevelopment Areas until the tax increment financing obligations issued are repaid or the tax increment financing period terminates.

## Tax Rates

**Debt Service Levy.** The District's debt service levy for the 2024-2025 fiscal year is \$0.6490 per \$100 of assessed valuation. Once indebtedness has been approved by the requisite number of voters voting therefor and bonds are issued, the District is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board of Education may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

**Operating Levy.** The operating tax levy of a school district (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the "**tax rate ceiling**" for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy that, when charged against a school district's assessed valuation for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index.

Under Article X, Section 11(b) of the Missouri Constitution, a school district may increase its operating levy up to \$2.75 per \$100 of assessed valuation without voter approval. Any increase above \$2.75, however, must be approved by a majority of the voters voting on the proposition. Further, pursuant to Article X, Section 11(c) of the Missouri Constitution, any increase above \$6.00 must be approved by two-thirds of the voters voting on the proposition. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment and SB 711, more fully explained below). The tax levy for debt service on a school district's general obligation bonds is exempt from these limitations upon the tax rate ceiling.

Article X, Section 22(a) of the Missouri Constitution (commonly known as the "**Hancock Amendment**"), approved in 1980, places limitations on total state revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of "total state revenues" to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a "**Hancock rollback**." The limitation on local governmental units does not apply to taxes levied in the Debt Service Fund for the payment of principal and interest on general obligation bonds.

In 2008, through the enactment of Senate Bill 711 ("**SB 711**"), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a district's *actual* operating tax levy if its current tax levy was less than its current tax levy *ceiling*, due to the district's voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a district's *actual* operating tax levy, regardless of whether that levy is at the district's tax levy *ceiling*. This further reduction is sometimes referred to as an "**SB 711 rollback**." In non-reassessment years (even-numbered years), the operating levy may be increased to the district's tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

Under the provisions of an initiative petition adopted by the voters of Missouri on November 2, 1982, commonly known as "**Proposition C**," revenues generated by a 1% state sales tax are credited to a special trust fund for school districts and are deemed to be "local" revenues for school district accounting purposes.

Proposition C revenues are distributed to each school district within the State on the basis of eligible pupils. Under Proposition C, after determining its budget and the levy rate needed to produce required revenues to fund the budget, a school district must reduce the operating levy by an amount sufficient to decrease the revenues it would have received therefrom by an amount equal to 50% of the revenues received through Proposition C during the prior year. School districts may submit propositions to voters to forgo all or a part of the reduction in the operating levy that would otherwise be required under the terms of Proposition C. The District’s voters previously approved a proposition to forgo all of the reduction in the operating levy which would otherwise be required under the terms of Proposition C which allows the District to levy up to its tax rate ceiling.

For the current fiscal year ending June 30, 2025, the District’s operating levy (all funds except the debt service fund levy) is \$3.5187 per \$100 of assessed valuation, which is equal to the District’s tax rate ceiling for said fiscal year.

The tax levy for debt service on the District’s general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling.

**History of Tax Levies**

The following table shows the District’s tax levies (per \$100 of assessed valuation) for each of the following years:

<b>Fiscal Year Ended June 30</b>	<b>General Incidental Fund</b>	<b>Special Revenue Teachers’ Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Levy</b>
2025	\$3.3187	\$0.0000	\$0.6490	\$0.2000	\$4.1677
2024	3.3185	0.0000	0.6490	0.2000	4.1675
2023	3.2749	0.0000	0.6490	0.2400	4.1639
2022	3.5111	0.0000	0.6490	0.0000	4.1601
2021	3.5010	0.0000	0.6490	0.0000	4.1500
2020	3.5003	0.0000	0.6490	0.0000	4.1493

Source: For fiscal year 2025, DESE Tax Rate Report; for fiscal years 2020 through 2024, District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2020 through 2024.

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## Tax Collection Record

Taxes are levied based on the assessed valuation following Board of Equalization review, which typically occurs in August. As a result of resolution of tax cases, the addition of undeclared personal property and other changes in assessment following Board of Equalization review, tax bills may be changed following the original levy and some taxpayers may be obligated to pay additional taxes or pay less taxes. The following table sets forth tax collection information for the District in each of the following years:

<b>Fiscal Year Ended June 30</b>	<b>Total Levy (per \$100 of Assessed Value)</b>	<b>Assessed Valuation<sup>(1)</sup></b>	<b>Total Taxes Levied<sup>(2)</sup></b>	<b>Current &amp; Delinquent Taxes Collected<sup>(3)</sup></b>	
				<b>Amount</b>	<b>%</b>
2024	\$4.1675	\$19,468,177	\$811,336	\$820,729	101.16%
2023	4.1639	18,361,286	764,546	779,930	102.01
2022	4.1601	17,304,501	719,885	728,048	101.13
2021	4.1500	16,505,129	684,963	692,687	101.13
2020	4.1493	16,285,324	675,727	672,006	99.45

Source: District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2020 through 2024.

- (1) The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown.
- (2) Total Taxes Levied is calculated by dividing Assessed Valuation by 100 and multiplying by the Total Levy.
- (3) Delinquent taxes are shown in the year payment is actually received, which may cause the percentage of Current and Delinquent Taxes Collected to exceed 100%.

## Major Property Taxpayers

The following table sets forth a list of the largest real property taxpayers in the District based on the assessed valuation of property owned as of January 1, 2024, as finally equalized. The District has not independently verified the accuracy or completeness of such information.

