

Rockwood R-VI School District



2014 Comprehensive Annual Financial Report

For fiscal year ended June 30, 2014



ST. LOUIS COUNTY, MISSOURI
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ROCKWOOD R-VI SCHOOL DISTRICT
Saint Louis County, Missouri

**Comprehensive Annual Financial Report
For the year ended June 30, 2014**

Submitted by:
Tim Rooney, CPA, Chief Financial and Legislative Officer
Dan Steinbruegge, CPA, Director of Finance

<http://www.rockwood.k12.mo.us>

ROCKWOOD R-VI SCHOOL DISTRICT

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Comprehensive
Annual
Financial
Report

2014

Introductory Section



*Growing Together,
Learning for Life*

Administrative Center

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Dan Steinbruegge, CPA

Director of Finance

December 10, 2014

Members, Board of Education and Citizens
Rockwood School District
St. Louis County, Missouri

The Comprehensive Annual Financial Report (CAFR) of the Rockwood R-VI School District (the District), St. Louis County, Missouri, for the fiscal year ended June 30, 2014, is presented on the following pages. The District is governed by an elected seven member Board of Education (the Board). The Board is the basic level of government, which has financial accountability and control over all activities related to K-12 public school education within the District. The Board is not included in any other governmental reporting entity, as defined by Governmental Accounting Standards Board (GASB) pronouncements, since Board members are elected by the public and have decision making authority and primary accountability for fiscal matters. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe that data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary to enable the reader of the statements to gain a full understanding of the District's financial status have been incorporated in the Report.

The report has been prepared by the District's Finance Department following the requirements and guidelines contained in the GASB Codification of Governmental Accounting and Financial Reporting Standards. The District's activities and funds are all presented in this report and have been audited by the District's Certified Public Accountants, Kerber, Eck & Braeckel LLP, who rendered an unmodified opinion for the District again this year.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Managements' Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A follows the independent auditors' report.

The District

History

The District began with the opening of Eureka High School in 1908. It was the first four-year high school in St. Louis County west of Kirkwood. The District, in its present form, was created on October 29, 1949 by a merger of 26 districts. The name was changed from Reorganized School District No. R-VI of St. Louis County, Missouri to Rockwood R-VI School District, St. Louis County, Missouri in April 1964. The District includes 150-square miles located in southwest St. Louis County and a small section of northern Jefferson County. Geographically, the District represents approximately 30% of St. Louis County. It encompasses all or parts of twenty communities including Ballwin, Chesterfield, Ellisville, Eureka, Fenton, Manchester and Wildwood. According to the 2010 Census, this represents approximately 115,931 residents in 41,913 households. The chart below summarizes the District's enrollment history over a 10 year period.

	Resident	VICC	Total
2004-05	19,669	2,129	21,798
2005-06	20,050	1,882	21,932
2006-07	20,068	2,030	22,098
2007-08	20,258	2,010	22,268
2008-09	20,371	1,788	22,159
2009-10	20,504	1,750	22,254
2010-11	20,511	1,925	22,436
2011-12	20,313	1,844	22,157
2012-13	20,151	1,765	21,916
2013-14	19,894	1,604	21,498

As noted by the chart, the District has experienced slight annual enrollment reductions over the last four years. The District is projecting total enrollment for 2014-15 to be 21,152 students, a decrease of 346 students.

General

The District continues to be a leader in the field of public education. The U.S. Department of Education's "Blue Ribbon List" includes ten District schools and Missouri's "Gold Star" list includes fourteen District schools. The District is one of only seven school districts in the state accredited through AdvancED, the world's largest education community. The District has also received numerous awards for its work in the area of character education, including earning the distinction of a National District of Character. The following are some of the highlights of academic achievement by students of the District:

- On the ACT, Rockwood students average a composite score of 23.5, outperforming the state average of 21.6 and the national average of 20.9.
- Rockwood students are performing at high levels in the content areas of Reading, Language Arts, Mathematics, Science and Social Studies on state assessment tests.
- Missouri Assessment Program (MAP) results show 74.3 percent of all students scored proficient or higher in Communication Arts and 71.1 percent of all students scored proficient or higher in Math.
- In 2013, the Rockwood School District was named to the College Board's Annual AP District Honor Roll.

- Seven Rockwood students were named to the Missouri Scholars 100, a statewide program that honors 100 of Missouri's top academic students in the graduating class of 2014.
- There were 22 Rockwood students achieving finalist standing in the 2013 National Merit Scholarship Competition.
- All four Rockwood high schools were named "Most Challenging in Missouri" by the Washington Post, the only District to have multiple schools on the top 10 list.
- Two Rockwood high schools were named "Best High School" by U.S. News and World Report.
- A Rockwood student was one of only five students in Missouri to be awarded a scholarship through the National Achievement Scholarship Program in 2014.
- The Duke Talent Identification Program recognized more than 128 seventh-grade student's as state and national finalists in 2014.
- A Rockwood student earned a State AP Scholar Award in 2013; two Rockwood students were among the three students in Missouri to earn the award in 2012.

Rockwood provides information for interested parties, including the current state required "Report Card", on the Internet at www.rockwood.k12.mo.us.

Rockwood is one of Missouri's and St. Louis County's largest school districts. There were 21,498 students enrolled including our Special School District students in 2014. The District serves this student body in twenty elementary facilities (including two Centers for Creative Learning), six middle schools (grades 6-8) and four high schools. The average age of our building is 35 years old with the oldest building being built in 1940 and our most recent building addition in 2004.

The District's entire staff of administrators, teachers, nurses, office personnel, custodians and maintenance and cafeteria workers is dedicated to the same mission: We do whatever it takes to ensure all students realize their potential.

Approximately 79% of the District's teachers hold advanced degrees. The District encourages its staff to further their education by offering college class tuition reimbursement. The current budget includes \$220,000 for teacher assistance and \$5,000 to assist support staff including the newly added assistance for nursing staff.

The District is governed by the Board of Education, whose membership is elected for staggered three-year terms of office. The Board is a policy-making body whose primary function is to establish policies for the District, provide for the general operation and personnel of the District and to safeguard the assets of the District.

The District's programs cover the spectrum from birth to senior citizens. A Parents as Teachers program offers services to prospective and new parents in skills related to child development and better parenting. Special programs exist at all levels for students with special needs ranging from talented and gifted to modified programs and special instruction. Rockwood, like the other districts of St. Louis County, has intervention for its students with special needs from the Special School District of St. Louis County (SSD). The majority of the special needs children are served on the District's campuses while certain limited cases are served on the SSD campus.

The District responds to the needs of students who are culturally different, at risk of educational failure, bilingual or have special needs by providing a broad spectrum of programs, services and resources. The District has received national recognition for both the successful Talented and Gifted program and the exemplary Community Education program. Also recognized are the Partners in Education program with local corporate sponsors. The District's high schools offer numerous Advanced Placement and College Credit courses to prepare the graduating student to enter either college or the working world. The Individualized Learning Center (ILC) educates students who are in danger of dropping out of school because of difficulty faced in a regular school setting.

These initiatives and investments in enrichment of the full curriculum with emphasis on acceleration and differentiation result in the District's students experiencing a high level of achievement. Students continue to score above state and national norms on achievement tests.

The percentage of District students going on to post-secondary education is 89.8% (2013-2014). To ensure that District students receive the individualized educational experiences necessary, the average building level pupil-teacher ratios are: Elementary Schools: 21 to 1; Middle Schools: 22 to 1; and High Schools: 22 to 1. Curriculum study and writing is a continuous improvement process. Each curriculum document is reviewed on an annual basis and is revised and updated (in-depth year) on a six-year cycle via approval of the Board of Education.

Rockwood contracts with First Student Transportation to provide transportation for resident students to and from school and on school district sponsored activity trips. Approximately 12,700 resident students are transported on a daily basis.

In 2002, the District formed the Rockwood School District Educational Facilities Authority to acquire, construct, improve, extend, repair, remodel, renovate, furnish and equip buildings and facilities for the District. The Facility issued Leasehold Revenue Bonds Series 2002 in order to pay off the existing G. E. Capital energy note and to finance the construction of an Early Childhood Center. The equipment financed and the Early Childhood Center is being leased to the District for the amount of principal and interest due on the leasehold revenue bonds.

The District participates in a Voluntary Transfer Student (VTS) program in which St. Louis City resident African-American students volunteer to transfer to the District's schools. As of January 2014, this K-12 program represents 1,604 of 21,498 students or about 7.5% of the population.

Accounting System and Budgetary Control

The District's accounting system for governmental funds reflects the modified accrual basis of accounting. At the end of the year, the governmental funds are converted from the modified accrual basis to the accrual basis for presentation in district-wide financial statements. In developing the accounting system, consideration has been given to the adequacy of internal accounting controls. We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of transactions. As management, we assert that, to the best of our knowledge and belief, the financial report is complete and reliable in all material respects.

The District's accounting system is organized on the basis of funds, each of which is considered its own entity. The District follows Missouri State Statutes in establishing budgetary data (Chapter 67, RSMo) for each major fund of the political subdivision. The District considers four funds (General, Special Revenue-Teachers', Debt Service and Capital Projects) as major. Changes in the overall revenue and expenditure of a fund's budget require full disclosure and Board resolution for approval. Budgetary variances at the function and object level are reported to the Board at the monthly business meeting. The District is not a component unit of another report entity, but has a component unit, the Rockwood School District Facility Authority.

The budget process is a yearly cycle: In September, Missouri Statute requires an official count of enrolled students on the last Wednesday of the month (this begins the process of the budget). From that data and other significant information, the projections of future enrollment are calculated for the budget year and four years beyond. This enrollment projection becomes the basis for hiring personnel and establishing the school-level allocation budgets.

In preparation for the 2014-15 budget the Chief Financial Officer and members of the Facilities Department visited each building site and, with the assistance of the principal or department manager, identified outstanding maintenance issues and updated the list of major infrastructure improvements. A PTO representative was also invited to the school reviews. The principal or department manager prioritized each project within their building or department. When all visits were concluded, the prioritized projects were scored using a rubric including the following criteria:

1. Safety
2. For existing infrastructure components, the current age relative to the estimated useful life
3. Any regulatory issues
4. Impact on the educational program
5. The ability to generate additional revenue
6. Eminent mechanical failure

A composite score was determined for each of these items. The information was submitted to Cabinet and a recommendation was made to the Board on October 17, 2013.

Official enrollment was taken the last week of September 2013. Enrollment projections were developed for subsequent years. These projections are used to estimate some revenue lines and to staff and provide supply allocations to schools. Considering the importance of enrollment projections, the District hired an outside consultant to estimate enrollment for the next five years and to assist with an analysis of building capacity vs. projected enrollment. A District committee was formed to review the information and a report was provided to the Board on May 15, 2014. The report addressed two elementary schools with projected enrollment approaching the functional capacity of the buildings as well as some suggested middle school boundary changes.

In October 2013, school and department levels began working on their 2014-15 requested budgets. The Superintendents Cabinet held a series of meetings to go through staffing levels and detailed budget requests with rationales. School building budgets were based on a per pupil calculation. The 2014-15 budget target was presented to the Board of Education in December 2013 and included the following priorities:

- Increasing staff compensation to the mid-point of the St. Louis County districts over three years
- Funding of high priority maintenance projects from fund balance
- Reinstate the curriculum development process that was delayed for several years
- Maintaining pupil-teacher ratios

The governing body of each political subdivision may revise, alter, increase or decrease the items contained in the proposed budget, subject to such limitations as may be provided by law or charter; provided, that in no event shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year. After any political subdivision has approved the budget for any year and has approved or adopted the orders, motions, resolutions, or ordinances required to authorize the expenditures proposed in the budget, the political subdivision shall not increase the total amount authorized for expenditure from any fund, unless the governing body adopts a resolution setting forth the facts and reasons making the increase necessary and approves or adopts an order, motion, resolution or ordinance to authorize the expenditures.

Throughout the year, budgets are reviewed daily in connection with purchase order and payroll processing. Revenue budgets are reviewed monthly. Budget adjustments can, and will, be made on a regular basis as additional information becomes available, especially in regard to title programs, grant approvals and changes in assessed valuations and required changes in related expenditures. Management may make budget adjustments between objects within a fund without pre-approval from the Board. Any additions to or redirections from the approved budget at the fund level must be pre-approved. Also, any movement between funds must have Board approval. The Board of Education has final approval for the original budget and for budget adjustments made throughout the year.

Economic Condition

St. Louis County is the largest county in the State of Missouri and the major contributor to the economy of the state and the twelve-county metropolitan area with approximately one million residents. The service sector continues to show the largest job growth in the County. The areas of medical, bio-technical, business and technology services are expected to provide long term employment growth in the County as manufacturing jobs continue to decline. The District is located in Southwest St. Louis County and residents have full access to the large and diverse employment base in the AAA rated St. Louis County.

The District is anticipating assessed valuations to rebound from the reductions we experienced with the global downturn in the economy. We are seeing more residential and small commercial development activity in our area. Next year is a reassessment year in Missouri and we conservatively expect increases in the range of 2-3% in assessed valuation.

The District enjoys a bond rating among the highest in the nation - AAA.

Current Initiatives

The Rockwood Board strongly supports the process of long-range planning in making important decisions about the future of the District's schools and the District as a whole.

The State of Missouri requires all school districts to conduct an in-depth public engagement program to set goals for the next five years. This requirement of the Missouri Department of Elementary and Secondary Education is governed by the Department's Missouri School Improvement Program (MSIP) document. MSIP specifies that each Missouri school district have a Comprehensive School Improvement Plan (CSIP) as one of the major components of the MSIP.

The main thrust of the CSIP was to engage a cross section of the District's public to assist in assessing the District's current structure and planning for the future by determining a ubiquitous set of goals to be used across the District for the next five years. Rockwood is an exemplary school district in part because of the strength and complexity of its planning efforts.

The results of this long-range planning effort have resulted in the following five key goals that will guide the District through the end of the 2014-19 school year:

- Student Learning: All students will demonstrate academic growth and be well prepared for their future.
- Highly Effective Staff: Recruit, attract, develop and retain highly effective staff to carry out the Rockwood School District's missions, goals and objectives.
- District Finance: Ensure efficient operations and accountability for fiscally responsible use of District resources.
- School Climate: Create a safe and caring learning environment that includes a positive school culture and positive collaboration and communication throughout the school and community.
- Governance: Govern the Rockwood School District in an efficient and effective manner, providing leadership and representation to benefit the students, staff and patrons of the District.

Significant Board Policies

The District has entered into agreements with the Rockwood National Education Association, the Rockwood Custodial Education Association, and the Rockwood Association of Nurses. Each of these agreements dictates the work environment and compensation for the member's of each organization.

In May 2013 the Board of Education approved a renewal of the current agreement with the Rockwood National Education Association for an additional two years to cover the school years 2014-2015 and 2015-2016. In April 2012, the Rockwood Custodial Education Association agreement was renewed for an additional three years to cover the school years 2012-2013, 2013-2014 and 2014-2015. In March 2012, the Rockwood Association of Nurses agreement was renewed for an additional three years to cover the school years 2012-2013, 2013-2014 and 2014-15.

The Board has an approved policy of maintaining operating fund balances at 18% of the subsequent year's expenditure with an additional 4% of expenditures for a stabilization plan. The District had 26% of operating fund balance as of June 30, 2014.

Independent Audit

The Revised Statutes of the State of Missouri and the Board policies of the District require an audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants that are selected by the District's Board of Education. This requirement has been complied with and the auditors' unmodified opinion is included in this report.

Financial Reporting Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rockwood School District for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the ninth year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

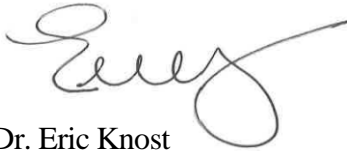
The District has been awarded the Association of School Business Officials International (ASBOi) Certificate of Excellence in Financial Reporting (CAFR) for the years ended June 30, 2004 - 2013. The District will also submit this 2014 financial report for that coveted award. The District also participates in ASBO International's Meritorious Budget Award (MBA) Program. For the past fourteen years, the District has applied for and received the prestigious award for excellence in budgeting.

Closing Statement

It is the District's intention that this Comprehensive Annual Financial Report will provide the District's management, parents and other interested patrons, outside investors and the local business community with the most meaningful financial presentation possible. In this report we intend to provide all readers a clear and concise picture of the District's financial condition as of June 30, 2014.

We are thankful for the loyalty and support of our taxpayers, the vision of the Board of Education, the dedication and hard work of fellow employees and the success of our students.

Respectfully submitted,



Dr. Eric Knost
Superintendent



Mr. Tim Rooney, CPA
Chief Financial and Legislative Officer



Mr. Dan Steinbruegge, CPA
Director of Finance

Rockwood School District

Board of Education

2014-2015



Bill Brown, President, was elected to the Rockwood Board of Education in 2012. Mr. Brown received a bachelor's in Secondary Education from Southeast Missouri State and a master's in Education from Southwest Baptist University. Currently Mr. Brown teaches at Saint Louis University High School and serves as a Question Leader at the Advanced Placement/U.S. Government and Politics Grading. Prior to this, he taught for more than 30 years in the Missouri Public School system and served Rockwood on numerous committees and other volunteer positions. He and his wife Cindy have four children who graduated from Rockwood. Their two grandchildren presently attend Rockwood schools.



Loralee Mondl, Vice President, was elected to the Rockwood Board of Education in 2013. She holds bachelors' degrees in Chemistry, Math and Education from the University of Missouri, St. Louis in addition to a master's degree in Education from Lindenwood University. She was a teacher and coach at Marquette High School for five years. Her family has lived in Rockwood for the past seven years, and her sons attend Rockwood Schools. For the past 11 years, she has been active as PTO Treasurer and Co-President.



Rob Castle, Director, was appointed to the Rockwood Board of Education in August 2014. He is a graduate of Eureka High School. In his career, Mr. Castle managed loss prevention at the corporate level, with a strong focus on business partnerships, training and conflict resolution. He has an extensive history of volunteer service in Rockwood, including the Comprehensive School Improvement Planning Committee (2013-2014), Picture Rockwood facilitating team member (2012-2013) and the Special School District Parent Advisory Council (2012-2014) as well as the Special School District Public Review Committee (2013-2014). He and his wife, Sheila, have one child enrolled at Rockwood Summit High School, as well as two children who have graduated from Rockwood schools.



Matt Doell, Director, was elected to the Rockwood Board of Education in 2011. Mr. Doell is a Licensed Professional Engineer and holds a master's degree in Business Administration from the University of Missouri St. Louis and a bachelor's degree in Electrical Engineering from the Missouri University of Science and Technology.



Dr. Keith Kinder, Director, was elected to the Rockwood Board of Education in 2011. Dr. Kinder, a career educator, previously worked for the Rockwood School District as both associate principal and principal for three of the district's high schools. Currently, he is an assistant professor of education at Maryville University, helping prepare teachers and administrators for advanced masters and doctoral degrees in education.



Dominique` A. Paul, Director, is a graduate from The Ohio State University as an Academic All-American student-athlete. A mother of two Rockwood children and the wife of Mayor Adam Q. Paul, she is a Certified Residential Appraiser, Chair of REACH PTO Activities, and a member of REACH teacher grants committee. Dominique' A. Paul has been active for the past four years with REACH PTO activities and teacher grants. As early as High School she began volunteering within the community. She also participated in the Picture Rockwood initiative.



Sherri Rogers, Director, was elected to the Rockwood Board of Education in 2012. Ms. Rogers received a bachelor's of science in Business Administration from Southeast Missouri State University and a master's of Business Administration from Saint Louis University with emphases in Finance and Accounting. Her background includes more than 20 years of experience working in finance, accounting, operations management, human resources, and employee and customer relations in both small business and corporate finance. She and her husband have two children enrolled in Rockwood schools.

2014/15 ORGANIZATION

Board of Education

Mr. Bill Brown	President
Ms. Loralee Mondl	Vice President
Mr. Rob Castle	Director
Mr. Matt Doell	Director
Dr. Keith Kinder	Director
Ms. Dominique' A. Paul	Director
Ms. Sherri Rogers	Director

Interim Superintendent

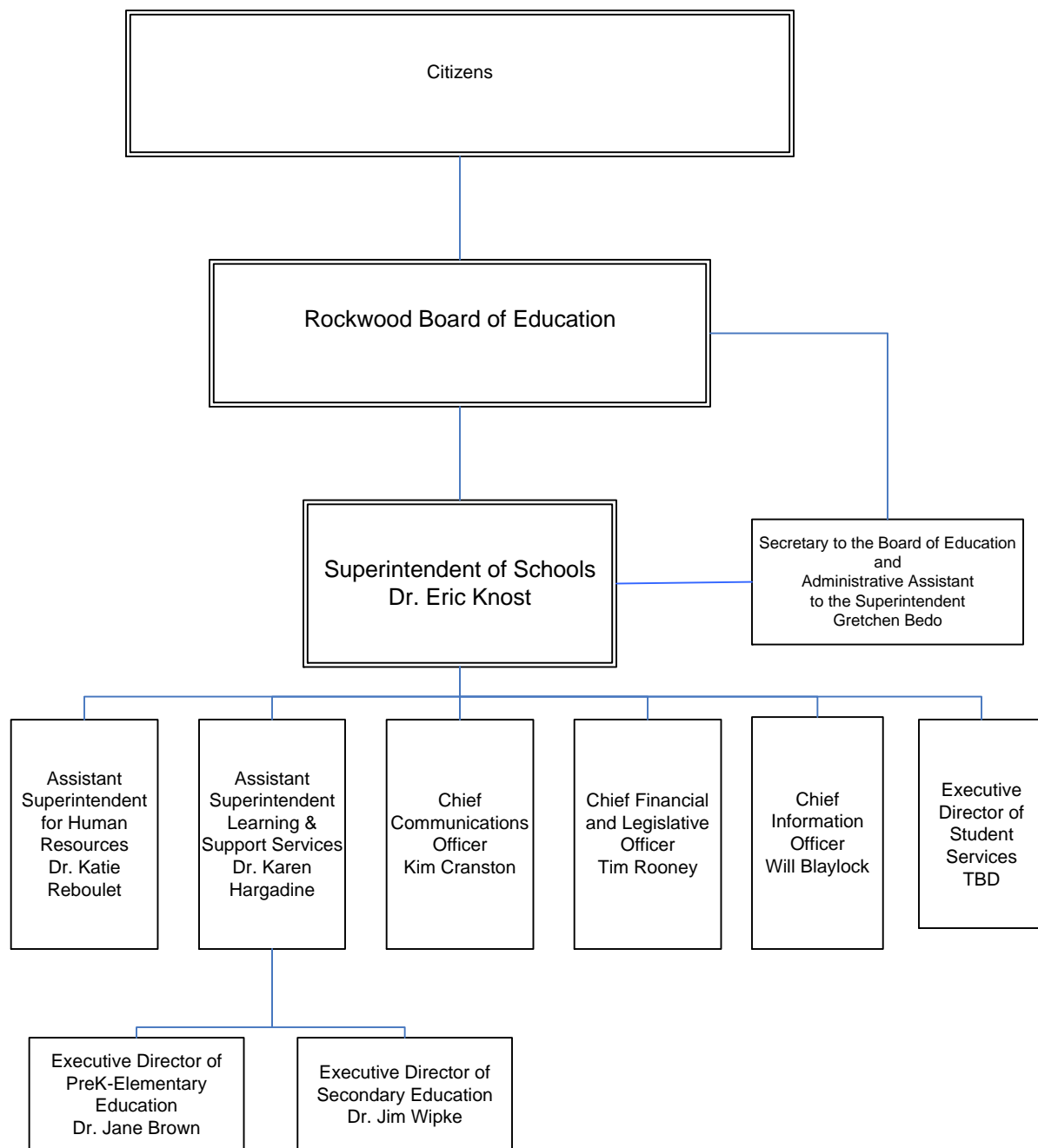
Dr. Eric Knost	Superintendent of Schools
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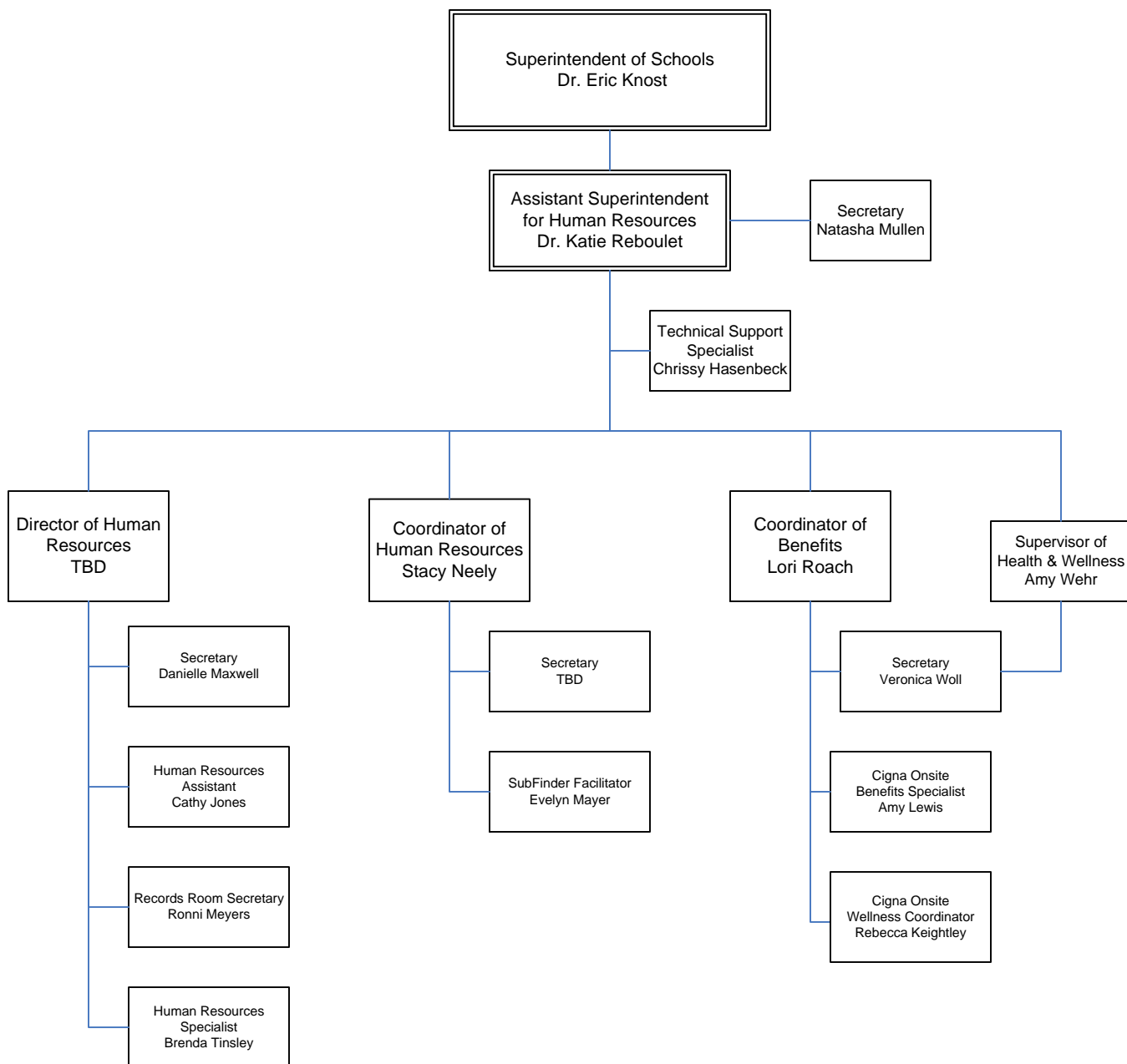
Superintendent's Cabinet

