

**RITENOUR SCHOOL DISTRICT**  
**ST. LOUIS COUNTY, MISSOURI**  
**AUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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## **FINANCIAL SECTION**



# Daniel Jones & Associates

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Education  
Ritenour School District

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

#### *Opinions*

We have audited the modified cash basis financial statements of the governmental activities and each major fund of Ritenour School District ("District"), Missouri, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District as of June 30, 2023, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note I.

#### *Basis for Opinions*

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

#### *Emphasis of Matter-Basis of Accounting*

We draw attention to Note I of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note I, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all

material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note I.


**Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 12, 2023

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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The discussion and analysis of the Ritenour School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to examine the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key financial highlights for 2023 are as follows:

- In total, the net position of the District decreased \$2,480,778 which represents a 5.9 percent decrease from 2022. The decrease is largely due to the timing of cash receipts. About \$1.7 million of Education Stabilization Funds (ESSER II) revenue was not received until October, 2023 but was spent during the 2022-23 fiscal year. In addition, about \$900,000 of repairs related to damage from floods and freezing pipes were spent in 2022-23 but will not be received until the 2023-24 fiscal year. Finally, federal Title I, II, III & IV funds are normally received several months after the end of the fiscal year.
- General revenues accounted for \$75,906,981 in revenue or 81.7 percent of all revenues. Program specific revenues in the form of charges for services, operating grants, contributions, and debt proceeds accounted for \$17,056,893 or 18.4 percent of total revenues of \$92,963,874.
- Total assets of governmental activities decreased by \$2,441,160 as cash and cash equivalents decreased, and total liabilities increased by \$39,618 as payroll withholdings grew.
- The School District had \$95,444,652 in expenses, which represents a \$12,923,349 increase from 2022 or a 15.7 percent increase in expenses. Operating expenses total \$83,831,807, which is a \$7,285,411 increase over the 2022 fiscal year, or a 9.5 percent increase.
- Among major funds, the General Fund had \$41,222,004 in revenues and \$32,669,892 in expenditures. The General Fund's balance increased by \$2,813,970 from 2022. The School District transferred \$5,883,793 and \$11,989 from the General Fund to the Special Revenue (Teachers) Fund and the Capital Projects Fund, respectively. The Special Revenue Fund currently maintains a zero fund balance through those fund transfers from the General Fund. The Capital Projects Fund Balance is \$3,812,391 and represents funds strictly restricted to bond issue projects.

### **Enrollment**

The District served a K-12 student body of 6,215 FTE students. This is an increase of 12 students from the previous year. The 23-24 projected enrollment is 6,176, and it is anticipated that enrollment will remain consistent over the next several years, with 6,136 students by the 2026-27 school year.

### **Using This Annual Report**

The School District's annual report consists of a series of financial statements that show information for the School District as a whole and its significant funds, as well as notes to those statements. The Statement of Net Position and the Statement of Activities (pages 13 and 14) provide information about the activities of the Ritenour School District as a whole and present a longer-term view of the School District's finances. The fund financial statements begin on page 15. These statements present how the School District financed our services in the short-term, as well as the amounts that remain for future spending. Also, fund statements may give some insight into the School District's overall financial health; they present the School District's operations in more detail than the government-wide financial statements by providing information about the most significant funds.



RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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## **Reporting the School District as a Whole**

### ***The Statement of Net Position and the Statement of Activities:***

The analysis of the School District as a whole begins on page 13. This analysis provides answers as to whether the School District is financially stronger or weaker as a result of the year's activities. The Statement of Net Position and the Statement of Activities report information on the School District as a whole and its activities, which help to provide this answer. These statements include all assets and liabilities using the modified cash basis of accounting. As such, all revenues are recognized when received, and expenditures and purchases of assets are recognized when cash is disbursed.

In addition, these two statements report the School District's net position and the changes in those net positions. The change in net position is the difference between assets and liabilities and represents one way to measure the School District's financial position and whether it is improving or declining. The relationship between revenue and expense indicates the School District's operating results. However, the School District's mission is to provide services to our students, parents, and community, not to generate profits as commercial entities strive to do each year. Non-financial factors, such as the quality of education provided and the services offered to the community, must also be considered to assess the overall health of the School District.

The Statement of Net Position and Statement of Activities report governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported, including but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-like activities.

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

### ***Fund Financial Statements:***

The School District's fund financial statements, which begin on page 15, provide detailed information about the District's most significant funds, not the School District as a whole. The School District utilizes several funds to account for a multitude of financial transactions. The School District's major governmental funds are the General (Incidental) Fund, Special Revenue (Teachers) Fund, Debt Service Fund and the Capital Projects Fund.

### ***Governmental Funds:***

All of the School District's services are reported in governmental funds, which focus on money flows into and out of the funds, and balances remaining at year-end available for spending in future years. These statements include all significant assets and liabilities using the modified cash basis of accounting. The governmental fund statements provide a detailed short-term view of the School District's operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources available in the near future to finance the School District's programs.