<b>Owner</b>	<b>Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
1. Barry Electric Cooperative	\$574,250	2.91%
2. Majestic Milling Co. LLC	567,700	2.88
3. Individual	169,127	0.86
4. Individual	155,530	0.79
5. Barry Co. Farmers Coop	137,640	0.70
6. Seven Seas Land & Cattle, LLC	128,804	0.65
7. Individual	103,855	0.53
8. Barry Electric Cooperative	99,040	0.50
9. Individual	94,842	0.48
10. Individual	91,571	0.46
<b>Total</b>	<b>\$2,122,359</b>	<b>10.77%</b>

Source: Barry County Assessor's Office.

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**APPENDIX B**

**AUDITED FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

# Exeter R-VI School District

Basic Financial Statements  
Year Ended June 30, 2024



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Board of Education  
Exeter R-VI School District  
Exeter, Missouri

## **Report on the Audit of the Financial Statements**

### ***Opinions***

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Exeter R-VI School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Exeter R-VI School District, as of June 30, 2024, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting in Note 1.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Exeter R-VI School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Basis of Accounting***

As described in Note 1 of the financial statements, the financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 modified cash basis financial statements in the circumstances, and 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.

In preparing the modified cash basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Receipts by Source, Schedule of Disbursements by Object, Schedule of Transportation Costs Eligible for State Aid, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 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 Schedule of Receipts by Source, Schedule of Disbursements by Object, Schedule of Transportation Costs Eligible for State Aid, 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 Information***

Management is responsible for the other information. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024, on our consideration of Exeter R-VI School District'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Exeter R-VI School District's internal control over financial reporting and compliance.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2024

## **Government-Wide Financial Statements**

# Exeter R-VI School District

## Statement of Net Position—Modified Cash Basis

June 30, 2024

---

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 3,623,081
Investments	34,615
<b>Total Assets</b>	<b><u>\$ 3,657,696</u></b>
<b>Net Position</b>	
Restricted for	
Debt service	\$ 462,535
Food service	21,972
Unrestricted	3,173,189
<b>Total Net Position</b>	<b><u>\$ 3,657,696</u></b>

See accompanying Notes to the Financial Statements

## Exeter R-VI School District

Statement of Activities—Modified Cash Basis

Year Ended June 30, 2024

	<u>Cash</u> <u>Disbursements</u>	<u>Program Cash Receipts</u>			<b>Net</b> <b>(Disbursements)</b>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<b>Receipts and</b> <b>Changes in</b> <b>Net Position</b>
<b>Governmental Activities</b>					
Instruction	\$ (2,593,833)	\$ 114,189	\$ 614,046	\$ -	\$ (1,865,598)
Student services	(120,436)	-	73,910	-	(46,526)
Instructional staff support	(106,619)	-	17,094	-	(89,525)
Building administration	(57,501)	-	-	-	(57,501)
General administration	(217,498)	-	-	-	(217,498)
Operation of plant	(367,570)	-	50,000	-	(317,570)
Transportation	(153,436)	-	58,907	-	(94,529)
Food service	(257,957)	36,475	239,618	-	18,136
Community services	(111,554)	-	128,810	-	17,256
Debt service	(182,292)	-	-	-	(182,292)
<b>Net Program (Disbursements)</b>					
<b>Receipts</b>	<u>\$ (4,168,696)</u>	<u>\$ 150,664</u>	<u>\$ 1,182,385</u>	<u>\$ -</u>	(2,835,647)
<b>General Receipts</b>					
Ad valorem tax receipts					820,730
Prop C sales tax receipts					510,698
Other tax receipts					1,074
County receipts					37,229
State receipts					1,835,365
Interest receipts					182,363
Other receipts					27,458
<b>Total General Receipts</b>					<u>3,414,917</u>
<i>Change in Net Position</i>					579,270
Net Position—Beginning of year					<u>3,078,426</u>
<b>Net Position—End of year</b>					<u><u>\$ 3,657,696</u></u>

See accompanying Notes to the Financial Statements

## **Fund Financial Statements**

## Exeter R-VI School District

### Statement of Assets and Fund Balances—Governmental Funds—Modified Cash Basis

June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 1,732,219	\$ -	\$ 427,920	\$ 1,462,942	\$ 3,623,081
Investments	-	-	34,615	-	34,615
<b>Total Assets</b>	<u>\$ 1,732,219</u>	<u>\$ -</u>	<u>\$ 462,535</u>	<u>\$ 1,462,942</u>	<u>\$ 3,657,696</u>
<b>Fund Balances</b>					
Restricted for					
Debt service	\$ -	\$ -	\$ 462,535	\$ -	\$ 462,535
Food service	21,972	-	-	-	21,972
Assigned to capital outlay	-	-	-	1,462,942	1,462,942
Unassigned	1,710,247	-	-	-	1,710,247
<b>Total Fund Balances</b>	<u>\$ 1,732,219</u>	<u>\$ -</u>	<u>\$ 462,535</u>	<u>\$ 1,462,942</u>	<u>\$ 3,657,696</u>

See accompanying Notes to the Financial Statements

## Exeter R-VI School District

Statement of Receipts, Disbursements, and Changes in Fund Balances—Governmental Funds—Modified Cash Basis

