

# Rockwood R-VI School District



## 2015 Comprehensive Annual Financial Report

For fiscal year ended June 30, 2015



ST. LOUIS COUNTY, MISSOURI  
[WWW.RSDMO.ORG](http://WWW.RSDMO.ORG)





**ROCKWOOD R-VI SCHOOL DISTRICT**  
Saint Louis County, Missouri

**Comprehensive Annual Financial Report  
For the year ended June 30, 2015**

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

<http://www.rsdkmo.org>

# ROCKWOOD R-VI SCHOOL DISTRICT

## TABLE OF CONTENTS

	Page
<b>I. INTRODUCTORY SECTION – UNAUDITED</b>	
Transmittal Letter	i - ix
Board of Education	x - xi
Superintendent’s Cabinet	xii
Organizational Chart	xiii - xxi
District Locations	xxii
ASBO Certificate of Excellence in Financial Reporting	xxiii
GFOA Certificate of Achievement for Excellence in Financial Reporting	xxiv
<b>II. FINANCIAL SECTION</b>	
Independent Auditors' Report	1 - 3
Management’s Discussion and Analysis – Unaudited	4 - 15
Basic Financial Statements:	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position	16
Statement of Activities	17
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures And Changes in Fund Balances of Governmental Funds With the Statement of Activities	21
Statement of Net Position – Proprietary Fund	22
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	23
Statement of Cash Flows – Proprietary Fund	24

# ROCKWOOD R-VI SCHOOL DISTRICT

## TABLE OF CONTENTS (CONTINUED)

	Page
<b>II. FINANCIAL SECTION (concluded)</b>	
<i>Notes to the Basic Financial Statements</i>	25 - 62
<i>Required Supplementary Information – Unaudited</i>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	63
Teachers Fund	64
Notes to Required Supplementary Information	65
Schedule of Other Postemployment Benefit Obligation	66
Proportionate Share of the Net Pension Liability	67
<i>Supplementary Information</i>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Debt Service Fund	68
Capital Projects Fund	69
<b>III. STATISTICAL SECTION – UNAUDITED</b>	
Summary of Statistical Information	70
Net Position by Component	71
Expenses, Program Revenues and Net Expense	72
General Revenues and Total Change in Net Position	73
Fund Balances – Governmental Funds	74
Governmental Funds Revenues	75
Governmental Funds Expenditures and Debt Service Ratio	76
Other Financing Sources and Net Change in Fund Balances Governmental Funds	77



## ROCKWOOD R-VI SCHOOL DISTRICT

### TABLE OF CONTENTS (CONTINUED)

	Page
<b>III. STATISTICAL SECTION – UNAUDITED (concluded)</b>	
Assessed Value and Actual Value of Taxable Property	78
Direct and Overlapping Property Taxes	79
Principal Property Taxpayers	80
Assessed Value and Estimated Actual Value of Taxable Property	81
Property Tax Levies and Collections – St. Louis County	82
Outstanding Debt by Type	83
Direct and Overlapping Governmental Debt	84
Legal Debt Margin Information	85
Pledged-Revenue Coverage	86
Demographic and Economic Statistics – St. Louis County Only	87
Principal Employers	88
Employee Counts	89
Operating Statistics	90
Teacher Base Salaries	91
School Building Information	92 – 94
Total Enrollment	95
<b>IV. STATE COMPLIANCE SECTION</b>	
Independent Accountants’ Report on Management’s Assertions About Compliance with Specified Requirements of Missouri State Laws And Regulations	96 - 97
Schedule of Selected Statistics – Unaudited	98 – 101
Schedule of State Finding	102

# ROCKWOOD R-VI SCHOOL DISTRICT

## TABLE OF CONTENTS (CONCLUDED)

	Page
<b>V. FEDERAL COMPLIANCE SECTION</b>	
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	103 - 104
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	105 - 107
Schedule of Expenditures of Federal Awards	108
Notes to the Schedule of Expenditures of Federal Awards	109
Schedule of Findings and Questioned Costs	110 - 111
Schedule of Prior Year Findings and Questioned Costs	112

**Comprehensive  
Annual  
Financial  
Report**

---

**2015**

**Introductory Section**



*Growing Together,  
Learning for Life*

## **Administrative Center**

111 East North Street  
Eureka, MO 63025-1229

(636) 733-2058

(636) 938-2265 Fax

[steinbrueggedaniel@rsdmo.org](mailto:steinbrueggedaniel@rsdmo.org)

**Dan Steinbruegge, CPA**

Director of Finance

December 11, 2015

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, 2015, 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 based on September official enrollment.

	Resident	VICC	Total
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	1,789	22,160
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	20,111	1,765	21,876
2013-14	19,894	1,604	21,498
2014-15	19,756	1,556	21,312

As noted by the chart, the District has experienced slight annual enrollment reductions over the last five years. The District is projecting total enrollment for 2015-16 to be 21,202 students, a decrease of 110 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 23.7, outperforming the state average of 21.8 and the national average of 21.0.
- 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 72.9 percent of all students scored proficient or higher in Communication Arts and 73.7 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.
- Six 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 2015.
- 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 110 seventh-grade student's as state and national finalists in 2015.
- Two Rockwood students were among more than 100 students nationwide to receive the College Board State AP Scholar Award – the only chosen from Missouri.
- Rockwood's graduation rate remains well above the State average. For the 2013-14 school year Rockwood students graduated at a 96% rate compared to the State average of 87% for the same period.

Rockwood provides information for interested parties, including the current state required "Report Card", on the District website at [www.rsdm.org](http://www.rsdm.org).

Rockwood has been one of Missouri's and St. Louis County's largest school districts. There were 21,312 students enrolled including our Special School District students. 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 \$260,000 for teacher assistance and \$7,500 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 90.1% (2014-2015). 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 12,800 resident students are transported on a daily basis.

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 2015, this K-12 program represents 1,524 of 21,163 students or about 7.2% 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.

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 2015-16 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

It is important to note that over the last two fiscal years, selected maintenance project were completed using District operating balances in excess of the Board's 22% target. Additionally, some projects have been completed with alternative funding sources, such as grants, donations and Community Education department. The 2014-15 capital review was submitted to Cabinet and an update was provided to the Board on November 13, 2014. With projected fund operating balances expected to be at 22% at June 30, 2015, the Board was made aware that funding for cycle maintenance costs and special projects was not available in the near future from operating funding sources. At the December 18, 2014 Board meeting, the Board was provided with the following options for consideration of funding Capital Projects:

- Option A – Do nothing and perform emergency fixes
- Option B – Establish a dedicated building fund tax rate
- Option C – Issue bonds
- Option D – Lease/purchase

A recommendation was made to the Board that included a combination of Option B and C and allows a transition to a dedicated tax rate in the building fund over the next 9 years. The District estimates that a \$0.54 cent tax rate will adequately fund annual cycle maintenance costs and based on the current debt repayment schedule the debt service levy can be lowered by that amount after 9 years (2024-25 fiscal year). The dedicated levy to fund cycle maintenance projects is important as the District would not need to borrow funds for capital projects and it would allow the District to schedule projects for a 5-10 year period. This approach also allows the District to pay for projects using the designated levy and eliminates the interest that is inherent in bond financing of projects. During the transition period, bonds will need to be issued to cover the most critical cycle maintenance items and special projects. The Board approved a motion to place Proposition 4 on the ballot for April 7, 2015 with support to the following four priority areas:

1. Technology update throughout all schools and renovate high school science labs to support STEM
2. Add measures to strengthen safety and security for our students and staff
3. Perform annual preventative maintenance throughout all schools
4. Install synthetic fields and replace tracks at high schools

On April 7, 2015, the Community overwhelmingly passed Proposition 4, a \$68.95 million bond issue, with a 73.93% pass rate. Bonds from the sale of this approval will occur over a 4 year period with the first authorization of \$35 million being approved by the Board in May.

Official enrollment was taken the last week of September 2014. Enrollment projections were developed for subsequent years. In October 2014, school and department levels began working on their 2015-16 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. In December 2014 the Superintendents Cabinet presented a preliminary 2015-16 budget target that included a balanced budget. The budget target included the following assumptions 2015-16 as compared to 2014-15:

- Local assessed valuation estimated to increase 3.5%
- County, State and Federal revenues remaining constant
- Continue to increase staff compensation to the mid-point of the St. Louis County districts
- Curriculum adoptions to ensure books and materials are in the classrooms when school begins

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. The 2015-16 school year was a reassessment year in Missouri and we experienced a 4.3% increase in the assessed valuation of approximately \$3.4 billion.

The District enjoys a bond rating among the highest in the nation - AAA. This was reaffirmed during a rating call with Standard & Poors' during the 2014-15 school year.

### **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 2018-19 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 2015, the Rockwood Custodial Education Association agreement was renewed for an additional three years to cover the school years 2015-2016, 2016-2017 and 2017-2018. Also in April 2015, the Rockwood Association of Nurses agreement was renewed for an additional two years to cover the school years 2015-2016 and 2016-17. In June 2015, the Board of Education approved a current agreement with the Rockwood Association of Social Workers for the 2015-16 and 2016-17 school years.

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 22.6% of operating fund balance as of June 30, 2015.

### **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, 2014. This was the tenth 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 - 2014. The District will also submit this 2015 financial report for that coveted award. The District also participates in ASBO International's Meritorious Budget Award (MBA) Program. For the past fifteen 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, 2015.

Rockwood School District is an award winning district with exemplary students, staff and resources. 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

2015-2016



**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.



**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.



**Jaime Bayes, Director**, was sworn into the Rockwood Board of Education in 2015. She holds a bachelor and master's degree in Education from Saint Louis University. Her family has lived in Rockwood for the past seven years and her two school-age children attend Rockwood Schools. She and her husband, Matt, also have a young child at home. During her time in Rockwood she has been active as PTO Co-President, VP of Caring Schools Community, Co-Vice President of President's Forum, Girls on the Run coach, and has served on many other committees and forums in her children's schools as well as the district.



**Rob Castle, Director**, was sworn into the Rockwood Board of Education in April 2015. 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.



**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.



**Herman Kriegshauser, Director**, was elected to the Rockwood Board of Education in April 2015. He has a bachelors degree from the University of Notre Dame in Accounting. He also served as a 1st Lieutenant in the United States Air Forces as Auditor General. He has served on the Rockwood Budget, Finance and Bond Committees since 2007. Herman has also held positions in the community: Executive Vice-President, Kriegshauser Mortuaries, Central Bank of Clayton, Board Past Member, Incarnate Word Hospital, Board Past President, Better Business Bureau, Greater St. Louis, Board Past Treasurer, The Salvation Army Midland Division, Board Life Member, Mid-States High School Hockey Association, Past Board President and Chesterfield Kiwanis Club, Member.



**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.

## **2015/16 ORGANIZATION**

### **Board of Education**

Mr. Matt Doell	President
Ms. Lorelee Mondl	Vice President
Mr. Rob Castle	Director
Mr. Herman Kriegshauser	Director
Dr. Keith Kinder	Director
Ms. Dominique' A. Paul	Director
Ms. Jaime Bayes	Director

### **Superintendent**

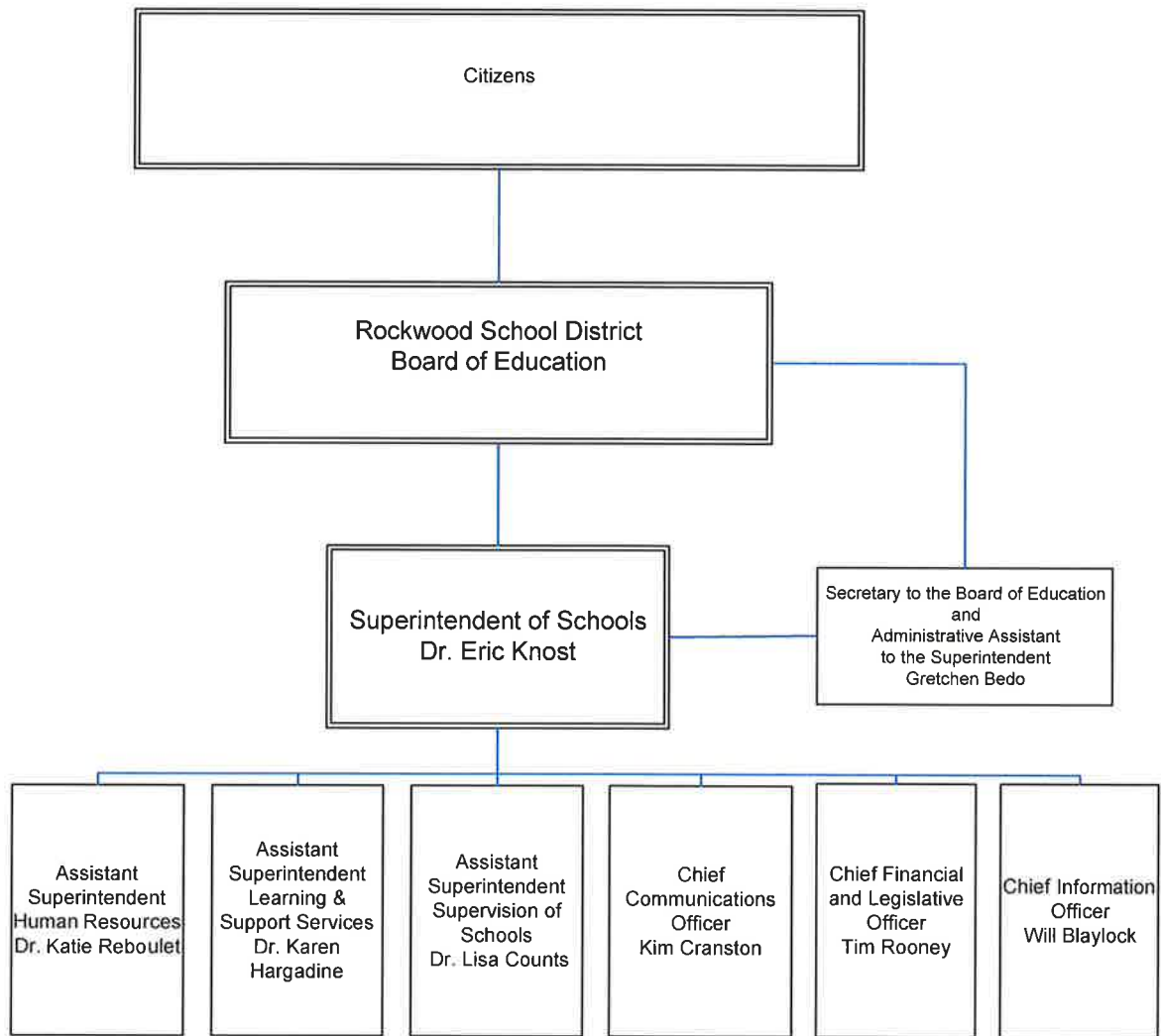
Dr. Eric Knost	Superintendent of Schools
----------------	---------------------------

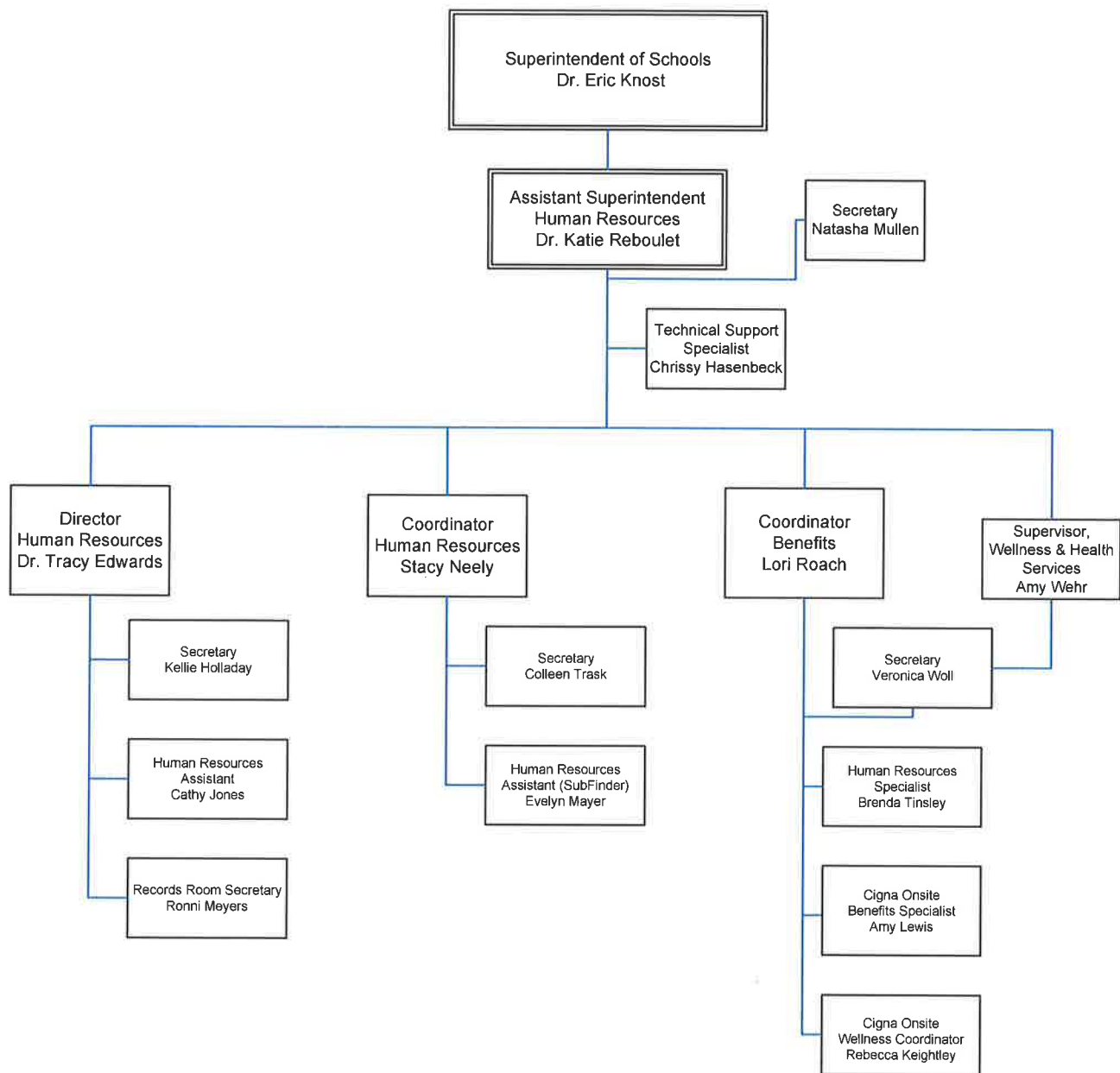
### **Superintendent's Cabinet**

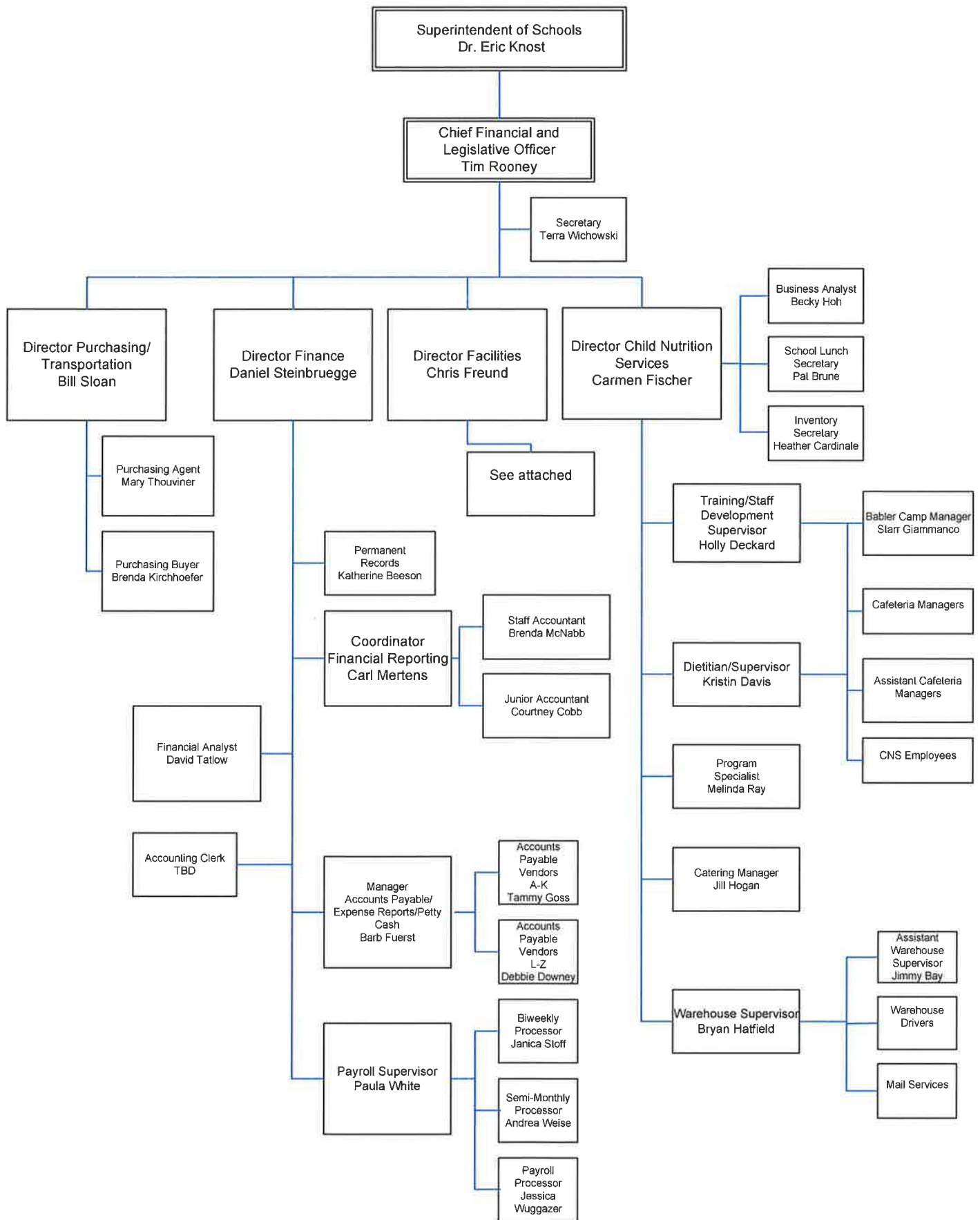
Mr. Will Blaylock	Chief Information Officer
Ms. Kim Cranston	Chief Communications Officer
Dr. Karen Hargadine	Asst. Superintendent Learning and Support Services
Dr. Katherine Reboulet	Asst. Superintendent Human Resources
Dr. Lisa Counts	Asst. Superintendent Supervision of Schools
Mr. Tim Rooney	Chief Financial and Legislative Officer