## **The School District as a Whole**

The School District's net position was \$39,315,655 at June 30, 2023. Of this amount, \$28,363,751 is unrestricted. Restricted net assets are reported separately to reflect legal constraints from debt covenants and enabling legislation that limit the School District's ability to use those net assets for day-to-day operations. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the School District's governmental activities.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

**TABLE 1**  
**NET POSITION**  
**June 30, 2022**

	2023	2022
<b>ASSETS</b>		
Cash and Investments	\$ 35,730,603	\$ 32,863,785
Restricted Cash and Investments	6,262,495	11,570,473
<b>TOTAL ASSETS</b>	<b>\$ 41,993,098</b>	<b>\$ 44,434,258</b>
 <b>LIABILITIES</b>		
Payroll Withholdings	\$ 2,677,443	\$ 2,637,825
 <b>NET POSITION</b>		
Restricted for:		
Retirement of Long-term Debt	6,061,725	6,002,334
Student Food and Nutrition Program	1,077,788	469,454
Bond Issue Funds	3,812,391	9,166,530
Unrestricted	28,363,751	26,158,115
<b>Total Net Position</b>	<b>39,315,655</b>	<b>41,796,433</b>
 <b>TOTAL LIABILITIES AND NET POSITION</b>	 <b>\$ 41,993,098</b>	 <b>\$ 44,434,258</b>

The total net position of governmental activities decreased by \$2,480,778 as total assets decreased by \$2,441,160 and total liabilities increased by \$39,618. The bond issue fund is comprised of \$3,812,391 as of June 30, 2023 and the debt service fund balance is \$6,061,725. Therefore, the decrease in net position attributable to operating activities is \$2,813,970. This year, actual operating revenue was higher than budget by \$433,054 (.5%). The difference was mainly due to a delay of receiving Education Stabilization Funds (ESSER II), and other revenue and insurance reimbursements. The funds were expensed during fiscal year 22-23; however, the receipt of funds will not take place until fiscal year 2024. The actual operating expenditures were lower than the budget amount by \$933,624 (1.1%). The difference was due to several components:

1. \$(106,127) (.2%) additional expense on salaries
2. \$353,657 (2.3%) savings on fringe benefits
3. \$80,756 (.1%) savings on other services purchased from outside vendors
4. \$114,230 (1.6%) savings on textbooks, supplies and utilities
5. \$491,108 (52.3%) savings on capital outlay and contingencies

The district prides itself on being good stewards of taxpayer funds and spending on needs and not wants. Despite the savings, the district maintained sufficient resources closest to classrooms in order to effectively instruct students, while maintaining competitive salaries and benefits. The \$28,363,751 in unrestricted net assets represents the accumulated results of all past years' operations. This means that if the School District had to pay off all its current liabilities today, there would still be a balance of \$28,363,751 left after liabilities for other unrestricted purposes.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

The results of this year's operations for the School District as a whole reported in the Statement of Activities on page 14. Table 2 takes the information from that Statement and rearranges them slightly so you can see our total revenue and the change in net position for the current and previous year.

**TABLE 2**  
**CHANGES IN NET POSITION**  
**June 30, 2023**

	<u>2023</u>	<u>2022</u>
Program Revenue		
Charges for Services	\$ 707,026	\$ 1,159,166
Operating Grants and Contributions	16,349,867	5,821,953
General Revenue		
Property Taxes	37,553,363	35,540,653
Sales Taxes	8,878,644	8,382,075
State Aid	27,691,745	27,540,632
Investment Earnings	1,519,118	84,715
Miscellaneous	264,111	165,635
Principal Retirement	-	-
Total Revenues	<u>\$ 92,963,874</u>	<u>\$ 78,694,829</u>
Function/Program Expenses		
Instruction	\$ 45,628,447	\$ 43,124,694
Support Services		
Student Services	4,433,525	4,137,932
Instructional Support	3,146,409	2,671,500
General Administration	3,392,596	3,134,527
School Administration	5,131,124	4,992,700
Operation of Plant	11,234,901	9,273,957
Pupil Transportation	3,282,086	2,392,282
Food Services	3,836,785	3,149,878
Business and Central Services	1,474,606	1,310,960
Adult Education	234,629	255,835
Community Services	1,720,669	1,421,764
Facilities	5,601,417	776,100
Principal, Interest and Fiscal Charges	6,327,458	5,879,175
Total Function/Program Expenses	<u>\$ 95,444,652</u>	<u>\$ 82,521,304</u>
Change in Net Position	(2,480,778)	(3,826,475)
Net Position at Beginning of Year	<u>41,796,433</u>	<u>45,622,908</u>
Net Position at End of Year	<u>\$ 39,315,655</u>	<u>\$ 41,796,433</u>

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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**Governmental Activities**

The cost of all governmental activities totaled \$95,444,652 in fiscal year 2023. The School District's taxpayers funded \$37,553,363 or 40.4 percent of total revenues. In addition to taxpayer funding, charges for services funded \$707,026 or .8 percent of revenues and other grants and contributions funded \$16,349,867 or 17.6 percent of revenues. State aid increased \$151,113 or .5 percent from 2022 to 2023.

**TABLE 3  
COST OF PROGRAM SERVICES  
For the year ended June 30, 2023**

	<b>2023</b>	<b>2022</b>
Instruction	\$ 45,628,447	\$ 43,124,694
Support Services		
Student Services	4,433,525	4,137,932
Instructional Support	3,146,409	2,671,500
General Administration	3,392,596	3,134,527
School Administration	5,131,124	4,992,700
Operation of Plant	11,234,901	9,273,957
Pupil Transportation	3,282,086	2,392,282
Food Services	3,836,785	3,149,878
Business and Central Services	1,474,606	1,310,960
Adult Education	234,629	255,835
Community Services	1,720,669	1,421,764
Facilities	5,601,417	776,100
Principal, Interest and Fiscal Charge:	6,327,458	5,879,175
<b>Total</b>	<b>\$ 95,444,652</b>	<b>\$ 82,521,304</b>

Instruction comprises 47.8 percent of district expenses. Support services expenses make up 37.9 percent of the expenses. Instruction expenses include the activities dealing directly with the teaching of pupils, or the interaction between teachers and pupils.