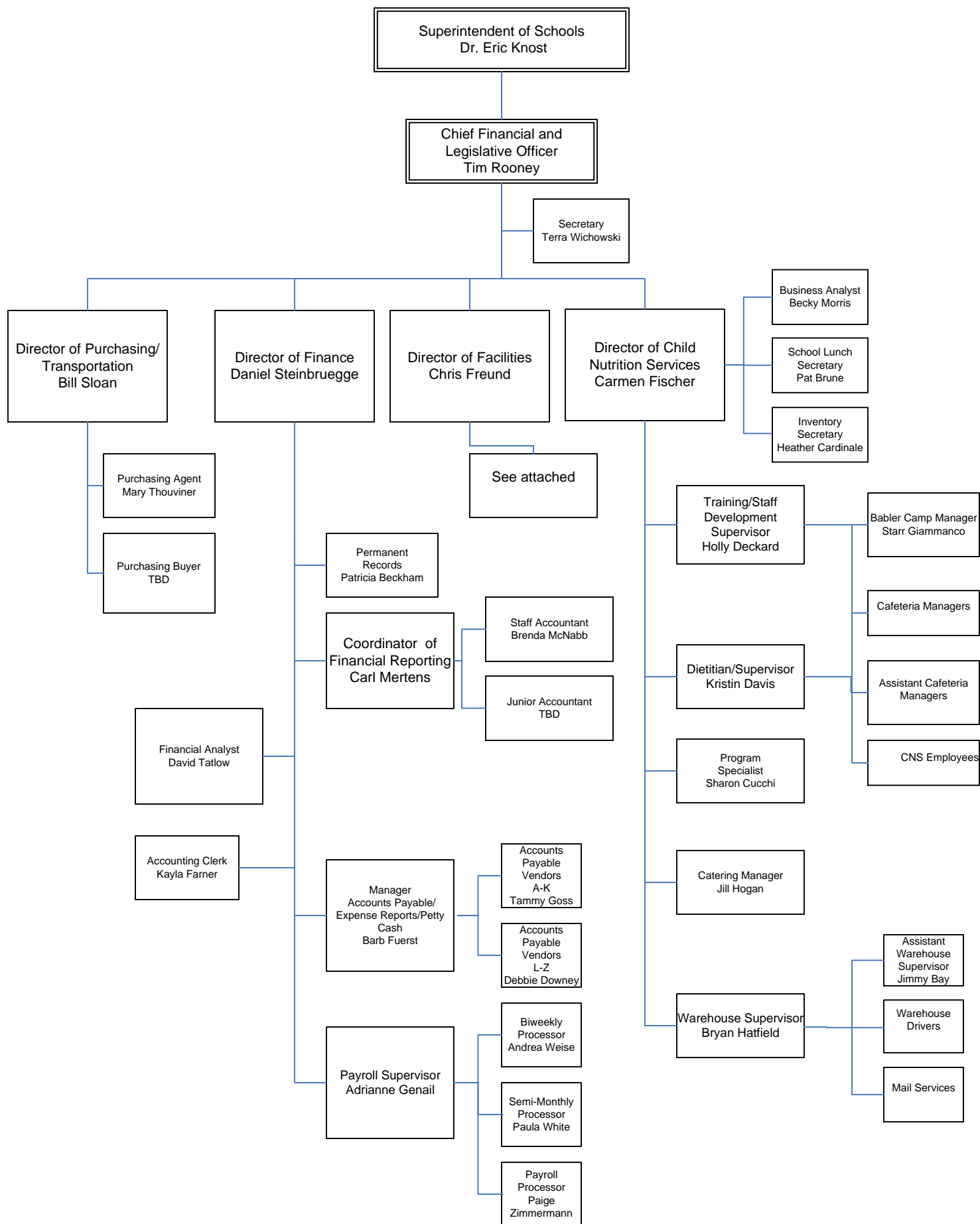
Mr. Will Blaylock	Chief Information Officer
Ms. Kim Cranston	Chief Communications Officer
Dr. Karen Hargadine	Asst. Superintendent Learning and Support Services
Dr. Katherine Reboulet	Asst. Superintendent, Human Resources
Mr. Tim Rooney	Chief Financial and Legislative Officer
Dr. Jane Brown	Executive Director of Pre-K & Elementary Education
Ms. Beth Knes	Interim Executive Director Student Services
Dr. James Wipke	Executive Director of Secondary Education

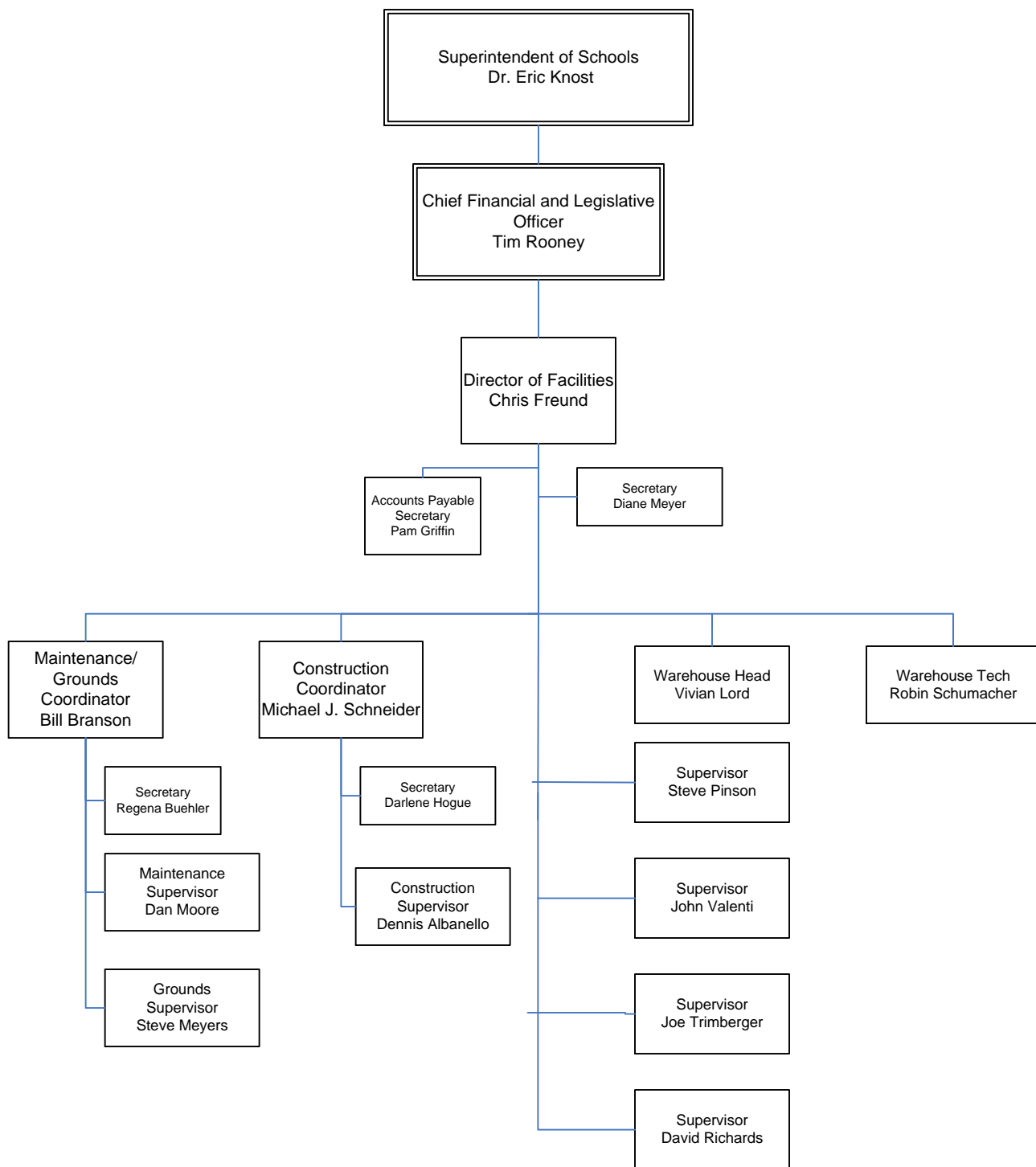
Directors

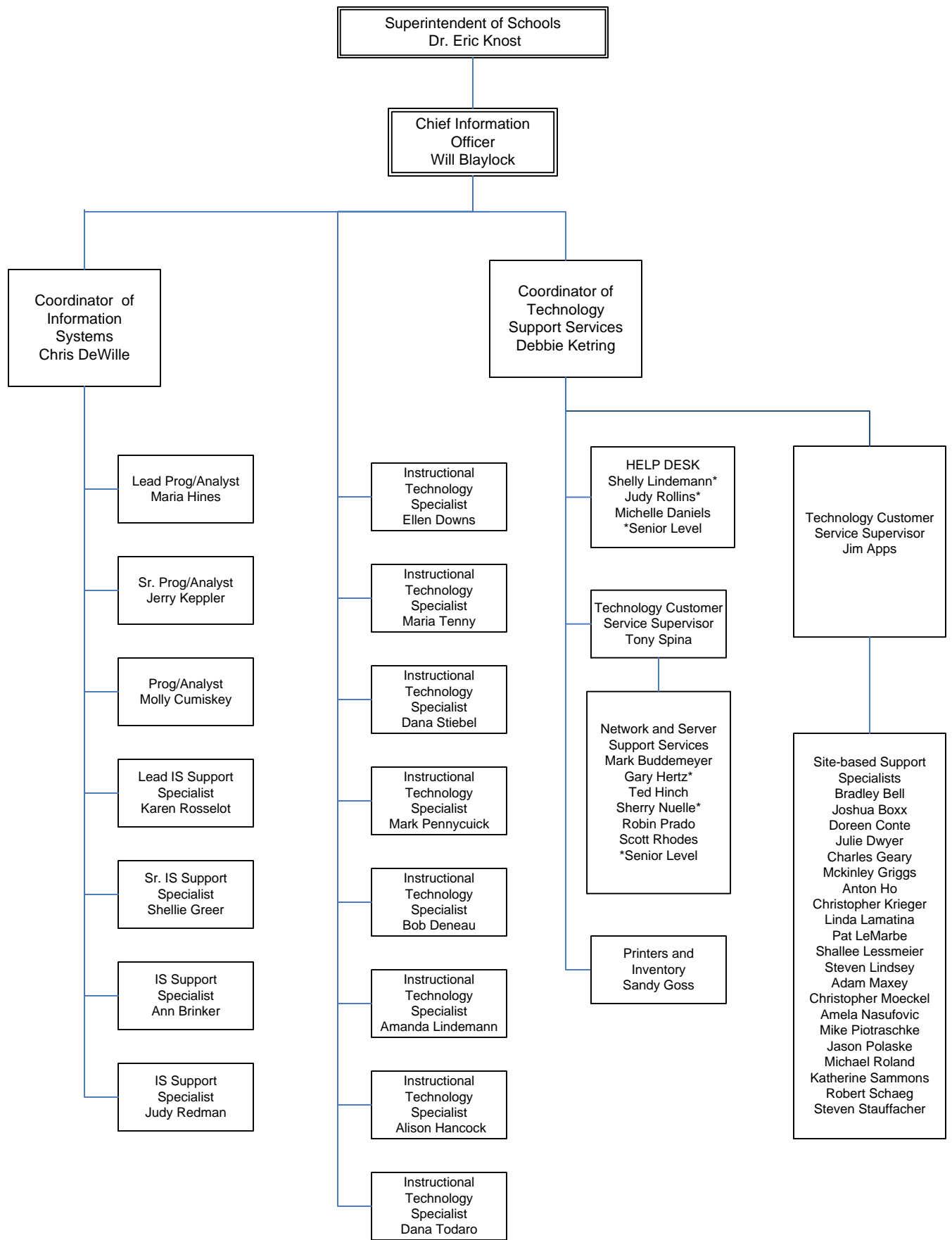
Dr. Dottie Barbeau	Director Gifted Program
Dr. Michael Barla	Director Early Childhood
Ms. Suzanne Dotta	Director of Professional Learning
Ms. Carmen Fischer	Director Child Nutrition Services
Mr. Chris Freund	Director Facilities Services, Warehouse
Dr. Tracy Edwards	Director Human Resources
Mr. Jeff Puls	Director of Research, Evaluation & Assessment
Mr. Michael Seppi	Director Community Education
Mr. Bill Sloan	Director Purchasing and Transportation
Mr. Dan Steinbruegge	Director Finance
Ms. Shelley Willott	Director of Curriculum