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>Receipts</b>					
Local	\$ 1,241,060	\$ 191,512	\$ 127,491	\$ 131,486	\$ 1,691,549
County	28,539	2,793	4,335	1,562	37,229
State	575,786	1,458,890	-	124,405	2,159,081
Federal	644,451	204,029	-	-	848,480
<b>Total Receipts</b>	2,489,836	1,857,224	131,826	257,453	4,736,339
<b>Disbursements</b>					
Instruction	942,679	1,608,106	-	43,048	2,593,833
Student services	49,736	70,700	-	-	120,436
Instructional staff support	98,948	7,671	-	-	106,619
Building administration	54,338	3,163	-	-	57,501
General administration	108,537	108,961	-	-	217,498
Operation of plant	326,742	-	-	40,828	367,570
Transportation	144,324	9,112	-	-	153,436
Food service	257,957	-	-	-	257,957
Community services	62,043	49,511	-	-	111,554
Debt service	-	-	84,150	98,142	182,292
<b>Total Disbursements</b>	2,045,304	1,857,224	84,150	182,018	4,168,696
<i>Excess (Deficit) of Receipts Over Disbursements</i>	444,532	-	47,676	75,435	567,643
<b>Other Financing Sources (Uses)</b>					
Net insurance recovery	3,658	-	-	-	3,658
Sale of other property	-	-	-	7,969	7,969
Operating transfers in	-	-	-	192,049	192,049
Operating transfers (out)	(192,049)	-	-	-	(192,049)
<b>Total Other Financing Sources (Uses)</b>	(188,391)	-	-	200,018	11,627
<i>Net Changes in Fund Balances</i>	256,141	-	47,676	275,453	579,270
Fund Balance, July 1, 2023	1,476,078	-	414,859	1,187,489	3,078,426
<b>Fund Balance, June 30, 2024</b>	\$ 1,732,219	\$ -	\$ 462,535	\$ 1,462,942	\$ 3,657,696

See accompanying Notes to the Financial Statements

# Exeter R-VI School District

Notes to the Financial Statements

June 30, 2024

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## 1. Summary of Significant Accounting Policies

The District's accounting policies conform to the modified cash basis of accounting, which is characteristic of local governmental units of this type.

### Financial Reporting Entity

The District is organized under the laws of the State of Missouri and is a primary government governed by an elected seven-member board. The District is not financially accountable for any other organization, nor is it a component unit of any other primary governmental entity.

### Basis of Presentation

#### *Government-Wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements present governmental activities generally financed through taxes, intergovernmental receipts, and other non-exchange transactions.

#### *Fund Financial Statements*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, fund equity, receipts, and disbursements. The governmental funds of the District are all considered major funds by the Department of Elementary and Secondary Education.

The funds presented in the accompanying basic financial statements include all funds established under Missouri Revised Statutes and controlled by the Board of Education. The purpose of each fund is:

*General Fund:* Accounts for disbursements for non-certified employees, school transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any disbursements not accounted for in other funds.

*Special Revenue Fund:* Accounts for receipts for certified employees involved in administration and instruction, and includes receipts restricted by the State for the payment of teacher salaries and taxes allocated to this fund based on the District's tax levy.

*Debt Service Fund:* Accounts for receipts restricted, committed, or assigned for the retirement of principal and interest on the District's General Obligation bonds.

*Capital Projects Fund:* Accounts for taxes and other receipts restricted, committed, or assigned for acquisition or construction of major capital assets and other capital outlay as defined by State of Missouri statutes.

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

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### **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 modification to the cash basis relates to the presentation of investments. This basis is a basis of accounting other than accounting principles generally accepted in the United States of America; and as a result, these financial statements may not be suitable for another purpose.

As a result of the use of the 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 expenditures (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.

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

### **Capital Outlay**

General fixed assets are recorded as disbursements in the Capital Projects Fund at the time the goods received are paid for and received.

### **Compensated Absences**

Vacation time, personal business days, and sick leave are considered as disbursements in the year paid. Such amounts unused that are vested in the employee are payable upon termination at varying rates depending on length of service.

### **Long-Term Debt**

Long-term debt arising from cash transactions of the governmental funds is not reported in the government-wide financial statements or the fund financial statements, which is consistent with the modified cash basis of accounting. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as disbursements.

### **Teachers' Salaries**

The salary payment schedule of the District for the 2023-2024 school year requires the payment of salaries for a twelve-month period. Consequently, the July and August 2024 payroll checks are included in the financial statements as disbursements in the month of June. This practice has been consistently followed in previous years.

### **Pooled Cash and Cash Equivalents**

Cash and investments of the individual funds are combined to form a pool of cash and cash equivalents.

### **Inventories**

Inventories are valued at cost and consist of food and educational materials. The cost is recorded as a disbursement at the time inventory is purchased.

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

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### Equity Classification

In the government-wide financial statements, net position is classified in two components as follows:

*Restricted net position:* Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

*Unrestricted net position:* All other net position that does not meet the definition of “restricted.”

It is the District’s policy to first use restricted net position prior to the use of unrestricted net position when disbursements are made for purposes for which both restricted and unrestricted net position are available.

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 and 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 Board of Education – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education 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 District’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.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund. It is 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.

### Program Receipts

Amounts reported as program receipts include 1) charges to students or others for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental receipts are reported as general receipts. All taxes are classified as general receipts even if restricted for a specific purpose.

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

### 2. Cash & Cash Equivalents

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 June 30, 2024, all bank balances on deposit are entirely insured or collateralized with securities.

### 3. Investments

Investments of the District as of June 30, 2024, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Pro-rata shares of investment contracts with BOK Financial through the Missouri School District Direct Deposit Program	N/A	<u>\$ 34,615</u>

#### Investment Contracts with BOK Financial

The District has funds on deposit with BOK Financial, which are invested in investment contracts with credit providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service, in accordance with Section 165.051 and 360 of the Missouri Revised Statutes through the Missouri School District Direct Deposit Program. The investment contracts are with credit providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service.

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

### 4. Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The county collects the property tax and remits it to the District.

The District also receives sales tax collected by the State and remitted based on eligible pupils. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year unless the voters have approved a waiver of the rollback provision. The District has voted a full waiver of the rollback provision.