Student services include the activities that are designed to assess and improve the well-being of pupils and to supplement the teaching process.

Instructional support includes the activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils.

General administration includes the expenses concerned with establishing and administering policy for operating the local education agency.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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School administration includes the expenses concerned with overall administrative responsibility for a single school or a group of schools.

Business services include the activities concerned with purchasing, paying, transporting, exchanging, and maintaining goods and services for the School District.

Operation of plant services are concerned with the keeping the physical plant comfortable and safe for use, and providing appropriate instructional spaces; and keeping the grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities.

Food services include the preparation, delivery, and servicing of breakfast, lunches, and snacks to students and school staff in connection with school activities.

Central office support services include activities other than general administration, which support each of the other instructional and supporting services programs.

Community services consist of those activities that do not directly relate to providing education for pupils in a school. These include services provided by the School District for the community as a whole or some segment of the community and community welfare activities.

Facilities consist of those activities concerned with the acquisition of land and buildings. It also includes the remodeling, construction and additions to buildings as well as the improvements to sites.

Interest and fiscal charges involves the transactions associated with the payment of principal, interest and other related charges to debt of the School District.

### **The School District's Funds**

As noted earlier, the School District uses funds to help it control and manage money for a particular purpose. Looking at funds helps you consider whether the School District is being accountable for the resources taxpayers and others provide, but it may also give insight into the School District's overall financial health.

- All funds are accounted for using the modified cash basis of accounting. In total, governmental funds had a fund balance of \$39,315,655 at June 30, 2023, which represents a decrease of \$2,480,778 from the prior year, as discussed previously. The School District realized a surplus of \$2,813,970 in the General Fund and a surplus of \$59,391 in the Debt Service Fund. The Special Revenue and Capital Projects Funds normally maintain zero balances as those funds receive transfers from the General Fund. The Capital Projects Fund Balance is \$3,812,391 which represents funds strictly restricted to bond issue projects, attributable to the 2020 bond issue.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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**TABLE 4**  
**FUND ACTIVITY SUMMARY**  
**Year Ended June 30, 2023**

	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Beginning Fund Balance, July 1, 2022	\$ 26,627,569	\$ -	\$ 6,002,334	\$ 9,166,530	\$ 41,796,433
Revenues	41,222,004	44,771,112	6,070,819	683,477	92,747,412
Expenditures	(32,669,892)	(50,713,727)	(6,011,428)	(6,049,605)	(95,444,652)
Other Financing Sources/(Uses)	(5,738,142)	5,942,615	-	11,989	216,462
Change in Fund Balance	2,813,970	-	59,391	(5,354,139)	(2,480,778)
Ending Fund Balance, June 30, 2023	<u>\$ 29,441,539</u>	<u>\$ -</u>	<u>\$ 6,061,725</u>	<u>\$ 3,812,391</u>	<u>\$ 39,315,655</u>

### General Fund Budget Highlights

The School District's budget is prepared according to Missouri law. It is organized and presented in a format that meets the Association of School Business Officials' (ASBO) Meritorious Budget Award standards. The budget is based upon accounting for certain transactions on a cash basis. The most significant budgeted fund is the General Fund.

During the course of the 2023 fiscal year, the School District amended its General Fund budget as needed. The final revenue budget was \$43,646,476 while the actual revenues were \$41,222,005. This difference is primarily due to the delay of receipt of federal education stabilization revenue until fiscal year 2024.

The General Fund's final expenditure budget was \$32,669,893 while actual expenditures were \$32,669,893.

### Debt Administration

At June 30, 2023, the School District had \$40,995,000 in general obligation bonds outstanding. These bonds are legal obligations of the School District and payable from property taxes received and expended from the Debt Service Fund. On its most recent bond issue, Standard and Poor's issued the School District an AA+ bond rating due to the Missouri Direct Deposit Program, and an underlying rating of AA-.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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**OUTSTANDING GENERAL OBLIGATION DEBT**  
**June 30, 2023**

	2023	2022
General Obligation Bonds - by issue date:		
October 22, 2009	5,600,000	8,200,000
May 17, 2011	-	-
January 24, 2012	-	-
April 28, 2016	10,810,000	12,785,000
September 5, 2017	6,960,000	6,960,000
April 30, 2020	7,875,000	7,875,000
October 15, 2020	9,750,000	9,750,000
	\$ 40,995,000	\$ 45,570,000

On March 3, 2020, a Lease Purchase Agreement was completed to refund outstanding Leasehold Revenue Bonds originally issued by the Ritenour School District Educational Facilities Authority. In addition, the Lease Purchase Agreement provided funds to renovate and improve the District's transportation hub. As of June 30, 2023, the Lease Purchase Agreement had \$1,243,000 in outstanding debt.

**Current Financial Issues and Concerns**

The Ritenour School District is financially stable. The School District is proud of its community support and relationship with state and local government officials, law enforcement agencies and fire protection districts.

The State of Missouri's education funding formula for K-12 public school is based on student need, and applies additional weighting to students who are on free and reduced lunch, receive special education services, or have limited English proficiency. In addition, the new formula provides for a regional cost of living adjustment. The formula calculates total revenue based on student needs, then reduces that amount by a minimum local effort and provides funding for the difference. This formula accounted for \$25,057,269 or 34.3 percent of total operating revenue.