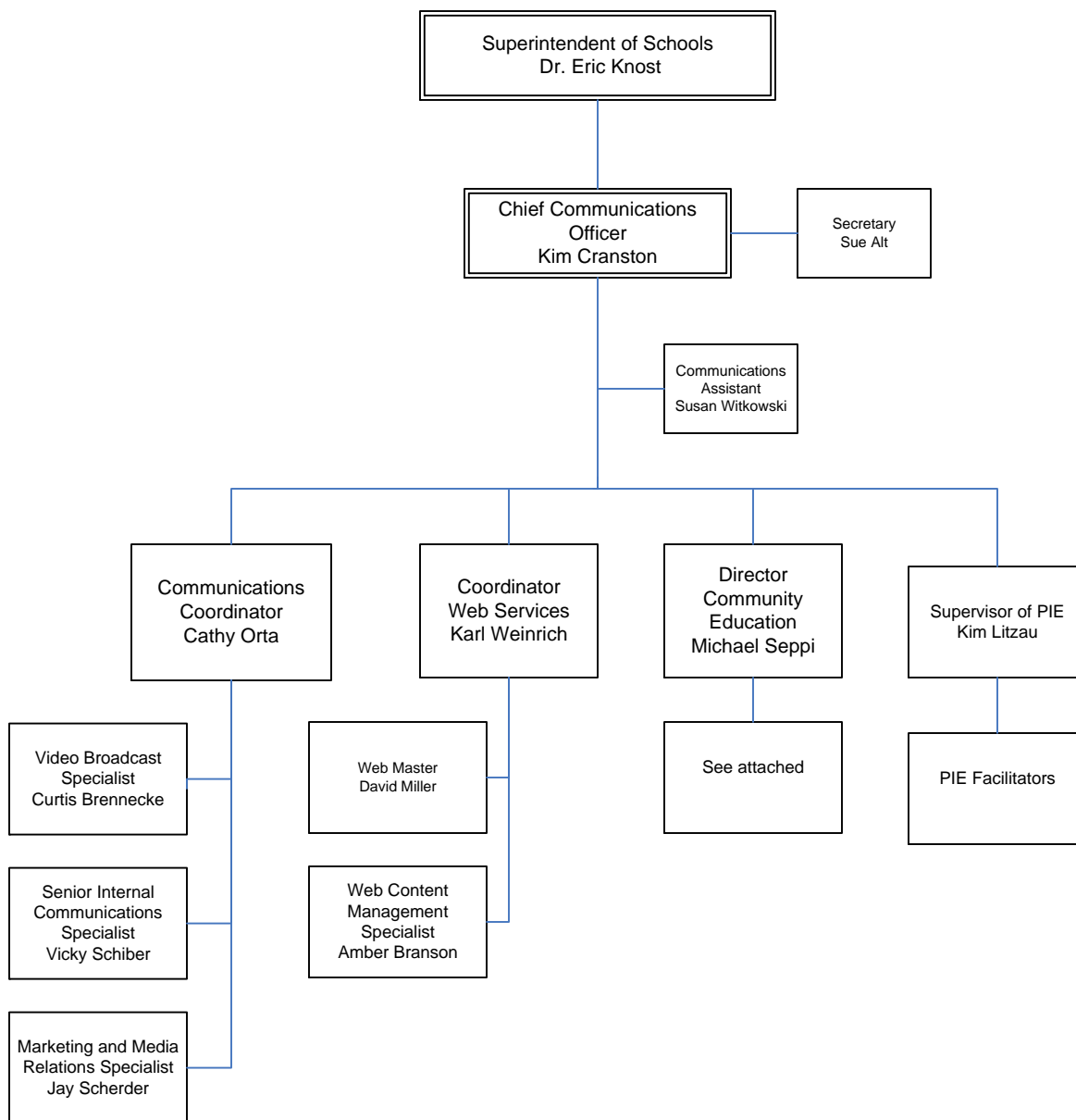


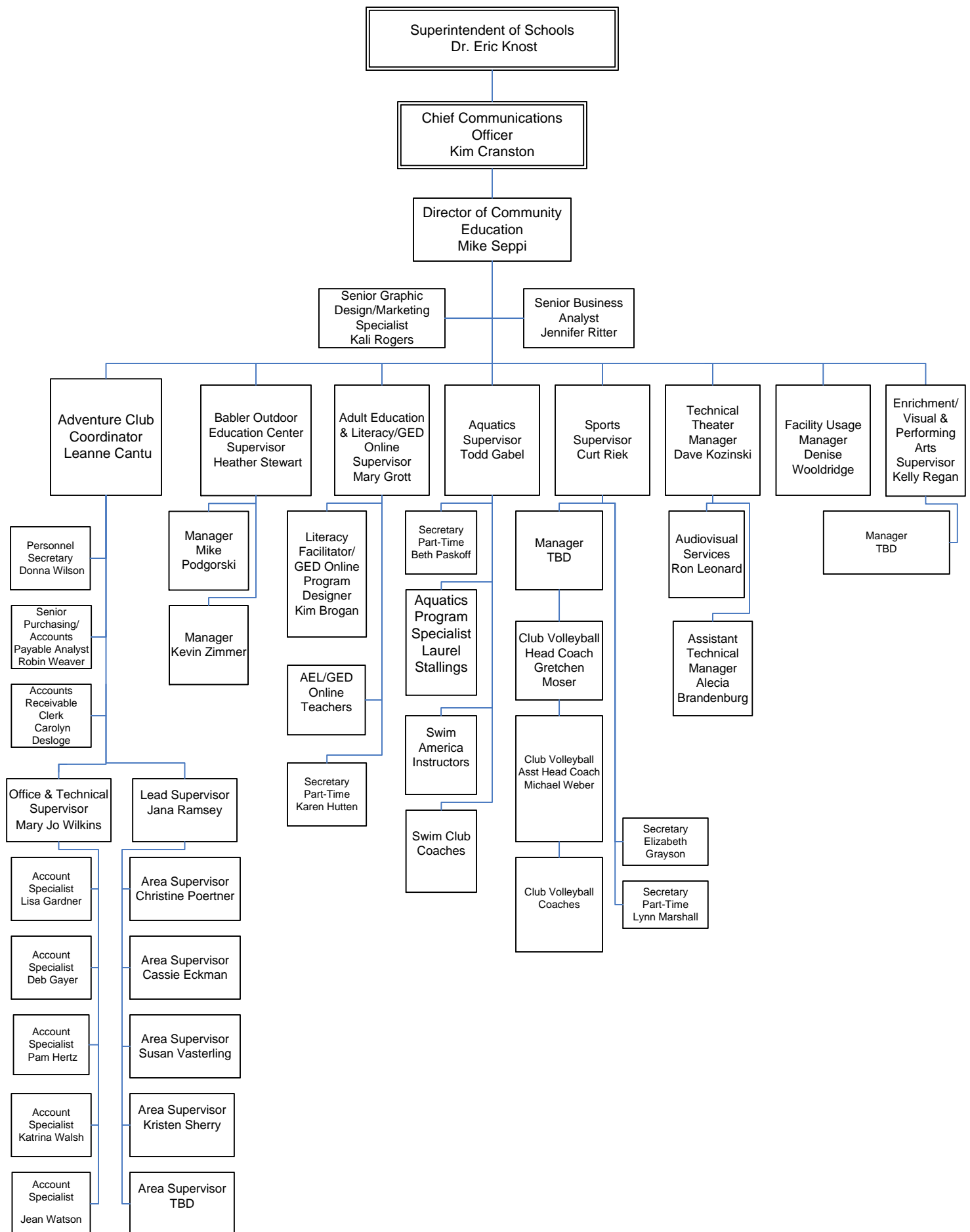


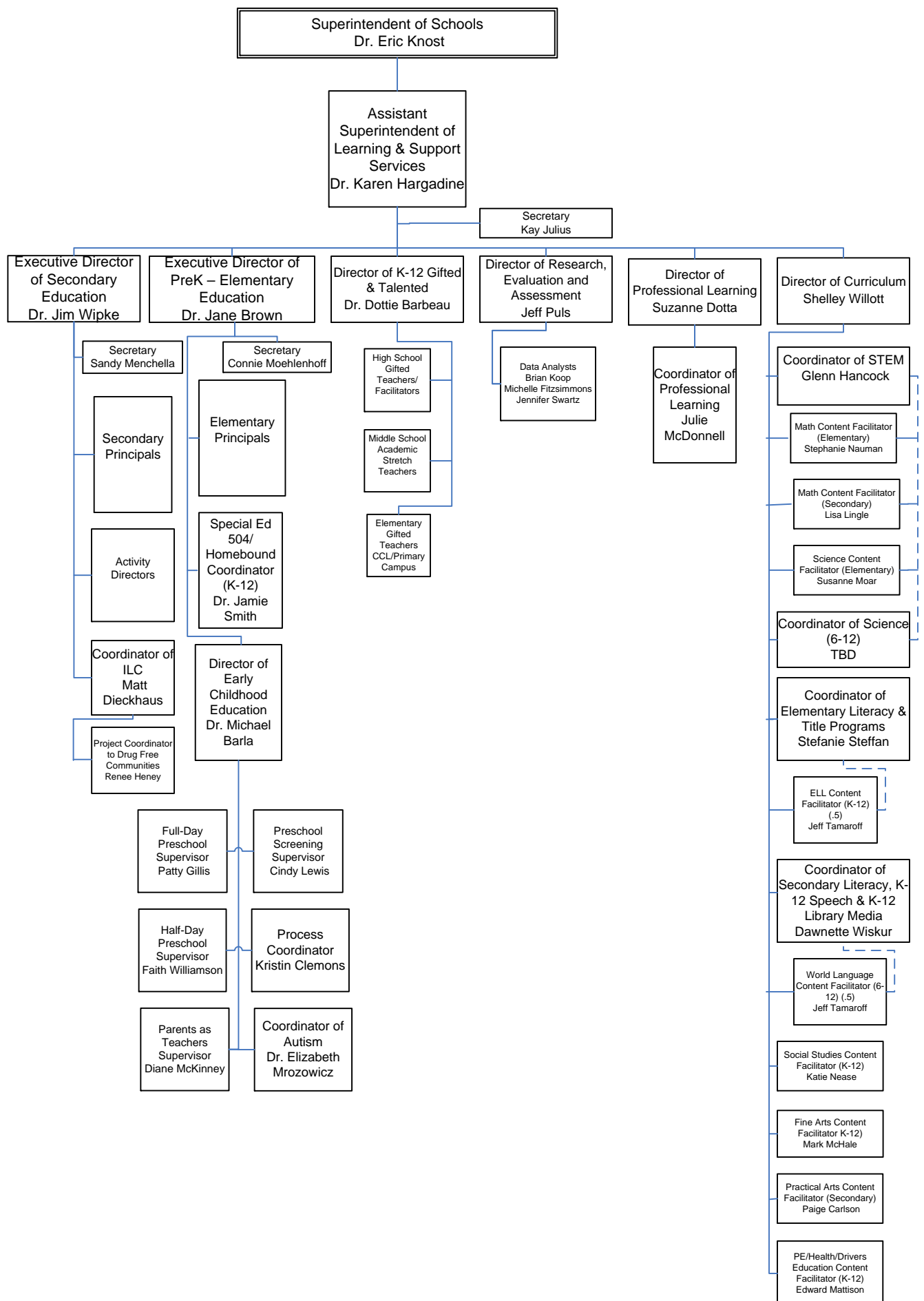
Information Systems

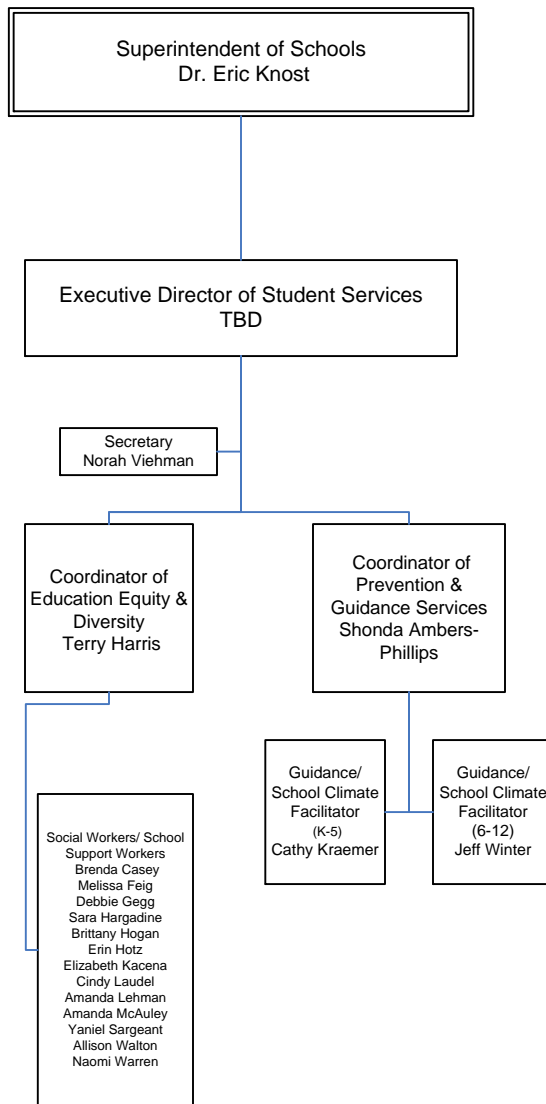
Instructional Technology

Technical Support







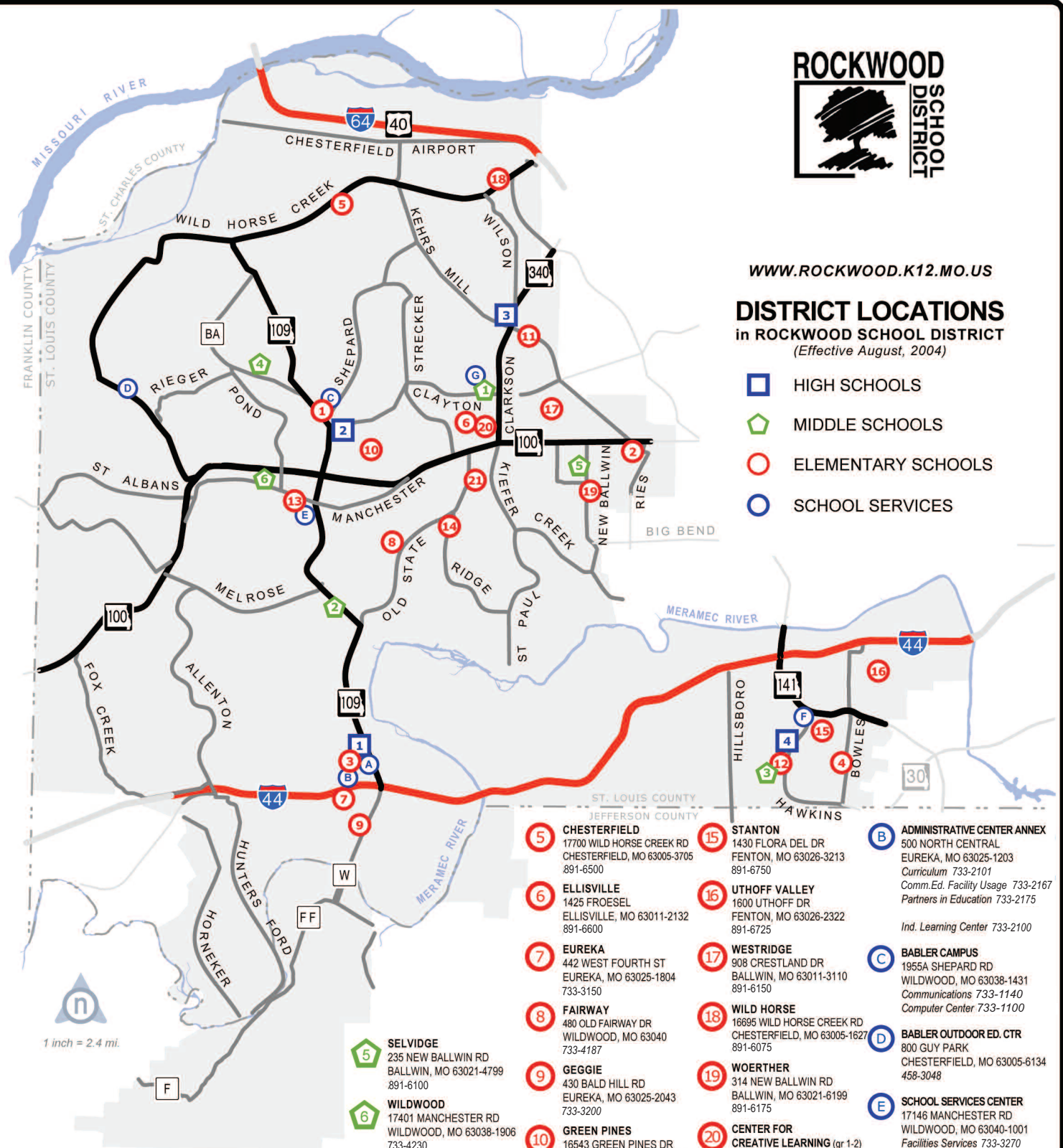




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DISTRICT LOCATIONS in ROCKWOOD SCHOOL DISTRICT (Effective August, 2004)

- HIGH SCHOOLS
- MIDDLE SCHOOLS
- ELEMENTARY SCHOOLS
- SCHOOL SERVICES



HIGH SCHOOLS (9-12)

- 1 EUREKA**
4525 HIGHWAY 109
EUREKA, MO 63025-1248
733-3100
- 2 LAFAYETTE**
17050 CLAYTON RD
WILDWOOD, MO 63011-1792
733-4100
- 3 MARQUETTE**
2351 CLARKSON RD
CHESTERFIELD, MO 63017-7122
891-6000
- 4 ROCKWOOD SUMMIT**
1780 HAWKINS RD
FENTON, MO 63026-2650
891-6800

MIDDLE SCHOOLS (6-8)

- 1 CRESTVIEW**
16025 CLAYTON RD
ELLISVILLE, MO 63011-2162
891-6950
- 2 LASALLE SPRINGS**
3300 HIGHWAY 109
WILDWOOD, MO 63038-2201
733-4200
- 3 ROCKWOOD SOUTH**
1628 HAWKINS RD
FENTON, MO 63026-2629
891-6850
- 4 ROCKWOOD VALLEY**
1220 BABLER PARK DR
GLENCOE, MO 63038-1311
733-4270

ELEMENTARY SCHOOLS (K-5)

- 1 BABLER**
1955 SHEPARD RD
CHESTERFIELD, MO 63038-1431
733-1175
- 2 BALLWIN**
400 JEFFERSON
BALLWIN, MO 63021-4925
891-6575
- 3 BLEVINS**
25 E NORTH ST
EUREKA, MO 63025-1206
733-3175
- 4 BOWLES**
501 BOWLES AVE
FENTON, MO 63026-3820
891-6775
- 5 SELVIDGE**
235 NEW BALLWIN RD
BALLWIN, MO 63021-4799
891-6100
- 6 WILDWOOD**
17401 MANCHESTER RD
WILDWOOD, MO 63038-1906
733-4230
- 7 EUREKA**
442 WEST FOURTH ST
EUREKA, MO 63025-1804
733-3150
- 8 FAIRWAY**
480 OLD FAIRWAY DR
WILDWOOD, MO 63040
733-4187
- 9 GEGGIE**
430 BALD HILL RD
EUREKA, MO 63025-2043
733-3200
- 10 GREEN PINES**
16543 GREEN PINES DR
ELLISVILLE, MO 63011-1869
733-4150
- 11 KEHRS MILL**
2650 KEHRS MILL RD
CHESTERFIELD, MO 63017-7322
891-6050
- 12 KELLISON**
1626 HAWKINS RD
FENTON, MO 63026-2600
891-6700
- 13 POND**
17200 MANCHESTER RD
GROVER, MO 63040-1000
733-3225
- 14 RIDGE MEADOWS**
777 RIDGE RD
ELLISVILLE, MO 63021-5956
891-6650

SCHOOL SERVICES

- A ADMINISTRATIVE CENTER**
111 EAST NORTH STREET
EUREKA, MO 63025-1229
733-2000
Community Education 733-2017
- B ADMINISTRATIVE CENTER ANNEX**
500 NORTH CENTRAL
EUREKA, MO 63025-1203
Curriculum 733-2101
Comm.Ed. Facility Usage 733-2167
Partners in Education 733-2175
Ind. Learning Center 733-2100
- C BABLER CAMPUS**
1955A SHEPARD RD
WILDWOOD, MO 63038-1431
Communications 733-1140
Computer Center 733-1100
- D BABLER OUTDOOR ED. CTR**
800 GUY PARK
CHESTERFIELD, MO 63005-6134
458-3048
- E SCHOOL SERVICES CENTER**
17146 MANCHESTER RD
WILDWOOD, MO 63040-1001
Facilities Services 733-3270
Food Service 733-3250
Transportation 458-2044
- F EARLY CHILDHOOD - VANDOVER CAMPUS**
1900 HAWKINS RD
FENTON, MO 63026-2786
School Age Adv. Club 891-6675
Early Childhood Ed. 891-6690
- G EARLY CHILDHOOD - CLARKSON VALLEY**
2730 VALLEY RD
CHESTERFIELD, MO 63005-6920
891-6200

ALL AREA CODES ARE (636)

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
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Rockwood R-VI School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

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A handwritten signature in black ink, reading "Terrie S. Simmons".

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
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Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Comprehensive
Annual
Financial
Report

2014

Financial Section

Independent Auditors' Report

Independent Auditors' Report

Board of Education
Rockwood R-VI School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Rockwood R-VI School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the remaining aggregate fund information of Rockwood R-VI School District as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note XII to the financial statements, in 2014, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14, the budgetary comparison information on pages 54 and 55 and the Schedule of Other Postemployment Benefit Obligation on page 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rockwood R-VI School District's basic financial statements. The introductory section on pages i through xxiii, budgetary comparison information on pages 58 through 60, the statistical information on pages 61 through 86 and the schedule of selected statistics on pages 88 through 91 are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards on page 97 is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The budgetary comparison information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, statistical section and schedule of selected statistics have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide an assurance on them.

Keiser, Eck & Braeckel LLP

St. Louis, Missouri
December 10, 2014

MD & A



*Growing Together,
Learning for Life*

Administrative Center

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Eureka, MO 63025-1229

(636) 733-2058

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Dan Steinbruegge, CPA

Director of Finance

**ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT'S DISCUSSION AND ANALYSIS
THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)**

The Management's Discussion and Analysis (MD&A) of Rockwood School District's (District) financial performance provides a comprehensive overview of the District's financial activities and the results of operations for the fiscal year ended June 30, 2014. Readers of the District statements, including this MD&A, are encouraged to review the notes to the basic financial statements to enhance their understanding of the District's financial performance.

The MD&A is provided at the beginning of the audit report to communicate the past and current position of the District's financial condition.

Financial Highlights

The key government-wide financial highlights for FY14 are as follows:

- At the government-wide level, the net position was \$293.2 million compared to \$285.7 million at the end of FY13 for an increase of \$7.5 million. Of the \$293.2 million of net position (assets less liabilities), \$221.4 million is restricted for net investment in capital assets.

At June 30, 2014, \$49.7 million of net position is restricted by Missouri Statute for: debt service (\$16.7 million), certified employees compensation and benefits (\$20.8 million), and capital projects (\$12.2 million). Net position restricted for debt service decreased \$2.7 million as the District continues to pay off remaining general obligation debt. Net position restricted for certified employees compensation and benefits decreased \$7.9 million. The decrease in the restricted net position for certified employees compensation and benefits is attributed to salary and benefit increases as well as the redistribution of the respective tax levy allocating local revenue to other areas of the District. In FY14, the District approved a plan to fund certain non-recurring capital projects. To fund these projects the District had to reallocate a portion of the tax levy to the capital projects, which contributed to the \$9.2 million increase in net position restricted for capital projects.

The remaining \$22.1 million is unrestricted and may be used to finance day-to-day activities without constraints. Unrestricted net position decreased \$6.3 million as a result of increased personnel costs such as compensated absences and salary and benefit costs as well as increased costs associated with the District's postemployment benefits other than pensions.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

- Total assets decreased \$40 million in the current year. The decrease in current assets of \$34.4 million is mainly in cash as the District had approximately \$35 million in restricted cash from a prior year advance refunding for the purpose of paying general obligation debt requirements. This restricted cash was released in the current year to settle those requirements that came due in the current fiscal year. The decrease in noncurrent assets is primarily because depreciation on the District's capital assets was approximately \$12.1 million which more than offset the additions of \$6.6 million.
- Total liabilities decreased \$47.6 million in the current year. The District's long-term obligations had a net decrease of \$56.1 million primarily due to the reduction on outstanding principal from the District's general obligation bonds. That decrease was offset by a \$6.4 million increase in accounts payable and other current liabilities. The District had approximately \$3.2 million in construction projects expenditures that were accrued as of June 30, 2014. Of the total long-term obligations, \$21.8 million is classified as current as this represents the amount due within one year of June 30, 2014.
- General revenues accounted for \$219.4 million or 86% of the District's \$255.9 million total revenue. Of this general revenue, \$184.3 million or 72% was from local effort including all taxes and the revenue from the Voluntary Student Transfer program. Program specific revenue in the form of charges for services and operating grants and contributions accounted for approximately \$36.4 million or 14% of the total revenue.

The dependence upon local tax revenues is apparent. Approximately 74% of instructional activities are supported through local effort (mainly taxes) showing, again, that the community is the primary support for this District. The assessed valuation for the fiscal year ended June 30, 2014, decreased \$77,193,650 (2.4%) to \$3,196,042,640 from the prior year. The District's tax rate increased \$0.148 as a result of the decrease in assessed valuation and a process called recoupment. The State statute allows a District to recoup lost taxes from settlement reductions with an individual taxpayer. The process involves recalculating the tax rate for each year affected by the settlement. For FY14, this process netted the District an additional \$0.04 towards the tax rate. As a result, the District's revenues from property taxes increased \$2.8 million for the year ended June 30, 2014 compared to June 30, 2013, but revenues from other local and intermediate sources decreased \$0.5 million. The District's revenue from the State remained flat in FY14 compared to FY13 but revenue from Federal sources decreased \$0.8 million as a result of decrease federal funding in Title programs.

- At the government-wide level, the District had \$248.3 million in expenses. Of these expenses approximately \$36.4 million were offset by program specific charges for services, grants or contributions. General revenues were adequate to provide for the District's programs in FY14.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

Enrollment

The District served a student body of 21,498 students which included 19,607 resident students, 1,516 Voluntary Transfer Students (VTS) and 375 Special School District (287 resident and 88 VTS) students as of the September 2013 official enrollment. The District's enrollment has experienced slight annual reductions over the last four years. The overall picture for the next few years reflects a slightly declining pattern with moderate residential growth and maintaining the proportionate number of voluntary transfer students from the City of St. Louis schools. The declining enrollment directly impacts the District's funding from the State formula.

Using this Annual Report

The District's annual report consists of a series of financial statements that show information for the District as a whole including the Rockwood School District Educational Facilities Authority (a component unit) and its individual funds. The Statements of Net Position on page 15 and the Statements of Activities on pages 16 and 17 provide information about the activities of the Government as a whole based on the accrual basis of accounting and present a longer-term view of the District's finances. The Fund Financial Statements, the Balance Sheets—Governmental Funds and Statements of Revenue, Expenditures and Changes in Fund Balances, provide the next level of detail about the District's four required funds; the General Fund, the Special Revenue (Teacher's) Fund, the Debt Service Fund and the Capital Projects Fund. These statements tell how the District financed program services in the short-term, as well as what remains for future spending. The fund level statements are prepared on the modified accrual basis of accounting and include a bridge schedule to reconcile them to the government-wide level statements. These statements provide a comparative look at FY14 versus the prior year.

The annual report also includes the notes to the basic financial statements. The user of the annual report should read the independent auditors' report, as well as the notes to the basic financial statements, to gain a clear picture of the financial position of the District.

Reporting the District as a Whole

The District adheres to Missouri State requirements for school districts and uses four major funds to account for the revenues, programs and activities each fiscal year. These statements provide information on these funds individually, and the view of the District as a whole. The Statement of Activities answers the question of how well did the District do financially during the year.

The Statement of Activities explains the types of resources: revenues, charges for services, grants and contributions and the uses of resources: instructional and support services expenses. In addition, the Statement of Net Position reports the District's net position and changes in those assets and liabilities or claims against those assets. This statement tells the reader that, for the District as a whole, the financial position during the current year has either improved or diminished.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

These statements report revenues and expenses, and assets, liabilities and net position using the accrual basis of accounting similar to the accounting used by most private-sector entities. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

In the Statements of Net Position and the Statements of Activities, the District reports governmental activities including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular and miscellaneous activities. The District does not have any business-type activities. The Rockwood School District Educational Facilities Authority activities are reported as a blended component unit and shown with the District activities. See Note I for further information. The District also maintains an Internal Service Fund – Self Insurance Fund. These statements are shown separately.

The District as a Whole

Table 1 provides a summary of the District's net position as of June 30, 2014 compared to June 30, 2013.

Table 1
Condensed Statements of Net Position - Governmental Activities
June 30,

	<u>2014</u>	<u>2013</u>	<u>Increase (decrease)</u>
Current assets	\$ 120,159,546	\$ 154,602,473	\$ (34,442,927)
Capital assets - net	<u>378,592,798</u>	<u>384,187,835</u>	<u>(5,595,037)</u>
Total assets	<u>\$498,752,344</u>	<u>\$ 538,790,308</u>	<u>\$ (40,037,964)</u>
Current liabilities	\$ 51,847,752	\$ 71,630,406	\$ (19,782,654)
Noncurrent liabilities	<u>153,692,992</u>	<u>181,476,037</u>	<u>(27,783,045)</u>
Total liabilities	<u>205,540,744</u>	<u>253,106,443</u>	<u>(47,565,699)</u>
Net position			
Net investment in capital assets	221,357,283	206,063,602	15,293,681
Restricted	49,729,488	51,157,404	(1,427,916)
Unrestricted	<u>22,124,829</u>	<u>28,462,859</u>	<u>(6,338,030)</u>
Total net position	<u>293,211,600</u>	<u>285,683,865</u>	<u>7,527,735</u>
Total liabilities and net position	<u>\$498,752,344</u>	<u>\$ 538,790,308</u>	<u>\$ (40,037,964)</u>

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

Table 2 shows the sources of the changes in net position for the year ended June 30, 2014 compared to the year ended June 30, 2013.

Table 2
Changes in Net Position for Government-Wide Activities
For the years ended June 30,

	<u>2014</u>	<u>2013</u>	<u>Increase (decrease)</u>	<u>%</u>
Revenues				
Program revenues:				
Charges for services	\$ 22,858,023	\$ 22,992,519	\$ (134,496)	-0.6%
Operating grants and contributions	13,560,876	13,829,463	(268,587)	-1.9%
General revenue - taxes	173,867,052	170,055,125	3,811,927	2.2%
Federal, State and County Aid				
Not restricted to programs	33,525,572	34,047,915	(522,343)	-1.5%
Other	12,038,944	15,018,694	(2,979,750)	-19.8%
Total revenue	<u>255,850,467</u>	<u>255,943,716</u>	<u>(93,249)</u>	<u>0.0%</u>
Program expenses				
Instruction	138,563,393	136,271,495	2,291,898	1.7%
Pupil and instructional staff	23,406,514	21,721,570	1,684,944	7.8%
Board and executive administration service	23,863,467	21,220,652	2,642,815	12.5%
Operation of plant	24,528,943	28,623,139	(4,094,196)	-14.3%
Pupil transportation	9,630,378	9,184,785	445,593	4.9%
Central services	3,382,201	2,957,401	424,800	14.4%
Food service	7,524,873	7,659,304	(134,431)	-1.8%
Community education	11,181,515	9,895,635	1,285,880	13.0%
Interest and fiscal charges	6,241,448	7,366,434	(1,124,986)	-15.3%
Total expenses	<u>248,322,732</u>	<u>244,900,415</u>	<u>3,422,317</u>	<u>1.4%</u>
Change in net position	<u>\$ 7,527,735</u>	<u>\$ 11,043,301</u>	<u>\$ (3,515,566)</u>	<u>-31.8%</u>
Ending net position	<u>\$ 293,211,600</u>	<u>\$ 285,683,865</u>		

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

The Statements of Activities show the cost of program services and any charges for services and grants offsetting those services, which are defined as net cost of services. Table 3 shows the total cost of services and the net cost of services. This table identifies the amount of the total cost of services, including depreciation, supported by tax revenue, other local effort, and unrestricted entitlements.

Table 3
Total and Net Costs of Governmental Activities
For the years ended June 30,

	2014		2013	
	Total cost of services	Net cost of services	Total cost of services	Net cost of services
Instruction	\$ 138,563,393	\$ 124,324,104	\$136,271,495	\$ 121,648,880
Pupil and instructional staff	23,406,514	23,027,970	21,721,570	21,377,871
Board and executive administration services	23,863,467	23,862,764	21,220,652	21,212,779
Operation of plant	24,528,943	24,497,658	28,623,139	28,614,180
Pupil transportation	9,630,378	6,060,888	9,184,785	5,799,589
Central services	3,382,201	3,071,985	2,957,401	2,395,251
Food service	7,524,873	(755,695)	7,659,304	(682,200)
Community education	11,181,515	1,572,711	9,895,635	345,649
Interest and fiscal charges	6,241,448	6,241,448	7,366,434	7,366,434
Total	\$ 248,322,732	\$ 211,903,833	\$244,900,415	\$ 208,078,433

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

Capital Assets

At June 30, 2014, the District had \$558,146,893 invested in capital assets at the gross level with \$378,592,798 net of depreciation. Table 4 shows June 30, 2014 compared to June 30, 2013.

Table 4
Capital Assets
June 30

	<u>2014</u>	<u>2013</u>	<u>Increase (decrease)</u>
Land and land improvements	\$ 21,737,901	\$ 21,691,816	\$ 46,085
Buildings and building improvements	514,604,188	513,488,975	1,115,213
Machinery and equipment	15,403,191	29,065,771	(13,662,580)
Automotives and other vehicles	2,554,772	2,585,656	(30,884)
Construction in progress	3,846,841	-	3,846,841
Totals	<u>\$ 558,146,893</u>	<u>\$ 566,832,218</u>	<u>\$ (8,685,325)</u>

Overall capital assets decreased \$8.6 million from June 30, 2013. The decrease in capital assets is related to the \$15.2 million in retirement of technology and other District equipment during the current year. This decrease is offset by the \$6.6 million increase of construction in progress and other capital additions for the year ended June 30, 2014.

Further information may be found in Note IV, Changes in Capital Assets.

Debt Administration

At June 30, 2014, the District had general obligation bonds outstanding of \$153,340,000 and other debt of \$265,194. The District has made major additions and renovations on its campuses in recent years including classrooms, labs, gymnasiums, and theaters. The District issued \$44.4 million in bonds in May 2006 and \$70 million in bonds in June 2008, of which the proceeds were used for additions and renovations to the District's 36 sites. Also, in March 2008 the District refunded and reissued \$17.2 million of maturities on prior bond issues for savings in future interest cost. In February 2009 the District refunded and reissued \$32.9 million of bonds for a savings of future interest costs of \$845,388.

In January 2010, the District issued \$24.5 million to crossover refund certain 2006 bonds for a savings of future interest costs of \$941,435. Additional bonds were issued in June 2010 in the amount of \$33.9 million for additions and renovations for many of the District's 36 sites.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

In September 2010, two issues were sold for \$7.3 million and \$13.8 million, respectively, for additions and renovations for many of the District's 36 sites.

In July 2011, the District issued \$9.9 million to crossover refund certain 2006 bonds for a savings of future interest costs of \$249,660.

Table 5 shows June 30, 2014 compared to June 30, 2013.

Table 5
Outstanding Obligations
June 30

	2014	2013	Increase (decrease)
Bonds Issued			
2006	\$ -	\$ 39,000,000	\$ (39,000,000)
2008	57,200,000	61,150,000	(3,950,000)
2009	10,470,000	20,290,000	(9,820,000)
2010	75,765,000	76,565,000	(800,000)
2011	9,905,000	9,905,000	-
Total bonded debt	153,340,000	206,910,000	(53,570,000)
 Energy Financing	 265,194	 355,215	 (90,021)
 Total all obligations	 \$153,605,194	 \$207,265,215	 \$ (53,660,021)

Other long-term obligations include accrued compensated absences and other post-employment benefit obligations.

Further information may be found in Note V, Changes in Long-Term Obligations.

Missouri statute allows school districts to incur debt up to an amount equal to 15% of the most current assessed valuation. The District's allowable debt level ceiling was \$479.4 million at June 30, 2014, far above the District's current level of debt. Missouri law also requires school districts to set a tax levy adequate to service the outstanding debt. The District's Debt Service levy for FY14 was \$.68 on each \$100 of assessed valuation. The Debt Service Fund balance at June 30, 2014, was \$18.8 million. The District maintains an AAA bond rating.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

Reporting the District's Most Significant Funds

The District's Funds

The District had actual revenues of \$256.2 million and actual expenditures of \$296.7 million, which resulted in an overall fund balance decrease of \$40.5 million from \$126.7 million in 2013 to \$86.2 million in 2014. The General Fund balance decreased \$3.6 million, the Teachers Fund decreased \$7.7 million, the Debt Service Fund decreased \$38.1 million and the Capital Projects Fund increased \$8.8 million.

Schedules showing the District's original and final budget compared with actual operating results are provided in the CAFR on pages 54 and 55 for the General Fund and Teachers (Special Revenue) Fund and on pages 58 to 60 for the Debt Service Fund, Capital Projects Fund and all government funds.

The District's budget and reporting structure follow the statutes of the State of Missouri and as such consists of four major funds: the General Fund, the Teachers (Special Revenue) Fund, the Debt Service Fund and the Capital Projects Fund. At the fund level, the District accounts for the annual activities and prepares the budget using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available or collectible within sixty days after the end of the current period (June 30). Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

The General Fund actual revenues of \$85.1 million, \$87.6 million of expenditures and \$1.0 million in transfers resulted in a decrease in fund balance of \$3.6 million to \$36.4 million. The decrease in fund balance was from an increase in salary and benefits and in transportation of the District's students.