The assessed valuation of the tangible taxable property for the calendar year 2023 for purposes of local taxation was:

Real estate	\$ 13,835,018
Personal property	<u>5,633,159</u>
	<u>\$ 19,468,177</u>

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2023 for purposes of local taxation was:

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 3.3185	\$ 3.3185
Debt Service Fund	0.6490	0.6490
Capital Projects Fund	0.2000	0.2000
<b>Total Levy</b>	<u>\$ 4.1675</u>	<u>\$ 4.1675</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2024, aggregated approximately 101 percent of the current assessment computed on the basis of the levy as shown above.

## 5. Retirement Plans

### Public School Retirement System of Missouri and Public Education Employee Retirement System of Missouri

#### *Summary of Significant Accounting Policies*

The District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the systems). The financial statements of the District were prepared using the modified cash basis of accounting. Therefore, member and employer contributions are recognized when paid and the District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

*Plan Description.* PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the State of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Sections 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

*Plan Description.* PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560 - 169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

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*Benefits Provided.* PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Due to the passage of Senate Bill 75 (HCS/SS/SB 75), effective August 28, 2023, members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

*Benefits Provided.* PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

*Cost-of-Living Adjustments ("COLA").* The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows: if the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted. If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost of living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If the CPI decreases, no COLA is provided. For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustment commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

*Contributions.* PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

*Contributions.* PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$216,603 and \$63,842, respectively, for the year ended June 30, 2024.

Summary Plan descriptions detailing the provisions of the plans as well as additional information regarding the District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at [www.psrs-peers.org](http://www.psrs-peers.org).

### 6. General Obligation Bonds Payable

Bonds payable at June 30, 2024, consist of:

\$875,000 general obligation crossover refunding bond issue dated May 30, 2013, due in varying annual installments through March 1, 2027; interest at 0.8% to 3.2%	<u style="border-bottom: 3px double black;">\$ 250,000</u>
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Debt service requirements are:

Year Ended June 30	Principal	Interest	Total
2025	\$ 80,000	\$ 6,500	\$ 86,500
2026	85,000	4,420	89,420
2027	85,000	2,210	87,210
	\$ 250,000	\$ 13,130	\$ 263,130

The following is a summary of bond transactions for the year ended June 30, 2024:

Bond Payable, July 1, 2023	\$ 325,000
Bonds Issued	-
Bonds Retired	(75,000)
<b>Bonds Payable June 30, 2024</b>	<b>\$ 250,000</b>

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of the district. The legal debt margin (excluding state assessed railroad and utility) of the District at June 30, 2024, was:

Constitutional debt limit	\$ 2,920,227
General obligation bonds payable	(250,000)
Amount available in Debt Service Fund	462,535
<b>Legal Debt Margin</b>	<b>\$ 3,132,762</b>

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

### 7. Promissory Notes Payable

Notes payable at June 30, 2024, consist of:

\$1,019,105 promissory note dated December 17, 2015, due in varying annual installments through March 1, 2027; interest at 2.3%	<u>\$ 280,060</u>
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The note is considered a direct borrowing agreement. In the event of a late payment, the District shall pay a late charge equal to 5% of the principal and interest payment that is past due. In the event of default on the note (failure to make payments for 10 days after due date), the lender has the right to accelerate the note without prior notice and declare the note immediately due and payable, sell off any cash or other property under control of the lender related to the note, or exercise all other rights to secure the note.

The following is a summary of transactions for the year ended June 30, 2024:

Notes Payable, July 1, 2023	\$ 369,698
Notes Payments	<u>(89,638)</u>
<b>Notes Payable, June 30, 2024</b>	<u><u>\$ 280,060</u></u>

Annual debt service requirements to maturity for the above notes payable is:

Year Ended June 30	Direct Borrowing		
	Principal	Interest	Total
2025	\$ 92,425	\$ 6,441	\$ 98,866
2026	90,038	4,316	94,354
2027	97,597	2,244	99,841
	<u>\$ 280,060</u>	<u>\$ 13,001</u>	<u>\$ 293,061</u>

### 8. Claims & Adjustments

The District 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 regulation, the District may be required to reimburse the grantor government. As of June 30, 2024, disbursements have not been audited by grantor governments, but the District 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 District.

### 9. Compensated Absences Payable

Compensated absences payable consists of accumulated sick leave and unused personal leave days by full-time District employees. Upon voluntary termination, employees who have been employed a minimum of 5 years are paid \$10 per day if professional staff, or \$5 per day if support staff, for any accumulated sick days and unused personal leave days, not to

# Exeter R-VI School District

## Notes to the Financial Statements

June 30, 2024

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exceed 50 days. Upon retirement from the District, employees who have been employed a minimum of 5 years are paid \$32.50 per day if professional staff, or \$15 per day if support staff, for any accumulated sick days and unused personal leave days, not to exceed 90 days. Total liability for all employees as of June 30, 2024, was \$10,193.

### 10. Risk Management

The District 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 District 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.

### 11. Interfund Transfers

Transfers between funds of the District for the year ended June 30, 2024, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 192,049
Capital Projects Fund	192,049	-
	<u>\$ 192,049</u>	<u>\$ 192,049</u>

The District is permitted by state law to make transfers from the General Fund to the Capital Projects Fund to cover disbursements and build balances as allowed by state law.