The State of Missouri was able to again fully-fund the education funding formula for the fiscal year 2023. In this year's legislative session, the General Assembly again appropriated the estimated amount to fully-fund the formula for the 2023-24 fiscal year. It is anticipated that full funding will result by June, 2024, the end of the 2023-24 fiscal year. State sales tax and general state revenue from income taxes has continued to increase throughout last year and currently. As we have seen previously, the rate of positive Covid-19 cases and transmission of the virus could increase again despite the availability of vaccines. Increased cases of Covid-19 positivity could significantly affect state revenue.

After three consecutive reassessment cycles had resulted in decreases in the overall property wealth of the District, the 2017 net assessed valuation of the District increased by \$35 million or 6.8 percent over the 2015 values. The 2019 reassessment resulted in an increase of \$75.8 million or 13.8 percent over the 2017 values. The 2021 assessed value increased about \$666.6 million, mainly due to an increase in residential & commercial real estate values. The 2023 assessment increased by more than \$161 million (23%) due to an increase in both residential and commercial real estate values, as well as an increase in personal property assessed value. This was most likely due to increased values of new and used vehicles and other commercial equipment.

RITENOUR SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
YEAR ENDED JUNE 30, 2023

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Federal CARES Act (ESSERS) funds have offset much of the cost of purchasing Personal Protective Equipment (PPE), disinfecting supplies and for internet connectivity for students for online/virtual instruction. It also funded more 2022-23 staff increases for academic interventionists to offset learning loss in all students, increased EL and other specialists to address learning loss in more-disadvantaged students, and social/emotional supports like counselors and social workers to address student behavior after 15 months of partial or full virtual instruction. It will continue to fund those positions during the 2023-24 school year. Unfortunately, those funds expire September 30, 2024. Therefore, it is likely that some if not most of those added positions will be eliminated, as local funds will not be sufficient to sustain those positions.

The School District has implemented expenditure savings over the past several budgets and continues to look for ways to limit operating expenditure growth. District and building administrators, support department directors and all employees are working together to spend only those costs absolutely necessary to operate the District and support its instructional programs.

In conclusion, the Ritenour School District has committed itself to financial excellence. In addition, the School District's systems of financial planning and budgeting are well regarded as affirmed by the Association of School Business Officials International through the granting of the Meritorious Budget Award to the School District from 2003 through 2023.

#### **Contacting the School District's Financial Management**

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors with a general overview of the School District's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Dwight Lindhorst, Chief Financial Officer, at 2420 Woodson Road, St. Louis, Missouri 63114-5423.



## **BASIC FINANCIAL STATEMENTS**

**Ritenour School District**  
**Statement of Net Position - Modified Cash Basis**  
**June 30, 2023**

	<b>Governmental Activities</b>
<b>Assets</b>	
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 35,730,603
Restricted Cash and Cash Equivalents	6,262,495
<b>Total Assets</b>	<b>41,993,098</b>
 <b>Liabilities</b>	
Payroll Liabilities	2,677,443
 <b>Net Position</b>	
Restricted for:	
Retirement of Long-Term Debt	6,061,725
Student Food and Nutrition Program	1,077,788
Bond Issue Funds	3,812,391
Unrestricted	28,363,751
<b>Total Net Position</b>	39,315,655
<b>Total Net Position and Liabilities</b>	<b>\$ 41,993,098</b>

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

**Ritenour School District**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>					
Instruction	\$ 45,628,447	\$ 372,296	\$ 10,095,262	\$ -	\$ (35,160,889)
Attendance	543,165	-	-	-	(543,165)
Guidance	3,194,567	-	-	-	(3,194,567)
Health, Psych, Speech and Audio	695,792	-	-	-	(695,792)
Improvement of Instruction	1,630,256	-	112,431	-	(1,517,825)
Professional Development	261,195	-	-	-	(261,195)
Media Services (Library)	1,254,958	-	-	-	(1,254,958)
Board of Education Services	499,005	-	-	-	(499,005)
Executive Administration	2,893,591	-	-	-	(2,893,591)
Building Level Administration	5,131,124	-	-	-	(5,131,124)
Operation of Plant	10,981,522	18,086	-	-	(10,963,436)
Security Services	253,379	-	-	-	(253,379)
Pupil Transportation	3,282,086	157,640	1,498,717	-	(1,625,729)
Food Services	3,836,785	6,716	4,239,724	-	409,655
Business and Central Services	1,458,830	-	-	-	(1,458,830)
Other Supporting Services	15,776	-	-	-	(15,776)
Adult Education	234,629	-	186,763	-	(47,866)
Community Services	1,720,669	152,287	216,969	-	(1,351,413)
Capital Outlay	5,601,417	-	-	-	(5,601,417)
Debt Service:					
Principal Retirement	4,665,000	-	-	-	(4,665,000)
Interest	1,660,430	-	-	-	(1,660,430)
Other Charges	2,028	-	-	-	(2,028)
Total Governmental Activities	<u>\$ 95,444,651</u>	<u>\$ 707,025</u>	<u>\$ 16,349,866</u>	<u>\$ -</u>	<u>(78,387,760)</u>
<b>General Revenues:</b>					
Property Taxes					37,553,363
Sales Taxes					8,878,644
State Aid					27,691,745
Investment Earnings					1,519,118
Miscellaneous					264,112
<b>Subtotal, General Revenues</b>					<u><b>75,906,982</b></u>
Change in Net Position					<b>(2,480,778)</b>
Net Position, July 1, 2022					41,796,433
Net Position, June 30, 2023					<u><b>\$ 39,315,655</b></u>