The Teacher's (Special Revenue) Fund had actual revenues of \$129.4 million and \$137.0 million of expenditures resulting in a decrease in fund balance of \$7.7 million to \$19.3 million. With a healthy fund balance the District was able to redistribute a portion of the tax levy from the Teacher's Fund to the Capital Projects Fund. This fund also realized approximately \$2.5 million increase in salary and benefit costs in FY14 compared to FY13.

The Debt Service Fund had revenues of \$24.3 million and \$62.4 million of expenditures to decrease the fund balance by \$38.1 million to \$18.8 million. The decrease in fund balance is directly related to the District paying off general obligation debt based on the current maturity schedules. Principal payments increased \$37.5 million in FY14 over FY13.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

The Capital Projects Fund revenue was \$17.4 million against expenditures of \$9.6 million. At June 30, 2014, the fund balance increased by \$8.8 million to \$11.8 million. With regards to capital purchases, the District has traditionally relied on bond issues to fund these needs. Certain capital projects, based on a detailed capital needs review, were determined to be necessary resulting in the redistribution of the 2013 tax levy for the purpose of funding these non-recurring capital needs. Included in the other financing sources were fund transfers from the General Fund to meet state accounting requirements.

For the Future

Rockwood School District continues to be in excellent financial health and is committed to wise financial management. The operating fund balances are 26% of expenditures. The current Board of Education policy is to ensure year-end operating fund balances equal to 18% of the subsequent budgeted annual operating expenditures plus an additional 4% of expenditures for a stabilization fund.

Over the next few years the District will be faced with many financial constraints. Revenue sources are projected to remain relatively flat over next three fiscal years. The estimated modest increases in revenue from local sources will be partially offset by decreases in funding from the State formula as the recent trend of declining enrollment will impact future funding. The District adjusts its staff based on projected enrollment, but this decrease is more than offset by a commitment to raise average staff salaries to the St. Louis County school district median. The District is also planning to continue the reinstatement of funding for curriculum development that was put on hold during the recent downturn in the economy.

The Rockwood School District has a long tradition of success and has demonstrated an ability to make appropriate changes to meet the needs of District students. The District's systems for financial planning, budgeting and internal control are well regarded. The District will continue to be prudent in financial management in order to meet the challenges of the future.

ROCKWOOD SCHOOL DISTRICT
St. Louis County, Missouri
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014
(UNAUDITED)
(continued)

Contacting the District's Financial Management:

This report is designed to give an overview of the financial conditions of the Rockwood School District. If you desire additional information, you may contact the following persons:

Tim Rooney, CPA
Chief Financial and Legislative Officer
636-733-2020

Dan Steinbruegge, CPA
Director of Finance
636-733-2058

Basic Financial Statements

ROCKWOOD R-VI SCHOOL DISTRICT

STATEMENTS OF NET POSITION JUNE 30,

	Governmental activities	
	2014	2013
ASSETS		
Current assets		
Cash and temporary investments	\$ 111,621,213	\$ 148,021,920
Taxes receivable - net of allowance for uncollectibles	5,566,958	3,959,654
Other receivables	1,071,597	666,954
Inventory	793,810	846,346
Prepaid items	1,105,968	1,107,599
Total current assets	120,159,546	154,602,473
Noncurrent assets		
Land	13,659,234	13,659,234
Construction in progress	3,846,841	-
Depreciated capital assets	540,640,818	553,172,984
Less accumulated depreciation	(179,554,095)	(182,644,383)
Total noncurrent assets	378,592,798	384,187,835
 TOTAL ASSETS	 \$ 498,752,344	 \$ 538,790,308
LIABILITIES		
Current liabilities		
Accounts payable and other current liabilities	\$ 24,183,074	\$ 17,747,470
Self-funded insurance	5,499,081	5,166,622
Unearned revenue	407,393	183,572
Current portion of long-term obligations	21,758,204	48,532,742
Total current liabilities	51,847,752	71,630,406
Noncurrent liabilities		
Noncurrent portion of long-term obligations	139,633,082	168,934,212
Other payables	14,059,910	12,541,825
Total noncurrent liabilities	153,692,992	181,476,037
 Total liabilities	 205,540,744	 253,106,443
NET POSITION		
Net investment in capital assets	221,357,283	206,063,602
Restricted for		
Debt service	16,672,469	19,341,935
Certified employees compensation and benefits	20,835,465	28,778,181
Capital projects	12,221,554	3,037,288
Unrestricted	22,124,829	28,462,859
Total net position	293,211,600	285,683,865
 TOTAL LIABILITIES AND NET POSITION	 \$ 498,752,344	 \$ 538,790,308

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Function/Program	Expenses	Program revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Total governmental activities
Governmental activities				
Instruction				
Elementary	\$ 45,828,430	\$ 1,701,223	\$ 296,487	\$ (43,830,720)
Middle	28,192,742	-	-	(28,192,742)
High	41,427,687	430,114	134,616	(40,862,957)
TAG/title/special	7,120,476	-	709,761	(6,410,715)
Early childhood special education	6,019,704	-	5,489,495	(530,209)
Student ath/athl act/spons act	9,274,282	5,332,646	-	(3,941,636)
Other instruction	700,072	-	144,947	(555,125)
Total instruction	138,563,393	7,463,983	6,775,306	(124,324,104)
Support services				
Attendance	1,352,646	-	153,974	(1,198,672)
Guidance	5,640,806	-	108,943	(5,531,863)
Health, psych, speech and audio	2,054,229	-	-	(2,054,229)
Improvement of instruction	6,786,073	5,980	109,647	(6,670,446)
Professional development	226,173	-	-	(226,173)
Media services (library)	7,346,587	-	-	(7,346,587)
Board of education services	1,041,997	-	-	(1,041,997)
Executive administration	5,608,339	-	334	(5,608,005)
Building level administration	14,013,256	-	-	(14,013,256)
Business central service	3,199,875	-	369	(3,199,506)
Security services	693,517	-	-	(693,517)
Operation of plant	23,835,426	-	31,285	(23,804,141)
Pupil transportation	9,630,378	198,628	3,370,861	(6,060,889)
Food services	7,524,873	6,121,760	2,158,809	755,696
Central office support services	3,382,201	297,701	12,514	(3,071,986)
Adult education	457,769	5,980	449,223	(2,566)
Community services	10,723,746	8,763,991	389,611	(1,570,144)
Debt service				
Interest and fiscal charges	6,241,448	-	-	(6,241,448)
Total support services	109,759,339	15,394,040	6,785,570	(87,579,729)
Total governmental activities	\$ 248,322,732	\$ 22,858,023	\$ 13,560,876	(211,903,833)
General revenues				
Taxes				
Property taxes, levied for general purposes				125,025,922
Property taxes, levied for debt service				21,190,870
Sales tax				16,709,474
M & M surtax				10,814,455
Other taxes				126,331
Voluntary student transfer aid				10,463,958
Federal, State and County aid not restricted to specific purpose				33,525,572
Interest and investment earnings				1,552,148
Miscellaneous				22,838
Total general revenues				219,431,568
Change in net position				7,527,735
Net position at July 1, 2013				285,683,865
Net position at June 30, 2014				\$ 293,211,600

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013 - CONCLUDED

Function/Program	Expenses	Program revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Total governmental activities
Governmental activities				
Instruction				
Elementary	\$ 45,083,853	\$ 1,705,864	\$ 275,268	\$ (43,102,721)
Middle	27,922,989	-	-	(27,922,989)
High	40,660,418	285,566	133,722	(40,241,130)
TAG/title/special	7,170,936	-	1,270,635	(5,900,301)
Early childhood special education	5,703,402	-	5,520,141	(183,261)
Student ath/athl act/spons act	9,041,910	5,300,516	1,039	(3,740,355)
Other instruction	687,987	-	129,864	(558,123)
Total instruction	136,271,495	7,291,946	7,330,669	(121,648,880)
Support services				
Attendance	1,424,266	-	152,466	(1,271,800)
Guidance	5,937,211	-	61,313	(5,875,898)
Health, psych, speech and audio	1,984,684	-	905	(1,983,779)
Improvement of instruction	6,428,817	4,064	124,951	(6,299,802)
Professional development	290,004	-	-	(290,004)
Media services (library)	5,656,588	-	-	(5,656,588)
Board of education services	785,045	-	-	(785,045)
Executive administration	4,955,030	-	229	(4,954,801)
Building level administration	13,593,442	-	-	(13,593,442)
Business central service	1,887,135	-	7,644	(1,879,491)
Security services	576,181	-	-	(576,181)
Operation of plant	28,046,958	-	8,959	(28,037,999)
Pupil transportation	9,184,785	218,212	3,166,984	(5,799,589)
Food services	7,659,304	6,192,094	2,149,410	682,200
Central office support services	2,957,401	553,311	8,839	(2,395,251)
Adult education	467,235	6,480	452,807	(7,948)
Community services	9,428,400	8,726,412	364,287	(337,701)
Debt service				
Interest and fiscal charges	7,366,434	-	-	(7,366,434)
Total support services	108,628,920	15,700,573	6,498,794	(86,429,553)
Total governmental activities	\$ 244,900,415	\$ 22,992,519	\$ 13,829,463	(208,078,433)
General revenues				
Taxes				
Property taxes, levied for general purposes				121,836,738
Property taxes, levied for debt service				21,542,309
Sales tax				16,003,095
M & M surtax				10,585,790
Other taxes				87,193
Voluntary student transfer aid				10,900,371
Federal, State and County aid not restricted to specific purposes				34,047,915
Interest and investment earnings				4,066,338
Miscellaneous				51,985
Total general revenues				219,121,734
Change in net position				11,043,301
Net position at July 1, 2012				274,640,564
Net position at June 30, 2013				\$ 285,683,865

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30,**

	General Fund	Teachers' Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds	
					2014	2013
ASSETS						
Cash and temporary investments	\$ 39,818,342	\$ 32,739,875	\$ 18,791,840	\$ 14,772,075	\$ 106,122,132	\$ 142,855,298
Property taxes receivable						
less allowance for uncollectibles	1,301,450	1,577,086	559,834	417,323	3,855,693	2,445,447
Sales tax receivable	-	1,711,265	-	-	1,711,265	1,514,207
Accrued interest	6,891	6,427	2,792	707	16,817	23,116
Other receivables	361,578	213,492	-	479,710	1,054,780	643,838
Inventory	793,810	-	-	-	793,810	-
Prepaid items	1,105,968	-	-	-	1,105,968	1,107,599
Total assets	\$ 43,388,039	\$ 36,248,145	\$ 19,354,466	\$ 15,669,815	\$ 114,660,465	\$ 148,589,505
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued liabilities	\$ 5,321,383	\$ 15,412,680	\$ 750	\$ 3,448,261	\$ 24,183,074	\$ 17,747,470
Unearned revenue	407,393	-	-	-	407,393	-
Total liabilities	5,728,776	15,412,680	750	3,448,261	24,590,467	17,747,470
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	1,302,591	1,578,469	560,325	417,689	3,859,074	4,131,176
FUND BALANCES						
Nonspendable						
Prepaid items	1,105,968	-	-	-	1,105,968	1,107,599
Inventory	793,810	-	-	-	793,810	-
Restricted						
Teacher salaries and benefits	-	19,256,996	-	-	19,256,996	26,910,132
Retirement of debt	-	-	18,793,391	-	18,793,391	56,863,082
Assigned						
Other capital projects	-	-	-	11,803,865	11,803,865	2,990,620
Unassigned	34,456,894	-	-	-	34,456,894	38,839,426
Total fund balances	36,356,672	19,256,996	18,793,391	11,803,865	86,210,924	126,710,859
Total liabilities, deferred inflows of resources and fund balances	\$ 43,388,039	\$ 36,248,145	\$ 19,354,466	\$ 15,669,815	\$ 114,660,465	\$ 148,589,505

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2014**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$	86,210,924
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Capital assets reported in District activities are not financial resources and therefore are not reported as assets in the funds statements.

The cost of capital assets is	\$ 558,146,893		
Accumulated depreciation is	<u>(179,554,095)</u>		378,592,798

Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds statements.		3,859,074
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Long-term liabilities, including bonds payable, are not due and payable in the current period (net of retirements) and therefore are not reported as liabilities in the funds. These liabilities consist of:

Bonds payable	(153,340,000)		
Accrued interest payable	(2,681,247)		
Other debt	(265,194)		
Compensated absences	(7,801,841)		
Postemployment benefits other than pensions	(7,732,593)		
Bond premium - unamortized	(4,123,449)		
Bond discount - unamortized	<u>493,128</u>		<u>(175,451,196)</u>

Total net position - governmental activities	\$	<u>293,211,600</u>
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The notes to the basic financial statements are an integral part of this statement.

ROCKWOOD R-VI SCHOOL DISTRICT

**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEARS ENDED JUNE 30,**

	General Fund	Teachers' Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Fund	Total Governmental Funds	
						2014	2013
Revenues							
Property taxes	\$ 49,262,745	\$ 59,698,045	\$ 21,190,870	\$ 15,793,030	\$ -	\$ 145,944,690	\$ 143,690,111
Other local sources	25,691,073	33,501,455	2,566,341	1,266,108	-	63,024,977	65,106,594
Intermediate sources	1,290,752	2,001,113	567,690	280,396	-	4,139,951	3,471,022
State sources	4,875,218	32,397,556	-	-	-	37,272,774	37,293,036
Federal sources	3,566,656	1,778,756	-	3,150	-	5,348,562	6,126,110
Other sources	369,126	-	-	22,488	104,354	495,968	516,948
Total revenues	85,055,570	129,376,925	24,324,901	17,365,172	104,354	256,226,922	256,203,821
Expenditures							
Instruction - current							
Elementary	2,145,354	40,439,052	-	12,224	-	42,596,630	42,013,676
Middle	1,215,731	24,501,564	-	52,910	-	25,770,205	25,606,811
High	1,848,519	34,762,738	-	99,727	-	36,710,984	36,167,089
TAG/title/special	496,913	6,470,623	-	78,652	-	7,046,188	7,096,546
Early childhood special education	2,602,359	3,330,647	-	8,479	-	5,941,485	5,626,533
Student act/athl/act/spons act	5,936,256	3,219,205	-	118,821	-	9,274,282	9,041,910
Other instruction	81,646	618,426	-	-	-	700,072	687,987
Total instruction	14,326,778	113,342,255	-	370,813	-	128,039,846	126,240,552
Support services - current							
Attendance	1,345,011	4,319	-	3,316	-	1,352,646	1,424,266
Guidance	700,077	4,940,729	-	-	-	5,640,806	5,937,210
Health, psych, speech and audio	2,048,578	5,650	-	-	-	2,054,228	1,984,684
Improvement of instruction	3,319,411	3,217,885	-	248,777	-	6,786,073	6,428,817
Professional development	134,354	91,819	-	-	-	226,173	290,004
Media services (library)	1,902,748	3,440,084	-	2,003,756	-	7,346,588	5,656,588
Board of Education services	563,861	-	-	-	-	563,861	405,010
Executive administration	995,337	2,703,023	-	210,062	-	3,908,422	4,476,600
Building level administration	5,109,074	8,904,182	-	-	-	14,013,256	13,593,442
Business central services	3,185,804	-	-	14,071	-	3,199,875	1,887,135
Operation of plant	24,057,972	-	-	347,588	-	24,405,560	22,898,739
Security services	687,536	5,981	-	-	-	693,517	576,181
Pupil transportation	9,630,378	-	-	-	-	9,630,378	9,184,785
Food services	6,521,132	-	-	193,692	-	6,714,824	7,532,441
Central office support services	3,363,331	-	-	18,870	-	3,382,201	2,957,402
Adult education	84,631	368,872	-	4,267	-	457,770	467,235
Community services	9,670,589	5,262	-	1,009,912	-	10,685,763	9,376,743
Facilities acquisition and construction	-	-	-	5,126,124	-	5,126,124	7,240,019
Debt service							
Principal retirement	-	-	53,570,000	-	90,021	53,660,021	16,191,702
Interest and fiscal charges	-	-	8,824,592	-	14,333	8,838,925	9,559,631
Total expenditures	73,319,824	23,687,806	62,394,592	9,180,435	104,354	168,687,011	128,068,634
	87,646,602	137,030,061	62,394,592	9,551,248	104,354	296,726,857	254,309,186
Excess of revenues over (under) expenditures	(2,591,032)	(7,653,136)	(38,069,691)	7,813,924	-	(40,499,935)	1,894,635
Other financing sources (uses)							
Transfers	(999,321)	-	-	999,321	-	-	-
NET CHANGE IN FUND BALANCE	(3,590,353)	(7,653,136)	(38,069,691)	8,813,245	-	(40,499,935)	1,894,635
Fund balance at beginning of year	39,947,025	26,910,132	56,863,082	2,990,620	-	126,710,859	124,816,224
Fund balance at end of year	\$ 36,356,672	\$ 19,256,996	\$ 18,793,391	\$ 11,803,865	\$ -	\$ 86,210,924	\$ 126,710,859

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS WITH
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Total net change in fund balances - total governmental funds	\$ (40,499,935)
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for government-wide activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital assets exceed depreciation in the period.</p>	
Capital asset purchases	\$ 6,551,610
Depreciation expense	<u>(12,146,647)</u> (5,595,037)
<p>Because some property taxes and other revenues will not be collected for several months after the District's fiscal year ends, they are not considered as available revenues in the governmental funds, and are instead counted as deferred property taxes. They are, however, recorded as revenues in the Statement of Activities. This includes the reversal of the prior year and the accrual of the current year.</p>	
	(272,102)
<p>Repayment of long-term obligations is an expenditure in the governmental funds, but it reduces long-term obligations in the Statement of Net Position and does not affect the Statement of Activities in the government-wide statements.</p>	
	53,660,021
<p>The changes in liabilities for compensated absences are recorded in the Statement of Activities and are based on actual days outstanding and estimated employees who are affected. These liabilities are not recognized in the fund statements.</p>	
	(590,310)
<p>Inventory on hand, including donated commodities from government sources, is an asset in the governmental fund statements and the Statement of Activities. This amount represents the change change in inventory.</p>	
	(662,774)
<p>Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The interest reported in the Statement of Activities is inclusive of both accrued interest and the interest accreted on the District's "capital appreciation" bonds.</p>	
	998,781
<p>The fund financial statements do not recognize the liability related to postemployment benefits other than pensions. This liability is recognized in the Statement of Activities.</p>	
	(1,109,606)
<p>The fund statements do not recognize the establishment or amortization of premium, discount or cost of issuance on the General Obligation Bonds or other debt outstanding.</p>	
	<u>1,598,697</u>
Change in net position of governmental activities	<u>\$ 7,527,735</u>

ROCKWOOD R-VI SCHOOL DISTRICT

**STATEMENTS OF NET POSITION - PROPRIETARY FUND
JUNE 30,**

	Governmental Activities - Internal Service Fund	
	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	<u><u>\$ 5,499,081</u></u>	<u><u>\$ 5,166,622</u></u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	5,499,081	5,166,622
NET POSITION		
Unrestricted	<u>-</u>	<u>-</u>
Total liabilities and net position	<u><u>\$ 5,499,081</u></u>	<u><u>\$ 5,166,622</u></u>

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUND
YEARS ENDED JUNE 30,**

	Governmental Activities - Internal Service Fund	
	2014	2013
Operating revenues		
Local and intermediate sources	\$ 24,771,521	\$ 24,223,460
Operating expenses		
Claims	21,803,909	21,264,621
Administrative	2,967,612	2,958,839
Total operating expenses	<u>24,771,521</u>	<u>24,223,460</u>
CHANGE IN NET POSITION	-	-
Net position at beginning of year	<u>-</u>	<u>-</u>
Net position at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**STATEMENTS OF CASH FLOWS - PROPRIETARY FUND
YEARS ENDED JUNE 30,**

	Governmental Activities - Internal Service Fund	
	2014	2013
Cash flows from operating activities		
Cash received from local and intermediate sources	\$ 24,338,521	\$ 24,223,460
Cash payments to suppliers for claims and services	(24,006,062)	(24,349,952)
NET INCREASE (DECREASE) IN CASH	332,459	(126,492)
Cash at beginning of year	5,166,622	5,293,114
Cash at end of year	\$ 5,499,081	\$ 5,166,622
Reconciliation of operating income to net cash provided by (used in) operating activities		
Operating income	\$ -	\$ -
Change in accounts payable and accrued liabilities	332,459	(126,492)
Net cash provided by (used in) operating activities	\$ 332,459	\$ (126,492)

The notes to the basic financial statements are an integral part of these statements.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Rockwood R-VI School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant accounting policies of the District.

Rockwood R-VI School District (the District) was established under the Statutes of the State of Missouri. The District operates as a "six director" district (with seven members of the Board of Education) as described in RSMo Chapter 162. The District provides educational services to primarily pre-kindergarten through high school students. The Rockwood School District Board of Education (The Board) is the basic level of government that has financial accountability and control over all activities related to public education in the District.

Reporting Entity

These financial statements present the District (primary government) and its component unit, the Rockwood School District Educational Facilities Authority (the Authority). As defined by applicable GASB statements, component units are legally separate entities that are included in the District's reporting entity because of the significance of their operating or financial relationship with the District. The District is not a component unit of another reporting entity.

The District created the Authority, a nonprofit corporation, to partially finance construction of an Early Childhood Center and to pay off existing HVAC indebtedness. Although legally separate, the Authority is blended and presented as a "nonmajor governmental fund" in the accompanying financial statements. Separate financial statements for the Authority are not issued.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information. Summarized financial information for the year ended June 30, 2013, is presented for comparative purposes.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities include the financial activities of the primary government, as a whole. Proprietary fund activity is eliminated to avoid 'doubling up' revenues and expenses. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions.

The government-wide statements are prepared using the economic resources measurement focus and accrual basis of accounting. This is the same approach used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. These financial statements include a reconciliation with brief explanations to better identify the differences between the government-wide statements and the statements for governmental funds.

The government-wide Statement of Net Position presents the financial condition of the governmental activities at year end. The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Amounts reported as program revenues include (a) charges paid by the recipient of the goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

The fund financial statements report detailed information about the District's funds. The District segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds (if applicable) are aggregated and presented in a single column. The internal service fund, which funds the District's self-insured health benefits, is presented in a single column on the face of the proprietary fund statements.

ROCKWOOD R-VI SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Concluded)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are the balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities and fund balances arising from revenues and expenditures. The measurement focus is upon determination of changes in the financial position rather than upon net income determination. 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. The following are the District's major funds:

Governmental Funds

General Fund: This fund is the general operating fund of the District, and accounts for expenditures for non-certified employees, pupil transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program and any expenditures not required or permitted to be accounted for in other funds.

Special Revenue (Teachers) Fund: A special revenue fund is required to be established by state law which accounts for expenditures for certified employees involved in instruction and administration, and includes revenues restricted by the state and local tax levy allocations for the payment of teacher salaries and certain benefits.

Debt Service Fund: Accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term obligations.

Capital Projects Fund: Accounts for the proceeds of long-term debt, taxes and other revenues designated for acquisition or construction of major capital assets.

ROCKWOOD R-VI SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Concluded)

Proprietary Funds

The Proprietary Fund focuses on the determination of changes in net position, financial position, and cash flows and is classified as either enterprise or internal service. The District does not have any enterprise funds. The District's Proprietary Fund is:

Internal Service Fund – Accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. This fund was established to account for the District's self-funded medical and dental insurance benefits for participating employees and their families. The revenues received by the internal service fund represent District contributions and premiums withheld as payroll deductions from employees. Claims paid, direct insurance payments, and administrative costs are the only expenses of this fund. A liability for estimated claims incurred, but not reported, is recorded in this fund.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue (property and sales taxes), the recording of deferred inflows and outflows, and in the presentation of expenses versus expenditures.

Government-wide financial statements prepared on the accrual basis of accounting recognize and record revenues when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes, sales taxes, grants and similar revenue are susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes are recognized as revenues in the year they are levied. Grants and similar revenue are recognized as revenue as soon as all of the eligibility requirements have been met.

Government fund financial statements prepared on the modified accrual basis of accounting recognize revenues as soon as they are both measurable and available. The District considers available to mean collectible within sixty days after the end of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds at the fund reporting level.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Concluded)

Amounts reported as program revenues include 1) charges to users for goods, services, or privileges provided, 2) operating grants and contributions 3) capital grants and contributions (if applicable).

In the Statements of Net Position and the Statements of Activities, the District reports governmental activities. The District does not have any business-type activities. The Rockwood School District Facility Authority's activities are reported as a blended component unit and shown with governmental activities.

Proprietary funds distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses normally result from providing services and producing and delivering goods in connection with the fund's principle function. The principal operating revenue in the internal service fund includes payroll withholdings or payments on insurance premiums. Operating expenses are related to providing insurance coverage and paying third party administrative fees. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

It is District policy to use restricted resources prior to unrestricted when both are available for use.

Revenues – Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Exchange and Non-Exchange Transactions (Concluded)

Non-exchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from non-exchange transactions must also be available before they can be recognized.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds at the fund reporting level.

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments, which is managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained.

The District may invest in bonds of the State of Missouri, of the United States, or any wholly-owned corporation of the United States; or in other short-term obligations of the United States.

Interest income earned is allocated to contributing funds based on each funds' proportionate shares of funds invested.

For purposes of the statement of cash flows, the District's internal service fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Cash and Investments

Restricted cash and investments represent amounts whose use is limited by legal requirements and consist of amounts escrowed for future general obligation bond principal and interest payments in the Missouri Health and Educational Facilities Authority and Missouri Securities Investment Program, as discussed in Note II.

Inventories and Prepaid Items

Inventories are valued at cost, on a first-in, first-out (FIFO) basis, and consist of purchased food and supplies of \$610,238 and donated government commodities of \$183,572. An expenditure is recorded at the time the inventory is used. Prepaid items of \$1,105,968 consist of insurance premiums on policies that provide coverage past the current year-end. These premiums will be expensed through the balance of the policy terms within one year. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Receivables

Taxes receivable include property taxes and sales taxes. Property taxes receivable is reported net of an allowance for uncollectible calculated from historical collection rates. Other receivables include interest earned but not yet credited to the District's accounts, amounts due the District from the State, amounts due to the District from federal grants, and some miscellaneous receivables from various local activities.