### 12. Post-Employment Benefits

In addition to the pension benefits described in Note 5, the District makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subjected to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

## Supplementary Information

## Exeter R-VI School District

### Schedule of Receipts by Source

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
<b>Local</b>					
Current taxes	\$ 573,168	\$ -	\$ 112,082	\$ 34,610	\$ 719,860
Delinquent taxes	81,808	-	15,409	3,653	100,870
School district trust fund (prop C)	319,186	191,512	-	-	510,698
Financial institution tax	66	-	-	-	66
M&M surtax	1,008	-	-	-	1,008
Earnings from temporary deposits	99,329	-	-	83,034	182,363
Sales to pupils - reimbursable school meals	34,114	-	-	-	34,114
Sales to adults for adult meals - non- program food sales	2,361	-	-	-	2,361
Admissions - student activities	5,833	-	-	-	5,833
Other pupil activity income	108,356	-	-	-	108,356
Gifts	-	-	-	10,189	10,189
Miscellaneous local revenue	15,831	-	-	-	15,831
<b>Total Local</b>	1,241,060	191,512	127,491	131,486	1,691,549
<b>County</b>					
Fines, escheats, etc.	-	2,793	-	-	2,793
State assessed utilities	28,539	-	4,335	1,562	34,436
<b>Total County</b>	28,539	2,793	4,335	1,562	37,229
<b>State</b>					
Basic formula - state monies	394,694	1,314,699	-	-	1,709,393
Transportation	58,907	-	-	-	58,907
Basic formula-classroom trust fund	18,661	-	-	124,405	143,066
Educational screening program	48,074	-	-	-	48,074
Small schools grant	-	127,271	-	-	127,271
Career education	4,330	-	-	-	4,330
Food service - state	1,120	-	-	-	1,120
Teacher baseline grant	-	13,920	-	-	13,920
Evidence-based reading grant	-	3,000	-	-	3,000
School safety grant	50,000	-	-	-	50,000
<b>Total State</b>	575,786	1,458,890	-	124,405	2,159,081

The above presentation agrees to the Annual Secretary of the Board Report

## Exeter R-VI School District

### Schedule of Receipts by Source

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
<b>Federal</b>					
Medicaid	11,310	-	-	-	11,310
ARP - ESSER III	285,082	-	-	-	285,082
CRRSA - ESSER II	1,800	-	-	-	1,800
IDEA entitlement funds, part B IDEA	-	65,773	-	-	65,773
Early childhood special education - federal	-	3,171	-	-	3,171
National school lunch program	177,357	-	-	-	177,357
School breakfast program	42,731	-	-	-	42,731
Title I - ESEA	-	135,085	-	-	135,085
21st century community learning center/afterschool	77,636	-	-	-	77,636
Title IV.A student support and academic enrichment	10,046	-	-	-	10,046
Title II, Part A&B, ESEA - teacher & principal training	18,979	-	-	-	18,979
Dept of health food service program	18,410	-	-	-	18,410
Other - federal	1,100	-	-	-	1,100
<b>Total Federal</b>	644,451	204,029	-	-	848,480
<b>Other Sources</b>					
Net insurance recovery	3,658	-	-	-	3,658
Sale of other property	-	-	-	7,969	7,969
<b>Total Other Sources</b>	3,658	-	-	7,969	11,627
<b>Total Receipts</b>	\$ 2,493,494	\$ 1,857,224	\$ 131,826	\$ 265,422	\$ 4,747,966

The above presentation agrees to the Annual Secretary of the Board Report

## Exeter R-VI School District

### Schedule of Disbursements by Object

Year Ended June 30, 2024

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Totals</b>
Salaries	\$ 780,266	\$ 1,366,236	\$ -	\$ -	\$ 2,146,502
Employee benefits	281,213	435,528	-	-	716,741
Purchased services	663,679	55,460	-	-	719,139
Supplies	320,146	-	-	-	320,146
Capital outlay	-	-	-	83,876	83,876
Other objects	-	-	84,150	98,142	182,292
<b>Total Disbursements</b>	<b>\$ 2,045,304</b>	<b>\$ 1,857,224</b>	<b>\$ 84,150</b>	<b>\$ 182,018</b>	<b>\$ 4,168,696</b>

The above presentation agrees to the Annual Secretary of the Board Report

## Exeter R-VI School District

### Schedule of Transportation Costs Eligible for State Aid

Year Ended June 30, 2024

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	<b>Contracted Disabled</b>	<b>District Operated</b>	<b>Total</b>
Certificated salaries	\$ -	\$ 16,141	\$ 16,141
Non-certificated salaries	-	38,691	38,691
Employee benefits	-	21,269	21,269
Purchased services	2,071	51,877	53,948
Supplies	-	23,387	23,387
Depreciation, net of adjustment	-	29,722	29,722
	<u>\$ 2,071</u>	<u>\$ 181,087</u>	<u>\$ 183,158</u>

The above presentation agrees to the Annual Secretary of the Board Report

## Other Information

## Exeter R-VI School District

### Budgetary Comparison Schedule—General Fund

Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Local	\$ 705,183	\$ 1,241,060	\$ 1,241,060	\$ -
County	27,809	28,539	28,539	-
State	385,984	575,786	575,786	-
Federal	430,955	644,451	644,451	-
<b>Total Receipts</b>	<u>1,549,931</u>	<u>2,489,836</u>	<u>2,489,836</u>	<u>-</u>
<b>Disbursements</b>				
Instruction	362,821	942,679	942,679	-
Student services	32,985	49,736	49,736	-
Instructional staff support	229,538	98,948	98,948	-
Building administration	65,473	54,338	54,338	-
General administration	87,546	108,537	108,537	-
Operation of plant	352,861	326,742	326,742	-
Transportation	117,009	144,324	144,324	-
Food service	232,184	257,957	257,957	-
Community services	48,852	62,043	62,043	-
<b>Total Disbursements</b>	<u>1,529,269</u>	<u>2,045,304</u>	<u>2,045,304</u>	<u>-</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	20,662	444,532	444,532	-
<b>Other Financing Sources (Uses)</b>				
Net insurance recovery	-	3,658	3,658	-
Operating transfers (out)	(170,241)	(192,049)	(192,049)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(170,241)</u>	<u>(188,391)</u>	<u>(188,391)</u>	<u>-</u>
<i>Net Changes in Fund Balances</i>	(149,579)	256,141	256,141	-
Fund Balance, July 1, 2023	<u>1,476,078</u>	<u>1,476,078</u>	<u>1,476,078</u>	<u>-</u>
<b>Fund Balance, June 30, 2024</b>	<u><u>\$ 1,326,499</u></u>	<u><u>\$ 1,732,219</u></u>	<u><u>\$ 1,732,219</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to the Budgetary Comparison Schedules