### **Directors**

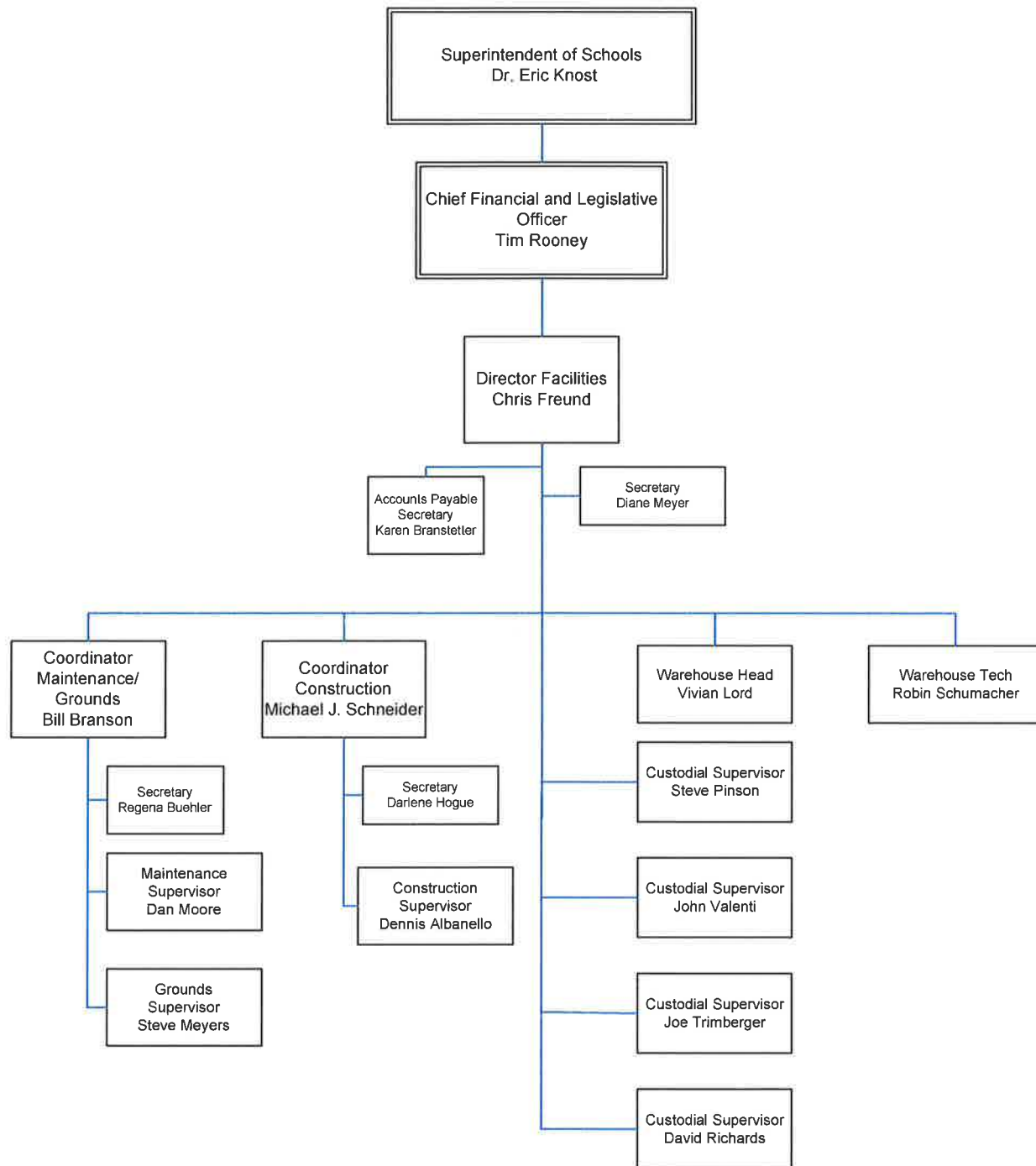
Dr. Jane Brown	Executive Director Early Childhood
Dr. David Cobb	Executive Director Elementary Education
Dr. Terry Harris	Executive Director Student Services
Ms. Suzanne Dotta	Director Professional Learning
Ms. Carmen Fischer	Director Child Nutrition Services
Mr. Chris Freund	Director Facilities Services
Dr. Tracy Edwards	Director Human Resources
Mr. Glenn Hancock	Director Research, Evaluation & Assessment
Dr. Joan Oakley	Director K-12 Gifted & Talented
Mr. Michael Seppi	Director Community Education
Mr. Bill Sloan	Director Purchasing and Transportation
Mr. Dan Steinbruegge	Director Finance
Ms. Shelley Willott	Director Curriculum