Unearned Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Capital Assets

Capital assets, which include land, buildings, machinery and equipment, automobiles and other vehicles, and construction in progress, are reported in the governmental activities column of the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000. All land purchases are capitalized. Assets are recorded at historical cost or estimated historical cost if actual historical cost is not available and are updated for additions and retirements during the year. Donated assets are recorded at their fair market values as of the date received. The District does not own any infrastructure.

The cost of routine maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized.

ROCKWOOD R-VI SCHOOL DISTRICT

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Concluded)

Capital assets under construction and not yet in use by the District as of the date of the financial statements are reported as construction in progress. Assets reported as construction in progress will include individual assets with a cost less than \$5,000.

All reported capital assets except land and construction in progress are depreciated using the straight-line method over the useful lives of the assets.

<u>Capital asset type</u>	<u>Estimated useful life</u>
Land improvements	20
Buildings	50
Machinery and equipment	15
Technology (including machinery and equipment)	5
Automobiles and other vehicles	5

Compensated Absences and Early Retirement

An accrual for certain salary related payments associated with vacation time and unused sick leave are included in the government-wide financial statements.

District employees earn vacation time throughout the fiscal year to be taken by the end of the subsequent fiscal year except administrative employees who are allowed to carry over vacation time earned in the current year through August 31 of the subsequent fiscal year. Any unused vacation days remaining will be forfeited by the employee. Unused vacation is payable to the employee upon termination. Employees who meet certain requirements may receive compensation for unused sick leave payable at time of retirement.

ROCKWOOD R-VI SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, special termination benefits, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds, capital leases and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Post Employment Benefits

COBRA Benefits - Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for eighteen months after the termination date.

There is no associated cost to the District under this program. The District prepares the initial COBRA enrollment forms and the former employee makes the premium payments directly to a division of the third party administrator.

The District also offers continued healthcare benefits to retired employees who elect to participate. The retiree pays the premium.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only by the Board. The District does not have any committed fund balances.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Amounts are assigned by the District's highest level of decision making authority or a body or official that has been given the authority to assign funds. Under the District's adopted fund balance policy, amounts may be assigned by the Chief Financial Officer.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, a negative unassigned fund balance may be reported.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

The details of the fund balances are included in the Balance Sheet – Governmental Funds.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The remaining balance of net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

Interfund Activity

Interfund transfers are reported as other financing sources/(uses) in governmental funds. Missouri statute requires the District to report all equipment purchases in the Capital Projects Fund. During the year the District accounts for certain capital outlay expenditures in the various General Fund sub-categories (Student Activity, Community Education and Child Nutrition). The District then records a transfer for these expenditures to the Capital Projects Fund at year end. For the year ended June 30, 2014, these transfers amounted to \$999,321.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. However, it is management's belief that the actual results will materially approximate the estimates used.

Teachers' Salaries

The salary payment schedule of the District for the 2013-14 school year requires the payment of salaries over a twelve month period. Consequently, the final three teacher payrolls related to the 2013-14 school year are included in accrued liabilities on the basic financial statements.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

II. CASH AND TEMPORARY INVESTMENTS

Cash balances from all funds, except the Debt Service Fund, are combined and invested to the extent available in short-term securities. State laws require that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District. Earnings from such investments are allocated to the General Fund, Teachers Fund and Capital Projects Fund on the basis of the applicable cash balance participation by each fund. Separate accounts are maintained for the Debt Service Fund and the Internal Service Fund. Interest is deposited directly into these accounts. State statutes authorize the District to invest in obligations of the United States government or any agency or instrumentality, including repurchase agreements; bonds of the State of Missouri, or the United States, or of any wholly owned corporation of the United States, and other short-term obligations of the United States; under limited circumstances, commercial paper and bankers' acceptances; and deposit accounts with insured financial institutions, provided the accounts are entirely insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with government securities that have a fair value exceeding the deposit amount.

Investments with the Missouri Direct Deposit Program and escrow agents for refunding escrow accounts are regulated by investment contracts that only authorize investments in obligations of the United States government or any agency or instrumentality thereof.

The District's investments are stated at fair value, which approximates cost as of June 30, 2014.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

II. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

The cash deposits and temporary investments are summarized and presented in the financial statements at fair value as follows as of June 30, 2014:

Cash deposits	\$ 43,981,886
Cash on hand	11,952
Investments	
Commercial paper	13,460,655
U.S. Treasury and agency securities	35,481,836
External investment pools	<u>18,684,884</u>
Total	<u><u>\$ 111,621,213</u></u>
Cash and investments - governmental funds	\$ 87,437,248
Restricted cash and investments - governmental funds	18,684,884
Cash and investments - proprietary funds	<u>5,499,081</u>
Total reporting entity	<u><u>\$ 111,621,213</u></u>

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2014, the carrying amount of the deposits under District control was \$43,981,886 and the bank balance was \$46,453,866, which was covered by federal depository insurance and collateral held at the Bank of New York, the District's safekeeping agent, pledged in the name of the District.

Investments

MISSOURI HEALTH AND EDUCATIONAL FACILITIES AUTHORITY (MOHEFA)

Amounts reported under the Missouri Health and Education Facilities Authority Direct Deposit Program include amounts withheld from the District's state aid and deposited into an external investment pool trust account at a bank selected by the Authority and the reported value of the pool is the same as the fair value of the pool shares. The investments are redeemed every six months to pay principal and interest obligations on the District's general obligation bonds participating in the program. The Direct Deposit Program is established and regulated by state law. This investment is reported as maturing in less than one year because the District's investment in the external investment pool is redeemed less than one year from the date of the financial statements. At June 30, 2014, the District had no funds invested in the MOHEFA program.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

II. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Investments (Concluded)

MISSOURI SECURITIES INVESTMENT PROGRAM (MOSIP)

At June 30, 2014, the District had \$18,684,884 invested in the MOSIP program with an average maturity of 177 days. All funds in this program are invested in accordance with Section 165.061 RSMo. Each school district owns a pro-rata share of each investment or deposit, which is held in the name of the Fund. The fair value for the external investment pool is the same as the value of the pool shares. A separate financial report for the MOSIP program can be obtained from the PFM Asset Management LLC, 77 West Port Plaza Drive, Suite 220, St. Louis, Missouri 63146.

The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States Government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. Government agencies or instrumentalities of any maturity, as provided by law. As of June 30, 2014 the District had the following investments and maturities:

Type	Fair Value	Weighted Average Maturity (Years)
Commercial paper	\$ 13,460,655	0.014
U.S. Treasury and agency securities	35,481,836	0.522
External investment pools	18,684,884	0.484
Portfolio weighted average maturity	<u>\$ 67,627,375</u>	0.340

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. One of the ways the District manages its exposure to interest rate risk is by purchasing investments with short-term maturities to provide the cash flow and liquidity needed for operations, and by timing cash flows from maturities so a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

II. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments that can be held by government agencies to safe high quality securities. The investments authorized under the investment policy are limited to federal government-backed securities, certificates of deposit, bankers' acceptance, repurchase agreements (under certain conditions), local and state government bonds (limited to one of the highest three credit ratings) and District policy is also to use diversification to minimize credit risk. The District has a formal policy and supporting regulation which governs the investment funds. District administrators will be guided by the criteria of legality, safety, liquidity and yield. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in MOSIP and commercial paper are rated AAAm and A-1 to A-1+ by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The District's investment policy states that the District will manage custodial credit risk by pre-qualifying the financial institutions and advisors with which the District will do business; and, diversifying the portfolio so that potential losses on individual securities will be minimized. The District's investment policy further mandates that all securities purchased be perfected in the name of or for the account of the District and be held by a third-party custodian as evidenced by appropriate safekeeping receipts.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

II. CASH AND TEMPORARY INVESTMENTS (CONCLUDED)

Concentration of Credit Risk

As a means of limiting its exposure to losses arising from concentration of investments, the District's investment policy mandates that the portfolio not have a concentration of assets in specific maturity or specific class of securities. At a minimum, diversification standards by security type and issuer are established as (a) U.S. treasuries, securities issued by State of Missouri, and securities having principal and/or interest guaranteed by the U.S. Government – 100%; (b) collateralized time and demand deposits – 100%; (c) U.S. Government agencies, and government sponsored enterprises, no more than 60%; (d) collateralized repurchase agreements, no more than 50%; (e) U.S. Government callable securities, no more than 15%; (f) qualified commercial paper, no more than 25%; and (g) bankers' acceptances, no more than 25%.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond what is provided by law. Investments in any one issuer representing 5% or more of total investments (excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools and other pooled investments) are as follows:

Issuer	Investment Type	Percentage
Bank Nova Scotia Disc C/P	Commercial Paper	7%
Rabobank US Financial Corp Disc C/P	Commercial Paper	6%

III. TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid taxes become delinquent January 1 of the following year. The county collects the property taxes and remits them to the District on a monthly basis. An allowance for uncollectible taxes has been provided for delinquent taxes.

At the fund reporting level, property tax revenues are recognized when they become measurable and available. Available includes those property tax receivables expected to be collected within sixty (60) days after year-end. Revenue recognition of delinquent property taxes not collected within sixty (60) days of fiscal year end is deferred.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

III. TAXES (CONTINUED)

The District also receives sales tax collected by the State of Missouri and remitted to the District based on eligible pupil counts. The District is required to reduce its sales tax levy by one-half of the amount of sales tax estimated to be received in the subsequent calendar year, a prop C rollback. However, the District's voters approved a full waiver of the Prop C rollback in the 1994/1995 school year, so sales taxes are not reduced to the District. The final assessed valuation of the tangible taxable property (excluding state assessed railroad and utilities) for the calendar year 2013 and 2012 for purposes of local taxation was:

	<u>2013</u>	<u>2012</u>
Real estate		
Residential	\$ 2,122,467,030	\$ 2,193,724,990
Agricultural	2,421,370	2,462,980
Commercial including locally assessed railroad and utility	656,540,540	662,666,990
Personal property including locally assessed railroad and utility	<u>435,008,750</u>	<u>434,352,420</u>
	3,216,437,690	3,293,207,380
Less tax increment financing	<u>20,395,050</u>	<u>19,971,090</u>
	<u>\$ 3,196,042,640</u>	<u>\$ 3,273,236,290</u>

Accounts receivable-property taxes at June 30, 2014, were \$4,284,104 (less an allowance for uncollectible taxes of \$428,411).

Accounts receivable-property taxes at June 30, 2013, were \$4,797,896 (less an allowance for uncollectible taxes of \$2,352,449).

The decrease in the allowance for uncollectible taxes of approximately \$1.9 million is due to State Tax Commission settlement of Chrysler's protested taxes on one of its former properties during 2013 that was paid in 2014.

ROCKWOOD R-VI SCHOOL DISTRICT

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

III. TAXES (CONCLUDED)

The tax levy per \$100 of the assessed valuation of tangible taxable property for the fiscal years ending June 30 for purposes of local taxation was:

	2013		2012	
	<u>Unadjusted</u>	<u>Adjusted</u>	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 1.5808	\$ 1.5808	\$ 1.6079	\$ 1.6079
Special Revenue Fund	1.9156	1.9156	2.1878	2.1878
Debt Service Fund	0.6800	0.6800	0.6800	0.6800
Capital Projects Fund	<u>0.5069</u>	<u>0.5069</u>	<u>0.0600</u>	<u>0.0600</u>
	<u>\$ 4.6833</u>	<u>\$ 4.6833</u>	<u>\$ 4.5357</u>	<u>\$ 4.5357</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2014 and 2013, aggregated approximately 97.5% and 98.5%, respectively, of the current assessment computed on the basis of the levy as shown above.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS **JUNE 30, 2014 AND 2013**

IV. CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Transfers	Additions	Deletions	Balance June 30, 2014
Governmental activities					
Capital assets that are not depreciated					
Land	\$ 13,659,234	\$ -	\$ -	\$ -	\$ 13,659,234
Construction in progress	-	-	3,846,841	-	3,846,841
Capital assets that are depreciated					
Land improvements	8,032,582	-	46,085	-	8,078,667
Buildings	513,488,975	-	1,858,747	(743,534)	514,604,188
Machinery and equipment	29,065,771	-	662,334	(14,324,914)	15,403,191
Automobiles and other vehicles	2,585,656	-	137,603	(168,487)	2,554,772
Totals at estimated historical cost	566,832,218	-	6,551,610	(15,236,935)	558,146,893
Accumulated depreciation					
Land improvements	7,842,154	-	41,518	-	7,883,672
Buildings	146,961,547	-	10,880,861	(743,534)	157,098,874
Machinery and equipment	26,082,203	-	1,096,574	(14,324,914)	12,853,863
Automobiles and other vehicles	1,758,479	-	127,694	(168,487)	1,717,686
Total accumulated depreciation	182,644,383	-	12,146,647	(15,236,935)	179,554,095
Governmental activities					
capital assets, net	\$ 384,187,835	\$ -	\$ (5,595,037)	\$ -	\$ 378,592,798

Depreciation was charged to functions of the District as follows:

Instruction	
Elementary	\$ 3,231,800
Middle	2,422,536
High school	4,716,700
Talented and Gifted	152,509
Board of Education services	478,136
Operation of plant	959,706
Food service	147,275
Community services	37,985
	<u>\$ 12,146,647</u>

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS **JUNE 30, 2014 AND 2013**

V. CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Amounts due within one year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 206,910,000	\$ -	\$ (53,570,000)	\$ 153,340,000	\$ 17,540,000
Deferred amounts for issuance discounts	(845,641)	-	352,513	(493,128)	-
Deferred amounts on issuance premiums	6,074,659	-	(1,951,210)	4,123,449	-
Total bonds payable, net	212,139,018	-	(55,168,697)	156,970,321	17,540,000
Energy financing	355,215	-	(90,021)	265,194	62,433
Interest	3,680,028	2,681,247	(3,680,028)	2,681,247	2,681,247
Compensated absences	7,211,531	7,801,841	(7,211,531)	7,801,841	1,474,524
Other postemployment benefit obligation	6,622,987	1,109,606	-	7,732,593	-
Total governmental activity long-term obligations	<u>\$ 230,008,779</u>	<u>\$ 11,592,694</u>	<u>\$ (66,150,277)</u>	<u>\$ 175,451,196</u>	<u>\$ 21,758,204</u>

Payments on the general obligation bonds are made by the Debt Service Fund. The obligations under capital leases are paid by the Capital Projects Fund. The compensated absences and other postemployment benefit obligation will be liquidated by the General Fund or the Teachers Fund depending on which fund the employee's salary was charged.

The District issues General Obligation bonds to provide funds to erect, improve and equip school buildings. The District has built three new elementary schools, one middle school and major renovations to each of the four high schools in addition to improvements to every school site in the District. From time to time the District issues General Obligation Bonds to refund prior bond issuances to reduce cash flows and interest costs.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS **JUNE 30, 2014 AND 2013**

V. CHANGES IN LONG-TERM OBLIGATIONS (CONTINUED)

Bonds payable consist of the following at June 30, 2014:

Date issued	Maturity date	Rate of interest	Original issue amount	Balance at June 30, 2014
6/5/08	2/1/22	3.50% - 5.00%	\$ 70,000,000	\$ 57,200,000
2/12/09	2/1/15	2.125% - 5.00%	32,945,000	10,470,000
12/1/09	2/1/20	3.00% - 4.00%	24,465,000	24,465,000
6/29/10	2/1/24	4.00% - 4.75%	33,905,000	33,905,000
9/10/10	2/1/27	4.75%	7,295,000	7,295,000
9/21/10	2/1/18	2.00% - 3.00%	13,800,000	10,100,000
7/21/11	2/1/16	2.00% - 4.00%	9,905,000	9,905,000
				<u><u>\$ 153,340,000</u></u>

The annual requirements to amortize all General Obligation (GO) bonded debt outstanding as of June 30, 2014, including interest payments are as follows:

	Principal	Interest	Total
Year ending June 30,			
2015	\$ 17,540,000	\$ 6,426,466	\$ 23,966,466
2016	16,660,000	5,690,316	22,350,316
2017	14,210,000	5,093,791	19,303,791
2018	14,015,000	4,507,591	18,522,591
2019	14,235,000	3,987,041	18,222,041
2020-2024	69,385,000	9,751,965	79,136,965
2025-2027	7,295,000	1,039,538	8,334,538
	<u><u>\$ 153,340,000</u></u>	<u><u>\$ 36,496,708</u></u>	<u><u>\$ 189,836,708</u></u>

ROCKWOOD R-VI SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

V. CHANGES IN LONG-TERM OBLIGATIONS (CONTINUED)

ADVANCE REFUNDING

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the District's financial statements. At June 30, 2014, \$10,565,000 of bonds outstanding are considered defeased.

LEGAL DEBT MARGIN

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to fifteen percent of the assessed valuation of a district (including state-assessed railroad and utilities). The legal debt margin of the District calculated using the December 31, 2013, assessed valuation and excluding state-assessed railroad and utilities was as follows at June 30, 2014.

Constitutional debt limit	\$ 479,406,396
General obligation bonds payable	(153,340,000)
Amount available in Debt Service Fund	<u>18,793,391</u>
Available bonding capacity	<u><u>\$ 344,859,787</u></u>

ROCKWOOD R-VI SCHOOL DISTRICT

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

V. CHANGES IN LONG-TERM OBLIGATIONS (CONCLUDED)

ENERGY FINANCING

In 2008 the District entered into a \$600,000 lease purchase agreement with Bank of America. Proceeds were used for an energy conservation lighting project which was finalized in 2009. The principal balance at June 30, 2014 was \$265,194.

The annual requirement to amortize the energy financing outstanding as of June 30, 2014, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2015	\$ 62,433	\$ 10,658	\$ 73,091
2016	64,942	8,149	73,091
2017	67,552	5,539	73,091
2018	<u>70,267</u>	<u>2,824</u>	<u>73,091</u>
	<u>\$ 265,194</u>	<u>\$ 27,170</u>	<u>\$ 292,364</u>

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

VI. PENSION PLANS

The District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan. PSRS provides retirement and disability benefits to certificated employees who work 17 or more hours per week and death benefits to members and beneficiaries. Positions covered by the PSRS are not covered by Social Security. PSRS benefit provisions are set forth in Chapter 169.010-.141 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to a seven-member Board of Trustees. PSRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public School Retirement System of Missouri, P.O. Box 268, Jefferson City, Missouri 65102, or by calling 1-800-392-6848.

PSRS members were required to contribute 14.5% of their annual covered salary and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the PSRS Board of Trustees. The District's contributions to PSRS for the years ending June 30, 2014, 2013, and 2012 were \$16,715,501, \$16,389,607 and \$16,291,296, respectively, equal to the required contributions.

The District also contributes to the Public Education Employee Retirement System of Missouri (PEERS), a cost-sharing multiple-employer defined benefit pension plan. PEERS provides retirement and disability benefits to employees of the District who work 20 or more hours per week and who do not contribute to the PSRS. Certain part-time certified employees may be covered by this plan. Positions covered by the PEERS are also covered by Social Security. Benefit provisions are set forth in Chapter 169.600-.715 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to the Board of Trustees of the PSRS. PEERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public Education Employee Retirement System of Missouri, P.O. Box 268, Jefferson City, Missouri 65102 or by calling 1-800-392-6848.

PEERS members were required to contribute 6.86% of their annual covered salary and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the Board of Trustees. The District's contributions to PEERS for the years ending June 30, 2014, 2013 and 2012, were \$2,245,877, \$2,177,898 and \$2,112,254, respectively, equal to the required contributions.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

VII. DEFERRED COMPENSATION PLANS

The District offers its employees a choice of deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) or 457(b). These plans, available to all District employees, permit them to defer a portion of their salary until future years. The District makes these Plans available to its employees as an accommodation only. The District's role in connection with the Plans is generally limited to processing the paperwork necessary to remit participant's salary withholdings (deferrals) to annuity providers and custodians.

VIII. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION

PLAN DESCRIPTION

In addition to providing the pension benefits described above, the District (under the provisions of the Rockwood Self-insurance Plan) provides continuation of medical, dental and vision insurance coverage, including prescription drugs to employees who are eligible for normal or early retirement under a single employer plan. Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the District's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. The plan is not accounted for as a trust fund since an irrevocable trust has not been established. A stand-alone financial report is not available for the plan.

FUNDING POLICY

The District currently pays for the implicit rate subsidy associated with these postemployment health care benefits on a pay-as-you-go basis. The District determines contribution requirements and may be amended by the District. As of June 30, 2014 no trust fund has been established for the funding of the plan's postemployment benefit obligation, resulting in the classification of the entire liability as unfunded. The schedule of funding progress is presented as required supplementary information.

ROCKWOOD R-VI SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

VIII. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

ANNUAL OTHER POSTEMPLOYMENT BENEFIT COST

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

As of June 30, 2014 the schedule of employer contributions and net OPEB obligation is as follows:

Annual required contribution	\$ 2,896,906
Interest on net OPEB obligation	225,963
Adjustment to annual required contribution	<u>(163,076)</u>
Annual OPEB cost (expense)	2,959,793
Contributions made	<u>1,850,187</u>
Increase in net OPEB obligation	1,109,606
Net OPEB obligation at July 1, 2013	<u>6,622,987</u>
Net OPEB obligation at June 30, 2014	<u><u>\$ 7,732,593</u></u>

As of June 30, 2014 the annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Plan Year	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 2,959,793	62.51%	\$ 7,732,593
2013	2,835,045	91.42%	6,622,987
2012	2,239,500	67.96%	6,379,800

FUNDED STATUS AND FUNDING PROGRESS

As of July 1, 2012, the actuarial accrued liability for benefits was \$30,042,009, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$133,143,586, and the ratio of the unfunded actuarial liability to covered payroll was 22.56%.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

VIII. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (CONCLUDED)

FUNDED STATUS AND FUNDING PROGRESS (CONCLUDED)

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities consistent with the long-term prospective of the calculations. The initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a open basis over 30 years.

In the actuarial valuation, the liabilities were computed using the projected unit credit cost method. The actuarial assumptions utilized a 4.5% discount rate and a 5% inflation rate. Because the plan is unfunded, reference to general assets, which are short-term in nature, was considered in the selection of the 4.5% rate. The healthcare trends used are based on long term healthcare trends generated by the Getzen Model.

IX. SELF-INSURED MEDICAL BENEFITS

The District is under a self-insured plan to provide medical and dental benefits to participating employees and their families. The participating employees contribute to the self-insurance fund through payroll deductions based on their coverage election. The District's maximum liability for each employee and in the aggregate for a one-year period is limited by insurance coverage. Transactions for the self-funded insurance are recorded in the Internal Service Fund. Liabilities of the fund are recorded when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated based upon recent claim settlement trends. The District considers the liability to all be payable in the current year due to the potential of significant claims to occur at any time that would deplete the insurance reserves. Settlements have not exceeded coverage for each of the past three fiscal years.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

IX. SELF-INSURED MEDICAL BENEFITS (CONCLUDED)

Changes in the balance of claims liabilities are as follows for the years ended June 30,:

	2014	2013
Unpaid claims, beginning of year	\$ 5,166,622	\$ 5,293,114
Incurred claims (including IBNRs)	21,370,909	21,138,129
Claim payments	(21,038,450)	(21,264,621)
Unpaid claims, end of year	<u>\$ 5,499,081</u>	<u>\$ 5,166,622</u>

X. INSURANCE PROGRAM

The District, along with various other local school districts, participates in the Missouri United School Insurance Council (MUSIC), an insurance association for workers' compensation, general liability and property casualty insurance. The purpose of MUSIC is to distribute the cost of self-insurance over similar entities. MUSIC requires an annual premium payment to cover estimated claims payable and reserves for claims for each entity. Part of the assessment then goes to buy excess insurance contracts for the group as a whole. Should the contributions received by MUSIC be in excess or not be sufficient, rebates or special assessments can be made of the member Districts. There have been no significant changes in insurance coverage from the prior year. Settlements have not exceeded coverage for each of the past three fiscal years.

XI. COMMITMENTS AND CONTINGENCIES

Litigation – Various claims and lawsuits are pending against the District. In the opinion of District management, the potential loss on all claims and lawsuits will not be significant to the District's financial statements taken as a whole.

Grants – The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the District at June 30, 2014.

Construction – The District has entered into various contracts for building and grounds renovations and improvements which are included in the amount designated in the capital projects fund in the fund financial statements.

ROCKWOOD R-VI SCHOOL DISTRICT

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

XII. ACCOUNTING CHANGES AND NEW ACCOUNTING STANDARDS

In 2014, the District adopted (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The objective of this Statement is to either properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and to recognize certain items that were previously reported as assets and liabilities as expenses or expenditures (outflows of resources) or revenue (inflows of resources). This Statement had no material effect on the District's financial statements.