## Exeter R-VI School District

### Budgetary Comparison Schedule—Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Local	\$ 539,485	\$ 191,512	\$ 191,512	\$ -
County	7,500	2,793	2,793	-
State	1,560,465	1,458,890	1,458,890	-
Federal	121,297	204,029	204,029	-
<b>Total Receipts</b>	2,228,747	1,857,224	1,857,224	-
<b>Disbursements</b>				
Instruction	1,534,786	1,608,106	1,608,106	-
Student services	68,413	70,700	70,700	-
Instructional staff support	35,155	7,671	7,671	-
Building administration	175,554	3,163	3,163	-
General administration	115,605	108,961	108,961	-
Transportation	-	9,112	9,112	-
Community services	2,087	49,511	49,511	-
<b>Total Disbursements</b>	1,931,600	1,857,224	1,857,224	-
<i>Excess (Deficit) of Receipts Over Disbursements</i>	297,147	-	-	-
Fund Balance, July 1, 2023	-	-	-	-
<b>Fund Balance, June 30, 2024</b>	\$ 297,147	\$ -	\$ -	\$ -

See accompanying Notes to the Budgetary Comparison Schedules

## Exeter R-VI School District

### Budgetary Comparison Schedule—Debt Service Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Local	\$ 120,650	\$ 127,491	\$ 127,491	\$ -
County	-	4,335	4,335	-
<b>Total Receipts</b>	120,650	131,826	131,826	-
<b>Disbursements</b>				
Debt service	75,510	84,150	84,150	-
<b>Total Disbursements</b>	75,510	84,150	84,150	-
<i>Excess (Deficit) of Receipts Over Disbursements</i>	45,140	47,676	47,676	-
Fund Balance, July 1, 2023	414,859	414,859	414,859	-
<b>Fund Balance, June 30, 2024</b>	\$ 459,999	\$ 462,535	\$ 462,535	\$ -

See accompanying Notes to the Budgetary Comparison Schedules

## Exeter R-VI School District

### Budgetary Comparison Schedule—Capital Projects Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Local	\$ 44,171	\$ 131,486	\$ 131,486	\$ -
County	-	1,562	1,562	-
State	139,550	124,405	124,405	-
<b>Total Receipts</b>	183,721	257,453	257,453	-
<b>Disbursements</b>				
Instruction	20,000	43,048	43,048	-
Instructional staff support	30,000	-	-	-
Building administration	2,500	-	-	-
General administration	2,500	-	-	-
Operation of plant	75,000	40,828	40,828	-
Transportation	35,000	-	-	-
Food service	1,000	-	-	-
Facilities acquisition and construction	60,000	-	-	-
Debt service	123,020	98,142	98,142	-
<b>Total Disbursements</b>	349,020	182,018	182,018	-
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(165,299)	75,435	75,435	-
<b>Other Financing Sources</b>				
Sale of other property	-	7,969	7,969	-
Operating transfers in	170,241	192,049	192,049	-
<b>Total Other Financing Sources</b>	170,241	200,018	200,018	-
<i>Net Changes in Fund Balances</i>	4,942	275,453	275,453	-
Fund Balance, July 1, 2023	1,187,489	1,187,489	1,187,489	-
<b>Fund Balance, June 30, 2024</b>	\$ 1,192,431	\$ 1,462,942	\$ 1,462,942	\$ -

See accompanying Notes to the Budgetary Comparison Schedules

# Exeter R-VI School District

Notes to the Budgetary Comparison Schedules

Year Ended June 30, 2024

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## **Budgets and Budgetary Accounting**

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

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
2. Prior to July, the superintendent, who serves as the Budget Officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The budget includes estimated receipts and proposed disbursements for all District 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 Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. 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 Board of Education. Individual amendments were not material to the original appropriations, which were amended.
6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis).

## **Other Reporting Requirements**



**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***

Board of Education  
Exeter R-VI School District  
Exeter, Missouri

We have audited, in accordance with 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 modified cash basis financial statements of the governmental activities and each major fund of the Exeter R-VI School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Exeter R-VI School District's basic financial statements, and have issued our report thereon dated December 2, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the modified cash basis financial statements, we considered the Exeter R-VI School District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 modified cash basis 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 over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001, that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Exeter R-VI School District's modified cash basis 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*.

### **Exeter R-VI School District's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2024



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

Board of Education  
Exeter R-VI School District  
Exeter, Missouri

### Report on Compliance for Each Major Federal Program

#### ***Opinion on Each Major Federal Program***

We have audited the Exeter R-VI School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Exeter R-VI School District's major federal programs for the year ended June 30, 2024. The Exeter R-VI School District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Exeter R-VI School District 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 June 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Exeter R-VI School District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Exeter R-VI School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Exeter R-VI School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2024