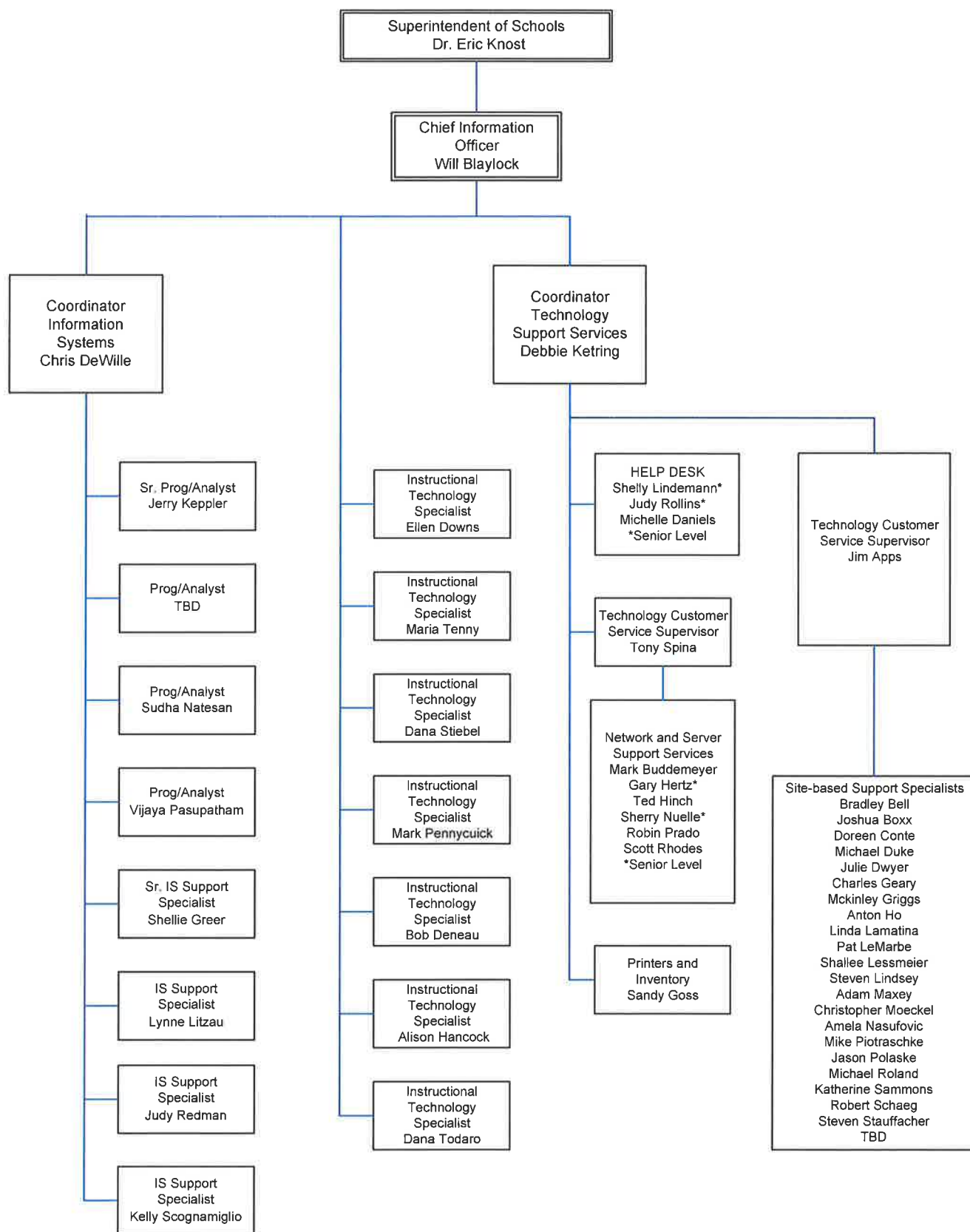








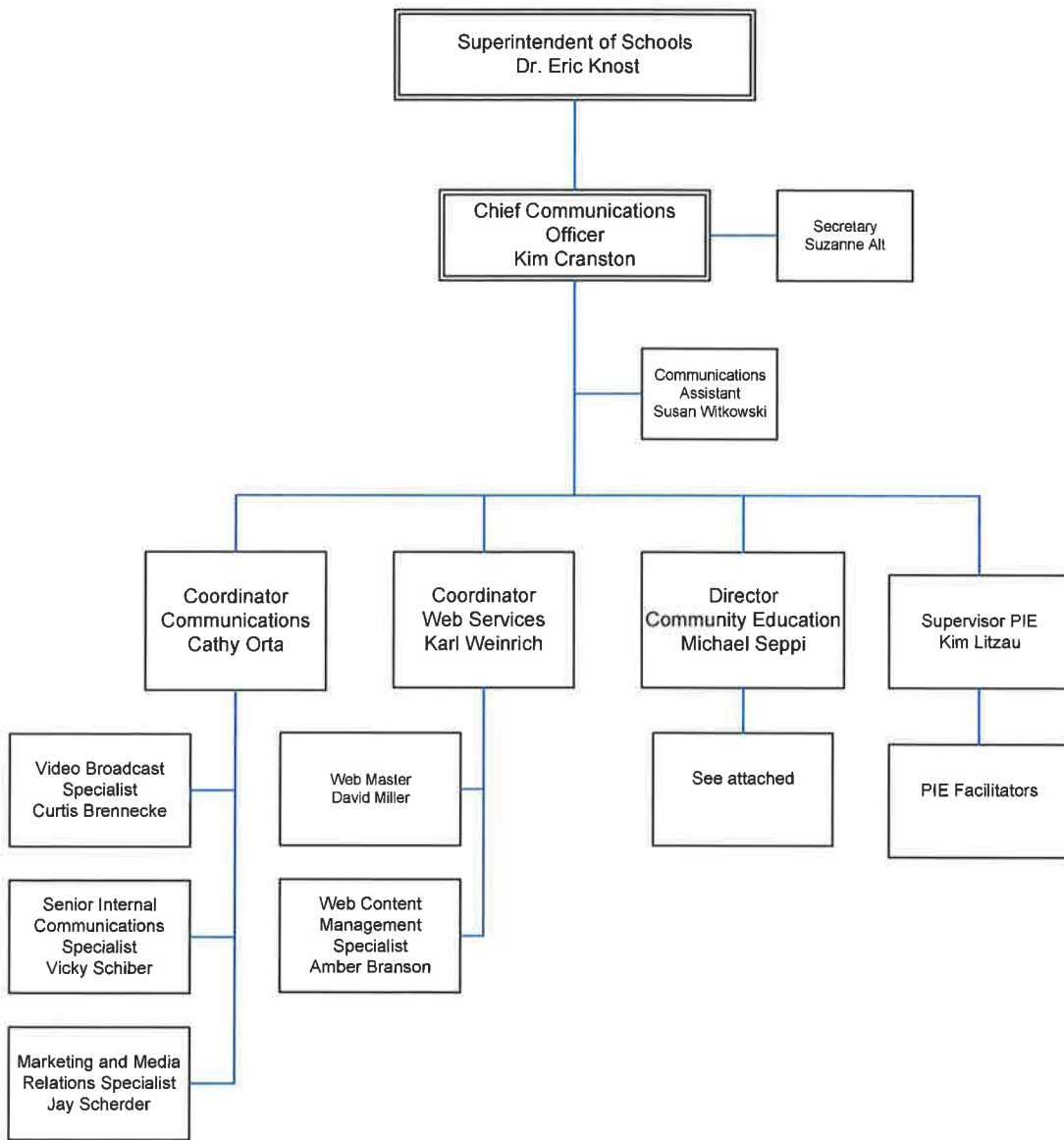


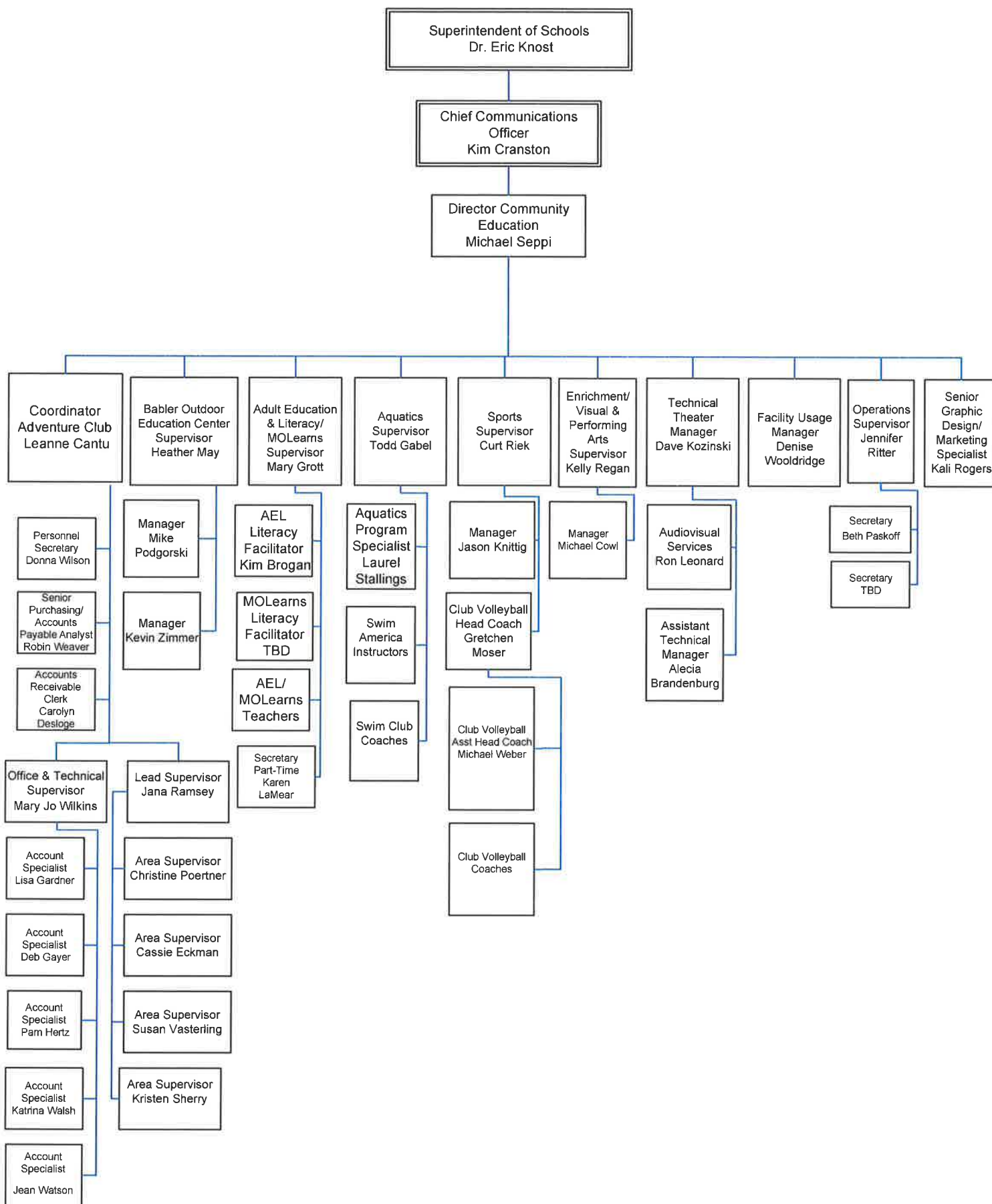


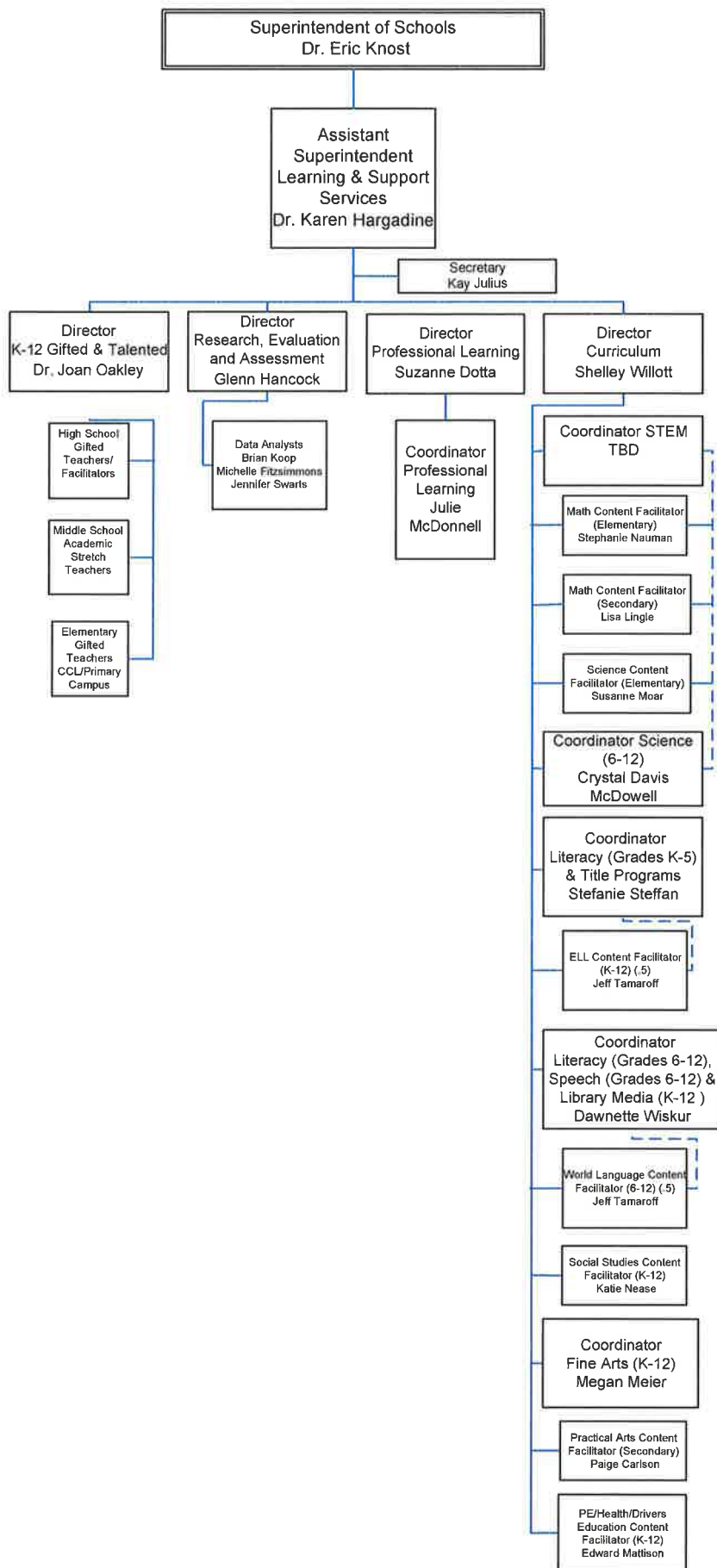
### Information Systems

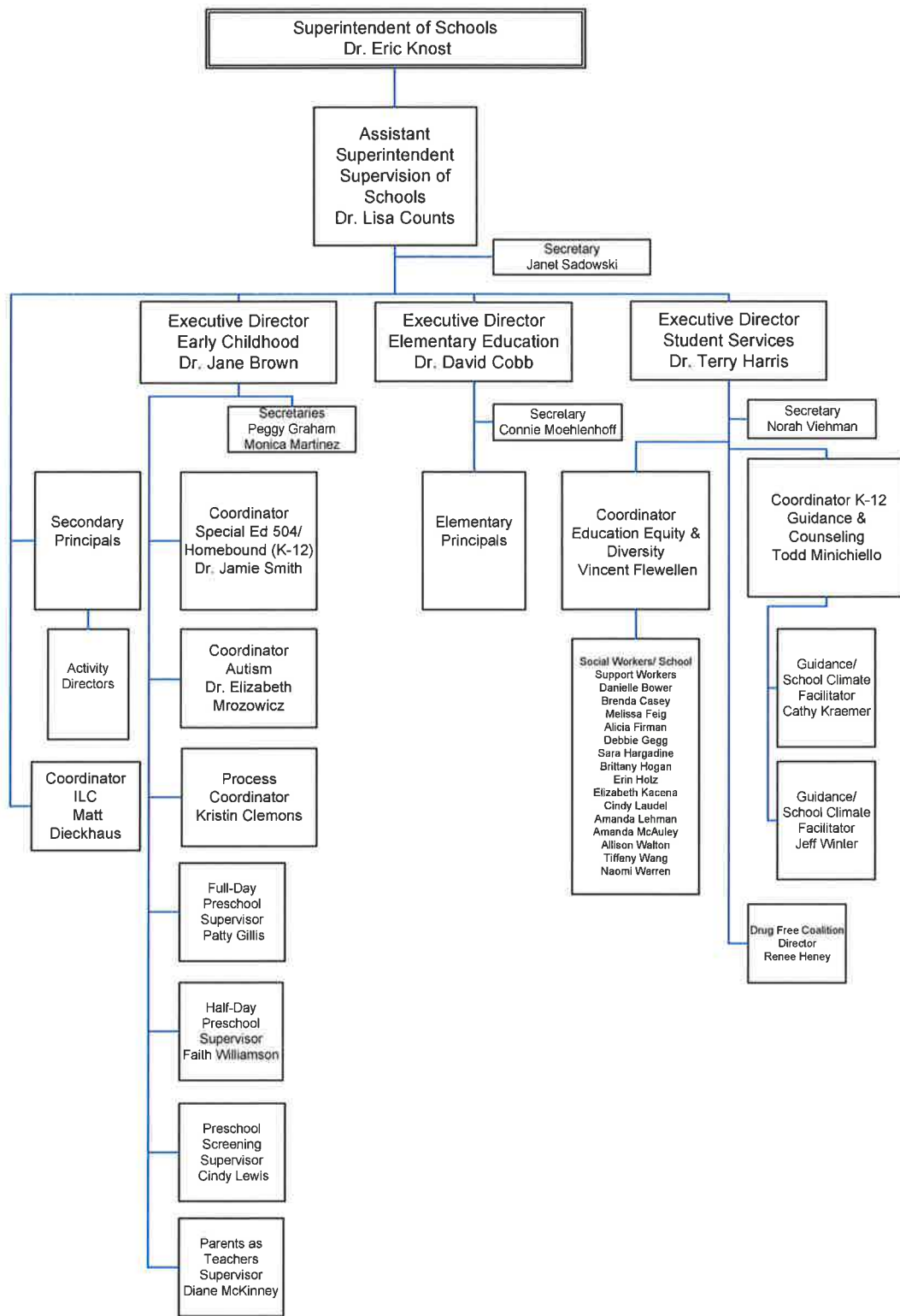
### Instructional Technology

### Technical Support









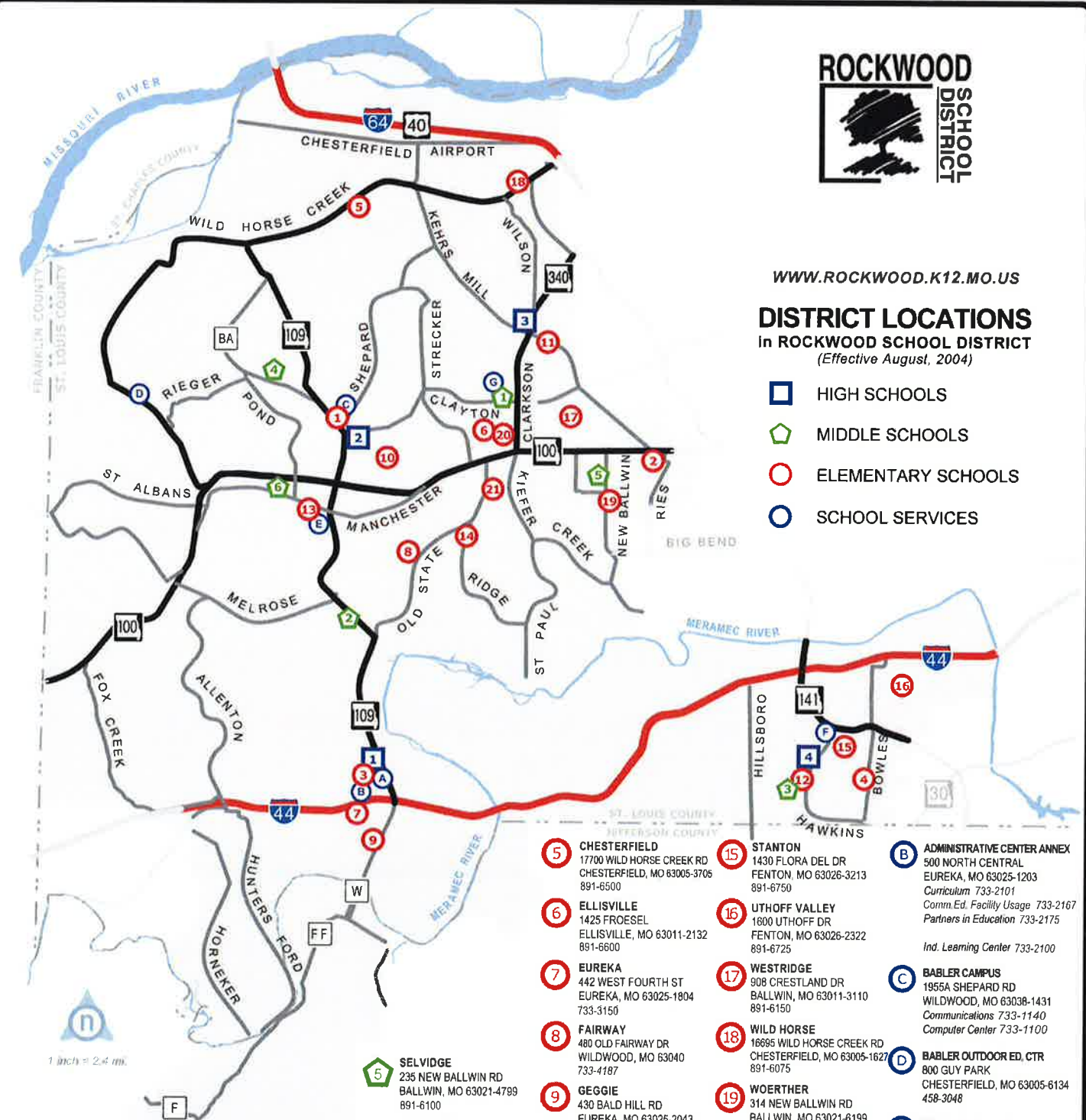


WWW.ROCKWOOD.K12.MO.US

## 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  
GLENCOE, 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** CHESTERFIELD  
17700 WILD HORSE CREEK RD  
CHESTERFIELD, MO 63005-3706  
891-6500
- 6** ELLISVILLE  
1425 FROESSEL  
ELLISVILLE, MO 63011-2132  
891-6600
- 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

- 15** STANTON  
1430 FLORA DEL DR  
FENTON, MO 63026-3213  
891-6750
- 16** UTHOFF VALLEY  
1600 UTHOFF DR  
FENTON, MO 63026-2322  
891-6725
- 17** WESTRIDGE  
908 CRESTLAND DR  
BALLWIN, MO 63011-3110  
891-6150
- 18** WILD HORSE  
16695 WILD HORSE CREEK RD  
CHESTERFIELD, MO 63005-1627  
891-6075
- 19** WOERTHER  
314 NEW BALLWIN RD  
BALLWIN, MO 63021-6199  
891-6175
- 20** CENTER FOR CREATIVE LEARNING (gr 1-2)  
1401 FROESSEL  
ELLISVILLE, MO 63011-2131  
891-6525
- 21** CENTER FOR CREATIVE LEARNING (K, gr 3-5)  
265 OLD STATE RD  
ELLISVILLE, MO 63021-5912  
891-6550

- 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

### SCHOOL SERVICES

- A** ADMINISTRATIVE CENTER  
111 EAST NORTH STREET  
EUREKA, MO 63025-1229  
733-2000  
Community Education 733-2017
- 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  
is presented to*

**Rockwood R-VI School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read "M. Pepera", written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO  
President

A handwritten signature in black ink, appearing to read "John D. Musso", written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Rockwood R-VI School District  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

A handwritten signature in black ink, reading "Jeffrey R. Enen". The signature is written in a cursive, flowing style.

Executive Director/CEO

**C**omprehensive  
**A**nnual  
**F**inancial  
**R**eport  

---

**2015**

**F**inancial **S**ection

# Independent Auditors' Report



CPAs and  
Management Consultants

One South Memorial Drive, Ste. 900  
St. Louis, MO 63102-2439  
ph. 314.231.6232  
fax 314.880.9307

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

## 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, 2015, 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's 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 from 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 auditor's 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 also 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 aggregate remaining fund information of Rockwood R-VI School District, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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 2015, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, as amended by GASB 71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. 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 15, the budgetary comparison information on pages 63 and 64, the Schedule of Other Postemployment Benefit Obligation on page 66, and the proportionate share of the net pension liability on page 67 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 xxiv, budgetary comparison information on pages 68 and 69, the statistical information on pages 70 through 95 and the schedule of selected statistics on pages 98 through 101 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 108 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2015, on our consideration of Rockwood R-VI School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Rockwood R-VI School District's internal control over financial reporting and compliance.

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
December 11, 2015

MD & A



Growing Together,  
Learning for Life

**Administrative Center**

111 East North Street  
Eureka, MO 63025-1229

(636) 733-2058

(636) 938-2265 Fax

steinbrueggedaniel@rsdmo.org

**Dan Steinbruegge, CPA**

Director of Finance

**ROCKWOOD SCHOOL DISTRICT  
St. Louis County, Missouri  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
THE YEAR ENDED JUNE 30, 2015  
(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, 2015. 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 FY15 are as follows:

- At the government-wide level, the total net position was \$149.1 million compared to a restated net position of \$131.5 million at the end of FY14 for an increase of \$17.6 million. As described in footnote XII, the District changed its method of accounting to adopt Government Accounting Standards Board Statement (GASB) No. 68, *Accounting for Financial Reporting for Pensions – An Amendment of GASB No. 27*, as amended by GASB 71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date – An amendment of GASB No. 68*. This resulted in a restatement to the net position for the proportionate share of the District's net pension liability at June 30, 2014.

Of the total net position, \$232.8 million is the District's net investment in capital assets. At June 30, 2015, \$45.0 million of net position is restricted by Missouri Statute for: debt service (\$17.7 million), certified employees compensation and benefits (\$22.6 million), and capital projects (\$4.7 million). Net position restricted for debt service increased \$1.0 million and net position restricted for certificated employees compensation and benefits increased \$1.8 million. The increases in these restricted net position classifications are related to the respective tax levy allocating local revenue to help support future expenses, which are expected to increase in the next fiscal year. Net position restricted for capital projects decreased \$7.5 million as the District funded certain non-recurring capital projects that were approved in the prior fiscal year. The District does reflect an unrestricted net position of (\$128.7) million as a result of the GASB No. 68 and No. 71 adoption.



**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

Total assets and deferred outflows increased \$25.3 and total liabilities and deferred inflows increased \$7.7 million from fiscal year 2014. The major changes in total assets and deferred outflows and total liabilities and deferred inflows were due to the following:

- Cash increased \$24.8 million which is a result of the District issuing \$35 million in general obligation bonds in May 2015. Of the bond monies received approximately \$4 million was spent as of June 30, 2015. The District also funded approximately \$7.5 million in non-recurring projects from the general operating accounts.
- Capital assets decreased \$4.5 million as the District spent \$6.6 million in construction in progress, building improvements and machinery and equipment. This is offset by \$11.1 million in depreciation on previously acquired District capital assets.
- Deferred outflows of resources related to pensions increased \$5.5 million. These changes are referenced in footnote VI.
- Current liabilities decreased \$3.5 million as a result of a \$4.7 million decrease in accounts payable, \$0.6 million increase in our self-funded insurance plan as well as \$0.4 million increase in principal and interest payments due in fiscal year 2016 over those paid in fiscal year 2015.
- The net OPEB obligation liability increased \$2 million according to the District's OPEB actuarial study.
- Net increase in bonds payable and related accrued interest was \$17.1 million as the District issued \$35 million in general obligation bonds in the current year. This is offset by the principal and interest payments made on previously issued debt.
- Pension liability decreased \$65.7 million primarily due to the net difference between the projected and actual investment earnings on the Plan investments.
- Deferred inflows of resources related to pensions increased \$56.6 million. These changes are referenced in footnote VI.

General revenues accounted for \$222.6 million or 86% of the District's \$259.6 million total revenue. Of this general revenue, \$188.0 million or 84.5% 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 \$37.0 million or 14% of the total revenue.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

The dependence upon local tax revenues is apparent. Approximately 67% 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, 2015, increased \$62,855,547 (2.0%) to \$3,258,898,187 from the prior year. The District's tax rate increased \$0.041 as a result of 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 FY15, this process netted the District an additional \$0.04 towards the tax rate. As a result of the increase in assessed valuation and the recoupment process, the District's revenues from property taxes increased \$3.8 million for the year ended June 30, 2015 compared to June 30, 2014. Revenues from other local and intermediate sources remained flat in FY15 compared to FY14. The District's revenue from the State remained flat in FY15 compared to FY14 but revenue from Federal sources decreased \$0.2 million as a result of decrease federal funding in Title programs.

At the government-wide level, the District had \$242.0 million in expenses. Of these expenses approximately \$37.0 million were offset by program specific charges for services, grants or contributions. General revenues were adequate to provide for the District's programs in FY15.

**Enrollment**

The District served a student body of 21,312 students which included 19,452 resident students, 1,480 Voluntary Transfer Students (VTS) and 380 Special School District (304 resident and 76 VTS) students as of the September 2014 official enrollment. The District's enrollment has experienced slight annual reductions over the last five 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 Statement of Net Position on page 16 and the Statement of Activities on page 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 Sheet—Governmental Funds and Statement of Revenue, Expenditures and Changes in Fund Balance, 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.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

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 deferred outflows and liabilities or deferred inflows against those assets and deferred outflows. This statement tells the reader that, for the District as a whole, the financial position during the current year has either improved or diminished.

These statements report revenues and expenses, and assets, deferred outflows, liabilities, deferred inflows 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 Statement of Net Position and the Statement 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.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

**The District as a Whole**

Table 1 provides a summary of the District's net position as of June 30, 2015 compared to June 30, 2014:

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

	<u>2015</u>	<u>2014</u> <u>(restated)</u>	<u>Increase</u> <u>(decrease)</u>
<b>ASSETS</b>			
Current assets	\$ 144,436,987	\$ 120,159,546	\$ 24,277,441
Capital assets - net	<u>374,122,717</u>	<u>378,592,798</u>	<u>(4,470,081)</u>
<b>Total assets</b>	<b>518,559,704</b>	<b>498,752,344</b>	<b>19,807,360</b>
<b>DEFERRED OUTFLOWS OR RESOURCES</b>			
Deferred pension contributions	24,556,236	19,042,060	5,514,176
<b>LIABILITIES</b>			
Current liabilities	48,369,162	51,847,752	(3,478,590)
Noncurrent liabilities	<u>289,006,220</u>	<u>334,452,341</u>	<u>(45,446,121)</u>
<b>Total liabilities</b>	<b>337,375,382</b>	<b>386,300,093</b>	<b>(48,924,711)</b>
<b>DEFERRED INFLOWS OR RESOURCES</b>			
Pension deferrals	56,640,925	-	56,640,925
<b>NET POSITION</b>			
Net investment in capital assets	232,797,187	221,357,283	11,439,904
Restricted	44,987,495	49,729,488	(4,741,993)
Unrestricted	<u>(128,685,049)</u>	<u>(139,592,460)</u>	<u>10,907,411</u>
<b>Total net position</b>	<b><u>\$ 149,099,633</u></b>	<b><u>\$ 131,494,311</u></b>	<b><u>\$ 17,605,322</u></b>

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

Table 2 shows the sources of the changes in net position for the year ended June 30, 2015 compared to the year ended June 30, 2014.

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

	<b>2015</b>	<b>2014 (restated)</b>	<b>Increase (decrease)</b>	<b>%</b>
<b>Revenues</b>				
Program revenues:				
Charges for services	\$ 22,658,188	\$ 22,858,023	\$ (199,835)	-0.9%
Operating grants and contributions	14,373,625	13,560,876	812,749	6.0%
General revenue - taxes	178,024,670	173,867,052	4,157,618	2.4%
Federal, State and County Aid				
Not restricted to programs	33,284,007	33,525,572	(241,565)	-0.7%
Other	11,277,560	12,038,944	(761,384)	-6.3%
<b>Total revenue</b>	<b>259,618,050</b>	<b>255,850,467</b>	<b>3,767,583</b>	<b>1.5%</b>
<b>Program expenses</b>				
Instruction	132,256,867	138,563,393	(6,306,526)	-4.6%
Pupil and instructional staff	28,520,348	23,406,514	5,113,834	21.8%
Board and executive administration service	20,869,308	23,863,467	(2,994,159)	-12.5%
Operation of plant	22,935,880	24,528,943	(1,593,063)	-6.5%
Pupil transportation	9,853,425	9,630,378	223,047	2.3%
Central services	2,942,148	3,382,201	(440,053)	-13.0%
Food service	8,396,828	7,524,873	871,955	11.6%
Community education	11,599,632	11,181,515	418,117	3.7%
Interest and fiscal charges	4,638,292	6,241,448	(1,603,156)	-25.7%
<b>Total expenses</b>	<b>242,012,728</b>	<b>248,322,732</b>	<b>(6,310,004)</b>	<b>-2.5%</b>
<b>Change in net position</b>	<b>\$ 17,605,322</b>	<b>\$ 7,527,735</b>	<b>10,077,587</b>	<b>133.9%</b>
<b>Ending net position</b>	<b>\$ 149,099,633</b>	<b>\$ 131,494,311</b>		

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

The Statement of Activities shows 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,**

	<b>2015</b>		<b>2014</b>	
	<b>Total cost of services</b>	<b>Net cost of services</b>	<b>Total cost of services</b>	<b>Net cost of services</b>
Instruction	\$ 132,256,867	\$ 119,716,721	\$138,563,393	\$ 124,324,104
Pupil and instructional staff	28,520,348	28,139,713	23,406,514	23,027,970
Board and executive administration services	20,869,308	20,868,759	23,863,467	23,862,764
Operation of plant	22,935,880	22,761,156	24,528,943	24,497,658
Pupil transportation	9,853,425	5,820,954	9,630,378	6,060,889
Central services	2,942,148	2,484,949	3,382,201	3,071,985
Food service	8,396,828	(4,565)	7,524,873	(755,696)
Community education	11,599,632	554,936	11,181,515	1,572,711
Interest and fiscal charges	4,638,292	4,638,292	6,241,448	6,241,448
<b>Total</b>	<b>\$ 242,012,728</b>	<b>\$ 204,980,915</b>	<b>\$248,322,732</b>	<b>\$ 211,903,833</b>

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

**Capital Assets**

At June 30, 2015, the District had \$564,725,401 invested in capital assets at the gross level with \$374,122,717 net of depreciation. Table 4 shows June 30, 2015 compared to June 30, 2014.