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

**Ritenour School District**  
**Balance Sheet - Modified Cash Basis**  
**All Governmental Funds**  
**June 30, 2023**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 32,118,982	\$ -	\$ 3,611,621	\$ -	\$ 35,730,603
<b>Restricted Assets</b>					
Cash and investments	-	-	2,450,104	3,812,391	6,262,495
<b>Total Assets:</b>	<b>32,118,982</b>	<b>-</b>	<b>6,061,725</b>	<b>3,812,391</b>	<b>41,993,098</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Payroll liabilities	2,677,443	-	-	-	2,677,443
<b>Total Liabilities</b>	<b>2,677,443</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,677,443</b>
<b>Fund Balances:</b>					
Restricted for:					
Debt Service	-	-	6,061,725	-	6,061,725
Student Food and Nutrition Program	1,077,788	-	-	-	1,077,788
Bond Issue Funds	-	-	-	3,812,391	3,812,391
Assigned to:					
Student Activity Programs	732,148	-	-	-	732,148
Student Scholarships	12,913	-	-	-	12,913
Unassigned	27,618,690	-	-	-	27,618,690
<b>Total Fund Balances</b>	<b>29,441,539</b>	<b>-</b>	<b>6,061,725</b>	<b>3,812,391</b>	<b>39,315,655</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 32,118,982</b>	<b>\$ -</b>	<b>\$ 6,061,725</b>	<b>\$ 3,812,391</b>	<b>\$ 41,993,098</b>

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

**Ritenour School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis**  
**All Governmental Funds**  
**For the Year Ended June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Local Sources:					
Property Taxes	\$ 28,784,277	\$ -	\$ 5,752,435	\$ -	\$ 34,536,712
Sales Taxes	-	8,878,644	-	-	8,878,644
Other Taxes	1,939,598	-	-	-	1,939,598
Investment Income	1,078,199	2,586	191,055	247,279	1,519,119
Food Sales	6,716	-	-	-	6,716
Pupil Activities Income	313,474	-	-	-	313,474
Community Service	152,287	-	-	-	152,287
Other Local	219,999	-	-	-	219,999
Total Local	<u>32,494,550</u>	<u>8,881,230</u>	<u>5,943,490</u>	<u>247,279</u>	<u>47,566,549</u>
County Sources:					
Fines, Escheats, Etc.	-	62,198	-	-	62,198
State Assessed Utilities	949,725	-	127,329	-	1,077,054
Total County	<u>949,725</u>	<u>62,198</u>	<u>127,329</u>	<u>-</u>	<u>1,139,252</u>
State Sources:					
Basic Formula	-	25,234,499	-	-	25,234,499
State Grants and Contributions	1,517,369	2,649,855	-	-	4,167,224
Total State	<u>1,517,369</u>	<u>27,884,354</u>	<u>-</u>	<u>-</u>	<u>29,401,723</u>
Federal Sources					
	6,260,360	7,943,330	-	436,198	14,639,888
	<u>6,260,360</u>	<u>7,943,330</u>	<u>-</u>	<u>436,198</u>	<u>14,639,888</u>
<b>TOTAL REVENUES</b>	<u>41,222,004</u>	<u>44,771,112</u>	<u>6,070,819</u>	<u>683,477</u>	<u>92,747,412</u>
<b>Expenditures</b>					
<b>Current</b>					
Regular Instruction	4,461,182	41,100,840	-	66,425	45,628,447
Attendance	333,373	209,791	-	-	543,164
Guidance	728,619	2,465,949	-	-	3,194,568
Health, Psych Speech & Audio	693,519	-	-	-	693,519
Improvement of Instruction	569,906	1,060,351	-	-	1,630,257
Professional Development	153,707	107,487	-	-	261,194
Media Services	497,949	757,009	-	-	1,254,958
Board of Education Services	499,005	-	-	-	499,005
Executive Administration	2,551,187	325,231	-	19,447	2,895,865
Building Level Administration	1,753,268	3,377,856	-	-	5,131,124
Operation of Plant	10,962,621	-	-	18,901	10,981,522
Security Services	253,379	-	-	-	253,379
Pupil Transportation	3,282,086	-	-	-	3,282,086
Food Service	3,815,390	-	-	21,395	3,836,785
Central Office Support Services	1,242,637	216,193	-	-	1,458,830
Other Supporting Services	9,786	-	-	5,990	15,776
Adult Continuing Education	117,232	117,397	-	-	234,629
Community Services	745,046	975,623	-	-	1,720,669
<b>Capital Outlay</b>	-	-	-	5,601,417	5,601,417
<b>Debt Service:</b>					
Principal	-	-	4,575,000	90,000	4,665,000
Interest and Charges	-	-	1,436,428	226,030	1,662,458
<b>Total Expenditures</b>	<u>32,669,892</u>	<u>50,713,727</u>	<u>6,011,428</u>	<u>6,049,605</u>	<u>95,444,652</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,552,112</u>	<u>(5,942,615)</u>	<u>59,391</u>	<u>(5,366,128)</u>	<u>(2,697,240)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers	(5,895,782)	5,883,793	-	11,989	-
Contracted Educational Services	-	58,822	-	-	58,822
Trans from other LEAS Non-Handi	157,640	-	-	-	157,640
<b>Total Other Financing Sources (Uses)</b>	<u>(5,738,142)</u>	<u>5,942,615</u>	<u>-</u>	<u>11,989</u>	<u>216,462</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>2,813,970</b>	<b>-</b>	<b>59,391</b>	<b>(5,354,139)</b>	<b>(2,480,778)</b>
Fund Balances July 1, 2022	26,627,569	-	6,002,334	9,166,530	41,796,433
Fund Balances June 30, 2023	<u>\$ 29,441,539</u>	<u>\$ -</u>	<u>\$ 6,061,725</u>	<u>\$ 3,812,391</u>	<u>\$ 39,315,655</u>

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

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ritenour School District (“District”) operates under the regulations pursuant to Section 162.092 RSMo of the Public School Laws of Missouri, which designates a Board of Education to act as the governing authority. The District provides educational services.