# Exeter R-VI School District

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-through Grantor's Number	Passed-through to Subrecipients	Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Missouri Department of Elementary and Secondary Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	20232N119943	\$ -	\$ 8,752
		20242N109943	-	33,979
			-	42,731
National School Lunch Program - Cash	10.555	20232N119943	-	23,849
		20242N109943	-	96,645
		20221N890343	-	11,479
		20232N890343	-	23,412
National School Lunch Program - Commodities		005-122	-	18,681
			-	174,066
<b>Total Child Nutrition Cluster</b>			-	216,797
Child and Adult Care Food Program	10.558	233MO305N1199	-	1,188
		243MO305N1199	-	7,067
			-	8,255
<b>Total U.S. Department of Agriculture</b>			-	225,052
<b>U.S. Department of Education</b>				
Missouri Department of Elementary and Secondary Education				
Title I Grants to Local Educational Agencies	84.010A	S010A230025	-	243,960
		S367A230024	-	25,242
		S424A230026	-	14,227
			-	283,429
Special Education Grants Cluster (IDEA)				
Special Education - Grants to States (IDEA, Part B)	84.027A	H027A220040	-	42,342
		H027A230040	-	31,838
<b>Total Special Education Grants Cluster (IDEA)</b>			-	74,180
COVID-19 - Education Stabilization Fund	84.425U	S425U210021	-	331,378
Rural Education	84.358B	S358B230025	-	9,448
Twenty-First Century Community Learning Centers	84.287C	S287C220025	-	84,094
<b>Total U.S. Department of Education</b>			-	782,529
<b>U.S. Department of Health and Human Services</b>				
Missouri Department of Elementary and Secondary Education				
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0066	-	1,100
<b>Total U.S. Department of Health and Human Services</b>			-	1,100
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ 1,008,681

See accompanying Notes to the Schedule of Expenditures of Federal Awards

# Exeter R-VI School District

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

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## 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District for the year ended June 30, 2024, and is presented on the modified cash basis of accounting as described below. 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 District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

## 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting which is described in Note 1 to the District's financial statements. 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.

## 3. Indirect Cost Rate

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

## 4. Noncash Assistance

Commodities received and expended through the Food Distribution Program were valued by the Food Service Section of the Department of Elementary and Secondary Education.

# Exeter R-VI School District

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

### Section I: Summary of Auditors' 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?	Yes
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 auditors' 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 programs:	
<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.027A	Special Education Cluster (IDEA)
84.425U	COVID-19 Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

# Exeter R-VI School District

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

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### Section II: Financial Statement Findings

#### Material Weakness

##### 2024-001 Segregation of Duties

*Condition:* Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. The District currently has one full time bookkeeper to handle the accounting needs of the District. There are some mitigating controls in place but it is not possible to have segregation in all areas.

*Criteria:* Duties should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

*Effect:* Risk is present that errors or irregularities in amounts that would be material to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

*Recommendation:* We realize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

*Response:* The limited number of available personnel prohibits segregation of incompatible duties and the District does not have the resources to hire additional accounting personnel.

Repeat finding of 2023-001.

### Section III: Federal Award Findings and Questioned Costs

None

# Exeter R-VI School District

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

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## Financial Statement Finding

### Material Weakness

2023-001      *Segregation of Duties*

*Auditors' Recommendation:* We realize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

*Status:* Uncorrected

# Exeter R-VI School District

101 Locust Street  
Exeter, MO 65647  
(417) 835-2922

December 2, 2024

U.S. Department of Education

Exeter R-VI School District respectfully submits the following corrective action plan for the year ended June 30, 2024.

Contact information for the individual responsible for the corrective action:

Tim Jordan – Superintendent  
Exeter R-VI School District  
101 Locust Street  
Exeter, Missouri 65647  
(417) 835-2922

Independent Public Accounting Firm: KPM CPAs, PC, 1445 E. Republic Road, Springfield, MO 65804

Audit Period: Year ended June 30, 2024

The findings from the June 30, 2024, Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

## Findings – Financial Statement Audit

### Material Weakness

2024-001 *Segregation of Duties*

*Recommendation:* We realize because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

*Action Taken:* The limited number of available personnel prohibits segregation of incompatible duties and the District does not have the resources to hire additional accounting personnel.

*Completion Date:* Not applicable

Sincerely,



Tim Jordan, Superintendent  
Exeter R-VI School District

## Supplementary State Information



## Independent Accountants' Report

Board of Education  
Exeter R-VI School District  
Exeter, Missouri

We have examined Exeter R-VI School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics during the year ended June 30, 2024. Management of Exeter R-VI School District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on Exeter R-VI School District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA, and those standards require that we plan and perform the examination to obtain reasonable assurance about whether Exeter R-VI School District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Exeter R-VI School District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination engagement does not provide a legal determination on Exeter R-VI School District's compliance with the specified requirements.

Our examination disclosed the District did not meet compliance requirements in accordance with sections 110.010 and 110.020, RSMo as the District's deposits were not adequately collateralized during the year.

In our opinion, except for the conditions described in the preceding paragraph, Exeter R-VI School District, complied in all material respects, with the aforementioned requirements for the year ended June 30, 2024.

This report is intended solely for the information and use of the Board of Education, District management, and the Missouri Department of Elementary and Secondary Education and is not intended to be, and should not be, used by anyone other than these specified parties.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2024

[www.kpmcpa.com](http://www.kpmcpa.com)

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500 W. Main Street, Suite 200 Branson, MO 65616 | 417-334-2987 | fax 417-336-3403

# Exeter R-VI School District

## Schedule of Selected Statistics

June 30, 2024

### 1. Calendar (Sections 160.041, 171.029, 171.031, and 171.033 RSMo)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
	PK	12	-	6.70	162.00	1,071.50

### 2. Attendance Hours

Report the total attendance hours of PK-12 students allowed to be claimed for the calculation of Average Daily Attendance.