<p style="text-align: center;"><b>Table 4</b>  <b>Capital Assets</b>  <b>June 30</b></p>			
	<b>2015</b>	<b>2014</b>	<b>Increase (decrease)</b>
Land and land improvements	\$ 21,748,750	\$ 21,737,901	\$ 10,849
Buildings and building improvements	520,752,255	514,604,188	6,148,067
Machinery and equipment	16,262,397	15,403,191	859,206
Automotives and other vehicles	2,593,678	2,554,772	38,906
Construction in progress	3,368,321	3,846,841	(478,520)
<b>Totals</b>	<b>\$ 564,725,401</b>	<b>\$558,146,893</b>	<b>\$ 6,578,508</b>

Overall capital assets increased \$6.6 million from June 30, 2014. The increase in capital assets is related to a net \$5.6 million of construction in progress and building and building improvements added to the current year. The District also purchased an additional \$0.9 million of machinery and equipment during the current year.

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

**Debt Administration**

At June 30, 2015, the District had general obligation bonds outstanding of \$170,800,000 and other debt of \$202,761. 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.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

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.

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.

In April 2015 the Community approved Proposition 4, a \$68.95 million bond issue. Bonds from the sale of this approval will occur over a 4 year period with the first authorization of \$35 million being approved by the Board and sold by the District in May 2015. This bond issue will allow the District to provide technology updates throughout all schools, strengthen safety and security for our students and staff, perform annual preventive maintenance at our schools and install synthetic fields and replace our tracks at our high schools.

Table 5 shows outstanding obligations at June 30, 2015 compared to June 30, 2014.

**Table 5**  
**Outstanding Obligations**  
**June 30**

	<b>2015</b>	<b>2014</b>	<b>Increase (decrease)</b>
<b>Bonds Issued</b>			
2008	\$ 54,450,000	\$ 57,200,000	\$ (2,750,000)
2009	-	10,470,000	(10,470,000)
2010	74,465,000	75,765,000	(1,300,000)
2011	6,885,000	9,905,000	(3,020,000)
2015	35,000,000	-	35,000,000
<b>Total bonded debt</b>	<b>170,800,000</b>	<b>153,340,000</b>	<b>17,460,000</b>
 Energy Financing	 202,761	 265,194	 (62,433)
 <b>Total all obligations</b>	 <b>\$ 171,002,761</b>	 <b>\$ 153,605,194</b>	 <b>\$ 17,397,567</b>

Other long-term obligations include accrued compensated absences, other post-employment benefit obligations and the net pension liability related to the State's retirement system in accordance with GASB No. 68 Accounting and Financial Reporting for Pensions.



**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

Further information may be found in Note V, Changes in Long-Term Obligations, VI, Pension Plans and VIII, Other Post-Employment Benefit Obligation.

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 \$488.8 million at June 30, 2015, 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 FY15 was \$ .68 on each \$100 of assessed valuation. The Debt Service Fund balance at June 30, 2015, was \$19.5 million. The District maintains an AAA bond rating, which was reaffirmed during a rating call with Standard & Poors' during the current school year.

**Reporting the District's Most Significant Funds**

**The District's Funds**

The District had actual revenues of \$260.0 million, actual expenditures of \$270.3 million and a net \$38.7 million of other financing sources, which resulted in an overall fund balance increase of \$28.4 million from \$86.2 million in 2014 to \$114.6 million in 2015. The major changes in fund balances were:

- The General Fund balance decreased \$2.2 million.
- The Teachers Fund increased \$1.5 million
- The Debt Service Fund increased \$0.8 million.
- The Capital Projects Fund increased \$28.3 million as the District issued \$35 million in general obligation bonds, which is offset by the planned spending of approximately \$7.5 million in non-recurring maintenance projects.

Schedules showing the District's original and final budget compared with actual operating results are provided in the CAFR on pages 63 and 64 for the General Fund and Teachers (Special Revenue) Fund and on pages 68 and 69 for the Debt Service Fund and Capital Projects.

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.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

The General Fund actual revenues of \$93.4 million, \$94.7 million of expenditures and \$0.9 million in transfers resulted in a decrease in fund balance of \$2.2 million to \$34.1 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 \$141.4 million and \$139.8 million of expenditures resulting in an increase in fund balance of \$1.5 million to \$20.8 million. The increase is related to the redistribution of a portion of the tax levy from the Capital Projects Fund to the Teacher's Fund. This fund also realized approximately \$2.9 million increase in salary and benefit costs in FY15 compared to FY14.

The Debt Service Fund had revenues of \$24.7 million and \$24.0 million of expenditures to increase the fund balance by \$0.7 million to \$19.5 million. The increase in fund balance is directly related to the District's collection of property taxes to cover future principal and interest payments on outstanding debt.

The Capital Projects Fund revenue was \$0.5 million, expenditures of \$11.7 million and net other financing sources of \$39.5 million. Certain non-recurring capital projects, based on a detailed capital needs review, were determined to be necessary during fiscal year 2014. The District funded these projects by redistributing a portion of the 2014 tax levy to the capital projects fund for the purpose of funding these non-recurring capital needs. In the current year the capital projects fund did not receive any local property tax revenue from the approved tax levy. Included in the other financing sources were fund transfers from the General Fund to meet state accounting requirements as well as the sale of the 2015 general obligation bonds.

**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 22.6% 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.

**ROCKWOOD SCHOOL DISTRICT**  
**St. Louis County, Missouri**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(UNAUDITED)**  
(continued)

During the 2014-15 school year, the Community overwhelmingly passed Proposition 4, a \$68.95 million bond issue, with a 73.9% pass rate. The District's 2015-16 operating budget approved by the Board of Education reflects a surplus of \$1.9 million. However, over the next few years the District will continue to 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.

**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

## STATEMENT OF NET POSITION

June 30, 2015

	<b>Governmental activities</b>
<b>ASSETS</b>	
Cash and temporary investments	\$ 136,377,497
Taxes receivable - net of allowance for uncollectibles	5,261,597
Other receivables	725,727
Inventory	704,480
Prepaid items	1,367,686
Land	13,659,234
Construction in progress	3,368,321
Depreciated capital assets	547,697,846
Less accumulated depreciation	(190,602,684)
<b>Total assets</b>	<b>518,559,704</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred pension contributions	24,556,236
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	19,537,134
Self-funded insurance	6,171,581
Unearned revenue	488,758
Noncurrent liabilities	
Net pension liability	115,066,936
Other postemployment obligation	9,707,290
Due within one year	22,171,689
Due in more than one year	164,231,994
<b>Total liabilities</b>	<b>337,375,382</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension deferrals	56,640,925
<b>NET POSITION</b>	
Net investment in capital assets	232,797,187
Restricted for	
Debt service	17,687,823
Certified employees compensation and benefits	22,577,625
Capital projects	4,722,047
Unrestricted	(128,685,049)
<b>Total net position</b>	<b>\$ 149,099,633</b>

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, 2015**

Function/Program	Expenses	Program revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Total governmental activities
<b>Governmental activities</b>				
<b>Instruction</b>				
Elementary	\$ 42,874,196	\$ -	\$ 285,681	\$ (42,588,515)
Middle	26,775,133	-	-	(26,775,133)
High	40,181,954	269,797	135,331	(39,776,826)
TAG/title/special	6,798,827	-	671,742	(6,127,085)
Early childhood special education	6,243,813	-	5,829,126	(414,687)
Student ath/athl act/spons act	8,753,341	5,182,561	-	(3,570,780)
Other instruction	629,603	-	165,908	(463,695)
<b>Total instruction</b>	<b>132,256,867</b>	<b>5,452,358</b>	<b>7,087,788</b>	<b>(119,716,721)</b>
<b>Support services</b>				
Attendance	1,322,228	-	104,704	(1,217,524)
Guidance	4,867,916	-	114,275	(4,753,641)
Health, psych, speech and audio	2,112,645	-	-	(2,112,645)
Improvement of instruction	12,056,225	75,383	86,273	(11,894,569)
Professional development	272,165	-	-	(272,165)
Media services (library)	7,889,169	-	-	(7,889,169)
Board of education services	621,306	-	-	(621,306)
Executive administration	5,341,466	-	360	(5,341,106)
Building level administration	13,167,649	-	-	(13,167,649)
Business central service	1,738,887	-	189	(1,738,698)
Security services	607,334	-	-	(607,334)
Operation of plant	22,328,546	-	174,724	(22,153,822)
Pupil transportation	9,853,425	207,304	3,825,167	(5,820,954)
Food services	8,396,828	6,313,888	2,087,505	4,565
Central office support services	2,942,148	443,500	13,699	(2,484,949)
Adult education	428,198	5,930	464,213	41,945
Community services	11,171,434	10,159,825	414,728	(596,881)
Debt service				
Interest and fiscal charges	4,638,292	-	-	(4,638,292)
<b>Total support services</b>	<b>109,755,861</b>	<b>17,205,830</b>	<b>7,285,837</b>	<b>(85,264,194)</b>
<b>Total governmental activities</b>	<b>\$ 242,012,728</b>	<b>\$ 22,658,188</b>	<b>\$ 14,373,625</b>	<b>(204,980,915)</b>
<b>General revenues</b>				
Taxes				
Property taxes, levied for general purposes				128,354,346
Property taxes, levied for debt service				21,551,651
Sales tax				16,739,765
M & M surtax				11,290,878
Other taxes				88,030
Voluntary student transfer aid				10,013,475
Federal, State and County aid not restricted to specific purpose				33,284,007
Interest and investment earnings				1,250,698
Miscellaneous				13,387
<b>Total general revenues</b>				<b>222,586,237</b>
<b>Change in net position</b>				<b>17,605,322</b>
Net position at July 1, 2014, as restated				131,494,311
Net position at June 30, 2015				<b>\$ 149,099,633</b>

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

**ROCKWOOD R-VI SCHOOL DISTRICT**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2015**

	<b>General Fund</b>	<b>Teachers' Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and temporary investments	\$ 40,694,188	\$ 25,751,951	\$ 19,509,807	\$ 44,249,970	\$ 130,205,916
Property taxes receivable					
less allowance for uncollectibles	1,426,830	1,846,057	550,337	-	3,823,224
Sales tax receivable	-	1,438,373	-	-	1,438,373
Accrued interest	3,527	4,563	1,360	-	9,450
Other receivables	410,840	298,569	-	6,868	716,277
Inventory	704,480	-	-	-	704,480
Prepaid items	1,237,922	129,764	-	-	1,367,686
<b>Total assets</b>	<b>\$ 44,477,787</b>	<b>\$ 29,469,277</b>	<b>\$ 20,061,504</b>	<b>\$ 44,256,838</b>	<b>\$ 138,265,406</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 8,497,757	\$ 6,891,652	\$ -	\$ 4,147,725	\$ 19,537,134
Unearned revenue	488,758	-	-	-	488,758
<b>Total liabilities</b>	<b>8,986,515</b>	<b>6,891,652</b>	<b>-</b>	<b>4,147,725</b>	<b>20,025,892</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property taxes	1,370,007	1,772,539	528,420	-	3,670,966
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	1,237,922	-	-	-	1,237,922
Inventory	704,480	-	-	-	704,480
Restricted					
Teacher salaries and benefits	-	20,805,086	-	-	20,805,086
Retirement of debt	-	-	19,533,084	-	19,533,084
Capital projects	-	-	-	35,387,066	35,387,066
Assigned					
Other capital projects	-	-	-	4,722,047	4,722,047
Unassigned	32,178,863	-	-	-	32,178,863
<b>Total fund balances</b>	<b>34,121,265</b>	<b>20,805,086</b>	<b>19,533,084</b>	<b>40,109,113</b>	<b>114,568,548</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 44,477,787</b>	<b>\$ 29,469,277</b>	<b>\$ 20,061,504</b>	<b>\$ 44,256,838</b>	<b>\$ 138,265,406</b>

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, 2015**

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

<b>Total fund balance - governmental funds</b>	<b>\$ 114,568,548</b>
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	\$ 564,725,401
Accumulated depreciation is	<u>(190,602,684)</u>
	374,122,717
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.	3,670,966
Deferred outflows of resources related to pension contributions are not due in the current period and therefore are not reported in the funds	24,556,236
Deferred inflows of resources related to pension deferrals are not reported in governmental funds	(56,640,925)
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:	
Net pension liability	(115,066,936)
Other postemployment benefit obligations	(9,707,290)
Bonds payable	(170,800,000)
Accrued interest payable	(2,373,681)
Other debt	(202,761)
Compensated absences	(7,317,406)
Bond premium - unamortized	(6,394,468)
Bond discount - unamortized	<u>684,633</u>
	(311,177,909)
<b>Total net position - governmental activities</b>	<b><u>\$ 149,099,633</u></b>

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



**ROCKWOOD R-VI SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015**

	General Fund	Teachers' Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Fund	Total Governmental Funds
<b>Revenues</b>						
Property taxes	\$ 55,874,817	\$ 72,291,808	\$ 21,551,262	\$ -	\$ -	\$ 149,717,887
Other local sources	26,919,536	32,824,592	2,568,926	472,291	-	62,785,345
Intermediate sources	1,294,923	1,911,195	587,558	-	-	3,793,676
State sources	5,029,649	32,115,018	-	-	-	37,144,667
Federal sources	3,685,363	2,232,459	-	30,971	-	5,948,793
Other sources	567,650	-	-	11,410	73,091	652,151
<b>Total revenues</b>	<b>93,371,938</b>	<b>141,375,072</b>	<b>24,707,746</b>	<b>514,672</b>	<b>73,091</b>	<b>260,042,519</b>
<b>Expenditures</b>						
<b>Instruction - current</b>						
Elementary	2,214,019	41,437,319	-	40,849	-	43,692,187
Middle	1,891,132	24,886,088	-	51,378	-	26,828,598
High	3,185,652	35,383,365	-	447,693	-	39,016,710
TAG/title/special	512,935	6,879,950	-	48,148	-	7,441,033
Early childhood special education	2,785,885	3,726,509	-	9,899	-	6,522,293
Student act/athl/act/spons act	5,775,935	3,155,115	-	160,919	-	9,091,969
Other instruction	52,740	576,864	-	-	-	629,604
<b>Total instruction</b>	<b>16,418,298</b>	<b>116,045,210</b>	<b>-</b>	<b>758,886</b>	<b>-</b>	<b>133,222,394</b>
<b>Support services - current</b>						
Attendance	1,431,774	1,053	-	-	-	1,432,827
Guidance	595,425	4,699,783	-	-	-	5,295,208
Health, psych, speech and audio	2,130,327	6,944	-	-	-	2,137,271
Improvement of instruction	7,436,587	3,822,871	-	1,159,208	-	12,418,666
Professional development	193,188	100,215	-	-	-	293,403
Media services (library)	1,831,545	3,471,989	-	3,111,374	-	8,414,908
Board of Education services	521,764	-	-	-	-	521,764
Executive administration	1,214,652	2,405,697	-	230,855	-	3,851,204
Building level administration	5,146,647	8,882,096	-	-	-	14,028,743
Business central services	2,076,120	-	-	82,015	-	2,158,135
Operation of plant	23,499,219	-	-	161,211	-	23,660,430
Security services	606,672	663	-	-	-	607,335
Pupil transportation	9,853,425	-	-	-	-	9,853,425
Food services	7,853,220	-	-	502,777	-	8,355,997
Central office support services	3,135,246	101	-	4,606	-	3,139,953
Adult education	99,663	384,413	-	9,083	-	493,159
Community services	10,695,521	5,947	-	597,367	-	11,298,835
Facilities acquisition and construction	-	-	-	4,869,192	-	4,869,192
<b>Debt service</b>						
Principal retirement	-	-	17,540,000	-	62,433	17,602,433
Interest and fiscal charges	-	-	6,428,053	251,443	10,658	6,690,154
<b>Total expenditures</b>	<b>78,320,995</b>	<b>23,781,772</b>	<b>23,968,053</b>	<b>10,979,131</b>	<b>73,091</b>	<b>137,123,042</b>
	<b>94,739,293</b>	<b>139,826,982</b>	<b>23,968,053</b>	<b>11,738,017</b>	<b>73,091</b>	<b>270,345,436</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(1,367,355)</b>	<b>1,548,090</b>	<b>739,693</b>	<b>(11,223,345)</b>	<b>-</b>	<b>(10,302,917)</b>
<b>Other financing sources (uses)</b>						
Transfers	(868,052)	-	-	868,052	-	-
Sale of general obligation bonds	-	-	-	35,000,000	-	35,000,000
Discount on issuance of bonds	-	-	-	(275,617)	-	(275,617)
Premium on issuance of bonds	-	-	-	3,936,158	-	3,936,158
<b>Total other financing sources (uses)</b>	<b>(868,052)</b>	<b>-</b>	<b>-</b>	<b>39,528,593</b>	<b>-</b>	<b>38,660,541</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,235,407)</b>	<b>1,548,090</b>	<b>739,693</b>	<b>28,305,248</b>	<b>-</b>	<b>28,357,624</b>
Fund balance at beginning of year	36,356,672	19,256,996	18,793,391	11,803,865	-	86,210,924
Fund balance at end of year	<u>\$ 34,121,265</u>	<u>\$ 20,805,086</u>	<u>\$ 19,533,084</u>	<u>\$ 40,109,113</u>	<u>\$ -</u>	<u>\$ 114,568,548</u>

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, 2015**

<b>Total net change in fund balances - total governmental funds</b>	<b>\$ 28,357,624</b>
<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	\$ 6,620,438
Depreciation expense	<u>(11,090,519)</u> (4,470,081)
<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>	
	(188,108)
<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>	
	(17,397,567)
<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>	
	484,435
<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.</p>	
	307,566
<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>	
	(1,974,697)
<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>	
	(2,079,514)
<p>Pension expense in the Statement of Activities differs from the amount reported in the governmental funds because pension expense 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, pension expense is recognized based on the present value of the projected benefit payments for current and past employees.</p>	
	<u>14,565,664</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ 17,605,322</u></b>

**ROCKWOOD R-VI SCHOOL DISTRICT**

**STATEMENT OF NET POSITION - PROPRIETARY FUND  
JUNE 30, 2015**

	<u><b>Governmental Activities - Internal Service Fund</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,171,581
<b>LIABILITIES</b>	
Medical and dental benefits payable	<u>6,171,581</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ -</u></u>

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

**ROCKWOOD R-VI SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - PROPRIETARY FUND**

**YEAR ENDED JUNE 30, 2015**

	<u><b>Governmental Activities - Internal Service Fund</b></u>
<b>Operating revenues</b>	
Local and intermediate sources	\$ 23,584,323
<b>Operating expenses</b>	
Claims	20,166,206
Administrative	<u>3,418,117</u>
<b>Total operating expenses</b>	23,584,323
<b>CHANGE IN NET POSITION</b>	-
Net position at beginning of year	<u>-</u>
Net position at end of year	<u><u>\$ -</u></u>

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

ROCKWOOD R-VI SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2015

	<u>Governmental Activities - Internal Service Fund</u>
<b>Cash flows from operating activities</b>	
Cash received from local and intermediate sources	\$ 23,584,323
Cash payments to suppliers for claims and services	<u>(23,129,313)</u>
<b>NET INCREASE IN CASH</b>	<b>455,010</b>
Cash at beginning of year	<u>5,716,571</u>
Cash at end of year	<u><u>\$ 6,171,581</u></u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>	
Operating income	\$ -
Change in accounts payable and accrued liabilities	<u>455,010</u>
<b>Net cash provided by operating activities</b>	<u><u>\$ 455,010</u></u>

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, 2015**

#### **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. The Authority's debt that was issued related to this finance is expected to be repaid entirely with the resources of the primary government. 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.

## **ROCKWOOD R-VI SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015**

#### **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, 2015

### 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, 2015**

**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, 2015**

**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 Statement of Net Position and the Statement 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, 2015**

### **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, 2015**

**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 \$612,365 and donated government commodities of \$92,114. An expenditure is recorded at the time the inventory is used. Prepaid items of \$1,136,685 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**

Unearned 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, 2015

### 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

#### Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary fund statements of net position. The only deferred outflows of resources reported in this year's financial statements are a deferred amount for contributions made to the District's defined benefit pension plans between the measurement date of the net pension liabilities from those plans and the end of the District's fiscal year. No deferred outflows of resources affect the governmental funds financial statements in the current year.

#### Deferred Inflows of Resources

The District's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period(s). Deferred inflows of resources are reported in the District's statement of net position for actual pension plan investment earnings in excess of the expected amounts included in determining pension expense. This deferred inflow of resources is attributed to pension expense over multiple years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The District will not recognize the related revenues until they are available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes are reported in the governmental funds balance sheet.

# **ROCKWOOD R-VI SCHOOL DISTRICT**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2015**

### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **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.