Required Supplemental Information

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Property taxes	\$ 49,969,017	\$ 49,969,017	\$ 49,262,745	\$ -	\$ (706,272)
Other local sources	26,684,723	26,687,861	25,691,073	3,138	(996,788)
Intermediate sources	837,051	837,051	1,290,752	-	453,701
State sources	4,190,305	4,217,052	4,875,218	26,747	658,166
Federal sources	3,586,347	3,722,604	3,566,656	136,257	(155,948)
Other sources	425,000	425,000	369,126	-	(55,874)
Total revenues	85,692,443	85,858,585	85,055,570	166,142	(803,015)
Expenditures					
Instruction					
Elementary	2,123,543	2,364,155	2,145,354	(240,612)	218,801
Middle	1,414,407	1,340,136	1,215,731	74,271	124,405
High	1,833,940	2,028,886	1,848,519	(194,946)	180,367
TAG/title/special	1,309,792	640,673	496,913	669,119	143,760
Early childhood special education	2,434,757	2,353,380	2,602,359	81,377	(248,979)
Student act/athl/act/spons act	7,113,015	6,865,955	5,936,256	247,060	929,699
Other instruction	87,800	86,534	81,646	1,266	4,888
Total instruction	16,317,254	15,679,719	14,326,778	637,535	1,352,941
Support services					
Attendance	1,590,332	1,619,669	1,345,011	(29,337)	274,658
Guidance	755,724	755,939	700,077	(215)	55,862
Health, psych, speech and audio	2,087,969	2,077,846	2,048,578	10,123	29,268
Improvement of instruction	5,622,277	4,518,934	3,319,411	1,103,343	1,199,523
Professional development	325,951	205,538	134,354	120,413	71,184
Media services (library)	2,088,264	2,013,758	1,902,748	74,506	111,010
Board of Education services	351,500	616,412	563,861	(264,912)	52,551
Executive administration	1,358,776	1,290,854	995,337	67,922	295,517
Building level administration	5,800,472	5,709,114	5,109,074	91,358	600,040
Business central services	2,405,652	3,032,214	3,185,804	(626,562)	(153,590)
Operation of plant	24,091,026	23,268,378	24,057,972	822,648	(789,594)
Security services	679,042	716,543	687,536	(37,501)	29,007
Pupil transportation	8,973,951	8,772,686	9,630,378	201,265	(857,692)
Food services	8,519,833	8,385,715	6,521,132	134,118	1,864,583
Central office support services	3,033,274	3,490,061	3,363,331	(456,787)	126,730
Adult education	194,706	116,294	84,631	78,412	31,663
Community services	10,410,298	10,575,968	9,670,589	(165,670)	905,379
Total support services	78,289,047	77,165,923	73,319,824	1,123,124	3,846,099
Total expenditures	94,606,301	92,845,642	87,646,602	1,760,659	5,199,040
Excess of revenues over (under) expenditures	(8,913,858)	(6,987,057)	(2,591,032)	1,926,801	4,396,025
Other financing sources (uses)					
Transfers	(459,634)	(1,458,955)	(999,321)	(999,321)	459,634
NET CHANGE IN FUND BALANCE	\$ (9,373,492)	\$ (8,446,012)	(3,590,353)	\$ 927,480	\$ 4,855,659
Fund balance at July 1, 2013			39,947,025		
Fund balance at June 30, 2014			\$ 36,356,672		

The notes to the required supplementary information are an integral part of this schedule.

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - TEACHERS' FUND - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Property taxes	\$ 70,562,459	\$ 70,562,459	\$ 59,698,045	\$ -	\$ (10,864,414)
Other local sources	33,734,762	33,734,762	33,501,455	-	(233,307)
Intermediate sources	2,015,836	2,015,836	2,001,113	-	(14,723)
State sources	32,699,680	32,689,666	32,397,556	(10,014)	(292,110)
Federal sources	2,111,723	2,360,226	1,778,756	248,503	(581,470)
Total revenues	141,124,460	141,362,949	129,376,925	238,489	(11,986,024)
Expenditures					
Instruction					
Elementary	36,430,949	40,184,006	40,439,052	(3,753,057)	(255,046)
Middle	25,424,390	25,233,500	24,501,564	190,890	731,936
High	35,754,947	35,662,854	34,762,738	92,093	900,116
TAG/title/special	7,032,961	6,601,001	6,470,623	431,960	130,378
Early childhood special education	3,470,297	3,439,826	3,330,647	30,471	109,179
Student act/athl/act/spons act	2,542,480	2,624,213	3,219,205	(81,733)	(594,992)
Other instruction	625,000	620,730	618,426	4,270	2,304
Total instruction	111,281,024	114,366,130	113,342,255	(3,085,106)	1,023,875
Support services					
Attendance	1,026	4,672	4,319	(3,646)	353
Guidance	5,342,921	4,784,662	4,940,729	558,259	(156,067)
Health, psych, speech and audio	7,794	13,972	5,650	(6,178)	8,322
Improvement of instruction	2,928,095	3,332,559	3,217,885	(404,464)	114,674
Professional development	26,745	131,049	91,819	(104,304)	39,230
Media services (library)	3,493,562	3,469,137	3,440,084	24,425	29,053
Executive administration	2,587,155	2,722,391	2,703,023	(135,236)	19,368
Building level administration	9,120,649	8,521,726	8,904,182	598,923	(382,456)
Security services	2,653	5,813	5,981	(3,160)	(168)
Central office support services	167,466	191	-	167,275	191
Adult education	837,531	382,617	368,872	454,914	13,745
Community services	976	22,654	5,262	(21,678)	17,392
Total support services	24,516,573	23,391,443	23,687,806	1,125,130	(296,363)
Total expenditures	135,797,597	137,757,573	137,030,061	(1,959,976)	727,512
NET CHANGE IN FUND BALANCE	\$ 5,326,863	\$ 3,605,376	(7,653,136)	\$ (1,721,487)	\$ (11,258,512)
Fund balance at July 1, 2013			26,910,132		
Fund balance at June 30, 2014			\$ 19,256,996		

The notes to the required supplementary information are an integral part of this schedule.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2014

I. 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 major fund of the political subdivision.
2. Prior to July, the Chief Financial Officer, who serves as the budget officer, submits to the Board of Education a proposed modified accrual basis budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all funds. Budgeted expenditures cannot exceed available monies plus estimated reserves 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. In June 2013 the budget was 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 budgetary comparison schedules
6. Budgets are presented on the modified accrual basis of accounting for all governmental funds.

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF OTHER POSTEMPLOYMENT BENEFIT OBLIGATION - UNAUDITED
YEAR ENDED JUNE 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	(UAAL) Percentage of Covered Payroll ((b-a)/c)
July 1, 2013	\$ -	\$ 30,042,009	\$ 30,042,009	0%	\$ 133,143,586	22.56%
July 1, 2011	-	24,150,000	24,150,000	0%	124,778,000	19.35%
July 1, 2009	-	24,150,000	24,150,000	0%	124,778,000	19.35%
July 1, 2007	-	24,634,000	24,634,000	0%	124,778,000	19.74%

Schedule of Employer Contribution

Plan Year	Annual Required Contribution (ARC)	OPEB Cost Contributed
2009	\$ 2,819,000	\$ 1,020,500
2010	2,240,000	1,177,200
2011	2,239,500	1,376,100
2012	2,239,500	1,521,300
2013	2,772,158	2,591,858
2014	2,896,906	1,850,187

The District implemented GASB Statement No. 45 for the year ended June 30, 2008, therefore, information for prior year is not available.

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Property taxes	\$ 20,880,415	\$ 20,880,415	\$ 21,190,870	\$ -	\$ 310,455
Other local sources	2,654,088	2,654,088	2,566,341	-	(87,747)
Intermediate sources	504,040	504,040	567,690	-	63,650
Total revenues	24,038,543	24,038,543	24,324,901	-	286,358
Expenditures					
Debt service					
Principal retirement	43,470,000	53,570,000	53,570,000	(10,100,000)	-
Interest and fiscal charges	8,828,092	8,828,092	8,824,592	-	3,500
Total expenditures	52,298,092	62,398,092	62,394,592	(10,100,000)	3,500
NET CHANGE IN FUND BALANCE	\$ (28,259,549)	\$ (38,359,549)	(38,069,691)	\$ (10,100,000)	\$ 289,858
Fund balance at July 1, 2013			56,863,082		
Fund balance at June 30, 2014			\$ 18,793,391		

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Property taxes	\$ 3,786,885	\$ 3,786,885	\$ 15,793,030	\$ -	\$ 12,006,145
Other local sources	304,258	404,258	1,266,108	100,000	861,850
Intermediate sources	38,683	38,683	280,396	-	241,713
State sources	1,400	1,400	-	-	(1,400)
Federal sources	-	-	3,150	-	3,150
Other sources	20,000	20,000	22,488	-	2,488
Total revenues	4,151,226	4,251,226	17,365,172	100,000	13,113,946
Expenditures					
Instruction					
Elementary	-	42,999	12,224	(42,999)	30,775
Middle	33,316	62,138	52,910	(28,822)	9,228
High	126,615	121,657	99,727	4,958	21,930
TAG/title/special	-	83,829	78,652	(83,829)	5,177
Early childhood special education	-	32,600	8,479	(32,600)	24,121
Student act/athl/act/spons act	26,332	120,721	118,821	(94,389)	1,900
Total instruction	186,263	463,944	370,813	(277,681)	93,131
Support services					
Attendance	-	3,600	3,316	(3,600)	284
Improvement of instruction	-	640,824	248,777	(640,824)	392,047
Media services (library)	-	2,500,000	2,003,756	(2,500,000)	496,244
Executive administration	246,236	640,452	210,062	(394,216)	430,390
Business central services	-	23,918	14,071	(23,918)	9,847
Operation of plant	2,355,764	380,215	347,588	1,975,549	32,627
Food services	-	193,692	193,692	(193,692)	-
Central office support services	-	19,490	18,870	(19,490)	620
Adult education	-	5,000	4,267	(5,000)	733
Community services	9,000	1,110,134	1,009,912	(1,101,134)	100,222
Facilities acquisition and construction	3,222,330	7,106,109	5,126,124	(3,883,779)	1,979,985
Total support services	5,833,330	12,623,434	9,180,435	(6,790,104)	3,442,999
Total expenditures	6,019,593	13,087,378	9,551,248	(7,067,785)	3,536,130
Excess of revenues over (under) expenditures	(1,868,367)	(8,836,152)	7,813,924	(6,967,785)	16,650,076
Other financing sources					
Transfers	-	999,321	999,321	999,321	-
NET CHANGE IN FUND BALANCE	\$ (1,868,367)	\$ (7,836,831)	8,813,245	\$ (5,968,464)	\$ 16,650,076
Fund balance at July 1, 2013			2,990,620		
Fund balance at June 30, 2014			<u>\$ 11,803,865</u>		

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - ALL MAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

				Variances--			
				positive (negative)			
Budgeted amounts				Original	Final		
				to final	to actual		
Original				Final	Actual		
Revenues							
Property taxes	\$	145,198,776	\$	145,198,776	\$ 145,944,690	\$ -	\$ 745,914
Other local sources		63,377,831		63,480,969	63,024,977	103,138	(455,992)
Intermediate sources		3,395,610		3,395,610	4,139,951	-	744,341
State sources		36,891,385		36,908,118	37,272,774	16,733	364,656
Federal sources		5,698,070		6,082,830	5,348,562	384,760	(734,268)
Other sources		445,000		445,000	391,614	-	(53,386)
Total revenues		255,006,672		255,511,303	256,122,568	504,631	611,265
Expenditures							
Instruction							
Elementary		38,554,492		42,591,160	42,596,630	(4,036,668)	(5,470)
Middle		26,872,113		26,635,774	25,770,205	236,339	865,569
High		37,715,502		37,813,397	36,710,984	(97,895)	1,102,413
TAG/title/special		8,342,753		7,325,503	7,046,188	1,017,250	279,315
Early childhood special education		5,905,054		5,825,806	5,941,485	79,248	(115,679)
Student act/athl/act/spons act		9,681,827		9,610,889	9,274,282	70,938	336,607
Other instruction		712,800		707,264	700,072	5,536	7,192
Total instruction		127,784,541		130,509,793	128,039,846	(2,725,252)	2,469,947
Support services							
Attendance		1,591,358		1,627,941	1,352,646	(36,583)	275,295
Guidance		6,098,645		5,540,601	5,640,806	558,044	(100,205)
Health, psych, speech and audio		2,095,763		2,091,818	2,054,228	3,945	37,590
Improvement of instruction		8,550,372		8,492,317	6,786,073	58,055	1,706,244
Professional development		352,696		336,587	226,173	16,109	110,414
Media services (library)		5,581,826		7,982,895	7,346,588	(2,401,069)	636,307
Board of education services		351,500		616,412	563,861	(264,912)	52,551
Executive administration		4,192,167		4,653,697	3,908,422	(461,530)	745,275
Building level administration		14,921,121		14,230,840	14,013,256	690,281	217,584
Business central services		2,405,652		3,056,132	3,199,875	(650,480)	(143,743)
Operation of plant		26,446,790		23,648,593	24,405,560	2,798,197	(756,967)
Security Services		681,695		722,356	693,517	(40,661)	28,839
Pupil transportation		8,973,951		8,772,686	9,630,378	201,265	(857,692)
Food services		8,519,833		8,579,407	6,714,824	(59,574)	1,864,583
Central office support services		3,200,740		3,509,742	3,382,201	(309,002)	127,541
Adult education		1,032,237		503,911	457,770	528,326	46,141
Community services		10,420,274		11,708,756	10,685,763	(1,288,482)	1,022,993
Facilities acquisition and construction		3,222,330		7,106,109	5,126,124	(3,883,779)	1,979,985
Debt service							
Principal retirement		43,470,000		53,570,000	53,570,000	(10,100,000)	-
Interest and fiscal charges		8,828,092		8,828,092	8,824,592	-	3,500
Total support services		160,937,042		175,578,892	168,582,657	(14,641,850)	6,996,235
Total expenditures		288,721,583		306,088,685	296,622,503	(17,367,102)	9,466,182
Excess of revenues over (under) expenditures		(33,714,911)		(50,577,382)	(40,499,935)	(16,862,471)	10,077,447
Other financing sources (uses)							
Transfers		(459,634)		(459,634)	-	-	459,634
NET CHANGE IN FUND BALANCE	\$	(34,174,545)	\$	(51,037,016)	(40,499,935)	\$ (16,862,471)	\$ 10,537,081
Fund balance at July 1, 2013						126,710,859	
Fund balance at June 30, 2014						\$ 86,210,924	

Comprehensive
Annual
Financial
Report



2014

Statistical Section

ROCKWOOD R-VI SCHOOL DISTRICT
SUMMARY OF STATISTICAL INFORMATION
JUNE 30, 2014

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial position.

<u>Contents</u>	<u>Page</u>
<ul style="list-style-type: none">• Continuing Disclosure Information These schedules are required as part of the District's ongoing general obligation bonded debt disclosures and give additional information to investors about the financial position of the District.	62-64
<ul style="list-style-type: none">• Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time.	65-68
<ul style="list-style-type: none">• Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source – the property tax.	69-73
<ul style="list-style-type: none">• Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	74-77
<ul style="list-style-type: none">• Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	78-79
<ul style="list-style-type: none">• Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	80-86

ROCKWOOD R-VI SCHOOL DISTRICT

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

Net Position	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net investment in capital assets	\$ 221,357,283	\$ 206,063,602	\$ 202,298,386	\$ 202,835,577	\$ 197,510,211	\$ 192,550,322	\$ 182,365,725	\$ 164,918,581	\$ 155,725,504	\$ 136,747,788
Restricted	49,729,488	51,157,404	44,927,219	24,230,606	18,071,770	23,698,379	32,294,398	31,835,589	32,125,399	35,631,265
Unrestricted	22,124,829	28,462,859	27,414,959	32,514,462	41,392,047	41,708,899	38,035,523	32,842,578	22,661,126	20,336,377
Total Net Position	293,211,600	\$ 285,683,865	\$ 274,640,564	\$ 259,580,645	\$ 256,974,028	\$ 257,957,600	\$ 252,695,646	\$ 229,596,748	\$ 210,512,029	\$ 192,715,430

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**EXPENSES, PROGRAM REVENUES AND NET EXPENSE
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Government Activities:										
Total Instruction	\$ 138,563,393	\$ 136,271,495	\$ 133,650,726	\$ 133,373,106	\$ 134,654,265	\$ 129,906,095	\$ 121,031,515	\$ 112,783,245	\$ 107,502,035	\$ 102,048,072
Support services:										
Attendance	1,352,646	1,424,266	1,520,932	1,603,788	1,485,541	1,510,275	1,297,090	1,090,051	934,329	751,665
Guidance	5,640,806	5,937,211	5,496,946	6,344,635	6,151,889	5,976,929	5,683,462	5,240,398	4,749,816	4,622,779
Health, Psych Speech and Audio	2,054,229	1,984,684	1,997,997	2,191,323	2,447,080	2,326,520	2,038,911	1,842,114	1,810,073	1,700,568
Improvement of Instruction	6,786,073	6,428,817	6,805,834	7,074,567	8,999,165	8,672,894	7,150,068	6,671,704	5,029,381	3,957,476
Professional Development	226,173	290,004	227,875	343,435	378,313	538,370	542,993	500,307	465,798	557,587
Media Services (Library)	7,346,587	5,656,588	5,672,895	5,335,044	5,699,157	5,901,264	4,998,844	4,536,168	4,694,900	4,660,440
Board of Education Services	1,041,997	785,045	707,590	742,056	902,285	518,130	756,993	821,767	346,998	701,329
Executive Administration	5,608,339	4,955,030	4,816,589	6,379,041	4,635,913	6,111,954	6,665,917	2,972,500	4,322,853	1,430,079
Building Level Administration	14,013,256	13,593,442	13,818,623	14,000,225	13,998,535	13,755,297	12,951,017	12,334,547	11,789,878	11,412,908
Business Central Service	3,199,875	1,887,135	2,053,707	2,125,826	2,075,087	2,125,317	2,207,562	2,113,600	2,090,096	2,036,123
Operation of Plant	23,835,426	28,046,958	26,345,258	29,669,223	29,250,163	25,883,783	21,643,635	20,451,407	19,648,648	18,310,536
Security Services	693,517	576,181	625,697	630,884	650,356	657,961	642,813	452,946	437,804	367,559
Pupil Transportation	9,630,378	9,184,785	8,906,939	9,628,120	10,390,547	10,129,427	9,870,745	8,903,381	8,094,718	8,221,071
Food Services	7,524,873	7,659,304	7,682,563	7,385,190	7,369,456	8,162,386	7,832,764	6,707,801	6,509,899	6,213,221
Central Office Support Services	3,382,201	2,957,401	2,904,578	2,935,918	2,976,633	2,809,541	2,574,063	2,405,317	2,140,718	2,283,053
Adult Education	457,769	467,235	484,798	484,920	350,910	331,702	282,909	264,244	242,466	269,569
Community Services	10,723,746	9,428,400	9,180,907	8,713,595	9,001,752	8,919,460	8,115,359	7,475,193	7,078,537	7,241,520
Capital Outlay	-	-	-	-	-	-	-	1,400,945	2,014,838	-
Debt Service:										
Interest and Fiscal Charges	6,241,448	7,366,434	8,129,869	8,954,159	6,223,878	11,463,349	6,694,731	7,069,836	6,035,055	7,731,123
Total Primary Government Expenses	248,322,732	244,900,415	241,030,323	247,915,055	247,640,927	245,700,654	222,981,391	206,037,471	195,938,840	184,516,678
Program Revenues										
Government Activities:										
Charges for services										
Total Instruction	7,463,983	7,291,946	6,973,053	7,073,085	6,704,124	6,793,469	7,167,971	1,509,865	134,705	86,594
Support services:										
Attendance	-	-	-	-	-	-	-	-	-	-
Guidance	-	-	-	-	-	-	4,398	-	-	-
Health, Psych Speech and Audio	-	-	-	-	-	-	-	7,125	-	-
Improvement of Instruction	-	-	-	-	-	-	-	8,833	-	-
Professional Development	5,980	4,064	-	13,043	423	55,200	597	97,891	-	525
Media Services (Library)	-	-	-	-	-	-	-	-	-	-
Board of Education Services	-	-	-	-	-	-	-	-	-	-
Executive Administration	-	-	-	-	-	-	-	-	-	-
Building Level Administration	-	-	-	-	-	-	-	-	-	-
Business Central Service	-	-	-	-	-	-	4,808	5,028	5,188	-
Security Services	-	-	-	-	-	-	-	34,936	-	-
Operation of Plant	-	-	-	-	-	-	23,562	15,875	(33,942)	52,976
Pupil Transportation	198,628	218,212	193,757	183,930	185,579	173,776	16,273	-	-	3,356
Food Services	6,121,760	6,192,094	6,729,910	6,483,793	6,497,566	6,511,218	6,327,740	6,322,290	6,245,502	2,880
Central Office Support Services	297,701	553,311	534,142	403,454	390,617	576	10,277	18,928	19,796	5,778,621
Adult Education	5,980	6,480	9,155	19,855	20,708	10,886	22,601	5,100	6,575	30,262
Community Services	8,763,991	8,726,412	8,575,792	8,278,371	8,006,913	7,522,830	7,513,303	6,705,995	6,478,863	23,992
Debt Service:										
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	13,560,876	13,829,463	15,212,040	14,607,448	17,919,259	17,440,559	15,423,235	18,844,789	24,718,902	22,651,459
Capital Grants and Contributions	-	-	-	-	-	-	-	1,371,177	286,839	596,444
Total Primary Government Program Revenue	36,418,899	36,821,982	38,227,849	37,062,979	39,725,189	38,508,514	36,723,044	34,952,060	37,866,790	35,388,602
Total Primary Government Net Expense	\$ (211,903,833)	\$ (208,078,433)	\$ (202,802,474)	\$ (210,852,076)	\$ (207,915,738)	\$ (207,192,140)	\$ (186,258,347)	\$ (171,085,411)	\$ (158,072,049)	\$ (149,128,076)

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total Primary Government Net Expense	\$ (211,903,833)	\$ (208,078,433)	\$ (202,802,474)	\$ (210,852,076)	\$ (207,915,738)	\$ (207,192,140)	\$ (186,258,347)	\$ (171,085,411)	\$ (158,072,049)	\$ (149,128,076)
General revenues:										
Taxes:										
Property taxes, levied for general purposes	\$ 125,025,922	\$ 121,836,738	\$ 119,769,305	\$ 120,030,914	\$ 114,186,899	\$ 115,416,190	\$ 109,422,508	\$ 104,233,588	\$ 102,936,615	\$ 95,649,700
Property taxes, levied for debt service	21,190,870	21,542,309	21,679,534	22,667,673	23,329,284	23,774,719	25,261,467	21,371,715	20,535,241	19,028,019
Sales tax	16,709,474	16,003,095	16,307,188	13,131,036	14,433,669	14,844,928	15,878,048	15,810,098	16,318,666	14,824,176
M&M surcharge	10,814,455	10,585,790	11,030,332	11,800,655	12,175,961	11,926,730	11,140,999	9,458,091	7,618,878	7,733,307
Other taxes	126,331	87,193	175,486	119,455	90,995	506,164	6,146,796	602,068	1,035,349	440,221
Voluntary student transfer aid	10,463,958	10,900,371	11,147,244	13,230,955	13,106,568	13,410,749	12,741,066	11,201,117	10,476,602	11,679,546
Federal, State and County aid not restricted to specific purposes	33,525,572	34,047,915	35,695,930	30,764,665	27,886,662	24,517,542	23,397,590	20,117,757	12,536,084	12,684,446
Interest and investment earnings	1,552,148	4,066,338	2,001,398	1,670,518	1,675,140	7,756,920	4,916,011	6,455,263	3,945,706	509,702
Miscellaneous	22,838	51,985	55,976	42,822	46,988	300,152	452,760	920,433	465,509	498,466
Total general revenues	219,431,568	219,121,734	217,862,393	213,458,693	206,932,166	212,454,094	209,357,245	190,170,130	175,868,650	163,047,583
Change in Net Position										
Total Primary Government	\$ 7,527,735	\$ 11,043,301	\$ 15,059,919	\$ 2,606,617	\$ (983,572)	\$ 5,261,954	\$ 23,098,898	\$ 19,084,719	\$ 17,796,601	\$ 13,919,507

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	2009	2008	2007	2006	2005
General Fund					
Reserved	\$ 1,054,938	\$ 947,071	\$ 987,616	\$ 939,627	\$ 845,501
Unreserved	44,609,405	40,361,130	32,590,204	25,135,212	18,288,608
Total General fund	\$ 45,664,343	\$ 41,308,201	\$ 33,577,820	\$ 26,074,839	\$ 19,134,109
All Other Governmental Funds					
Reserved-Debt Service	\$ 25,258,210	\$ 22,187,513	\$ 21,329,873	\$ 19,845,649	\$ 16,624,042
Unreserved reported in:					
Special Revenue Fund	10,732,278	17,983,125	16,973,414	16,645,139	12,463,872
Capital Projects Fund	43,584,807	79,924,874	23,837,416	45,726,656	16,161,303
Total all other governmental funds	79,575,295	120,095,512	62,140,703	82,217,444	45,249,217
Total Fund Balance	\$ 125,239,638	\$161,403,713	\$ 95,718,523	\$ 108,292,283	\$ 64,383,326

	2014	2013	2012	2011	2010
General Fund					
Nonspendable					
Prepaid items	\$ 1,105,968	\$ 1,107,599	\$ 1,037,790	\$ 1,087,100	\$ 1,113,673
Inventory	793,810	-	-	-	-
Unassigned	34,456,894	38,839,426	37,551,809	40,165,482	42,637,721
Total General Fund	\$ 36,356,672	\$ 39,947,025	\$ 38,589,599	\$ 41,252,582	\$ 43,751,394
All Other Governmental Funds					
Restricted					
Federal grants	-	-	-	469,331	2,386,610
Teacher salaries and benefits	19,256,996	26,910,132	21,256,614	7,580,285	4,125,585
Retirement of debt	18,793,391	56,863,082	55,441,740	48,215,699	50,099,350
Capital improvements	-	-	5,738,143	27,999,956	41,067,409
Assigned					
Other capital projects	11,803,865	2,990,620	3,790,128	2,051,272	1,199,754
Total all other governmental funds	49,854,252	86,763,834	86,226,625	86,316,543	98,878,708
Total Fund Balance	\$ 86,210,924	\$ 126,710,859	\$ 124,816,224	\$ 127,569,125	\$ 142,630,102

Source: Rockwood School District records

Note: GASB 54 was implemented in 2010 causing the difference in fund balance classifications.