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4020	PK-8	224,753.92	1,019.55	-	-	11,559.49	237,332.96
1050	9-12	111,173.00	967.88	-	-	1,234.80	113,375.68
<b>Grand Total</b>	<b>PK-12</b>	<b>335,926.92</b>	<b>1,987.43</b>	<b>-</b>	<b>-</b>	<b>12,794.29</b>	<b>350,708.64</b>

### 3. September Membership

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in September who are enrolled on the count day and in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should only include PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4020	PK-8	224.00	0.50	-	224.50
1050	9-12	114.00	0.25	-	114.25
<b>Grand Total</b>	<b>PK-12</b>	<b>338.00</b>	<b>0.75</b>	<b>-</b>	<b>338.75</b>

Notes:	

# Exeter R-VI School District

## Schedule of Selected Statistics

June 30, 2024

### 4. Free and Reduced Priced Lunch FTE Count (Section 163.011(6), RSMo)

Report the FTE count taken the last Wednesday in January of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

School Code	Free Lunch	Reduced Lunch	DESEG In Free	DESEG In Reduced	Total
4020	130.00	24.50	-	-	154.50
1050	65.00	15.00	-	-	80.00
<b>Grand Total</b>	<b>195.00</b>	<b>39.50</b>	-	-	<b>234.50</b>

### 5. Finance

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
5.1	The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	True
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	True
	Homebound instruction	True
	Missouri Options	True
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	True
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True

## Exeter R-VI School District

### Schedule of Selected Statistics

June 30, 2024

5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:	\$50,000
5.6	The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual	False
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	\$31,536
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

Notes:	

# Exeter R-VI School District

## Schedule of Selected Statistics

June 30, 2024

All above “False” answers must be supported by a finding or management letter comment.

Finding:	5.6 Collateralization of District Deposits
Management Letter Comment:	#6

### 6. Transportation (Section 163.161, RSMo)

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district’s/charter school’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	134.0
	Ineligible ADT	-
6.4	The district’s/charter school’s transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	59,975
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	37,267
	Ineligible Miles (Non-Route/Disapproved)	22,708
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	162

Notes:	

# Exeter R-VI School District

## Schedule of Selected Statistics

June 30, 2024

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All above "False" answers must be supported by a finding or management letter comment.

Finding:	None
Management Letter Comment:	N/A

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## APPENDIX C

### FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of [\_\_\_\_\_, 2025] (the “**Continuing Disclosure Undertaking**”), is executed and delivered by **EXETER R-VI SCHOOL DISTRICT OF BARRY COUNTY, MISSOURI** (the “**District**”).

#### RECITALS

1. This Continuing Disclosure Undertaking is being executed and delivered in connection with the delivery by the District of **\$2,500,000 General Obligation School Building Bonds (Missouri Direct Deposit Program), Series 2025** (the “**Bonds**”), pursuant to a resolution adopted by the governing body of the District on \_\_\_\_\_, 2025 (the “**Resolution**”).

2. The District is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The District is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

The District covenants and agrees as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the District pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the District to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the District a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the District as the Fiscal Year of the District for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3** of this Continuing Disclosure Undertaking.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

**Section 2. Provision of Annual Reports.**

(a) The District shall, not later than **December 31<sup>st</sup>** after the end of the District’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2025, file, or cause to be filed, with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):

- (1) The audited financial statements of the District for the prior fiscal year, prepared in accordance with the accounting principles stated in the notes to the financial statements attached as *Appendix B* to the Official Statement relating to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
- (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in tables located in the following described sections in *Appendix A* to the final Official Statement relating to the Bonds, which information may be contained in the audited financial statements of the District or any schedules supplemental thereto, with such modifications to the formatting and general presentation thereof as deemed appropriate by the District:

**THE DISTRICT:**

**History of Enrollment**

**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT:**

**Property Valuations:**

*Current Assessed Valuation*

*History of Property Valuations*

**History of Tax Levies**

**Tax Collection Record**

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the District is an “obligated person” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The District shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

If the District has not submitted the Annual Report to the MSRB by the date required by this **Section 2(a)**, the District shall, in a timely manner, send a notice to the MSRB of the failure of the District to file on a timely basis the Annual Report, which notice shall be in substantially the form attached as **Exhibit A** and shall be given by the District in the same manner as for a Material Event under **Section 3**.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

**Section 3. Reporting of Material Events.** Not later than 10 Business Days after the occurrence of any of the following events, the District shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the District;
- (13) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

**Section 4. Termination of Reporting Obligation.** The District's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the District's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the District, and the District shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the District shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

**Section 5. Dissemination Agents.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the District. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the District pursuant to this Continuing Disclosure Undertaking.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Undertaking, the District may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the District with its written opinion that the undertaking of the District contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the District shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the District chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the District shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**Section 8. Default.** If the District fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the District to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Undertaking shall inure solely to the benefit of the District, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 10. Severability.** If any provision in this Continuing Disclosure Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 11. Counterparts.** This Continuing Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 12. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 13. Governing Law.** This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

\*\*\*\*\*

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

**Name of Issuer:** Exeter R-VI School District of Barry County, Missouri (the “District”)

**Name of Bond Issue:** \$2,500,000 General Obligation School Building Bonds (Missouri Direct Deposit Program), Series 2025 (the “Bonds”)

**Date of Issuance:** \_\_\_\_\_, 2025

**NOTICE IS HEREBY GIVEN** that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Undertaking dated as of \_\_\_\_\_, 2025 by the District. [The District anticipates that the Annual Report will be provided by \_\_\_\_\_, 20\_\_.]

**Dated:** \_\_\_\_\_, 20\_\_

**EXETER R-VI SCHOOL DISTRICT OF  
BARRY COUNTY, MISSOURI**

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## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company, New York, New York.

**The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.**

The Depository Trust Company (“**DTC**”), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized

representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions of principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

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