#### **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, 2015**

### **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, 2015**

**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, 2015, these transfers amounted to \$868,052.

**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 2014-15 school year requires the payment of salaries over a twelve month period. Consequently, the final three teacher payrolls related to the 2014-15 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, 2015**

**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, 2015.

**ROCKWOOD R-VI SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015:

Cash deposits	\$ 23,502,421
Cash on hand	11,312
Investments	
Commercial paper	7,013,723
U.S. Treasury and agency securities	48,955,724
External investment pools	<u>56,894,317</u>
 Total	 <u><u>\$ 136,377,497</u></u>
 Cash and investments - governmental funds	 \$ 73,311,599
Restricted cash and investments - governmental funds	56,894,317
Cash and investments - proprietary funds	<u>6,171,581</u>
 Total reporting entity	 <u><u>\$ 136,377,497</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, 2015, the carrying amount of the deposits under District control was \$23,502,421 and the bank balance was \$32,421,880, 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, 2015, the District had no funds invested in the MOHEFA program.

# ROCKWOOD R-VI SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015

### II. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

#### Investments (Concluded)

##### MISSOURI SECURITIES INVESTMENT PROGRAM (MOSIP)

At June 30, 2015, the District had \$56,894,317 invested in the MOSIP program with an average maturity of one year and two months. 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 MOSIP program is exempt from regulatory oversight as it is a Local Government Investment Pool.

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, 2015, the District had the following investments and maturities:

Type	Fair Value	Weighted Average Maturity (Years)
Commercial paper	\$ 7,013,723	0.141
U.S. Treasury and agency securities	48,955,724	0.452
External investment pools	56,894,317	1.107
Portfolio weighted average maturity	<u>\$ 112,863,764</u>	0.567

#### 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, 2015**

**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, 2015**

#### **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. There were no 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).

#### **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, 2015**

### **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, 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 2014 for purposes of local taxation was:

Real estate	
Residential	\$ 2,143,069,054
Agricultural	2,348,280
Commercial including locally assessed railroad and utility	671,275,250
Personal property including locally assessed railroad and utility	462,460,573
	<u>3,279,153,157</u>
Less tax increment financing	<u>20,254,970</u>
	<u><u>\$ 3,258,898,187</u></u>

Accounts receivable-property taxes at June 30, 2015, were \$4,248,027 (less an allowance for uncollectible taxes of \$424,803).

The tax levy per \$100 of the assessed valuation of tangible taxable property for the fiscal years ending June 30, 2014 for purposes of local taxation was:

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 1.7630	\$ 1.7630
Special Revenue Fund	2.2810	2.2810
Debt Service Fund	0.6800	0.6800
Capital Projects Fund	<u>0.0000</u>	<u>0.0000</u>
	<u><u>\$ 4.7240</u></u>	<u><u>\$ 4.7240</u></u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2015, aggregated approximately 97.3% 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, 2015**

### **IV. CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Transfers	Additions	Deletions	Balance June 30, 2015
<b>Governmental activities</b>					
Capital assets that are not depreciated					
Land	\$ 13,659,234	\$ -	\$ -	\$ -	\$ 13,659,234
Construction in progress	3,846,841	(3,846,841)	3,368,321	-	3,368,321
Capital assets that are depreciated					
Land improvements	8,078,667	-	10,849	-	8,089,516
Buildings	514,604,188	3,846,841	2,301,226	-	520,752,255
Machinery and equipment	15,403,191	-	859,206	-	16,262,397
Automobiles and other vehicles	2,554,772	-	80,836	(41,930)	2,593,678
Totals at estimated historical cost	558,146,893	-	6,620,438	(41,930)	564,725,401
Accumulated depreciation					
Land improvements	7,883,672	-	32,185	-	7,915,857
Buildings	157,098,874	-	10,509,262	-	167,608,136
Machinery and equipment	12,853,863	-	442,720	-	13,296,583
Automobiles and other vehicles	1,717,686	-	106,352	(41,930)	1,782,108
Total accumulated depreciation	179,554,095	-	11,090,519	(41,930)	190,602,684
<b>Governmental activities capital assets, net</b>	<b>\$ 378,592,798</b>	<b>\$ -</b>	<b>\$ (4,470,081)</b>	<b>\$ -</b>	<b>\$ 374,122,717</b>

Depreciation was charged to functions of the District as follows:

Instruction	
Elementary	\$ 3,040,902
Middle	2,261,843
High school	4,442,675
Talented and Gifted	150,457
Board of Education services	261,999
Operation of plant	753,361
Food service	121,068
Community services	58,214
	<u>\$ 11,090,519</u>

# **ROCKWOOD R-VI SCHOOL DISTRICT**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS** **JUNE 30, 2015**

### **V. CHANGES IN LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Amounts due within one year
<b>Governmental activities</b>					
Bonds payable					
General obligation bonds	\$ 153,340,000	\$ 35,000,000	\$ (17,540,000)	\$ 170,800,000	\$ 18,250,000
Deferred amounts for issuance discounts	(493,128)	(275,617)	84,112	(684,633)	-
Deferred amounts on issuance premiums	4,123,449	3,936,158	(1,665,139)	6,394,468	-
Total bonds payable, net	156,970,321	38,660,541	(19,121,027)	176,509,835	18,250,000
Energy financing	265,194	-	(62,433)	202,761	64,942
Interest	2,681,247	2,373,681	(2,681,247)	2,373,681	2,373,681
Compensated absences	7,801,841	7,317,406	(7,801,841)	7,317,406	1,483,066
Total governmental activity long-term obligations	<u>\$ 167,718,603</u>	<u>\$ 48,351,628</u>	<u>\$ (29,666,548)</u>	<u>\$ 186,403,683</u>	<u>\$ 22,171,689</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 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, 2015**

**V. CHANGES IN LONG-TERM OBLIGATIONS (CONTINUED)**

Bonds payable consist of the following at June 30, 2015:

<u>Date issued</u>	<u>Maturity date</u>	<u>Rate of interest</u>	<u>Original issue amount</u>	<u>Balance at June 30, 2015</u>
6/5/08	2/1/22	3.50% - 5.00%	\$ 70,000,000	\$ 54,450,000
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	8,800,000
7/21/11	2/1/16	2.00% - 4.00%	9,905,000	6,885,000
6/11/15	2/1/35	3.25% - 5.00%	35,000,000	35,000,000
				<u>\$ 170,800,000</u>

The annual requirements to amortize all General Obligation (GO) bonded debt outstanding as of June 30, 2015, including interest payments are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 18,250,000	\$ 6,625,194	\$ 24,875,194
2017	18,495,000	6,493,479	24,988,479
2018	14,015,000	5,735,879	19,750,879
2019	14,235,000	5,215,329	19,450,329
2020	17,755,000	4,649,304	22,404,304
2021-2025	67,730,000	12,027,899	79,757,899
2026-2030	10,665,000	2,427,513	13,092,513
2031-2035	9,655,000	1,445,800	11,100,800
	<u>\$ 170,800,000</u>	<u>\$ 44,620,397</u>	<u>\$ 215,420,397</u>

**ROCKWOOD R-VI SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**V. CHANGES IN LONG-TERM OBLIGATIONS (CONCLUDED)**

**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, 2014, assessed valuation and excluding state-assessed railroad and utilities was as follows at June 30, 2015.

Constitutional debt limit	\$ 488,834,728
General obligation bonds payable	(170,800,000)
Amount available in Debt Service Fund	<u>19,533,084</u>
Available bonding capacity	<u><u>\$ 337,567,812</u></u>

**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, 2015 was \$202,761.

The annual requirement to amortize the energy financing outstanding as of June 30, 2015, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
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><u>\$ 202,761</u></u>	<u><u>\$ 16,512</u></u>	<u><u>\$ 219,273</u></u>

## **ROCKWOOD R-VI SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2015**

#### **VI. PENSION PLANS**

##### **PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI**

The District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan.

##### PLAN DESCRIPTION

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989.

The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount. A Comprehensive Annual Financial Report ("CAFR") can be obtained at [www.psrs-peers.org](http://www.psrs-peers.org).

##### BENEFITS PROVIDED

PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at [www.psrs-peers.org](http://www.psrs-peers.org). Since the prior valuation date, the benefit provisions were amended to make permanent an early retirement benefit allowing members to retire at any age after 25 years of service.

## ROCKWOOD R-VI SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015

#### VI. PENSION PLANS (CONTINUED)

##### COST OF LIVING ADJUSTMENTS ("COLA")

The PSRS Board has established a policy of providing a 2.00% COLA for years in which the CPI increases between 0.00% and 5.00%. If the CPI increase is greater than 5.00%, the Board will provide a COLA of 5.00%. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

##### CONTRIBUTIONS

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2015. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay. Contributions for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.

The District's contributions to PSRS were \$16,773,087 for the year ended June 30, 2015.

##### **PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At June 30, 2015, the District recorded a liability of \$106,687,473 for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2014, and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions of \$16,746,568 paid to PSRS for the year ended June 30, 2014 relative to the actual contributions of \$643,964,894 from all participating employers. At June 30, 2014, the District's proportionate share was 2.6005%.

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**VI. PENSION PLANS (CONTINUED)**

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES  
AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)**

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS pension benefits:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 4,970,373	\$ -
Net difference between projected and actual earnings on pension plan investments	-	51,309,079
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	91,526
Employer contributions subsequent to the measurement date	<u>16,773,087</u>	<u>-</u>
Total	<u>\$ 21,743,460</u>	<u>\$ 51,400,605</u>

Deferred outflows of resources to pensions in the amount of \$16,773,087 resulting from contributions subsequent to the measurement date of June 30, 2014, will be recognized as a reduction to the net pension liability in the year ended June 30, 2016.

Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized annually in pension expense are as follows:

Year ending June 30,	
2016	\$ (11,922,103)
2017	(11,922,103)
2018	(11,922,103)
2019	(11,922,103)
2020	905,166
Thereafter	<u>353,014</u>
	<u>\$ (46,430,232)</u>

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**VI. PENSION PLANS (CONTINUED)**

**ACTUARIAL ASSUMPTIONS**

Actuarial valuations of PSRS involves estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was conducted in 2011 and the next experience study is scheduled for 2016.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Measurement Date – June 30, 2014

Valuation Date – June 30, 2014

Expected Return on Investments – 8.00% net of investment expenses and including 2.5% inflation

Inflation – 2.50%

Total Payroll Growth – 3.50% per annum consisting of 2.50% inflation, 0.50% additional inflation due to the inclusion of health care costs in pension earnings, and 0.50% of real wage growth.

Future Salary Increases – 4.00% - 10.00%, depending on service and including 2.50% inflation, 0.50% additional inflation due to the inclusion of health care costs in pension earnings, and 1.00% to 7.00% of real wage growth.

Cost-of-Living Increases – 2.0% compounded annually, beginning on the second January after retirement and capped at 80% lifetime increase.

Mortality Assumption –

- Actives: RP 2000 Mortality Table set back one year for males and six years for females, then projected to 2016 using Scale AA.
- Nondisabled Retirees, Beneficiaries and Survivors: RP 2000 Mortality Table set back one year for both males and females, then projected to 2016 using Scale AA.
- Disabled retirees: RP 2000 Disabled Mortality Table

Changes in Actuarial Assumptions and Methods: There were no changes in actuarial assumptions or methods for the June 30, 2014 valuations.

# **ROCKWOOD R-VI SCHOOL DISTRICT**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS** **JUNE 30, 2015**

### **VI. PENSION PLANS (CONTINUED)**

#### **ACTUARIAL ASSUMPTIONS (CONTINUED)**

Fiduciary Net Positions: PSRS issues a publicly available financial report that can be obtained at [www.psrs-peers.org](http://www.psrs-peers.org)

#### EXPECTED RATE OF RETURN

The long-term expected rate of return on PSRS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PSRS' target allocation as of June 30, 2014, is summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminates the effects created by cashflows.

Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis	Weighted Long-Term Expected Real Return Arithmetic Basis
U.S. Public Equity	27.00 %	5.85 %	1.58 %
Public Credit	12.00	2.44	0.29
Hedged Assets	6.00	5.22	0.31
Non-U.S. Public Equity	15.00	6.64	1.00
U.S. Treasuries	16.00	1.01	0.16
U.S. TIPS	4.00	1.12	0.04
Private Credit	2.00	7.61	0.15
Private Equity	10.50	8.61	0.90
Private Real Estate	7.50	4.60	0.35
Total	<u>100.00 %</u>		<u>4.78</u>
		Inflation	<u>2.50</u>
		Long-term arithmetical nominal return	<u>7.28</u>
		Effect of covariance matrix	<u>0.81</u>
		Long-term expected geometric return	<u>8.09 %</u>

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**VI. PENSION PLANS (CONTINUED)**

**ACTUARIAL ASSUMPTIONS (CONCLUDED)**

**DISCOUNT RATE**

The discount rate used to measure the total pension liability was 8.00% as of June, 30, 2014, and is consistent with the long-term expected geometric return on plan investments. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**DISCOUNT RATE SENSITIVITY**

The sensitivity of the district's net pension liability to changes in the discount rate is presented below. The district's net pension liability calculated using the discount rate of 8.0% is presented as well as the net pension liability using a discount rate that is 1.0% lower (7.0%) or 1.0% higher (9.0%) than the current rate.

	<u>1% Decrease</u> <u>7%</u>	<u>Current Rate</u> <u>8%</u>	<u>1% Increase</u> <u>9%</u>
Proportionate share of the net position liability / (asset)	\$ 225,911,795	\$ 106,687,473	\$ 6,685,111

**PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI**

The District contributes to the Public Education Employee Retirement System of Missouri (PEERS), a cost-sharing multiple-employer defined benefit pension plan.



## ROCKWOOD R-VI SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015

#### VI. PENSION PLANS (CONTINUED)

##### PLAN DESCRIPTION

PEERS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of the Public School Retirement System of Missouri (PSRS) must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri. A Comprehensive Annual Financial Report ("CAFR") can be obtained at [www.psr-peers.org](http://www.psr-peers.org).

##### BENEFITS PROVIDED

PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at [www.psr-peers.org](http://www.psr-peers.org).

##### COST OF LIVING ADJUSTMENTS ("COLA")

The PEERS Board has established a policy of providing a 2.00% COLA for years in which the CPI increases between 0.00% and 5.00%. If the CPI increase is greater than 5.00%, the Board will provide a COLA of 5.00%. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

**ROCKWOOD R-VI SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**VI. PENSION PLANS (CONTINUED)**

**CONTRIBUTIONS**

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2015. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PEERS were \$2,605,206 for the year ended June 30, 2015.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES  
AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At June 30, 2015, the District recorded a liability of \$8,379,463 for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2014, and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions of \$2,295,492 paid to PEERS for the year ended June 30, 2014 relative to the actual contributions of \$100,035,580 from all participating employers. At June 30, 2014, the District's proportionate share was 2.2947%.

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources from the following sources related to PEERS pension benefits:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 249,226
Net Difference between projected and actual earnings on pension plan investments	-	4,991,094
Changes in proportion and differences between employer contributions and proportionate share of contributions	207,569	-
Employer contributions subsequent to the measurement date	<u>2,605,207</u>	<u>-</u>
Total	<u><u>\$ 2,812,776</u></u>	<u><u>\$ 5,240,320</u></u>

# ROCKWOOD R-VI SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015

### VI. PENSION PLANS (CONTINUED)

#### PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

Deferred outflows of resources to pensions in the amount of \$2,605,207 resulting from contributions subsequent to the measurement date of June 30, 2014, will be recognized as a reduction to the net pension liability in the year ended June 30, 2016.

Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized annually in pension expense are as follows:

Year ending June 30,	
2016	\$ (1,260,998)
2017	(1,260,998)
2018	(1,260,998)
2019	<u>(1,249,757)</u>
	<u>\$ (5,032,751)</u>

#### ACTUARIAL ASSUMPTIONS

Actuarial valuations of PEERS involve estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was conducted in 2011 and the next experience study is scheduled for 2016.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Measurement Date – June 30, 2014

Valuation Date – June 30, 2014

Expected Return on Investments – 8.00% net of investment expenses and including 2.5% inflation

Inflation – 2.50%

Total Payroll Growth – 3.75% per annum consisting of 2.5% inflation, 0.75% additional inflation due to the inclusion of health care costs in pension earnings, and 0.50% of real wage growth.

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**VI. PENSION PLANS (CONTINUED)**

**ACTUARIAL ASSUMPTIONS (CONTINUED)**

Future Salary Increases – 5.00% - 12.00%, depending on service and including 2.50% inflation, 0.75% additional inflation due to the inclusion of health care costs in pension earnings, and 1.75% to 8.75% of real wage growth.

Cost-of-Living Increases – 2.0% compounded annually, beginning on the second January after retirement and capped at 80% lifetime increase.

Mortality Assumption –

- Actives: RP 2000 Mortality Table set back one year for males and six years for females, then projected to 2016 using Scale AA.
- Nondisabled Retirees, Beneficiaries and Survivors: RP 2000 Mortality Table set back one year for both males and females, then projected to 2016 using Scale AA.
- Disabled retirees: RP 2000 Disabled Mortality Table

Changes in Actuarial Assumptions and Methods: There were no changes in actuarial assumptions or methods for the June 30, 2014 valuations.

Fiduciary Net Postions: PEERS issues a publicly available financial report that can be obtained at [www.psrs-peers.org](http://www.psrs-peers.org)

# **ROCKWOOD R-VI SCHOOL DISTRICT**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS** **JUNE 30, 2015**

### **VI. PENSION PLANS (CONTINUED)**

#### **ACTUARIAL ASSUMPTIONS (CONTINUED)**

##### **EXPECTED RATE OF RETURN**

The long-term expected rate of return on PEERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PEERS' target allocation as of June 30, 2014, is summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminates the effects created by cashflows.

Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis	Weighted Long-Term Expected Real Return Arithmetic Basis
U.S. Public Equity	27.00 %	5.85 %	1.58 %
Public Credit	12.00	2.44	0.29
Hedged Assets	6.00	5.22	0.31
Non-U.S. Public Equity	15.00	6.64	1.00
U.S. Treasuries	16.00	1.01	0.16
U.S. TIPS	4.00	1.12	0.04
Private Credit	2.00	7.61	0.15
Private Equity	10.50	8.61	0.90
Private Real Estate	7.50	4.60	0.35
Total	<u>100.00 %</u>		<u>4.78</u>
		Inflation	<u>2.50</u>
		Long-term arithmetical nominal return	<u>7.28</u>
		Effect of covariance matrix	<u>0.81</u>
		Long-term expected geometric return	<u>8.09 %</u>

**ROCKWOOD R-VI SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**VI. PENSION PLANS (CONCLUDED)**

**ACTUARIAL ASSUMPTIONS (CONCLUDED)**

**DISCOUNT RATE**

The discount rate used to measure the total pension liability was 8.00% as of June, 30, 2014, and is consistent with the long-term expected geometric return on plan investments. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**DISCOUNT RATE SENSITIVITY**

The sensitivity of the district's net pension liability to changes in the discount rate is presented below. The district's net pension liability calculated using the discount rate of 8.0% is presented as well as the net pension liability using a discount rate that is 1.0% lower (7.0%) or 1.0% higher (9.0%) than the current rate.

	<u>1% Decrease</u> <u>7%</u>	<u>Current Rate</u> <u>8%</u>	<u>1% Increase</u> <u>9%</u>
Proportionate share of the net position liability / (asset)	\$ 20,107,476	\$ 8,379,463	\$ (1,528,270)

**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.

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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 they may be amended by the District. As of June 30, 2015, 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.

**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.

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**VIII. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

As of June 30, 2015, the schedule of employer contributions and net OPEB obligation is as follows:

Annual required contribution	\$ 4,384,279
Interest on net OPEB obligation	309,304
Adjustment to annual required contribution	<u>(257,753)</u>
Annual OPEB cost (expense)	4,435,830
Contributions made	<u>2,461,133</u>
Increase in net OPEB obligation	1,974,697
Net OPEB obligation at July 1, 2014	<u>7,732,593</u>
Net OPEB obligation at June 30, 2015	<u><u>\$ 9,707,290</u></u>

As of June 30, 2015, the annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

<u>Plan Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$ 4,435,830	55.48%	\$ 9,707,290
2014	2,959,793	62.51%	7,732,593
2013	2,835,045	91.42%	6,622,987

As of July 1, 2015, the actuarial accrued liability for benefits was \$53,404,263, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$145,783,633, and the ratio of the unfunded actuarial liability to covered payroll was 36.63%.



## **ROCKWOOD R-VI SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015**

#### **VIII. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (CONCLUDED)**

##### **FUNDED STATUS AND FUNDING PROGRESS**

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 an 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 4.0% discount rate and a 4% inflation rate. Because the plan is unfunded, reference to general assets, which are short-term in nature, was considered in the selection of the 4.0% 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.