As discussed further in Note I, these financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. Principles Determining the Scope of Reporting Entity

The District’s reporting entity includes the District’s governing board and all related organizations that exercise oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities that benefit the citizens of the District, including joint agreements that serve pupils from numerous districts, should be included within its financial reporting entity. The criterion includes, but is not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

Excluded from the reporting entity:

Public School Retirement System of Missouri, Public Education Employee Retirement System, and Missouri United School Insurance Council (MUSIC). The participating school district’s governing bodies have appointed these potential component units jointly. These are independent units that select management staff, set user charges, establish budgets and control all aspects of its daily activity.

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District’s financial statements. In addition, the District is not aware of any entity that would exercise such oversight that would result in the District being considered a component unit of the entity.

Additionally, while the parent-teacher organizations of the District’s schools are organizations that provide financial support exclusively to the District, they are not required to be included as a component unit because the amount of financial support provided is of a de minimus nature.

B. Fund Accounting

The accounts of the District are organized on the basis of legally established funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures/expenses on the modified cash basis of accounting. 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 fund types are used by the District:

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (concluded)

Governmental Funds

Governmental Funds are those through which most of the District's functions are financed. The District's expendable financial resources are accounted for through Governmental Funds. The measurement focus is determined upon changes in the financial position rather than upon net income determination. The following are the District's governmental fund types, each of which the District considers to be a major fund.

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 Fund

A special revenue fund accounts for revenues derived from specific taxes or other earmarked revenue sources. The special revenue fund accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted by the state and local tax levy allocations for the payment of teacher salaries and certain benefits.

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt.

Capital Projects Fund

This fund is used to account for the proceeds of long-term debt, taxes and other revenues restricted for acquisition or construction of major capital assets and all other capital outlay.

C. Basis of Presentation

*Government-wide Financial Statements*

The statement of net position and the statement of activities present financial information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (continued)

Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* include (a) charges paid by the students for tuition, fees, or goods and 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 not classified as *program revenues* are presented as general revenues and include all property taxes. 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 governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Non-spendable Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and prepaids) or funds that legally or contractually must remain intact. The District did not have any non-spendable resources as of June 30, 2023.
- Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation. Restricted funds consist of debt service resources to be used for future servicing of the District held bonds, student food and nutrition programs and bond issue funds.
- Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority, which is the Board of Education. Formal action must be taken prior to the end of the fiscal year, such as a vote from the Board of Education. The same formal action must be taken to remove or change the limitations placed on the funds.
- Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision-making authority, which is the Board of Education, or a body or official, like the Superintendent or Chief Financial Officer, that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance. This classification includes student activity programs and student scholarships.
- Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.



RITENOUR SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (concluded)

*Fund Financial Statements (concluded)*

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

As of June 30, 2023, fund balance components other than unassigned fund balances consist of the following:

	<u>Non-spendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General (Incidental) Fund	\$ -	\$ 1,077,788	\$ -	\$ 745,061
Special Revenue (Teachers) Fund	-	-	-	-
Debt Service Fund	-	6,061,725	-	-
Capital Projects Fund	-	3,812,391	-	-
Educational Facilities Authorities Fund	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 10,951,904</u>	<u>\$ -</u>	<u>\$ 745,061</u>

D. Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves modifications to the cash basis of accounting to report in the statement of net position or balance sheet cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments and short-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event (such as donated assets and postemployment benefit obligations) are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types (if any) would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which are managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained. Cash and cash equivalents have a maturity date of less than three months or are highly liquid. Investments have terms longer than three months and are not able to be liquefied easily.

The District may invest in United States Treasury-bills, notes, bonds, government agency and instrumental obligations, repurchase agreements collateralized by government securities, time certificates of deposit, bankers' acceptances issued by domestic commercial banks, and commercial paper issued by domestic corporations.

F. Restricted Cash

Restricted cash represents amounts whose use is limited by legal requirements, and consists of amounts escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program as discussed in Note II and Note IV and the balance of the 2020 bond issue.

G. Fund Balance Reserves

The District reserves those portions of fund balance legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods.

H. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its 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. All other net position is reported as unrestricted. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

I. Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

J. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

K. Inventories

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

L. Compensated Absences

Vacation time, personal sick days and sick leave are considered expenditures in the year paid. Amounts that are unpaid and which are vested in the employee are paid at termination. Total vested and unpaid vacation and sick pay at June 30, 2023, amounted to \$17,499,957. This estimate has not been subjected to auditing procedures.

M. Teachers' Salaries

The salary payment schedule of the District for the 2022-2023 school year requires the payment of salaries over a twenty-four-pay period cycle. Consequently, the July and August 2023 payroll checks are included in the accompanying financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

II. CASH AND INVESTMENTS

The District is governed by the deposit and investment limitations of state law. The depository bank is to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of Missouri Revised Statutes.