ROCKWOOD R-VI SCHOOL DISTRICT

GOVERNMENTAL FUNDS REVENUES

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues										
Property Taxes	\$ 145,944,690	\$ 143,690,111	\$ 142,288,500	\$ 142,512,111	\$ 137,515,532	\$ 142,218,514	\$ 134,683,975	\$ 125,884,804	\$ 123,859,355	\$ 117,118,710
Other Local Sources	63,024,977	65,106,594	64,358,117	62,576,466	63,824,656	66,473,286	73,206,002	63,635,207	59,450,075	55,438,721
County Sources	4,139,951	3,471,022	4,252,949	2,612,659	3,117,999	2,859,875	2,920,465	2,898,674	2,478,229	2,889,229
State Sources	37,272,774	37,293,036	38,136,803	32,844,421	29,459,257	30,822,501	28,742,867	25,369,682	23,046,005	22,390,044
Federal Sources	5,348,562	6,126,110	8,220,641	8,514,395	12,229,485	6,847,041	5,642,010	5,170,614	5,255,067	4,998,804
Other Sources	495,968	516,948	1,139,852	2,406,485	715,216	532,605	601,773	442,706	10,572	62,518
Total Revenues	\$ 256,226,922	\$ 256,203,821	\$ 258,396,862	\$ 251,466,537	\$ 246,862,145	\$ 249,753,822	\$ 245,797,092	\$ 223,401,687	\$ 214,099,303	\$ 202,898,026

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
EXPENDITURES										
Total Instruction	\$ 128,039,846	\$ 126,240,552	\$ 124,231,269	\$ 124,376,072	\$ 124,625,713	\$ 121,781,654	\$ 111,130,902	\$ 105,457,619	\$ 100,167,315	\$ 95,857,361
Support Services										
Attendance	1,352,646	1,424,267	1,520,932	1,603,788	1,485,540	1,510,275	1,297,090	1,090,051	934,329	753,167
Guidance	5,640,806	5,937,210	5,496,945	6,344,634	6,151,889	5,976,929	5,683,462	5,240,398	4,749,816	4,624,658
Health, Psych Speech and Audio	2,054,228	1,984,684	1,997,996	2,191,323	2,447,080	2,326,520	2,038,911	1,842,114	1,810,073	1,715,687
Improvement of Instruction	6,786,073	6,428,817	6,805,834	7,074,567	8,999,165	8,672,894	7,150,068	6,671,704	5,029,381	4,162,957
Professional Development	226,173	290,004	227,875	343,435	378,315	538,370	542,993	500,307	465,798	557,587
Media Services (Library)	7,346,588	5,656,588	5,672,894	5,335,044	5,699,157	5,901,264	4,998,844	4,536,168	4,694,900	4,847,647
Board of Education Services	563,861	405,010	298,051	416,440	566,216	415,442	374,663	404,725	346,998	297,693
Executive Administration	3,908,422	4,476,600	4,016,450	4,636,655	3,770,008	3,813,398	4,159,248	3,818,770	4,237,583	4,658,146
Building Level Administration	14,013,256	13,593,442	13,818,624	14,000,225	13,998,535	13,755,297	12,951,017	12,334,547	11,789,878	11,412,907
Business Central Services	3,199,875	1,887,135	2,053,707	2,125,826	2,075,087	2,125,317	2,207,562	2,113,600	2,090,096	2,041,719
Operation of Plant	24,405,560	22,898,739	22,777,410	23,443,244	22,772,405	23,747,102	21,113,616	19,816,390	18,964,768	17,864,704
Security Services	693,517	576,181	625,697	630,884	650,355	657,961	642,813	452,946	437,804	367,559
Pupil Transportation	9,630,378	9,184,785	8,906,939	9,628,120	10,390,547	10,129,427	9,870,745	8,903,381	8,094,718	8,221,071
Food Services	6,714,824	7,532,441	7,624,468	7,358,150	7,518,460	8,087,804	7,851,794	6,762,511	6,430,018	6,135,205
Central Office Support Services	3,382,201	2,957,402	2,904,578	2,935,919	2,976,632	2,765,035	2,532,319	2,381,990	2,238,148	2,293,402
Adult Education	457,770	467,235	484,798	484,920	350,911	331,702	282,909	264,244	242,466	271,057
Community Services	10,685,763	9,376,743	9,128,821	8,664,487	8,952,642	8,874,678	8,087,570	7,447,404	7,050,747	7,118,191
Capital Outlay										
Capital Outlay	5,126,124	7,240,018	23,924,703	37,286,809	36,942,757	37,772,844	23,119,018	23,402,129	14,033,093	29,968,890
Debt Service										
Principal Retirement	53,660,020	16,191,702	19,303,471	19,658,460	20,154,206	18,063,295	23,759,573	16,930,810	12,484,651	12,295,470
Interest and Fiscal Charges	8,838,926	9,559,631	10,228,780	9,884,554	8,916,822	12,668,900	7,962,186	7,603,639	9,020,125	9,219,513
Total Support Services	168,687,011	128,068,634	147,818,973	164,047,484	165,196,729	168,134,454	146,626,401	132,517,828	115,145,390	128,827,231
TOTAL EXPENDITURES	\$ 296,726,857	\$ 254,309,186	\$ 272,050,242	\$ 288,423,556	\$ 289,822,442	\$ 289,916,108	\$ 257,757,303	\$ 237,975,447	\$ 215,312,705	\$ 224,684,591
Debt Service as a % of non-capital expenditures	21.43%	10.24%	11.74%	13.33%	12.99%	13.88%	15.58%	12.85%	11.92%	12.58%

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

OTHER FINANCING SOURCES AND NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Excess of revenues over (under) expenditures	\$ (40,499,935)	\$ 1,894,635	\$ (13,653,380)	\$ (36,957,019)	\$ (42,960,297)	\$ (40,162,285)	\$ (11,960,211)	\$ (14,573,760)	\$ (1,213,400)	\$ (21,786,565)
Other Financing Sources (Uses):										
Capital lease obligation	-	-	-	-	-	-	600,000	2,000,000	-	-
Bond issuance	-	-	-	21,095,000	33,905,000	-	74,500,000	-	44,400,000	-
Refunding bonds issued	-	-	9,905,000	-	24,465,000	32,945,000	17,165,000	-	-	-
Discount on issuance of bonds	-	-	(39,620)	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	(33,030,000)	(17,165,000)	-	-	-
Premium on issuance of bonds	-	-	1,035,099	801,042	1,980,761	4,083,210	2,545,401	-	722,358	-
Other noncurrent/sale of property	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ (40,499,935)	\$ 1,894,635	\$ (2,752,901)	\$ (15,060,977)	\$ 17,390,464	\$ (36,164,075)	\$ 65,685,190	\$ (12,573,760)	\$ 43,908,958	\$ (21,786,565)

Source: Auditors' Reports-Statement of Revenues, Expenditures and Changes in Fund Balance

ROCKWOOD R-VI SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ending 6/30	Real Property Assessed Value 19%	Real Property Est. Actual Value	Personal Property Assessed Value 33%	Personal Property Est. Actual Value	Total Property Assessed Value	Total Property Est. Actual Value	Total Tax Rate per \$100 A/V
2014	\$ 2,761,027,710	\$ 14,531,757,316	\$ 435,014,930	\$ 1,318,227,061	\$ 3,196,042,640	\$ 15,849,984,377	\$ 4.683
2013	2,838,883,870	14,941,494,053	434,352,420	1,316,219,455	3,273,236,290	16,257,713,508	4.536
2012	2,831,441,600	14,902,324,211	416,295,455	1,248,886,366	3,247,737,055	16,151,210,577	4.463
2011	2,913,895,060	13,907,448,560	471,239,160	1,396,342,694	3,385,134,220	15,303,791,254	4.275
2010	2,927,594,890	13,917,578,413	588,041,433	1,750,288,976	3,515,636,323	15,667,867,389	4.008
2009	3,066,281,780	15,080,643,936	618,308,932	1,503,589,824	3,684,590,712	16,584,233,760	3.923
2008	2,864,097,580	14,264,993,762	567,383,355	1,442,256,924	3,431,480,935	15,707,250,686	3.999
2007	2,304,350,860	11,571,546,935	586,267,350	1,470,342,818	2,890,618,210	13,041,889,753	4.418
2006	2,253,416,000	11,368,680,158	584,395,250	1,415,946,364	2,837,811,250	12,784,626,522	4.507
2005	1,960,277,630	9,982,273,334	574,062,700	1,345,245,515	2,534,340,330	11,327,518,849	4.633

Source: St. Louis and Jefferson County Assessor's Offices

Note: On January 1 of every second year the property values are rendered for appraisal (reassessment). The appraisal process for the Rockwood School District is conducted by the St. Louis or Jefferson county Assessor's office. For Rockwood School District residential real estate is appraised at 19% of market value, commercial at 32% of value, agricultural at 12% of value and personal property at 33% of value.

The Assessor's Office submits preliminary values to the school district by June. These values are usually a realistic estimate of the ultimate certified values that come by August. The preliminary values are good estimates upon which to base the tax levies for the operating and debt service budgets. Once the certified values are received by the district, the tax rate adoption is completed prior to September and the budgeting process can be begin for the subsequent fiscal year.

Property owners (both Real Estate and Personal Property) are taxed by the various taxing authorities (including the school district) in their county of residence. Tax levy rates (so much per \$100 of assessed valuations) are set by the taxing authorities according the State law. Assessed valuations are set by the county in which the property resides and every other year is a reassessment year. The tax obligation is billed by the county department of revenue and paid through that department to the taxing authorities. The tax billed is simply the levy rate multiplied by the assessed valuation. There are normally multiple taxing authority obligations included on one tax bill which is typically mailed to tax payers in November with a due date of December 31. The District receives the majority of its revenue in late December and January.

ROCKWOOD R-VI SCHOOL DISTRICT

**DIRECT AND OVERLAPPING PROPERTY TAXES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)**

Taxing Districts	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Rockwood School District*	\$ 4.683	\$ 4.536	\$ 4.463	\$ 4.275	\$ 4.008	\$ 3.923	\$ 3.999	\$ 4.418	\$ 4.507	\$ 4.633
General Fund	1.580	1.608	1.405	1.405	1.333	1.277	1.287	1.505	1.571	1.507
Special (Teacher's) Fund	1.916	2.188	2.238	2.050	1.855	1.776	1.791	2.093	2.186	2.186
Capital Fund	0.680	0.680	0.140	0.140	0.140	0.190	0.170	0.070	-	0.190
Debt Fund	0.507	0.060	0.680	0.680	0.680	0.680	0.750	0.750	0.750	0.750
Overlapping										
St. Louis County	0.523	0.523	0.523	0.523	0.523	0.558	0.558	0.558	0.580	0.580
Municipalities										
City of Chesterfield	0.030	0.030	0.030	0.030	0.030	0.003	0.060	0.060	0.060	0.600
City of Clarkson Valley*	0.130	0.124	0.121	0.119	0.117	0.111	0.108	0.133	0.132	0.137
City of Ellisville	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150
City of Eureka*	0.391	0.505	0.505	0.371	0.371	0.373	0.373	0.380	0.380	0.379
City of Winchester*	0.215	0.201	0.201	0.181	0.181	0.176	0.176	0.195	0.194	0.215
Fire Districts										
Eureka	1.230	1.209	0.390	1.154	1.141	1.078	1.078	1.195	1.199	1.250
Fenton*	0.913	0.851	0.851	0.840	0.800	0.761	0.763	0.984	0.878	0.880
Metro West*	1.136	1.053	1.051	0.103	0.999	0.860	0.872	1.007	0.962	1.079
Monarch (Chesterfield)*	0.898	0.886	0.899	0.923	0.876	0.871	0.857	0.981	0.979	1.032
Special School District	1.240	1.012	1.013	0.995	0.938	0.918	0.908	0.824	0.870	0.870
Sewer District										
Metropolitan Sewer District	0.874	0.064	0.082	0.079	-	-	0.069	0.069	0.069	0.069

Note: Years listed are calendar years

* Rates are blended, other entities' rates are averaged

Source: St. Louis County Department of Revenue

ROCKWOOD R-VI SCHOOL DISTRICT

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2013			2004		
	Taxable Value	Rank	% of Total Taxable Value	Taxable Value	Rank	% of Total Taxable Value
THF DEVELOPMENT LLC	\$ 54,226,500	1	1.69%	\$ 27,784,570	2	1.2%
MARITZ INC	25,309,090	2	0.81%	18,933,150	3	0.8%
LACLEDE GAS COMPANY	10,203,920	3	0.34%	11,247,630	6	0.4%
ST. JOHNS MERCY HEALTHCARE	9,851,680	4	0.33%	N/A	N/A	N/A
ALTUS PROPERTIES	9,850,370	5	0.31%	N/A	N/A	N/A
DRURY HOTELS	8,548,080	6	0.29%	N/A	N/A	N/A
UNIGROUP INC	8,476,660	7	0.28%	12,180,220	4	0.5%
SIX FLAST ST. LOUIS	8,320,210	8	0.26%	10,166,400	5	0.4%
BAXTER CROSSING APART ASSOC	7,768,190	9	0.26%	6,922,650	8	0.3%
OLD CARCO LIQUIDATION TRUST	7,680,000	10	0.20%	N/A	N/A	N/A
DAIMLER CHRYSLER	N/A	N/A	0.0%	158,988,460	1	65.0%
MISSOURI AMERICAN WATER	N/A	N/A	0.0%	7,958,580	7	2.9%
COOPER BUSSMAN	N/A	N/A	0.0%	6,150,290	9	2.0%
OLD TOWNE IMPROVEMENTS	N/A	N/A	0.0%	10,308,260	10	1.6%

Source: St. Louis County Department of Revenue

ROCKWOOD R-VI SCHOOL DISTRICT

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

June 30,	Residential Property	Commercial Property	Agricultural Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Property Est. Actual Value
2014	\$ 2,114,332,970	\$ 644,270,840	\$ 2,423,900	\$ 435,014,930	\$ 3,196,042,640	\$ 4.683	\$ 15,849,984,377
2013	2,193,724,990	642,695,900	2,462,980	434,352,420	3,273,236,290	4.536	16,257,713,508
2012	2,182,922,740	646,062,150	2,456,710	416,295,455	3,247,737,055	4.463	16,151,210,577
2011	2,223,807,780	697,839,521	2,693,830	460,793,089	3,385,134,220	4.275	15,303,791,254
2010	2,208,816,180	726,651,471	2,573,310	577,595,362	3,515,636,323	4.008	15,667,867,389
2009	2,385,119,190	800,001,080	3,285,800	496,184,642	3,684,590,712	3.923	16,584,233,760
2008	2,344,027,180	608,236,700	3,272,270	475,944,785	3,431,480,935	3.999	15,707,250,686
2007	1,888,435,220	412,674,030	3,241,610	586,267,350	2,890,618,210	4.418	13,041,889,753
2006	1,844,389,120	405,739,930	3,286,950	584,395,250	2,837,811,250	4.507	12,784,626,522
2005	1,605,212,160	351,696,410	3,369,060	574,062,700	2,534,340,330	4.633	11,327,518,849

Source: St. Louis and Jefferson County Assessor's Offices

ROCKWOOD R-VI SCHOOL DISTRICT

**PROPERTY TAX LEVIES AND COLLECTIONS - ST. LOUIS COUNTY
LAST TEN FISCAL YEARS**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed Valuations	3,196,042,640	3,273,236,290	3,247,737,055	3,385,134,220	3,515,636,323	3,684,590,712	3,431,480,935	2,890,618,210	2,837,811,250	2,534,340,330
Tax Rate	\$ 4.683	\$ 4.536	\$ 4.463	\$ 4.275	\$ 4.008	\$ 3.923	\$ 3.999	\$ 4.418	\$ 4.507	\$ 4.633
Taxes Levied for the Fiscal Year	\$ 149,680,265	\$ 148,464,178	\$ 144,946,505	\$ 144,714,488	\$ 140,906,704	\$ 144,546,494	\$ 137,224,923	\$ 127,707,513	\$ 127,900,153	\$ 117,415,987
Collected within Fiscal Year of Levy										
Amount	\$ 146,338,778	\$ 144,876,201	\$ 139,760,984	\$ 135,367,916	\$ 137,516,184	\$ 139,699,137	\$ 134,689,879	\$ 125,911,057	\$ 123,856,710	\$ 114,729,220
% of Levy	97.8%	97.6%	96.4%	93.5%	97.6%	96.6%	98.2%	98.6%	96.8%	97.7%
Collected (paid) in Subsequent Years	\$ (394,088)	\$ 1,341,622	\$ 1,687,856	\$ 2,204,301	\$ 1,392,291	\$ 2,549,378	\$ 2,506,456	\$ 6,740,052	\$ 15,502,674	\$ 2,443,812
Total Collections to Date										
Amount	\$ 145,944,690	\$ 146,217,823	\$ 141,448,840	\$ 137,572,217	\$ 138,908,475	\$ 142,248,515	\$ 137,196,335	\$ 132,651,109	\$ 139,359,384	\$ 117,173,032
% of Levy	97.5%	98.5%	97.6%	95.1%	98.6%	98.4%	100.0%	103.9%	109.0%	99.8%

Note: Based on Fiscal Year

Source: Rockwood School District records and St. Louis County/Jefferson County Department of Revenue

ROCKWOOD R-VI SCHOOL DISTRICT

**OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Capital leases	\$ -	\$ -	\$ -	\$ 520,000	\$ 660,000	\$ 1,185,000	\$ 2,305,000	\$ 5,385,000	\$ 4,425,000	\$ 5,440,000
General Obligation Bonds	156,970,321	212,139,018	223,015,000	231,810,000	228,680,000	189,680,000	206,449,733	154,324,733	170,104,732	137,066,285
Energy Financing	265,194	355,215	441,917	525,388	2,078,848	2,338,054	2,596,617	191,000	215,000	268,000
DNR Note	-	-	-	-	-	-	-	110,190	196,999	241,132
Total Primary	\$ 157,235,515	\$ 212,494,233	\$ 223,456,917	\$ 232,855,388	\$ 231,418,848	\$ 193,203,054	\$ 211,351,350	\$ 160,010,922	\$ 174,941,731	\$ 143,015,417
Estimated Actual Value of Taxable Property	\$ 15,849,984,377	\$ 16,257,713,508	\$ 16,151,210,577	\$ 15,303,791,254	\$ 15,667,867,388	\$ 16,584,233,761	\$ 15,707,250,686	\$ 13,041,889,753	\$ 12,784,626,522	\$ 11,327,518,849
% of General Bonded Debt to Estimated										
Actual Value Of Taxable Property	0.99%	1.30%	1.38%	1.51%	1.46%	1.14%	1.31%	1.11%	1.33%	1.21%
Personal Income (County data)	N/A	N/A	54,548,335,000	52,713,697,000	51,448,812,000	51,817,478,000	53,926,646,000	51,374,904,000	53,926,646,000	51,374,904,000
% of Personal Income	N/A	N/A	0.41%	0.44%	0.45%	0.37%	0.39%	0.31%	0.32%	0.28%
Population(County data)	N/A	1,001,444	1,000,438	998,692	998,954	992,408	991,830	993,512	998,704	1,004,666
Per Capita	N/A	\$ 212	\$ 223	\$ 233	\$ 232	\$ 195	\$ 213	\$ 161	\$ 175	\$ 142

Note: N/A-Not available; Information is for St. Louis County; 2013 (partial) & 2014 demographic information not available at time of publication.

Source: Rockwood School District and St. Louis County records

ROCKWOOD R-VI SCHOOL DISTRICT

**DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
JUNE 30, 2014**

Taxing Body	General Obligation Debt as of 6/30/14	Approx. Percent of Applicable Overlap	Estimated Share of Direct and Overlapping Debt
<u>Direct</u>			
Rockwood School District	\$ 156,970,321	100.00%	\$ 156,970,321
Subtotal Direct Debt	156,970,321	100.00%	156,970,321
<u>Overlapping</u>			
St. Louis County	109,755,000	15.03%	16,496,177
City of Ballwin	-	65.39%	-
City of Chesterfield	10,010,000	37.18%	3,721,718
City of Clarkson Valley	-	100.00%	-
City of Ellisville	3,390,000	100.00%	3,390,000
City of Eureka	12,520,000	99.54%	12,462,408
City of Fenton	-	66.55%	-
City of Wildwood	4,530,000	99.94%	4,527,282
City of Winchester	-	19.78%	-
Eureka Fire PD	6,525,000	98.83%	6,448,658
Fenton FPD	-	68.53%	-
Metro West FPD	9,340,000	81.97%	7,655,998
Monarch (Chesterfield) FPD	-	43.20%	-
Valley Park FPD	-	5.00%	-
Special School District	-	10.00%	-
MSD	-	0.00%	-
Subtotal Overlapping Debt	156,070,000		54,702,240
Total	\$ 313,040,321		\$ 211,672,561

Source: Individual entities

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. Percentage of overlap is calculated by the Collector of Revenue's Office as follows: For the purpose of determining the appropriate composite property tax rates, all properties are within areas defined by what are called school district sub-codes. Each sub-code accounts for what taxing districts have jurisdiction over a particular parcel, or property. Periodic ledgers comprising the total assessed values for each sub-code area are generated by County Revenue. Appropriate percentage overlap values have been culled from the appropriate ledger.

ROCKWOOD R-VI SCHOOL DISTRICT

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Value	\$3,196,042,640
Debt Limit (15% of Assessed Value)	479,406,396
Debt Applicable to Limit	(153,340,000)
Amount Available in Debt Service Fund	18,793,391

Legal Debt Margin \$344,859,787

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt Limitation	\$ 479,406,396	\$ 493,981,107	\$ 489,991,042	\$ 507,770,133	\$ 527,345,448	\$ 552,688,607	\$ 514,722,140	\$ 433,592,732	\$ 425,671,688	\$ 380,151,050
General Obligation Bonds Payable	(153,340,000)	(206,910,000)	(223,015,000)	(231,810,000)	(228,680,000)	(189,680,000)	(206,449,733)	(154,324,732)	(170,104,732)	(137,066,284)
Avail. Debt Service Fund Balance	18,793,391	56,863,082	55,441,740	48,215,698	50,099,350	25,258,209	22,187,513	21,329,873	19,845,650	16,624,042
Net Debt Applicable	(134,546,609)	(150,046,918)	(167,573,260)	(183,594,302)	(178,580,650)	(164,421,791)	(184,262,220)	(132,994,859)	(150,259,082)	(120,442,242)
Legal Debt Margin	344,859,787	343,934,189	322,417,782	324,175,831	348,764,798	388,266,816	330,459,920	300,597,873	275,412,605	259,708,808
Legal Debt Margin as a % of Debt Limit	71.93%	69.62%	65.80%	63.84%	66.14%	70.25%	64.20%	69.33%	64.70%	68.32%

Note: Legal Debt Margin is the additional amount of debt the District may incur. Legal Debt Limit is the assessed valuation (A/V) multiplied by 15%

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenue	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt Service	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Principal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes: Rockwood does not have any pledged revenue

ROCKWOOD R-VI SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS - ST. LOUIS COUNTY ONLY LAST TEN FISCAL YEARS

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2014	N/A	N/A	N/A	N/A
2013	1,001,444	N/A	N/A	6.5%
2012	1,000,438	\$ 54,548,335,000	\$ 54,524	6.8%
2011	998,692	52,713,697,000	52,783	8.1%
2010	998,954	51,448,812,000	51,512	9.4%
2009	992,408	51,817,478,000	52,214	8.9%
2008	991,830	53,926,646,000	54,371	5.9%
2007	993,512	51,374,904,000	51,710	4.9%
2006	998,704	49,662,201,000	49,727	4.6%
2005	1,004,666	46,311,739,000	47,023	5.1%

Note: N/A-Not available; Information is for St. Louis County; 2013 (partial) & 2014 information not available at time of publication.

Source: Missouri Economic Research and Information Center

ROCKWOOD R-VI SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2014			2005		
Employer	# of Employees	%	Rank	# of Employees	%	Rank
Rockwood School District	3,318	27.9%	1	3,877	17.5%	2
Six Flags	3,000	25.2%	2	2,600	11.7%	3
Maritz	1,549	13.0%	3	2,500	11.3%	4
St. Clare Health Center	950	8.0%	4	N/A	N/A	N/A
Unigroup/Vanliner/Mayflower	850	7.1%	5	1,500	6.8%	6
Fabick CAT Company	560	4.7%	6	290	1%	10
Rotometrics	473	4.0%	7	N/A	N/A	N/A
Mark Andy, Inc.	437	3.7%	8	315	1%	9
Pfizer	400	3.4%	9	N/A	N/A	N/A
Eaton's Bussman Business	365	3.1%	10	600	3%	7
Daimler Chrysler	N/A	N/A	N/A	7,909	35.7%	1
Citicorp	N/A	N/A	N/A	2,000	9.0%	5
Fru-Con	N/A	N/A	N/A	550	2.5%	8
Total	11,902	100%		22,141	100%	

Note: Data includes part-time employees, N/A-Not available. Rockwood is in the process of obtaining historical and current data to establish the number of employees as a % to the individual municipality's total number of employees.

Source: Individual businesses and Rockwood records.