# ROCKWOOD R-VI SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2015

### IX. SELF-INSURED MEDICAL BENEFITS (CONCLUDED)

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. Settlements have not exceeded coverage for each of the past three fiscal years.

Changes in the balance of claims liabilities are as follows for the years ended June 30, 2015:

Unpaid claims, beginning of year	\$ 5,499,081
Incurred claims (including IBNRs)	20,383,696
Claim payments	<u>(19,711,196)</u>
Unpaid claims, end of year	<u>\$ 6,171,581</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, 2015.

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**XI. COMMITMENTS AND CONTINGENCIES (CONCLUDED)**

*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.

**XII. CHANGE IN ACCOUNTING PRINCIPLE**

Net position as of July 1, 2014, has been restated as follows based on the measurement date at June 30, 2014, for the implementation of GASB Statement No. 68 as amended by GASB Statement No. 71, as described in Note VI.

Net Position as previously reported at June 30, 2014:	\$ 293,211,600
Net pension liability	(180,759,349)
Pension contributions made during 2014	<u>19,042,060</u>
	<u><u>\$ 131,494,311</u></u>

# 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, 2015**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
<b>Revenues</b>					
Property taxes	\$ 50,892,051	\$ 50,892,051	\$ 55,874,817	\$ -	\$ 4,982,766
Other local sources	25,916,026	27,238,736	26,919,536	1,322,710	(319,200)
Intermediate sources	1,040,476	1,040,476	1,294,923	-	254,447
State sources	4,733,475	4,751,771	5,029,649	18,296	277,878
Federal sources	3,553,619	3,663,280	3,685,363	109,661	22,083
Other sources	315,000	390,000	567,650	75,000	177,650
<b>Total revenues</b>	<b>86,450,647</b>	<b>87,976,314</b>	<b>93,371,938</b>	<b>1,525,667</b>	<b>5,395,624</b>
<b>Expenditures</b>					
<b>Instruction</b>					
Elementary	(43,968)	1,565,048	2,214,019	(1,609,016)	(648,971)
Middle	1,509,410	1,902,924	1,891,132	(393,514)	11,792
High	2,646,915	3,310,696	3,185,652	(663,781)	125,044
TAG/title/special	661,700	580,487	512,935	81,213	67,552
Early childhood special education	2,561,390	2,653,718	2,785,885	(92,328)	(132,167)
Student act/athl/act/spons act	7,114,397	6,546,885	5,775,935	567,512	770,950
Other instruction	77,800	69,148	52,740	8,652	16,408
<b>Total instruction</b>	<b>14,527,644</b>	<b>16,628,906</b>	<b>16,418,298</b>	<b>(2,101,262)</b>	<b>210,608</b>
<b>Support services</b>					
Attendance	1,553,843	1,662,584	1,431,774	(108,741)	230,810
Guidance	838,996	616,722	595,425	222,274	21,297
Health, psych, speech and audio	2,034,381	2,039,463	2,130,327	(5,082)	(90,864)
Improvement of instruction	6,889,378	8,134,296	7,436,587	(1,244,918)	697,709
Professional development	262,802	315,598	193,188	(52,796)	122,410
Media services (library)	2,260,687	1,987,468	1,831,545	273,219	155,923
Board of Education services	401,112	397,031	521,764	4,081	(124,733)
Executive administration	1,304,272	1,251,809	1,214,652	52,463	37,157
Building level administration	6,080,336	5,295,295	5,146,647	785,041	148,648
Business central services	1,873,802	2,044,818	2,076,120	(171,016)	(31,302)
Operation of plant	24,182,032	23,433,766	23,499,219	748,266	(65,453)
Security services	698,842	660,211	606,672	38,631	53,539
Pupil transportation	8,736,741	8,827,002	9,853,425	(90,261)	(1,026,423)
Food services	8,257,296	7,754,519	7,853,220	502,777	(98,701)
Central office support services	3,123,440	3,472,580	3,135,246	(349,140)	337,334
Adult education	108,867	112,149	99,663	(3,282)	12,486
Community services	10,690,621	11,672,462	10,695,521	(981,841)	976,941
<b>Total support services</b>	<b>79,297,448</b>	<b>79,677,773</b>	<b>78,320,995</b>	<b>(380,325)</b>	<b>1,356,778</b>
<b>Total expenditures</b>	<b>93,825,092</b>	<b>96,306,679</b>	<b>94,739,293</b>	<b>(2,481,587)</b>	<b>1,567,386</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(7,374,445)</b>	<b>(8,330,365)</b>	<b>(1,367,355)</b>	<b>(955,920)</b>	<b>6,963,010</b>
<b>Other financing sources (uses)</b>					
Transfers	-	(868,052)	(868,052)	(868,052)	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (7,374,445)</b>	<b>\$ (9,198,417)</b>	<b>(2,235,407)</b>	<b>\$ (1,823,972)</b>	<b>\$ 6,963,010</b>
Fund balance at July 1, 2014			36,356,672		
Fund balance at June 30, 2015			<u>\$ 34,121,265</u>		

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, 2015**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
<b>Revenues</b>					
Property taxes	\$ 74,927,469	\$ 74,927,469	\$ 72,291,808	\$ -	\$ (2,635,661)
Other local sources	32,924,229	32,924,229	32,824,592	-	(99,637)
Intermediate sources	1,600,567	1,600,567	1,911,195	-	310,628
State sources	31,448,259	31,448,259	32,115,018	-	666,759
Federal sources	1,985,585	2,568,635	2,232,459	583,050	(336,176)
<b>Total revenues</b>	<b>142,886,109</b>	<b>143,469,159</b>	<b>141,375,072</b>	<b>583,050</b>	<b>(2,094,087)</b>
<b>Expenditures</b>					
<b>Instruction</b>					
Elementary	39,842,544	42,005,896	41,437,319	(2,163,352)	568,577
Middle	25,787,630	25,160,943	24,886,088	626,687	274,855
High	37,160,613	35,793,322	35,383,365	1,367,291	409,957
TAG/title/special	6,985,375	7,297,523	6,879,950	(312,148)	417,573
Early childhood special education	3,494,537	3,479,706	3,726,509	14,831	(246,803)
Student act/athl/act/spons act	2,880,320	2,820,160	3,155,115	60,160	(334,955)
Other instruction	665,000	627,365	576,864	37,635	50,501
<b>Total instruction</b>	<b>116,816,019</b>	<b>117,184,915</b>	<b>116,045,210</b>	<b>(368,896)</b>	<b>1,139,705</b>
<b>Support services</b>					
Attendance	1,026	1,105	1,053	(79)	52
Guidance	4,882,001	5,193,795	4,699,783	(311,794)	494,012
Health, psych, speech and audio	18,002	10,867	6,944	7,135	3,923
Improvement of instruction	3,472,729	3,912,423	3,822,871	(439,694)	89,552
Professional development	50,661	159,932	100,215	(109,271)	59,717
Media services (library)	3,537,561	3,543,203	3,471,989	(5,642)	71,214
Executive administration	2,847,053	2,579,588	2,405,697	267,465	173,891
Building level administration	8,860,677	8,914,736	8,882,096	(54,059)	32,640
Security services	2,653	1,845	663	808	1,182
Central office support services	200	200	101	-	99
Adult education	390,122	390,483	384,413	(361)	6,070
Community services	31,090	43,646	5,947	(12,556)	37,699
<b>Total support services</b>	<b>24,093,775</b>	<b>24,751,823</b>	<b>23,781,772</b>	<b>(658,048)</b>	<b>970,051</b>
<b>Total expenditures</b>	<b>140,909,794</b>	<b>141,936,738</b>	<b>139,826,982</b>	<b>(1,026,944)</b>	<b>2,109,756</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 1,976,315</b>	<b>\$ 1,532,421</b>	<b>1,548,090</b>	<b>\$ (443,894)</b>	<b>\$ 15,669</b>
Fund balance at July 1, 2014			19,256,996		
Fund balance at June 30, 2015			\$ 20,805,086		

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, 2015**

#### **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 2014 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**

**June 30, 2015**

**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, 2015	\$ -	\$ 53,404,263	\$ 53,404,263	0%	\$ 145,783,663	36.63%
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
2015	4,384,279	2,461,133

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**

## **PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - UNAUDITED** **June 30, 2015**

### **Schedule of Proportionate Share of the Net Pension Liability and Related Ratios - PEERS**

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2015	2.2947%	\$8,379,463	\$33,461,964	25.0%	91.3%

### **Schedule of Proportionate Share of the Net Pension Liability and Related Ratios - PSRS**

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2015	2.6005%	\$106,687,473	\$116,171,323	91.8%	89.3%

### **Schedule of Employer Contributions - PEERS**

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2013	\$ 2,171,436	\$ 2,171,436	\$ -	\$ 31,653,617	6.86%
6/30/2014	2,295,492	2,295,492	-	33,461,964	6.86%
6/30/2015	2,605,206	2,605,206	-	37,976,764	6.86%

### **Schedule of Employer Contributions - PSRS**

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2013	\$ 16,348,556	\$ 16,348,556	\$ -	\$ 113,315,223	14.43%
6/30/2014	16,746,568	16,746,568	-	116,171,323	14.42%
6/30/2015	16,773,087	16,773,087	-	115,676,462	14.50%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available

\* The data provided is based as of the measurement data of PSRS' and PEERS' net pension liability, which is as of the beginning of the District's fiscal year

**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, 2015**

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variances-- positive (negative)</b>	
	<b>Original</b>	<b>Final</b>		<b>Original to final</b>	<b>Final to actual</b>
<b>Revenues</b>					
Property taxes	\$ 21,374,255	\$ 21,374,255	\$ 21,551,262	\$ -	\$ 177,007
Other local sources	2,460,532	2,460,532	2,568,926	-	108,394
Intermediate sources	457,626	457,626	587,558	-	129,932
<b>Total revenues</b>	<b>24,292,413</b>	<b>24,292,413</b>	<b>24,707,746</b>	<b>-</b>	<b>415,333</b>
<b>Expenditures</b>					
<b>Debt service</b>					
Principal retirement	17,540,000	17,540,000	17,540,000	-	-
Interest and fiscal charges	6,432,500	6,432,500	6,428,053	-	4,447
<b>Total expenditures</b>	<b>23,972,500</b>	<b>23,972,500</b>	<b>23,968,053</b>	<b>-</b>	<b>4,447</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 319,913</b>	<b>\$ 319,913</b>	<b>739,693</b>	<b>\$ -</b>	<b>\$ 419,780</b>
Fund balance at July 1, 2014			<u>18,793,391</u>		
Fund balance at June 30, 2015			<u>\$ 19,533,084</u>		

**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, 2015**

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variances-- positive (negative)</b>	
	<b>Original</b>	<b>Final</b>		<b>Original to final</b>	<b>Final to actual</b>
<b>Revenues</b>					
Property taxes	\$ 1,775,026	\$ 1,775,026	\$ -	\$ -	\$ (1,775,026)
Other local sources	132,080	413,688	472,291	281,608	58,603
Intermediate sources	226,348	226,348	-	-	(226,348)
State sources	1,400	1,600	-	200	(1,600)
Federal sources	50,000	26,650	30,971	(23,350)	4,321
Other sources	20,000	20,000	11,410	-	(8,590)
<b>Total revenues</b>	<b>2,204,854</b>	<b>2,463,312</b>	<b>514,672</b>	<b>258,458</b>	<b>(1,948,640)</b>
<b>Expenditures</b>					
<b>Instruction</b>					
Elementary	-	31,097,007	40,849	(31,097,007)	31,056,158
Middle	32,500	64,292	51,378	(31,792)	12,914
High	242,161	478,044	447,693	(235,883)	30,351
TAG/title/special	70,000	53,567	48,148	16,433	5,419
Early childhood special education	11,100	11,100	9,899	-	1,201
Student act/athl/act/spons act	-	160,990	160,919	(160,990)	71
<b>Total instruction</b>	<b>355,761</b>	<b>31,865,000</b>	<b>758,886</b>	<b>(31,509,239)</b>	<b>31,106,114</b>
<b>Support services</b>					
Attendance	-	-	-	-	-
Guidance	-	979	-	(979)	979
Health, psych, speech and audio	5,000	5,000	-	-	5,000
Improvement of instruction	369,649	1,273,579	1,159,208	(903,930)	114,371
Media services (library)	2,527,000	3,117,195	3,111,374	(590,195)	5,821
Executive administration	15,000	359,347	230,855	(344,347)	128,492
Business central services	5,963	90,123	82,015	(84,160)	8,108
Operation of plant	87,500	254,157	161,211	(166,657)	92,946
Food services	-	502,777	502,777	(502,777)	-
Central office support services	-	7,661	4,606	(7,661)	3,055
Adult education	5,600	9,573	9,083	(3,973)	490
Community services	18,000	219,259	597,367	(201,259)	(378,108)
Facilities acquisition and construction	3,150,851	9,477,135	4,869,192	(6,326,284)	4,607,943
<b>Debt service</b>					
Principal retirement	62,433	62,433	-	-	62,433
Interest and fiscal charges	10,659	263,619	251,443	(252,960)	12,176
<b>Total support services</b>	<b>6,257,655</b>	<b>15,642,837</b>	<b>10,979,131</b>	<b>(9,385,182)</b>	<b>4,663,706</b>
<b>Total expenditures</b>	<b>6,613,416</b>	<b>47,507,837</b>	<b>11,738,017</b>	<b>(40,894,421)</b>	<b>35,769,820</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(4,408,562)</b>	<b>(45,044,525)</b>	<b>(11,223,345)</b>	<b>(40,635,963)</b>	<b>33,821,180</b>
<b>Other financing sources (uses)</b>					
Transfers	-	868,052	868,052	868,052	-
Sale of general obligation bonds	-	35,000,000	35,000,000	35,000,000	-
Discount on issuance of bonds	-	(275,617)	(275,617)	(275,617)	-
Premium on issuance of bonds	-	3,936,158	3,936,158	3,936,158	-
<b>Total other financing sources</b>	<b>-</b>	<b>39,528,593</b>	<b>39,528,593</b>	<b>39,528,593</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (4,408,562)</b>	<b>\$ (5,515,932)</b>	<b>28,305,248</b>	<b>\$ (1,107,370)</b>	<b>\$ 33,821,180</b>
Fund balance at July 1, 2014			11,803,865		
Fund balance at June 30, 2015			\$ 40,109,113		

**C**omprehensive  
**A**nnual  
**F**inancial  
**R**eport

---

2015

Statistical Section

## ROCKWOOD R-VI SCHOOL DISTRICT

### SUMMARY OF STATISTICAL INFORMATION JUNE 30, 2015

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"><li>• <b>Continuing Disclosure Information</b> 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.</li></ul>	71-73
<ul style="list-style-type: none"><li>• <b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time.</li></ul>	74-77
<ul style="list-style-type: none"><li>• <b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source – the property tax.</li></ul>	78-82
<ul style="list-style-type: none"><li>• <b>Debt Capacity</b> 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.</li></ul>	83-86
<ul style="list-style-type: none"><li>• <b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</li></ul>	87-88
<ul style="list-style-type: none"><li>• <b>Operating Information</b> 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.</li></ul>	89-95

**ROCKWOOD R-VI SCHOOL DISTRICT**

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

Net Position	2015	2014	2013	2012	2011	2009	2009	2008	2007	2006
Net investment in capital assets	\$ 232,797,187	\$ 221,357,283	\$ 206,063,602	\$ 202,298,386	\$ 202,835,577	\$ 192,550,322	\$ 192,550,322	\$ 182,365,725	\$ 164,918,581	\$ 155,725,504
Restricted	44,987,495	49,729,488	51,157,404	44,927,219	24,230,606	23,698,379	23,698,379	32,294,398	31,835,589	32,125,399
Unrestricted	(128,685,049)	22,124,829	28,462,859	27,414,959	32,514,462	41,708,899	41,708,899	38,035,523	32,842,578	22,661,126
Total Net Position	\$ 149,099,633	\$ 293,211,600	\$ 285,683,865	\$ 274,640,564	\$ 259,580,645	\$ 257,957,600	\$ 257,957,600	\$ 252,695,646	\$ 229,596,748	\$ 210,512,029

Source: Rockwood School District records

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**EXPENSES, PROGRAM REVENUES AND NET EXPENSE**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses</b>										
Government Activities:										
Total Instruction	\$ 132,256,867	\$ 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
Support services:										
Attendance	1,322,228	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
Guidance	4,867,916	5,640,826	5,937,211	5,496,946	6,344,635	6,151,889	5,976,929	5,683,462	5,240,398	4,749,816
Health, Psych Speech and Audio	2,112,645	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
Improvement of Instruction	12,056,225	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
Professional Development	272,165	226,173	290,004	227,875	343,435	378,315	538,370	542,993	500,307	465,798
Media Services (Library)	7,889,169	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
Board of Education Services	621,306	1,041,997	785,045	707,590	742,056	902,285	518,130	821,767	821,767	346,998
Executive Administration	5,341,466	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
Building Level Administration	13,167,649	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
Business Central Service	1,738,887	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
Operation of Plant	607,334	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
Security Services	22,328,546	693,517	576,181	625,697	630,884	650,356	657,961	642,813	452,946	437,804
Pupil Transportation	9,853,425	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
Food Services	8,396,828	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
Central Office Support Services	2,942,148	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
Adult Education	428,198	457,769	467,235	484,798	484,920	350,910	331,702	282,909	264,244	242,466
Community Services	11,171,434	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
Capital Outlay	-	-	-	-	-	-	-	-	1,400,945	2,014,838
Debt Service:										
Interest and Fiscal Charges	4,638,292	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
Total Primary Government Expenses	242,012,728	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
<b>Program Revenues</b>										
Government Activities:										
Charges for services:										
Total Instruction	5,452,358	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
Support services:										
Attendance	-	-	-	-	-	-	-	4,398	-	-
Guidance	-	-	-	-	-	-	-	-	7,125	-
Health, Psych Speech and Audio	-	-	-	-	-	-	-	-	8,833	-
Improvement of Instruction	-	-	-	-	-	-	-	597	97,891	-
Professional Development	75,383	5,980	4,064	-	13,043	423	55,200	-	-	-
Media Services (Library)	-	-	-	-	-	-	-	-	-	-
Board of Education Services	-	-	-	-	-	-	-	-	-	-
Executive Administration	-	-	-	-	-	-	-	4,808	5,028	5,188
Building Level Administration	-	-	-	-	-	-	-	-	-	-
Business Central Service	-	-	-	-	-	-	-	23,562	34,936	-
Security Services	-	-	-	-	-	-	-	8,279	15,875	(33,942)
Operation of Plant	-	-	-	-	-	-	-	-	4,228	4,362
Pupil Transportation	207,304	198,628	218,212	193,757	183,930	185,579	173,776	16,273	-	-
Food Services	6,313,888	6,121,760	6,192,094	6,729,910	6,483,793	6,497,566	6,511,218	6,527,740	6,322,290	6,245,502
Central Office Support Services	443,500	297,701	553,311	534,142	403,454	390,617	576	10,277	18,928	19,796
Adult Education	5,930	5,980	6,480	9,155	19,855	20,708	10,886	22,601	5,100	6,575
Community Services	10,159,825	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
Debt Service:										
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	14,373,625	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
Capital Grants and Contributions	-	-	-	-	-	-	-	-	1,371,177	286,839
Total Primary Government Program Revenue	37,031,813	36,418,899	36,821,982	38,227,849	37,062,979	39,725,189	38,508,514	36,723,044	34,932,060	37,866,790
Total Primary Government Net Expense	\$ (204,980,915)	\$ (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)

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)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Primary Government Net Expense	\$ (204,980,915)	\$ (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)
<b>General revenues:</b>										
Taxes:										
Property taxes, levied for general purposes	\$ 128,354,346	\$ 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
Property taxes, levied for debt service	21,551,651	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
Sales tax	16,739,765	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
M&M surcharge	11,290,878	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
Other taxes	88,030	126,331	87,193	175,486	119,455	90,995	506,164	6,146,796	602,068	1,035,349
Voluntary student transfer aid	10,013,475	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
Federal, State and County aid not restricted to specific purposes	33,284,007	33,525,572	34,047,915	33,695,930	30,764,665	27,886,662	24,517,542	23,397,590	20,117,757	12,536,084
Interest and investment earnings	1,250,698	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
Miscellaneous	13,387	22,838	51,985	55,976	42,822	46,988	300,152	452,760	920,433	465,509
<b>Total general revenues</b>	<b>222,586,237</b>	<b>219,431,568</b>	<b>219,121,734</b>	<b>217,862,393</b>	<b>213,458,693</b>	<b>206,932,166</b>	<b>212,454,094</b>	<b>209,357,245</b>	<b>190,170,130</b>	<b>175,868,650</b>
<b>Change in Net Position</b>										
Total Primary Government	\$ 17,605,322	\$ 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