The District may invest funds in bonds or any instrument permitted by law for the investment of state monies in accordance with section 165.051 of the Missouri Revised Statutes. The District participates in Missouri Direct Deposit Program, which is a mechanism for public school bond repayments through the MOHEFA Bond Program. It authorizes the direct deposit of a portion of the District's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds. The direct deposits occur monthly and the balance is withdrawn every six months to pay the debt service requirement of the related bond issues. At June 30, 2023, the District had \$575,170 in this program.

The District also participates in the Missouri Securities investment Program (MOSIP). MOSIP is an external investment pool which the District's monies are pooled with other school Districts' monies to purchase investments that are permitted by state statutes. The District's monies purchase a pro-rata share of the pool. A board of directors composed of Missouri school administrators, school board members, and school business officials provides governance and oversight of MOSIP's operations. The board seeks to maintain a stable net asset value of \$1 per share. At June 30, 2023, the District has \$28,327,919 invested through MOSIP.

RITENOUR SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2023

II. CASH AND INVESTMENTS (CONTINUED)

The District also participates in the Missouri Capital Asset Advantage Treasury Program (MOCAAT). MOCAAT is an external investment pool in which the District's monies are pooled with other school Districts' monies to purchase investments that are permitted by state statutes. The District's monies are used to purchase a pro-rata share of the pool. A board of directors composed of Missouri school administrators, school board members, and school business officials provides governance and oversight of MOCAAT's operations. The board seeks to maintain a stable net asset value of \$1 per share. A separately issued financial statement for MOCAAT can be obtained by contacting PMA Financial Network, LLC at 1-866-403-4638. At June 30, 2023, the District had \$5,195 invested through MOCAAT in the Liquid Series Fund.

The deposits and investments held at June 30, 2023, and reported at cost, are as follows:

Type	Maturities	Carrying Value
Deposits:		
Cash on Hand and Demand Deposits	N/A	\$ 1,021,723
Investments:		
External Investment Pools	Less than 1 year	28,333,114
Money Market Mutual Funds	Less than 1 year	2,450,104
U.S. Treasury Bill	Less than 1 year	10,188,157
<b>Total Deposits and Investments</b>		<b>\$ 41,993,098</b>

**Custodial Credit Risk - Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a custodial credit risk policy for repurchase agreement investments and for certificates of deposit which requires these funds to be collateralized at least 100% or greater of the balance plus any demand deposit with the depository, less and insurance (FDIC or NCUSIF), as applicable. As of June 30, 2023, the District's deposits were not exposed to custodial credit risk.

**Custodial Credit Risk – Investments** - Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the District or its agent but not in the government's name. The District does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the District or of a type not exposed to custodial credit risk.

**Investment Interest Rate Risk** - The District minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in no more than 180 days from purchase date and all other investments shall mature and become payable in no more than five years from purchase date. Maturities of investments held at June 30, 2023 are summarized in the schedule on the previous page.

RITENOUR SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2023

II. CASH AND INVESTMENTS (CONCLUDED)

Investment Credit Risk - Investment credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by nationally recognized statistical rating organization. To minimize credit risk, the District prequalifies the institutions, brokers/dealers, intermediaries and advisors with which the District will do business and by diversifying the portfolio so that potential losses on the individual securities will be minimized. At June 30, 2023 the District's investments were rated as follows:

Description	Financial Institution	Amount	Rating
External Investment Pool – Liquid Series	MOCAAT	\$ 5,195	AAAm
External Investment Pool – Liquid Series	MOSIP	28,327,919	AAAm
MOHEFA Bond Program:			
Money market mutual funds	BOK Financial	575,170	AAAmf
Money Market Mutual Funds	UMB Bank	1,874,934	AAAm
U.S. Treasury Bill	MOCAAT	10,188,157	N/A

Concentration of Investment Credit Risk - Concentration of investment credit risk is required to be disclosed by the District for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

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, specific issuer or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: (a) U.S. treasuries 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 agency callable securities, no more than 30%; (f) commercial paper and bankers' acceptances, no more than 50%. At June 30, 2023, the District did not have any concentrations of credit risk required to be disclosed.

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.

The District also receives sales tax collected by the State and remitted based on a prior year weighted average daily attendance. Districts are required to reduce the property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year, unless the District receives a Proposition C waiver. During November 1995, the patrons of the Ritenour School District voted full waiver of the Proposition C Rollback.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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III. TAXES (CONCLUDED)

The assessed valuation of the tangible taxable property (including state assessed railroad and utilities) for the calendar year 2022, for purposes of local taxation, was:

Real Estate:	
Residential	\$ 310,281,510
Agricultural	-
Commercial	201,873,070
Personal Property:	<u>187,976,930</u>
TOTAL	<u>\$ 700,131,510</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the fiscal year 2022-23, for purposes of local taxation, was:

	UNADJUSTED	ADJUSTED
General Fund	\$ 4.2033	\$ 4.2033
Special Revenue Fund	0.0000	0.0000
Debt Service Fund	0.8400	0.8400
Capital Projects Fund	<u>0.0000</u>	<u>0.0000</u>
TOTAL	<u>\$ 5.0433</u>	<u>\$ 5.0433</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2023, aggregated approximately 93.33% of the current assessment computed on the basis of the levy as shown above.