ROCKWOOD R-VI SCHOOL DISTRICT

**EMPLOYEE COUNTS
LAST TEN FISCAL YEARS**

POSITION	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
SUPT.DEPUTY/ASST SUPT	5	6	7	6	7	7	6	6	6	7
DIRECTORS	15	15	15	16	17	17	16	15	13	9
PRIN. HS AND MS	10	10	10	10	10	10	10	10	10	10
ELEMENTARY PRINCIPALS	19	19	19	19	19	19	19	19	19	19
HS ASST & ASSOC./ACT DIR	23	23	23	44	45	45	44	44	43	50
ASST PRIN, ELE & MS	18	18	29	17	19	21	22	21	21	21
COORDINATORS	15	14	13	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL	105	105	116	112	117	119	117	115	112	116
TEACHERS (INCLUDES COUNSELORS, LIBRARIANS AND COLLEGE ADMISSION SPEC.)										
ELEMENTARY	585	582	586	612	610	622	620	618	609	583
MIDDLE SCHOOL	337	355	342	355	374	378	372	357	363	360
HIGH SCHOOL	466	507	477	502	509	509	445	432	419	412
CERT. PRESCHOOL TEA	16	16	16	15	17	16	16	16	N/A	N/A
EARLY CHLDHD SPEC ED TEA, SPCH	39	42	40	44	45	43	41	38	N/A	N/A
RESOURCE	N/A	N/A	N/A	99	94	90	78	76	80	93
(Includes TAG, Interns and Psychometrists)										
CONTENT FAC, DATA ANLSTS, A+ COOR,	84									
INSTR TECH		79	86	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL	1,527	1,581	1,547	1,627	1,649	1,658	1,572	1,537	1,471	1,448
SUPPORT STAFF										
SECRETARIES (ALL)	185	188	178	191	192	193	183	192	191	185
SECRETARIAL ASSTS.	29	31	33	33	34	35	31	32	28	29
ACCT/PR/FINANCE	12	13	12	11	13	13	13	12	12	12
H.R. SPECIALIST	5	5	5	7	7	6	6	4	2	2
MAIL ROOM SPEC	1	1	1	1	1	1	1	1	1	1
DATA PROCESSING	N/A	N/A	N/A	12	10	9	8	5	5	5
COMMUNICATIONS	6	6	5	6	5	7	8	7	9	10
COMPUTER TECH.	43	45	40	28	26	24	23	24	22	23
ROTC	4	4	4	4	4	4	4	4	4	4
HOMEBOUND TEACHERS	N/A	N/A	13	17	20	32	29	16	17	14
STUDY HALL/ISS	15	8	14	14	17	16	14	19	16	20
HALL MONITORS	27	11	9	14	20	17	13	13	13	15
SEC RESOURCE	1	1	1	2	4	3	4	5	4	4
ECSE AUTISM ANALYST	2	2	2	2	2	1	1	1	N/A	N/A
ECSE OCCUP THERAPIST	7	7	7	7	6	6	6	5	5	5
ECSE PHYSICAL THERAPIST	3	3	3	3	3	2	3	3	3	2
ECSE APPLIED BEHAVIOR	0	3	3	4	4	8	7	15	20	21
ECSE PARA I AND PARA II	52	42	61	44	48	35	34	28	33	28
CLSRM ASSTS/READ I/IT/ESOL	163	132	113	168	157	156	136	130	106	140
LIBRARY ASSTS	4	5	4	4	5	5	5	4	4	8
COMPUTER SUPPORT SPEC	N/A	N/A	N/A	4	5	7	9	11	13	16
NURSES and NURSE SUPV.	43	43	41	42	42	42	41	39	38	41
SOCIAL WORKERS/STUDENT SRVS.	14	13	14	14	15	15	11	10	10	7
PREVENTION SPEC. (GRANT)	1	1	1	1	-	1	1	N/A	N/A	N/A
CHILD NUTRITION (ALL)	236	229	217	220	221	219	217	219	217	225
WAREHOUSE (ALL)	10	13	10	10	11	10	11	11	11	11
PARKING LOT ATTEND	4	4	4	7	7	7	7	8	7	7
ADVENTURE CLUB	193	187	184	171	182	171	171	184	168	180
PARTNERS IN ED	14	14	14	14	14	14	14	13	10	16
PRESCHL/PAT	61	69	55	74	84	81	81	78	74	91
SPECIAL PROJECTS	N/A	0	-	-	-	N/A	N/A	N/A	N/A	N/A
COE	0	0	0	5	7	5	10	4	9	4
SUB TOTAL	1,135	1,080	1,048	1,134	1,166	1,145	1,102	1,097	1,052	1,126
FACILITIES										
COORDINATORS	2	4	4	4	4	3	3	3	3	3
SUPERVISORS	7	6	6	7	6	7	7	7	6	6
GROUPS MAINT	20	20	20	20	19	19	20	16	16	16
GENERAL MAINT	46	46	45	46	45	45	45	41	43	43
CUSTODIAL	228	241	172	175	175	170	162	158	168	176
SUB TOTAL	303	317	247	252	249	244	237	225	236	244
SUB TOTAL W/O COMM. ED.	3,070	3,083	2,958	3,125	3,181	3,166	3,028	2,974	2,871	2,934
COMMUNITY EDUCATION										
(AEL) ADULT BASIC ED	14	16	17	17	15	15	15	14	12	15
AQUATICS	126	133	139	147	130	115	117	83	84	91
COMM ED SUPERVISORS	7	8	8	10	5	5	5	5	6	4
COMM ED THEATRE/AV	18	17	5	5	3	3	3	3	3	2
COMM ED (EVENINGS, SEAS. & MISC)	N/A	N/A	N/A	64	68	54	60	41	4	2
CLUB VOLLEYBALL	35	43	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMM ED OFFICE	2	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMM ED INSTRUCTORS	14	13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ECOMM ED OUTDOOR	3	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL	219	235	173	243	221	192	200	146	109	114
GRAND TOTAL	3,289	3,318	3,131	3,368	3,402	3,358	3,228	3,120	2,980	3,048

Note: Does not include substitutes, temporaries or seasonal employees

Source: Rockwood School District Records

ROCKWOOD R-VI SCHOOL DISTRICT

**OPERATING STATISTICS
LAST TEN FISCAL YEARS**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Enrolled Pupils (September)	21,498	21,916	22,157	22,436	22,254	22,159	22,268	22,098	21,932	21,798
Operating Expenditures	\$ 214,186,089	\$ 202,274,482	\$ 199,857,980	\$ 204,693,730	\$ 205,770,317	\$ 204,634,962	\$ 188,163,324	\$ 174,673,222	\$ 164,908,920	\$ 158,358,112
Cost Per Enrolled Pupil	\$ 9,963	\$ 9,230	\$ 9,020	\$ 9,123	\$ 9,246	\$ 9,235	\$ 8,450	\$ 7,904	\$ 7,519	\$ 7,265
% chg	7.95%	2.32%	-1.13%	7.97%	9.30%	16.83%	6.90%	5.13%	3.50%	1.71%
Teaching Staff	1,527	1,581	1,547	1,627	1,649	1,658	1,572	1,537	1,471	1,448
Enrolled Pupils/Teacher Ratio	18:1	18:1	14:1	14:1	13:1	13:1	14:1	14:1	15:1	15:1
# of Free & Reduced	3,127	3,199	3,251	3,190	3,111	2,715	2,778	2,789	2,653	2,615
% of Enrolled Pupils Quality for Free/Reduced	14.5%	14.6%	14.7%	14.2%	14.0%	12.3%	12.5%	12.6%	12.1%	12.0%

Note: Operating Expenditures are before transfers; Enrolled Pupils includes resident, VTS, Part-time and SSD students and does not include ILC students or 1 day CCL; Teaching Staff includes counselors, excludes College Admin Specialists

Source: Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

TEACHER BASE SALARIES LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Rockwood School District (RSD)										
Minimum Salary	\$ 39,826	\$ 39,237	\$ 39,097	\$ 38,794	\$ 38,250	\$ 36,600	\$ 35,000	\$ 34,000	\$ 32,500	\$ 31,500
Maximum Salary	95,097	92,623	90,670	88,596	86,325	83,125	79,600	76,500	73,603	71,808
RSD Average Salary	58,336	57,405	56,701	55,461	53,984	52,272	48,343	48,343	48,340	48,280
County Average Salary	\$ 58,420	58,376	58,833	57,025	56,839	55,014	53,986	53,278	52,010	50,649
Statewide Average Salary	\$ 46,754	\$ 46,213	\$ 45,723	\$ 45,315	\$ 45,097	\$ 46,099	\$ 43,256	\$ 43,533	\$ 42,083	\$ 40,686

Note: Amounts do not include benefits such as pension, health insurance, disability, etc.

82 Source: Statewide and County data from DESE; District data from Rockwood School District records

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

Location	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Elementary										
BABLER-1957										
Square Feet	100,473	100,473	100,473	100,473	100,473	97,400	97,400	97,400	97,400	97,400
Capacity	599	660	660	639	639	660	660	714	714	736
Enrollment	532	541	557	573	569	595	617	621	633	639
BALLWIN-1963										
Square Feet	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350
Capacity	576	593	593	591	591	591	591	652	652	696
Enrollment	495	550	566	558	524	517	490	493	491	526
BLEVINS-2001										
Square Feet	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700
Capacity	455	570	570	570	570	570	570	538	538	538
Enrollment	437	440	470	497	494	510	497	468	468	482
BOWLES-1972										
Square Feet	54,335	54,335	54,335	54,335	53,450	53,450	53,450	53,450	53,450	53,450
Capacity	357	442	442	438	438	438	438	410	410	410
Enrollment	284	315	291	327	341	344	342	328	333	363
CHESTERFIELD-1959										
Square Feet	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300
Capacity	501	572	572	616	616	616	616	582	582	604
Enrollment	416	438	453	540	512	523	543	525	533	529
ELLISVILLE-1940										
Square Feet	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,400	83,000	83,000
Capacity	812	639	639	639	639	639	639	670	670	670
Enrollment	552	583	597	570	575	549	594	607	632	655
EUREKA-1962										
Square Feet	60,560	60,560	60,560	60,560	60,560	60,560	60,560	60,560	59,300	59,300
Capacity	403	394	394	371	371	371	371	432	432	476
Enrollment	309	317	298	308	275	280	288	268	249	236
FAIRWAY-2004										
Square Feet	67,851	67,851	67,851	67,851	67,851	64,400	64,400	64,400	64,400	64,400
Capacity	524	660	660	744	744	598	593	560	560	560
Enrollment	496	516	528	556	539	557	560	545	543	502
GEGGIE-1972										
Square Feet	62,380	62,380	62,380	62,380	62,380	56,000	56,000	53,450	53,450	53,450
Capacity	622	572	572	591	591	549	549	584	584	564
Enrollment	612	590	569	555	521	515	507	510	520	501
GREEN PINES-1988										
Square Feet	57,025	57,025	58,465	58,465	58,465	58,465	58,465	58,465	54,200	54,200
Capacity	645	549	549	549	549	459	549	604	604	604
Enrollment	424	435	459	472	500	507	507	514	534	561
KEHRS MILL-1992										
Square Feet	57,025	57,025	66,276	66,276	59,800	59,800	59,800	59,800	59,200	59,200
Capacity	645	660	660	658	658	637	637	648	648	648
Enrollment	572	592	607	622	629	626	618	583	562	588
KELLISON-1973										
Square Feet	58,700	58,700	60,140	60,140	60,140	60,140	60,140	60,140	58,700	58,700
Capacity	501	524	524	528	528	528	528	494	494	560
Enrollment	409	433	438	461	456	464	487	485	461	490

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

Location	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Elementary Concluded										
POND-1959										
Square Feet	58,247	58,247	58,247	58,247	57,300	57,300	57,300	57,300	57,300	57,300
Capacity	432	576	576	591	591	591	591	560	560	560
Enrollment	358	407	413	449	456	487	510	490	494	499
RIDGE MEADOWS-1991										
Square Feet	59,900	59,900	59,900	59,900	59,900	59,900	59,900	59,900	58,400	58,400
Capacity	455	574	574	570	570	570	570	604	604	604
Enrollment	419	439	469	503	424	532	535	547	492	479
STANTON-1984										
Square Feet	57,270	57,270	57,270	57,270	50,570	50,570	50,570	50,570	47,000	47,000
Capacity	524	591	591	612	612	505	505	454	454	432
Enrollment	543	525	544	539	518	469	461	427	406	378
UTHOFF VALLEY-1992										
Square Feet	60,010	60,010	60,010	60,010	60,010	60,010	60,010	60,010	57,400	57,400
Capacity	576	572	572	570	570	570	570	648	648	648
Enrollment	481	484	497	531	503	488	509	485	484	470
WESTRIDGE-1961										
Square Feet	65,079	65,079	65,079	65,079	66,519	61,130	61,130	61,130	56,625	56,625
Capacity	455	530	530	610	610	459	459	454	454	520
Enrollment	436	435	438	421	391	409	446	387	395	366
WILD HORSE-1999										
Square Feet	70,380	70,380	70,380	70,380	70,380	65,500	65,500	65,500	65,500	65,500
Capacity	622	660	660	746	746	570	570	604	604	604
Enrollment	547	558	565	573	568	543	549	514	509	490
WOERTHER-1972										
Square Feet	58,475	58,475	58,475	58,475	58,475	58,475	58,475	58,475	56,550	56,550
Capacity	547	618	618	658	658	658	658	648	648	626
Enrollment	459	485	536	565	555	554	586	591	580	583
Middle School										
CRESTVIEW-1964										
Square Feet	227,950	227,950	216,000	216,000	216,000	216,000	216,000	216,000	207,600	207,600
Capacity	1,275	1,460	1,460	1,442	1,442	1,442	1,442	1,442	1,442	1,350
Enrollment	1,215	1,228	1,205	1,211	1,167	1,197	1,183	1,167	1,166	1,155
LASALLE SPRINGS-1996										
Square Feet	122,533	122,533	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity	1,063	1,053	1,053	1,028	1,028	1,028	1,028	1,028	1,028	956
Enrollment	910	926	942	929	903	936	870	842	816	798
ROCKWOOD SOUTH-1982										
Square Feet	144,592	144,592	139,935	139,935	139,935	139,935	139,935	139,935	132,900	132,900
Capacity	1,254	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,013
Enrollment	978	982	1,016	1,006	954	946	945	961	998	966
ROCKWOOD VALLEY-1994										
Square Feet	129,683	129,683	122,300	122,300	122,300	122,300	122,300	122,300	122,300	122,300
Capacity	1,041	1,037	1,037	1,012	1,012	1,012	1,012	1,012	1,012	919
Enrollment	753	724	794	768	801	796	801	797	828	839
SELVIDGE-1970										
Square Feet	132,285	132,285	132,285	132,285	125,500	125,500	125,500	125,500	114,500	114,500
Capacity	1,126	1,032	1,032	1,032	1,032	1,014	1,014	1,014	1,014	844
Enrollment	711	696	714	691	692	687	714	714	682	699
WILDWOOD-2002										
Square Feet	125,100	125,100	125,100	125,100	125,100	125,100	125,100	125,100	125,100	125,100
Capacity	1,063	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	900
Enrollment	754	762	755	764	772	786	785	752	769	755

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHOOL BUILDING INFORMATION (CONCLUDED)
LAST TEN FISCAL YEARS**

Location	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
High School										
EUREKA-1970										
Square Feet	329,511	329,511	328,063	317,206	315,030	281,730	281,730	281,730	247,000	247,000
Capacity	2,125	2,053	2,053	1,942	1,942	1,656	1,655	1,569	1,569	1,566
Enrollment	1,906	1,996	1,956	1,918	1,882	1,756	1,771	1,649	1,567	1,487
LAFAYETTE-1992										
Square Feet	347,467	347,467	347,467	347,467	339,425	309,725	309,725	309,475	296,900	296,900
Capacity	2,316	2,352	2,352	2,013	2,352	2,158	2,158	2,158	2,158	2,133
Enrollment	1,949	1,992	2,018	2,065	2,065	2,011	2,063	2,005	2,052	2,009
MARQUETTE-1995										
Square Feet	330,805	330,805	314,968	309,988	304,060	293,440	293,440	293,440	283,500	283,500
Capacity	2,444	2,385	2,385	2,296	2,296	2,101	2,101	1,971	1,971	1,980
Enrollment	2,235	2,209	2,168	2,215	2,274	2,225	2,179	2,037	2,057	2,023
ROCKWOOD SUMMIT-1994										
Square Feet	305,006	305,006	305,006	303,221	289,026	262,080	262,080	259,200	259,200	259,200
Capacity	1,679	1,694	1,694	1,694	1,694	1,519	1,519	1,519	1,519	1,519
Enrollment	1,306	1,278	1,294	1,301	1,375	1,351	1,390	1,350	1,293	1,296
Other Structures										
ANNEX-1934										
Square Feet	84,200	84,200	85,640	85,640	85,640	85,640	85,640	84,200	84,200	84,200
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
VANDOVER-1943										
Square Feet	20,800	20,800	20,800	20,800	20,800	20,800	20,800	20,800	20,800	20,800
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WAREHOUSE-1980										
Square Feet	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ADMINISTRATION-1973										
Square Feet	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BUS GARAGE-1972										
Square Feet	7,300	7,300	10,180	10,180	10,180	10,180	10,180	7,300	7,300	7,300
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CCL/SULLIVAN-1975										
Square Feet	45,200	45,200	46,640	46,640	45,200	45,200	45,200	45,200	45,200	45,200
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EARLY CHILDHOOD CENTER-2004										
Square Feet	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Sources: November 2013 Enrollment Projections Report, Facilities Department

Note: Square footage as of Fall 2013 and includes trailers

ROCKWOOD R-VI SCHOOL DISTRICT

**TOTAL ENROLLMENT
LAST TEN FISCAL YEARS**

Grade	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
K	1,168	1,241	1,275	1,410	1,363	1,342	1,426	1,382	1,438	1,381
1	1,344	1,384	1,483	1,486	1,462	1,486	1,468	1,587	1,475	1,518
2	1,404	1,540	1,551	1,557	1,551	1,478	1,637	1,556	1,550	1,538
3	1,563	1,557	1,545	1,621	1,534	1,671	1,612	1,606	1,591	1,571
4	1,588	1,580	1,678	1,638	1,724	1,652	1,675	1,636	1,584	1,651
5	1,612	1,719	1,650	1,785	1,669	1,696	1,699	1,621	1,681	1,678
SSD	102	102	113	123	147	143	129	152	154	156
Subtotal K-5	8,781	9,123	9,295	9,620	9,450	9,468	9,646	9,540	9,473	9,493
6	1,738	1,638	1,775	1,730	1,734	1,745	1,690	1,765	1,691	1,757
7	1,652	1,794	1,738	1,781	1,742	1,701	1,811	1,686	1,784	1,757
8	1,805	1,754	1,788	1,775	1,733	1,801	1,709	1,782	1,784	1,698
SSD	126	132	125	83	80	101	88	102	78	115
Subtotal 6-8	5,321	5,318	5,426	5,369	5,289	5,348	5,298	5,335	5,337	5,327
9	1,899	1,939	1,904	1,932	2,004	1,879	1,889	1,926	1,813	1,831
10	1,815	1,817	1,836	1,884	1,801	1,860	1,903	1,788	1,818	1,817
11	1,785	1,810	1,835	1,754	1,788	1,832	1,671	1,717	1,702	1,693
12	1,749	1,775	1,723	1,734	1,779	1,623	1,695	1,610	1,636	1,474
SSD	148	134	138	143	143	149	165	182	153	163
Subtotal 9-12	7,396	7,475	7,436	7,447	7,515	7,343	7,324	7,223	7,122	6,978
Grand Total	21,498	21,916	22,157	22,436	22,254	22,159	22,268	22,098	21,932	21,798

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State Compliance Section

**Independent Accountants' Report on Management's Assertions
About Compliance with Specified Requirements of
Missouri State Laws and Regulations**

Board of Education
Rockwood R-VI School District

Report on Compliance with State Requirements

We have examined management's assertions that the Rockwood R-VI School District complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of average daily attendance and average daily transportation of pupils, and other statutory requirements as list in the Schedule of Selected Statistics for the year ended June 30, 2014.

Management's Responsibility

Management is responsible for the District's compliance with the aforementioned requirements.

Accountants' Responsibility

Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination. Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the District's compliance with specified requirements.

Opinion on Compliance with State Requirements

In our opinion, management's assertions that the Rockwood R-VI School District complied with the aforementioned requirements for the year ended June 30, 2014 are fairly stated, in all material respects.

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

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
December 10, 2014

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

1. Calendar

The number and actual calendar hours and days classes were in session and pupils were under the direction of the teachers during this school year were as follows:

	Grades 1 - 5				
	Days	Hours		Days	Hours
Ballwin	172	1,084.12	Kindergarten A.M.	172	520.62
Bowles	171	1,077.62	Kindergarten P.M.	172	517.20
Chesterfield	172	1,084.12	Kindergarten Full Day	172	1,084.12
Ellisville	172	1,084.12	Grades 6 - 8	172	1,076.07
Ridge Meadows	172	1,084.12	Grades 9 - 12	172	1,047.43
Eureka	172	1,084.12			
Green Pines	172	1,084.12			
Geggie	172	1,084.12			
Kellison	172	1,084.12			
Pond	172	1,084.12			
Stanton	172	1,084.12			
Westridge	172	1,084.12			
Babler	172	1,084.12			
Kehrs Mill	172	1,084.12			
Uthoff	172	1,084.12			
Woerther	172	1,084.12			
Wild Horse	172	1,084.12			
Blevins	172	1,084.12			
Fairway	172	1,084.12			

ROCKWOOD R-VI SCHOOL DISTRICT

SCHEDULE OF SELECTED STATISTICS - UNAUDITED FOR THE YEAR ENDED JUNE 30, 2014

2. Average Daily Attendance (ADA)

Regular term

	Full-Time & Part-Time	Deseg In	Total
Kindergarten - A.M.	406.11	16.15	422.26
Kindergarten - P.M.	128.68	6.72	135.40
Kindergarten - Full Day	11.27	0.92	12.19
Grades 1 - 5	6,815.23	529.03	7,344.26
Grades 6 - 8	4,685.70	413.40	5,099.10
Grades 9 - 12	6,325.43	500.15	6,825.58
Subtotal regular term	18,372.42	1,466.37	19,838.79
Summer school	62.75	30.03	92.78
Total average daily attendance	<u>18,435.17</u>	<u>1,496.40</u>	<u>19,931.57</u>

3. September Membership

	Full-Time & Part-Time	Deseg In	Total
September membership FTE count	<u>19,787.37</u>	<u>1,608.67</u>	<u>21,396.04</u>

4. Free and Reduced Priced Lunch FTE Count

	Full-Time & Part-Time	Deseg In	Total
Free	1,292.39	1,304.25	2,596.64
Reduced	421.92	108.29	530.21
Total	<u>1,714.31</u>	<u>1,412.54</u>	<u>3,126.85</u>

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

5. Finance

- | | | |
|----|--|------------------|
| A. | As required by Section 162.401, RSMo, a bond was purchased for the schools' treasurer in the total amount of: | <u>\$ 50,000</u> |
| B. | The District's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo. | <u>True</u> |
| C. | The District maintained a separate bank account for the Debt Service Fund in accordance with Section 165.011, RSMo. | <u>True</u> |
| D. | Salaries reported for educators in the October Core Data cycle are supported by payroll/contract records. | <u>True</u> |
| E. | 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 date for the projects to be undertaken. | <u>N/A</u> |
| F. | The district 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. | <u>True</u> |
| G. | 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. | <u>True</u> |
| H. | The amount spent for approved professional development committee plan activities was: | <u>\$226,173</u> |

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

Findings #: N/A

Management Letter Comment #: N/A

ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

6. Transportation

- A. The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid. True
- B. The District's school transportation ridership records are so maintained as to accurately disclose in all material respects the average number of regular riders transported. True
- C. 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 | <u>10,407</u> |
| ▪ Ineligible ADT | <u>2,234</u> |
- D. The District's transportation odometer mileage records are so maintained as to accurately disclose in all material respects the eligible and ineligible mileage for the year. True
- E. Actual odometer records show the total district-operated and contracted mileage for the year was: 1,757,946
- 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 | <u>1,555,216</u> |
| ▪ Ineligible Miles (Non-Route/Disapproved) | <u>202,730</u> |
- F. Number of days the district operated the school transportation system during the regular school year: 172
- G. All above "False" answers must be supported by a finding or management letter comment.
- Finding #: N/A
- Management Letter Comment #: N/A

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Federal Compliance Section

**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
Rockwood R-VI School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Rockwood R-VI School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Rockwood R-VI School District's basic financial statements, and have issued our report thereon dated December 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rockwood R-VI School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rockwood R-VI School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Rockwood R-VI School 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rockwood R-VI School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kaibler, Eck & Brueckel LLP

St. Louis, Missouri
December 10, 2014

**Independent Auditors' Report on Compliance For Each Major Program
and on Internal Control Over Compliance Required by OMB Circular A-133**

Board of Education
Rockwood R-VI School District

Report on Compliance for Each Major Federal Program

We have audited Rockwood R-VI School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Rockwood R-VI School District's major federal programs for the year ended June 30, 2014. Rockwood 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Rockwood R-VI School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Rockwood R-VI School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Rockwood R-VI School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Rockwood 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, 2014.

Report on Internal Control Over Compliance

Management of Rockwood R-VI School District, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Rockwood R-VI School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Rockwood R-VI School District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kulter, Eck & Braeckel LLP

St. Louis, Missouri
December 10, 2014

ROCKWOOD R-VI SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor\Pass-through Grantor\Program Title	Federal CFDA Number	Pass- Through Identification Number	Expenditures
U.S. Department of Education			
Passed-through Missouri Department of Elementary and Secondary Education:			
Special Education Grants to States	84.027	096-091	\$ 12,605
Career and Technical Education - Basic Grants to States	84.048	096-091	138,559
Adult Education and Literacy - Basic Grants to States	84.002	096-091	428,904
Early Childhood Special Education	84.027	096-091	685,287
Title I - Grants to Local Educational Agencies	84.010	096-091	1,112,807
Title II - Improving Teacher Quality State Grants	84.367	096-091	406,315
Title III, English Language Acquisition Grants	84.365	096-091	<u>83,394</u>
Total U.S. Department of Education			2,867,871
U.S. Department of Health and Human Services			
Passed-through Missouri Department of Social Services			
Drug-Free Communities Support Program Grants	93.276	096-091	147,635
U.S. Department of Air Force			
Passed-through Missouri Department of Elementary and Secondary Education:			
Buffer Zone Protection Program	97.078	096-091	122,615
U.S. Department of Agriculture			
Passed-through Missouri Department of Elementary and Secondary Education:			
School Breakfast Program	10.553	096-091	1,631,968
National School Lunch Program	10.555	096-091	
Cash assistance			339,468
Non-cash assistance (food distribution)			<u>439,550</u>
Total National School Lunch Program			<u>779,018</u>
Total U.S. Department of Agriculture			<u>2,410,986</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 5,549,107</u>

The accompanying notes are an integral part of this schedule.

ROCKWOOD R-VI SCHOOL DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Rockwood R-VI School District under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rockwood R-VI School District prepares its Schedule of Expenditures of Federal Awards on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liabilities are incurred.

NOTE 3 – CLUSTERS

Clusters of programs are groupings and closely related programs that share common compliance requirements. Total expenditures by cluster are:

Child Nutrition Cluster	10.553, 10.555	\$ 2,410,986
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ROCKWOOD R-VI SCHOOL DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of report issued on financial statements: Unmodified opinion

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiency identified that are not considered to be material weaknesses? No

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness identified? No

Significant deficiency identified that are not considered to be material weaknesses? No

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

Any audit findings disclosed that are required to be reported under section .510(a) of OMB Circular A-133? No

The programs tested as a major program are as follows:

<u>CFDA Number(s)</u>	<u>Name of Program or Cluster</u>
84.002	Adult Education and Literacy - Basic Grants to States
84.027	Early Childhood Special Education
84.367	Title II - Improving Teacher Quality State Grants

The dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as a low-risk auditee? Yes

ROCKWOOD R-VI SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

SECTION II – FINANCIAL STATEMENT FINDINGS

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

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs related to Federal Awards.

SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings and questioned costs related to Federal Awards.