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

	2015	2014	2013	2012	2011	2010
General Fund						
Nonspendable						
Prepaid items	\$ 1,237,922	\$ 1,105,968	\$ 1,107,599	\$ 1,037,790	\$ 1,087,100	\$ 1,113,673
Inventory	704,480	793,810	-	-	-	-
Unassigned	32,178,863	34,456,894	38,839,426	37,551,809	40,165,482	42,637,721
Total General Fund	\$ 34,121,265	\$ 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	20,805,086	19,256,996	26,910,132	21,256,614	7,580,285	4,125,585
Retirement of debt	19,533,084	18,793,391	56,863,082	55,441,740	48,215,699	50,099,350
Capital projects	35,387,066	-	-	5,738,143	27,999,956	41,067,409
Assigned						
Other capital projects	4,722,047	11,803,865	2,990,620	3,790,128	2,051,272	1,199,754
Total all other governmental funds	80,447,283	49,854,252	86,763,834	86,226,625	86,316,543	98,878,708
Total Fund Balance	\$ 114,568,548	\$ 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)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues</b>										
Property Taxes	\$ 149,717,887	\$ 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
Other Local Sources	62,785,345	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
County Sources	3,793,676	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
State Sources	37,144,667	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
Federal Sources	5,948,793	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
Other Sources	652,151	495,968	516,948	1,139,852	2,406,485	715,216	532,605	601,773	442,706	10,572
<b>Total Revenues</b>	<b>\$ 260,042,519</b>	<b>\$ 256,226,922</b>	<b>\$ 256,203,821</b>	<b>\$ 258,396,862</b>	<b>\$ 251,466,537</b>	<b>\$ 246,862,145</b>	<b>\$ 249,753,822</b>	<b>\$ 245,797,092</b>	<b>\$ 223,401,687</b>	<b>\$ 214,099,303</b>

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)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>EXPENDITURES</b>										
<b>Total Instruction</b>	\$ 133,222,394	\$ 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
<b>Support Services</b>										
Attendance	1,432,827	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
Guidance	5,295,208	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
Health, Psych Speech and Audio	2,137,271	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
Improvement of Instruction	12,418,666	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
Professional Development	293,403	226,173	290,004	227,875	343,435	378,315	538,370	542,993	500,307	465,798
Media Services (Library)	8,414,908	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
Board of Education Services	521,764	563,861	405,010	298,051	416,440	566,216	415,442	374,663	404,725	346,998
Executive Administration	3,851,204	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
Building Level Administration	14,028,743	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
Business Central Services	2,158,135	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
Operation of Plant	23,660,430	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
Security Services	607,335	693,517	576,181	625,697	630,884	650,355	657,961	642,813	452,946	437,804
Pupil Transportation	9,853,425	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
Food Services	8,355,997	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
Central Office Support Services	3,139,953	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
Adult Education	493,159	457,770	467,235	484,798	484,920	350,911	331,702	282,909	264,244	242,466
Community Services	11,298,835	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
<b>Capital Outlay</b>										
Capital Outlay	4,869,192	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
<b>Debt Service</b>										
Principal Retirement	17,602,433	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
Interest and Fiscal Charges	6,690,154	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
Total Support Services	137,123,042	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
<b>TOTAL EXPENDITURES</b>	\$ 270,345,436	\$ 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
<b>Debt Service as a % of non-capital expenditures</b>	9.21%	21.43%	10.24%	11.74%	13.33%	12.99%	13.88%	15.58%	12.85%	11.92%

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)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Excess of revenues over (under) expenditures	\$ (10,302,917)	\$ (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)
<b>Other Financing Sources (Uses):</b>										
Capital lease obligation	-	-	-	-	-	-	-	600,000	2,000,000	-
Bond issuance	35,000,000	-	-	-	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	(275,617)	-	-	(39,620)	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(33,030,000)	(17,165,000)	-	-
Premium on issuance of bonds	3,936,158	-	-	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	\$ 28,357,624	\$ (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

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
2015	\$ 2,796,437,614	\$ 14,718,092,705	\$ 462,460,573	\$ 1,401,395,676	\$ 3,258,898,187	\$ 16,119,488,381	\$ 4.724
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

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)**

<b>Taxing Districts</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Rockwood School District*</b>	\$ 4.724	\$ 4.683	\$ 4.536	\$ 4.463	\$ 4.275	\$ 4.008	\$ 3.923	\$ 3.999	\$ 4.418	\$ 4.507
General Fund	1.763	1.580	1.608	1.405	1.405	1.333	1.277	1.287	1.505	1.571
Special (Teacher's) Fund	2.281	1.916	2.188	2.238	2.050	1.855	1.776	1.791	2.093	2.186
Capital Fund	-	0.680	0.680	0.140	0.140	0.140	0.190	0.170	0.070	-
Debt Fund	0.680	0.507	0.060	0.680	0.680	0.680	0.680	0.750	0.750	0.750
<b>Overlapping</b>										
<b>St. Louis County</b>	0.523	0.523	0.523	0.523	0.523	0.523	0.558	0.558	0.558	0.580
<b>Municipalities</b>										
City of Chesterfield	0.030	0.030	0.030	0.030	0.030	0.030	0.003	0.060	0.060	0.060
City of Clarkson Valley*	0.151	0.130	0.124	0.121	0.119	0.117	0.111	0.108	0.133	0.132
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*	0.403	0.391	0.505	0.505	0.371	0.371	0.373	0.373	0.380	0.380
City of Winchester*	0.215	0.215	0.201	0.201	0.181	0.181	0.176	0.176	0.195	0.194
<b>Fire Districts</b>										
Eureka	1.242	1.230	1.209	0.390	1.154	1.141	1.078	1.078	1.195	1.199
Fenton*	1.025	0.913	0.851	0.851	0.840	0.800	0.761	0.763	0.984	0.878
Metro West*	1.130	1.136	1.053	1.051	0.103	0.999	0.860	0.872	1.007	0.962
Monarch (Chesterfield)*	0.898	0.898	0.886	0.899	0.923	0.876	0.871	0.857	0.981	0.979
<b>Special School District</b>	1.261	1.240	1.012	1.013	0.995	0.938	0.918	0.908	0.824	0.870
<b>Sewer District</b>										
Metropolitan Sewer District	0.088	0.874	0.064	0.082	0.079	-	-	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	2014			2005		
	Taxable Value	Rank	% of Total Taxable Value	Taxable Value	Rank	% of Total Taxable Value
THF DEVELOPMENT LLC	\$ 53,402,840	1	1.65%	\$ 37,420,850	2	1.27%
MARITZ INC	25,266,460	2	0.78%	20,735,920	3	0.71%
LACLEDE GAS COMPANY	14,659,460	3	0.45%	N/A	N/A	N/A
ST. JOHNS MERCY HEALTHCARE	12,967,110	4	0.40%	12,021,820	4	0.41%
ALTUS PROPERTIES	11,622,080	5	0.36%	N/A	N/A	N/A
DRURY HOTELS	10,774,520	6	0.33%	7,194,400	10	0.25%
UNIGROUP INC	9,897,520	7	0.31%	11,282,780	5	0.38%
SIX FLAST ST. LOUIS	8,355,590	8	0.26%	N/A	N/A	N/A
BAXTER CROSSING APART ASSOC	8,169,560	9	0.25%	N/A	N/A	N/A
OLD CARCO LIQUIDATION TRUST	8,138,160	10	0.03%	7,220,170	9	0.25%
DAIMLER CHRYSLER	N/A	N/A	N/A	149,375,890	1	5.09%
MISSOURI AMERICAN WATER	N/A	N/A	N/A	10,308,260	6	0.35%
COOPER BUSSMAN	N/A	N/A	N/A	9,955,200	7	0.34%
OLD TOWNE IMPROVEMENTS	N/A	N/A	N/A	8,551,160	8	0.29%

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
2015	\$ 2,133,814,084	\$ 660,272,720	\$ 2,350,810	\$ 462,460,573	\$ 3,258,898,187	\$ 4.724	\$ 16,119,488,381
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

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Valuations	3,258,898,187	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
Tax Rate	\$ 4.724	\$ 4.683	\$ 4.536	\$ 4.463	\$ 4.275	\$ 4.008	\$ 3.923	\$ 3.999	\$ 4.418	\$ 4.507
Taxes Levied for the Fiscal Year	\$ 153,950,350	\$ 149,670,677	\$ 148,473,998	\$ 144,946,505	\$ 144,714,488	\$ 140,906,704	\$ 144,546,494	\$ 137,224,923	\$ 127,707,513	\$ 127,900,153
Collected within Fiscal Year	\$ 149,856,387	\$ 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
Amount % of Levy	97.3%	97.8%	97.6%	96.4%	93.5%	97.6%	96.6%	98.2%	98.6%	96.8%
Collected (paid) in Subsequent Years	\$ (135,800)	\$ (394,088)	\$ 1,341,622	\$ 1,687,856	\$ 2,204,301	\$ 1,392,291	\$ 2,549,378	\$ 2,506,456	\$ 1,581,597	\$ 857,512
Total Collections to Date	\$ 149,720,587	\$ 145,944,690	\$ 146,217,823	\$ 141,448,840	\$ 137,572,217	\$ 138,908,475	\$ 142,248,515	\$ 137,196,335	\$ 127,492,654	\$ 124,714,222
Amount % of Levy	97.3%	97.5%	98.5%	97.6%	95.1%	98.6%	98.4%	100.0%	99.8%	97.5%

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ 520,000	\$ 660,000	\$ 1,185,000	\$ 2,305,000	\$ 5,385,000	\$ 4,425,000
General Obligation Bonds	176,509,838	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
Energy Financing	202,761	265,194	355,215	441,917	525,388	2,078,848	2,338,054	2,596,617	191,000	215,000
DNR Note	-	-	-	-	-	-	-	-	110,190	196,999
Total Primary	\$ 176,712,599	\$ 157,235,515	\$ 212,494,233	\$ 223,456,917	\$ 232,855,388	\$ 231,418,848	\$ 193,203,054	\$ 211,351,350	\$ 160,010,923	\$ 174,941,731
Estimated Actual Value of Taxable Property	\$ 16,119,488,381	\$ 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
% of General Bonded Debt to Estimated Actual Value Of Taxable Property	1.10%	0.99%	1.30%	1.38%	1.51%	1.46%	1.14%	1.31%	1.11%	1.33%
Personal Income (County data)	N/A	N/A	57,265,857,000	54,548,335,000	52,713,697,000	51,448,812,000	51,817,478,000	53,926,646,000	51,374,904,000	51,817,478,000
% of Personal Income	N/A	N/A	0.37%	0.41%	0.44%	0.45%	0.37%	0.39%	0.31%	0.34%
Population(County data)	N/A	1,001,876	1,001,444	1,000,438	998,692	998,954	992,408	991,830	993,512	998,704
Per Capita	N/A	\$ 157	\$ 212	\$ 223	\$ 233	\$ 232	\$ 195	\$ 213	\$ 161	\$ 175

Note: N/A-Not available; Information is for St. Louis County; 2014 (partial) & 2015 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, 2015**

Taxing Body	General Obligation Debt as of 6/30/15	Approx. Percent of Applicable Overlap	Estimated Share of Direct and Overlapping Debt
<b><u>Direct</u></b>			
Rockwood School District	\$ 176,509,838	100.00%	\$ 176,509,838
Subtotal Direct Debt	176,509,838	100.00%	176,509,838
<b><u>Overlapping</u></b>			
St. Louis County	105,615,000	15.03%	15,873,934
City of Ballwin	-	65.39%	-
City of Chesterfield	7,340,000	37.18%	2,729,012
City of Clarkson Valley	-	100.00%	-
City of Ellisville	-	100.00%	-
City of Eureka	11,750,000	99.54%	11,695,950
City of Fenton	-	66.55%	-
City of Wildwood	1,480,000	99.94%	1,479,112
City of Winchester	-	19.78%	-
Eureka Fire PD	5,955,000	98.83%	5,885,326
Fenton FPD	-	68.53%	-
Metro West FPD	4,935,000	81.97%	4,045,219
Monarch (Chesterfield) FPD	-	43.20%	-
Valley Park FPD	-	5.00%	-
Special School District	-	10.00%	-
MSD	-	0.00%	-
Subtotal Overlapping Debt	137,075,000		41,708,553
Total	\$ 313,584,838		\$ 218,218,391

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 2015

Assessed Value	\$3,258,898,187
Debt Limit (15% of Assessed Value)	488,834,728
Debt Applicable to Limit	(170,800,000)
Amount Available in Debt Service Fund	19,533,084
Legal Debt Margin	\$337,567,812

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limitation	\$ 488,834,728	\$ 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
General Obligation Bonds Payable	(170,800,000)	(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)
Avail. Debt Service Fund Balance	19,533,084	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
Net Debt Applicable	(151,266,916)	(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)
Legal Debt Margin	337,567,812	344,859,787	343,934,189	322,417,782	324,175,831	348,764,798	388,266,816	330,459,920	300,597,873	275,412,606
Legal Debt Margin as a % of Debt Limit	69.06%	71.93%	69.62%	65.80%	63.84%	66.14%	70.25%	64.20%	69.33%	64.70%

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**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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**

<b>Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
2015	N/A	N/A	N/A	4.3%
2014	1,001,876	N/A	N/A	5.4%
2013	1,001,444	\$ 57,265,857,000	\$ 57,183	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%

Note: N/A-Not available; Information is for St. Louis County; 2014 (partial) & 2015 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**

Employer	2015			2006		
	# of Employees	%	Rank	# of Employees	%	Rank
Rockwood School District	3,333	27.2%	1	3,025	17.9%	3
Six Flags	3,117	25.4%	2	2,500	14.8%	4
Maritz	1,790	14.6%	3	3,200	18.9%	2
St. Clare Health Center	950	7.7%	4	N/A	N/A	N/A
Unigroup/Vanliner/Mayflower	843	6.9%	5	2,000	11.8%	5
Fabick CAT Company	560	4.6%	6	300	2%	10
Rotometrics	465	3.8%	7	600	4%	8
Mark Andy, Inc.	437	3.6%	8	N/A	N/A	N/A
Pfizer	400	3.3%	9	N/A	N/A	N/A
Eaton's Bussman Business	365	3.0%	10	N/A	N/A	N/A
Daimler Chrysler	N/A	N/A	N/A	4,800	28.4%	1
Citicorp	N/A	N/A	N/A	N/A	N/A	N/A
Fru-Con	N/A	N/A	N/A	500	3.0%	10
Total	12,260	100%		16,925	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	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
SUPT./DEPUTY/ASST SUPT	7	5	6	7	6	7	7	6	6	6
DIRECTORS	14	15	15	15	16	17	17	16	15	13
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	23	44	45	45	44	44	43
ASST PRIN, ELE & MS	19	18	18	29	17	19	21	22	21	21
COORDINATORS	18	15	14	13	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL	110	105	105	116	112	117	119	117	115	112
<b>TEACHERS (INCLUDES COUNSELORS, LIBRARIANS AND COLLEGE ADMISSION SPEC.)</b>										
ELEMENTARY	590	585	582	586	612	610	622	620	618	609
MIDDLE SCHOOL	335	337	355	342	355	374	378	372	357	363
HIGH SCHOOL	458	466	507	477	502	509	509	445	432	419
CERT. PRESCHOOL TEA	16	16	16	16	15	17	16	16	16	N/A
EARLY CHLDHD SPEC ED TEA, SPCH	42	39	42	40	44	45	43	41	38	N/A
RESOURCE	4	N/A	N/A	N/A	99	94	90	78	76	80
(Includes TAG, Interns and Psychometrists)										
CONTENT FAC, DATA ANLSTS, A+ COOR,	89	84	79	86	N/A	N/A	N/A	N/A	N/A	N/A
INSTR TECH										
SUB TOTAL	1,534	1,527	1,581	1,547	1,627	1,649	1,658	1,572	1,537	1,471
<b>SUPPORT STAFF</b>										
SECRETARIES (ALL)	181	185	188	178	191	192	193	183	192	191
SECRETARIAL ASSTS.	25	29	31	33	33	34	35	31	32	28
ACCT/PR/FINANCE	13	12	13	12	11	13	13	13	12	12
H.R. SPECIALIST	5	5	5	5	7	7	6	6	4	2
MAIL ROOM SPEC	1	1	1	1	1	1	1	1	1	1
DATA PROCESSING	N/A	N/A	N/A	N/A	12	10	9	8	5	5
COMMUNICATIONS	5	6	6	5	6	5	7	8	7	9
COMPUTER TECH.	41	43	45	40	28	26	24	23	24	22
ROTC	4	4	4	4	4	4	4	4	4	4
HOMEBOUND TEACHERS	N/A	N/A	N/A	13	17	20	32	29	16	17
STUDY HALL/ISS	12	15	8	14	14	17	16	14	19	16
HALL MONITORS	22	27	11	9	14	20	17	13	13	13
SRP ASSISTANT	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SEC RESOURCE	1	1	1	1	2	4	3	4	5	4
ECSE AUTISM ANALYST	2	2	2	2	2	2	1	1	1	N/A
ECSE OCCUP THERAPIST	7	7	7	7	7	6	6	6	5	5
ECSE PHYSICAL THERAPIST	3	3	3	3	3	3	2	3	3	3
ECSE APPLIED BEHAVIOR	0	0	3	3	4	4	8	7	15	20
ECSE PARA I AND PARA II	50	52	42	61	44	48	35	34	28	33
CLSRM ASSTS/READ I/IT/ESOL	137	163	132	113	168	157	156	136	130	106
LIBRARY ASSTS	4	4	5	4	4	5	5	5	4	4
COMPUTER SUPPORT SPEC	N/A	N/A	N/A	N/A	4	5	7	9	11	13
NURSES and NURSE SUPV.	44	43	43	41	42	42	42	41	39	38
SOCIAL WORKERS/STUDENT SRVS.	19	14	13	14	14	15	15	11	10	10
PREVENTION SPEC. (GRANT)	1	1	1	1	1	-	1	1	N/A	N/A
CHILD NUTRITION (ALL)	223	236	229	217	220	221	219	217	219	217
WAREHOUSE (ALL)	10	10	13	10	10	11	10	11	11	11
PARKING LOT ATTEND	4	4	4	4	7	7	7	7	8	7
ADVENTURE CLUB	249	193	187	184	171	182	171	171	184	168
PARTNERS IN ED	15	14	14	14	14	14	14	14	13	10
PRESCHL/PAT	71	61	69	55	74	84	81	81	78	74
SPECIAL PROJECTS	N/A	N/A	0	-	-	-	N/A	N/A	N/A	N/A
COE	3	0	0	0	5	7	5	10	4	9
SUB TOTAL	1,155	1,135	1,080	1,048	1,134	1,166	1,145	1,102	1,097	1,052
<b>FACILITIES</b>										
COORDINATORS	2	2	4	4	4	4	3	3	3	3
SUPERVISORS	7	7	6	6	7	6	7	7	7	6
GROUND MAINT	20	20	20	20	20	19	19	20	16	16
GENERAL MAINT	45	46	46	45	46	45	45	45	41	43
CUSTODIAL	185	228	241	172	175	175	170	162	158	168
SUB TOTAL	259	303	317	247	252	249	244	237	225	236
SUB TOTAL W/O COMM. ED.	3,058	3,070	3,083	2,958	3,125	3,181	3,166	3,028	2,974	2,871
<b>COMMUNITY EDUCATION</b>										
(AEL) ADULT BASIC ED	17	14	16	17	17	15	15	15	14	12
AQUATICS	124	126	133	139	147	130	115	117	83	84
COMM ED SUPERVISORS	6	7	8	8	10	5	5	5	5	6
COMM ED THEATRE/AV	7	18	17	5	5	3	3	3	3	3
COMM ED (EVENINGS, SEAS. & MISC)	N/A	N/A	N/A	N/A	64	68	54	60	41	4
CLUB VOLLEYBALL	89	35	43	4	N/A	N/A	N/A	N/A	N/A	N/A
COMM ED OFFICE	2	2	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMM ED INSTRUCTORS	17	14	13	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ECOMM ED OUTDOOR	13	3	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL	275	219	235	173	243	221	192	200	146	109
<b>GRAND TOTAL</b>	<b>3,333</b>	<b>3,289</b>	<b>3,318</b>	<b>3,131</b>	<b>3,368</b>	<b>3,402</b>	<b>3,358</b>	<b>3,228</b>	<b>3,120</b>	<b>2,980</b>

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**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Enrolled Pupils (September)	21,312	21,498	21,916	22,157	22,436	22,254	22,159	22,268	22,098	21,932
Operating Expenditures	\$ 220,969,073	\$ 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
Cost Per Enrolled Pupil	\$ 10,368	\$ 9,963	\$ 9,230	\$ 9,020	\$ 9,123	\$ 9,246	\$ 9,235	\$ 8,450	\$ 7,904	\$ 7,519
% chg	4.07%	7.95%	2.32%	-1.13%	7.97%	9.30%	16.83%	6.90%	5.13%	3.50%
Teaching Staff	1,534	1,527	1,581	1,547	1,627	1,649	1,658	1,572	1,537	1,471
Enrolled Pupils/Teacher Ratio	17:1	18:1	18:1	14:1	14:1	13:1	13:1	14:1	14:1	15:1
# of Free & Reduced	3,083	3,127	3,199	3,251	3,190	3,111	2,715	2,778	2,789	2,653
% of Enrolled Pupils Qualify for Free/Reduced	14.5%	14.5%	14.6%	14.7%	14.2%	14.0%	12.3%	12.5%	12.6%	12.1%

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Rockwood School District (RSD)										
Minimum Salary	\$ 40,423	\$ 39,826	\$39,237	\$ 39,097	\$ 38,794	\$ 38,250	\$ 36,600	\$ 35,000	\$ 34,000	\$ 32,500
Maximum Salary	97,855	95,097	92,623	90,670	88,596	86,325	83,125	79,600	76,500	73,603
RSD Average Salary	59,368	58,336	57,405	56,701	55,461	53,984	52,272	48,343	48,343	48,340
County Average Salary	59,040	58,420	58,376	58,833	57,025	56,839	55,014	53,986	53,278	52,010
Statewide Average Salary	\$ 47,399	\$ 46,754	\$46,213	\$ 45,723	\$ 45,315	\$ 45,097	\$ 46,099	\$ 43,256	\$ 43,533	\$ 42,083

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

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**

<b>Location</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Elementary</b>										
<b>BABLER-1957</b>										
Square Feet	100,473	100,473	100,473	100,473	100,473	100,473	97,400	97,400	97,400	97,400
Capacity	599	599	660	660	639	639	660	660	714	714
Enrollment	524	532	541	557	573	569	595	617	621	633
<b>BALLWIN-1963</b>										
Square Feet	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350	68,350
Capacity	576	576	593	593	591	591	591	591	652	652
Enrollment	517	495	550	566	558	524	517	490	493	491
<b>BLEVINS-2001</b>										
Square Feet	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700	61,700
Capacity	455	455	570	570	570	570	570	570	538	538
Enrollment	401	437	440	470	497	494	510	497	468	468
<b>BOWLES-1972</b>										
Square Feet	54,335	54,335	54,335	54,335	54,335	53,450	53,450	53,450	53,450	53,450
Capacity	357	357	442	442	438	438	438	438	410	410
Enrollment	301	284	315	291	327	341	344	342	328	333
<b>CHESTERFIELD-1959</b>										
Square Feet	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300
Capacity	501	501	572	572	616	616	616	616	582	582
Enrollment	386	416	438	453	540	512	523	543	525	533
<b>ELLISVILLE-1940</b>										
Square Feet	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,400	83,000
Capacity	812	812	639	639	639	639	639	639	670	670
Enrollment	535	552	583	597	570	575	549	594	607	632
<b>EUREKA-1962</b>										
Square Feet	60,560	60,560	60,560	60,560	60,560	60,560	60,560	60,560	60,560	59,300
Capacity	403	403	394	394	371	371	371	371	432	432
Enrollment	324	309	317	298	308	275	280	288	268	249
<b>FAIRWAY-2004</b>										
Square Feet	67,851	67,851	67,851	67,851	67,851	67,851	64,400	64,400	64,400	64,400
Capacity	524	524	660	660	744	744	598	593	560	560
Enrollment	463	496	516	528	556	539	557	560	545	543
<b>GEGGIE-1972</b>										
Square Feet	62,380	62,380	62,380	62,380	62,380	62,380	56,000	56,000	53,450	53,450
Capacity	622	622	572	572	591	591	549	549	584	584
Enrollment	611	612	590	569	555	521	515	507	510	520
<b>GREEN PINES-1988</b>										
Square Feet	57,025	57,025	57,025	58,465	58,465	58,465	58,465	58,465	58,465	54,200
Capacity	645	645	549	549	549	549	459	549	604	604
Enrollment	403	424	435	459	472	500	507	507	514	534
<b>KEHRS MILL-1992</b>										
Square Feet	66,276	57,025	57,025	66,276	66,276	59,800	59,800	59,800	59,800	59,200
Capacity	645	645	660	660	658	658	637	637	648	648
Enrollment	570	572	592	607	622	629	626	618	583	562
<b>KELLISON-1973</b>										
Square Feet	59,907	58,700	58,700	60,140	60,140	60,140	60,140	60,140	60,140	58,700
Capacity	501	501	524	524	528	528	528	528	494	494
Enrollment	380	409	433	438	461	456	464	487	485	461

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (CONTINUED)**  
**LAST TEN FISCAL YEARS**

Location	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Elementary Concluded</b>										
POND-1959										
Square Feet	58,247	58,247	58,247	58,247	58,247	57,300	57,300	57,300	57,300	57,300
Capacity	432	432	576	576	591	591	591	591	560	560
Enrollment	364	358	407	413	449	456	487	510	490	494
RIDGE MEADOWS-1991										
Square Feet	59,900	59,900	59,900	59,900	59,900	59,900	59,900	59,900	59,900	58,400
Capacity	455	455	574	574	570	570	570	570	604	604
Enrollment	410	419	439	469	503	424	532	535	547	492
STANTON-1984										
Square Feet	57,270	57,270	57,270	57,270	57,270	50,570	50,570	50,570	50,570	47,000
Capacity	524	524	591	591	612	612	505	505	454	454
Enrollment	548	543	525	544	539	518	469	461	427	406
UTHOFF VALLEY-1992										
Square Feet	60,010	60,010	60,010	60,010	60,010	60,010	60,010	60,010	60,010	57,400
Capacity	576	576	572	572	570	570	570	570	648	648
Enrollment	464	481	484	497	531	503	488	509	485	484
WESTRIDGE-1961										
Square Feet	65,079	65,079	65,079	65,079	65,079	66,519	61,130	61,130	61,130	56,625
Capacity	455	455	530	530	610	610	459	459	454	454
Enrollment	447	436	435	438	421	391	409	446	387	395
WILD HORSE-1999										
Square Feet	70,380	70,380	70,380	70,380	70,380	70,380	65,500	65,500	65,500	65,500
Capacity	622	622	660	660	746	746	570	570	604	604
Enrollment	567	547	558	565	573	568	543	549	514	509
WOERTHER-1972										
Square Feet	58,475	58,475	58,475	58,475	58,475	58,475	58,475	58,475	58,475	56,550
Capacity	547	547	618	618	658	658	658	658	648	648
Enrollment	443	459	485	536	565	555	554	586	591	580
<b>Middle School</b>										
CRESTVIEW-1964										
Square Feet	227,950	227,950	227,950	216,000	216,000	216,000	216,000	216,000	216,000	207,600
Capacity	1,275	1,275	1,460	1,460	1,442	1,442	1,442	1,442	1,442	1,442
Enrollment	1,185	1,215	1,228	1,205	1,211	1,167	1,197	1,183	1,167	1,166
LASALLE SPRINGS-1996										
Square Feet	122,533	122,533	122,533	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity	1,063	1,063	1,053	1,053	1,028	1,028	1,028	1,028	1,028	1,028
Enrollment	909	910	926	942	929	903	936	870	842	816
ROCKWOOD SOUTH-1982										
Square Feet	144,592	144,592	144,592	139,935	139,935	139,935	139,935	139,935	139,935	132,900
Capacity	1,254	1,254	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192
Enrollment	945	978	982	1,016	1,006	954	946	945	961	998
ROCKWOOD VALLEY-1994										
Square Feet	129,683	129,683	129,683	122,300	122,300	122,300	122,300	122,300	122,300	122,300
Capacity	1,041	1,041	1,037	1,037	1,012	1,012	1,012	1,012	1,012	1,012
Enrollment	716	753	724	794	768	801	796	801	797	828
SELVIDGE-1970										
Square Feet	132,285	132,285	132,285	132,285	132,285	125,500	125,500	125,500	125,500	114,500
Capacity	1,126	1,126	1,032	1,032	1,032	1,032	1,014	1,014	1,014	1,014
Enrollment	702	711	696	714	691	692	687	714	714	682
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	1,063	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001
Enrollment	735	754	762	755	764	772	786	785	752	769

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (CONCLUDED)**  
**LAST TEN FISCAL YEARS**

<b>Location</b>	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>High School</b>										
EUREKA-1970										
Square Feet	329,511	329,511	329,511	328,063	317,206	315,030	281,730	281,730	281,730	247,000
Capacity	2,125	2,125	2,053	2,053	1,942	1,942	1,656	1,655	1,569	1,569
Enrollment	1,928	1,906	1,996	1,956	1,918	1,882	1,756	1,771	1,649	1,567
LAFAYETTE-1992										
Square Feet	347,467	347,467	347,467	347,467	347,467	339,425	309,725	309,725	309,475	296,900
Capacity	2,316	2,316	2,352	2,352	2,013	2,352	2,158	2,158	2,158	2,158
Enrollment	1,929	1,949	1,992	2,018	2,065	2,065	2,011	2,063	2,005	2,052
MARQUETTE-1995										
Square Feet	330,805	330,805	330,805	314,968	309,988	304,060	293,440	293,440	293,440	283,500
Capacity	2,444	2,444	2,385	2,385	2,296	2,296	2,101	2,101	1,971	1,971
Enrollment	2,254	2,235	2,209	2,168	2,215	2,274	2,225	2,179	2,037	2,057
ROCKWOOD SUMMIT-1994										
Square Feet	305,006	305,006	305,006	305,006	303,221	289,026	262,080	262,080	259,200	259,200
Capacity	1,679	1,679	1,694	1,694	1,694	1,694	1,519	1,519	1,519	1,519
Enrollment	1,351	1,306	1,278	1,294	1,301	1,375	1,351	1,390	1,350	1,293
<b>Other Structures</b>										
ANNEX-1934										
Square Feet	85,736	84,200	84,200	85,640	85,640	85,640	85,640	85,640	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	10,008	7,300	7,300	10,180	10,180	10,180	10,180	10,180	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	45,200	46,640	46,640	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 2014 Enrollment Projections Report, Facilities Department  
Note: Square footage as of Fall 2014 and includes trailers

**ROCKWOOD R-VI SCHOOL DISTRICT**

**TOTAL ENROLLMENT  
LAST TEN FISCAL YEARS**

Grade	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
K	1,263	1,168	1,241	1,275	1,410	1,363	1,342	1,426	1,382	1,438
1	1,271	1,344	1,384	1,483	1,486	1,462	1,486	1,468	1,587	1,475
2	1,387	1,404	1,540	1,551	1,557	1,551	1,478	1,637	1,556	1,550
3	1,454	1,563	1,557	1,545	1,621	1,534	1,671	1,612	1,606	1,591
4	1,591	1,588	1,580	1,678	1,638	1,724	1,652	1,675	1,636	1,584
5	1,601	1,612	1,719	1,650	1,785	1,669	1,696	1,699	1,621	1,681
SSD	91	102	102	113	123	147	143	129	152	154
Subtotal K-5	8,658	8,781	9,123	9,295	9,620	9,450	9,468	9,646	9,540	9,473
6	1,679	1,738	1,638	1,775	1,730	1,734	1,745	1,690	1,765	1,691
7	1,752	1,652	1,794	1,738	1,781	1,742	1,701	1,811	1,686	1,784
8	1,644	1,805	1,754	1,788	1,775	1,733	1,801	1,709	1,782	1,784
SSD	117	126	132	125	83	80	101	88	102	78
Subtotal 6-8	5,192	5,321	5,318	5,426	5,369	5,289	5,348	5,298	5,335	5,337
9	1,916	1,899	1,939	1,904	1,932	2,004	1,879	1,889	1,926	1,813
10	1,850	1,815	1,817	1,836	1,884	1,801	1,860	1,903	1,788	1,818
11	1,747	1,785	1,810	1,835	1,754	1,788	1,832	1,671	1,717	1,702
12	1,777	1,749	1,775	1,723	1,734	1,779	1,623	1,695	1,610	1,636
SSD	172	148	134	138	143	143	149	165	182	153
Subtotal 9-12	7,462	7,396	7,475	7,436	7,447	7,515	7,343	7,323	7,223	7,122
Grand Total	21,312	21,498	21,916	22,157	22,436	22,254	22,159	22,268	22,098	21,932

**Comprehensive  
Annual  
Financial  
Report**

---

**2015**

**State Compliance Section**

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

Board of Education  
Rockwood R-VI School District

We have examined Rockwood R-VI School District's compliance 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 listed in the Schedule of Selected Statistics.

**Management's Responsibilities**

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

**Accountants' Responsibility**

Our responsibility is to express an opinion on the District's compliance based on our examination. Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence about the 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 examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the Rockwood R-VI School District's compliance with specified requirements.

**Qualification**

Our examination disclosed material noncompliance with reporting of average daily transportation of pupils applicable to Rockwood R-VI School District for the year ended June 30, 2015 as referred to at finding 15-01.

**Opinion on Compliance with State Requirements**

In our opinion, except for the material noncompliance described in the fourth paragraph, Rockwood R-VI School District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2015.



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.

Kenner, Eck & Braeckel LLP

St. Louis, Missouri  
December 11, 2015

**ROCKWOOD R-VI SCHOOL DISTRICT**

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED  
FOR THE YEAR ENDED JUNE 30, 2015**

---

**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 K - 5					
	<u>Days</u>	<u>Hours</u>		<u>Days</u>	<u>Hours</u>
Ballwin	178	1,126.20	Kindergarten A.M.	178	538.20
Bowles	178	1,126.20	Grades K - 5	178	1,126.20
Chesterfield	178	1,126.20	Grades 6 - 8	178	1,117.80
Ellisville	178	1,126.20	Grades 9 - 12	178	1,088.06
Eureka	178	1,126.20			
Green Pines	178	1,126.20			
Geggie	178	1,126.20			
Kellison	178	1,126.20			
Pond	178	1,126.20			
Stanton	178	1,126.20			
Westridge	178	1,126.20			
Babler	178	1,126.20			
Kehrs Mill	178	1,126.20			
Uthoff	178	1,126.20			
Woerther	178	1,126.20			
Wild Horse	177	1,119.70			
Blevins	178	1,126.20			
Fairway	178	1,126.20			

**ROCKWOOD R-VI SCHOOL DISTRICT**

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED  
FOR THE YEAR ENDED JUNE 30, 2015**

---

**2. Average Daily Attendance (ADA)**

**Regular term**

	Full-Time & Part-Time	Deseg In	Total
Kindergarten - A.M.	6.43	-	6.43
Kindergarten - P.M.	-	-	-
Kindergarten - Full Day	1,125.68	80.24	1,205.92
Grades 1 - 5	6,663.60	477.37	7,140.97
Grades 6 - 8	4,541.64	393.23	4,934.87
Grades 9 - 12	6,311.35	498.53	6,809.88
<b>Subtotal regular term</b>	<b>18,648.70</b>	<b>1,449.37</b>	<b>20,098.07</b>
<b>Summer school</b>	<b>63.12</b>	<b>28.88</b>	<b>92.00</b>
<b>Total average daily attendance</b>	<b>18,711.82</b>	<b>1,478.25</b>	<b>20,190.07</b>

**3. September Membership**

	Full-Time & Part-Time	Deseg In	Total
September membership FTE count	<b>19,571.88</b>	<b>1,564.55</b>	<b>21,136.43</b>

**4. Free and Reduced Priced Lunch FTE Count**

	Full-Time & Part-Time	Deseg In	Total
Free	1,291.91	1,275.86	2,567.77
Reduced	380.02	135.12	515.14
<b>Total</b>	<b>1,671.93</b>	<b>1,410.98</b>	<b>3,082.91</b>

**ROCKWOOD R-VI SCHOOL DISTRICT**

**SCHEDULE OF SELECTED STATISTICS - UNAUDITED  
FOR THE YEAR ENDED JUNE 30, 2015**

---

**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>\$293,403</u> |

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

Finding #: N/A

Management Letter Comment #: N/A

## ROCKWOOD R-VI SCHOOL DISTRICT

### SCHEDULE OF SELECTED STATISTICS - UNAUDITED FOR THE YEAR ENDED JUNE 30, 2015

---

#### 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 maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.

False

- 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 10,345

▪ Ineligible ADT 2,243

- D. The District's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.

True

- E. Actual odometer records show the total district-operated and contracted mileage for the year was:

1,805,661

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 1,598,346

▪ Ineligible Miles (Non-Route/Disapproved) 207,315

- F. Number of days the district operated the school transportation system during the regular school year:

178

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

Finding #: See Schedule of State Findings

Management Letter Comment #: 15-01

## ROCKWOOD R-VI SCHOOL DISTRICT

### SCHEDULE OF SELECTED STATISTICS - UNAUDITED FOR THE YEAR ENDED JUNE 30, 2015

---

#### **Finding 15-01**

##### **Condition:**

Ridership information reported on the original Application for State Transportation Aid was prepared using information that was not reviewed or reconciled.

##### **Criteria:**

In accordance with the Missouri State Transportation Aid Document Preparation Manual published by the Department of Elementary and Secondary Education, ridership data must be based on ridership lists that accurately reflect students living more than one mile from the school who are riding the school bus on a regular basis. All data reported is subject to review by the District's auditors.

##### **Cause:**

Driver count sheets showed discrepancies when compared to the ridership summary prepared by the District's transportation provider. In addition, there were formula errors on the excel based ridership summary that were identified during the audit. The information was not reviewed prior to being reported on the Application for State Transportation Aid.

##### **Effect:**

The ridership reported on the Application for State Transportation Aid may be inaccurate. The data on the Application is the basis for state aid.

##### **Recommendation:**

We recommend that someone be responsible for reviewing and reconciling this data to ensure the accuracy of the information before it is submitted to the state for reimbursement.

##### *Management response:*

Ridership information totals provided by the contractor were being reconciled for reasonableness based upon prior years' ridership numbers. In response to the auditor's concerns, going forward the District will conduct random audits of 10% of the buses and their specific route counts with our provider to ensure the process is accurate and consistent.

In terms of avoiding spreadsheet errors by provider, the District will provide the ridership template to the provider with tested formulas and will no longer accept the provider's data on their spreadsheet format. Upon receipt by the District, all column totals will be verified to ensure accurate range of cells are being totaled.

**Comprehensive  
Annual  
Financial  
Report**

---

**2015**

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, 2015, 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 11, 2015.

**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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Rockwood R-VI School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kenner, Eck & Braeckel LLP*

St. Louis, Missouri  
December 11, 2015



CPAs and  
Management Consultants

One South Memorial Drive, Ste. 900  
St. Louis, MO 63102-2439  
ph. 314.231.6232  
fax 314.880.9307

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

## **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, 2015. 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, 2015.

### **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.

Kerber, Eck & Brackel LLP

St. Louis, Missouri  
December 11, 2015

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor\Pass-through Grantor\Program Title	Federal CFDA Number	Pass- Through Identification Number	Expenditures
<b>U.S. Department of Education</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
State-Wide Collaborative Work Initiative	84.027	096-091	\$ 9,628
Career and Technical Education - Basic Grants to States	84.048	096-091	142,221
Adult Education and Literacy - Basic Grants to States	84.002	096-091	432,064
Early Childhood Special Education	84.027	096-091	952,122
Title I - Grants to Local Educational Agencies	84.010	096-091	1,580,419
Title II - Improving Teacher Quality State Grants	84.367	096-091	375,178
Title III, English Language Acquisition Grants	84.365	096-091	87,674
<b>Total U.S. Department of Education</b>			<u>3,579,306</u>
<b>U.S. Department of Health and Human Services</b>			
Passed-through Missouri Department of Social Services			
Drug-Free Communities Support Program Grants	93.276	096-091	104,867
<b>U.S. Department of Air Force</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
Buffer Zone Protection Program	97.078	096-091	123,331
<b>U.S. Department of Agriculture</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
School Breakfast Program	10.553	096-091	1,701,254
National School Lunch Program			
Cash assistance	10.555	096-091	370,212
Non-cash assistance (food distribution)	10.555	096-091	435,273
Total National School Lunch Program			<u>805,485</u>
<b>Total U.S. Department of Agriculture</b>			<u>2,506,739</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 6,314,243</u></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, 2015**

---

**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, 2015. 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	\$ 2,506,739
-------------------------	----------------	--------------

**ROCKWOOD R-VI SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

---

**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 deficiencies identified that are not considered to be material weaknesses?  
None reported

Noncompliance material to the financial statements noted? No

**Federal Awards**

Internal control over major programs:

Material weakness identified? No

Significant deficiencies identified that are not considered to be material weaknesses?  
None reported

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:

Child Nutrition Cluster	10.553, 10.555	\$ 2,506,739
-------------------------	----------------	--------------

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, 2015**

---

**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.



**ROCKWOOD R-VI SCHOOL DISTRICT**

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

---

**SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

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