IV. CHANGES IN LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2023:

	GENERAL OBLIGATION BONDS
Long-Term Debt – July 1, 2022	\$ 45,570,000
Add-Issued	-
Less-Payments	<u>(4,575,000)</u>
Long-Term Debt - June 30, 2023	<u>\$ 40,995,000</u>

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

IV. CHANGES IN LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 2023, consist of:

<p>\$9,185,000 Original Principal of Ritenour School District General Obligation Qualified School Construction Bond Series 2009A- due in varying annual principal installments ranging from \$985,000 to \$4,600,000 through March 1, 2025, interest rate is 1.25%. Debt was for the purpose of providing funds to improve schools by adding and upgrading technology; construction and furnishing an Early Childhood Center, additional classrooms, a high school auditorium and two elementary libraries; and renovating existing school facilities.</p>	\$ 5,600,000
<p>\$6,960,000 Original Principal of Ritenour School District General Obligation Refunding Bonds Series 2017- due in varying annual principal installments ranging from \$500,000 to \$1,900,000 through March 1, 2031. The purpose of the bond was to provide funds to refund a portion of the District’s outstanding general obligation bonds.</p>	6,960,000
<p>\$19,255,000 Original Principal of Ritenour School District General Obligations Refunding Bonds Series 2016- due in varying annual principal installments ranging from \$185,000 to \$2,510,000 through March 1, 2031. The purpose of the bonds was to provide funds to refund a portion of the District’s outstanding general obligation bonds.</p>	10,810,000
<p>\$10,790,000 Original Principal of Ritenour School District General Obligation Refunding Bonds Series 2020 - due in varying annual principal installments ranging from \$475,000 to \$2,250,000 through March 1, 2031. The purpose of the bond was to provide funds to refund a portion of the District’s outstanding general obligation bonds.</p>	7,875,000
<p>\$9,750,000 Original Principal of Ritenour School District General Obligation Bonds Series 2020A – due in varying annual principal installments ranging from \$1,000,000 to \$1,500,000 through March 1, 2040. The purpose of the bond was for providing safety and security upgrades, update with energy efficient HVAC systems, tuckpointing, maintenance and renovations to exterior building envelopes, improving playgrounds at elementary schools, and renovating existing school facilities.</p>	<u>9,750,000</u>
<p>TOTAL GENERAL OBLIGATION BONDS.....</p>	<u>\$ 40,995,000</u>

The bond payments are made from the Debt Service fund. The leasehold revenue bond payments are made out of the Ritenour School District Educational Facilities Authority Fund.

In prior years, the District defeased various bond issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from investments are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the debt is considered defeased and, therefore, it has been removed as a liability of the District.

The annual requirements to amortize general obligation bond debt outstanding as of June 30, 2023, including interest payments are as follows:

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

IV. CHANGES IN LONG-TERM DEBT (CONCLUDED)

FISCAL YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 4,785,000	\$ 1,322,900	\$ 6,107,900
2025	3,855,000	1,261,700	5,116,700
2026	3,390,000	1,174,600	4,564,600
2027	3,540,000	1,079,900	4,619,900
2028	3,685,000	930,600	4,615,600
2029-2033	13,990,000	2,396,250	16,386,250
2034-2038	5,000,000	862,500	5,862,500
2039-2040	2,750,000	127,500	2,877,500
TOTALS	<u>\$ 40,995,000</u>	<u>\$ 9,155,950</u>	<u>\$ 50,150,950</u>

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15% of the assessed valuation of the district (including state-assessed railroad and utilities). The District did not exceed the legal debt margin at June 30, 2023.

V. LEASES

LEASE PURCHASES

The following is a summary of changes in lease purchases debt for the year ended June 30, 2023:

	LEASE PURCHASES
Lease Purchases Debt – July 1, 2022	\$ 1,333,000
Add-Issued	-
Less-Payments	(90,000)
Lease Purchases Debt - June 30, 2023	<u>\$ 1,243,000</u>

The District entered into a lease purchase with ZMFU II, Inc. to finance the costs of the outstanding Leasehold Refunding Revenue Bonds, Series 2010, and renovating, improving and equipping a new building to be used as the District’s transportation hub and central storage facility. The lease purchase agreement requires annual principal payments ranging from \$87,000 to \$116,000 on March 1 through 2035. The interest rate is 2.17%.

The annual requirements to amortize lease purchase debt outstanding as of June 30, 2023, including interest payments are as follows:



RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

V. LEASES (CONTINUED)

LEASE PURCHASES (CONCLUDED)

FISCAL YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 92,000	\$ 26,973	\$ 118,973
2025	94,000	24,977	118,977
2026	96,000	22,937	118,937
2027	98,000	20,854	118,854
2028	100,000	18,727	118,727
2029-2033	533,000	60,152	593,152
2034-2035	230,000	7,508	237,508
TOTALS	\$ 1,243,000	\$ 182,128	\$1,425,128

CAPITAL LEASES

In July 2017, the District entered into a lease purchase agreement with Central States Bus Sales, Inc. for the purchase of fifteen buses with an original principal balance of \$1,229,080. The lease calls for seven annual principal and interest payments totaling \$197,104 with an interest rate of 3.97%.

In May of 2019, the District entered into a lease agreement with SumnerOne for copiers used district-wide. The lease requires monthly payments of \$3,968 for a term of 60 months, through April 30, 2024.

In May of 2019, the District entered into a lease agreement with SumnerOne for copiers used district-wide. The lease requires monthly payments of \$3,969 for a term of 60 months, through April 30, 2024.

In July 2019, the District entered into a lease purchase agreement with Great America Financial Services for the purchase of Avaya telephone services. The lease requires five annual payments of \$69,719.

In April 2020, the District entered into a lease purchase agreement with US Bancorp Government Leasing & Finance for the purchase of new Chromebooks. The lease requires four annual payments of \$135,983.

In April 2020, the District entered into a lease purchase agreement with US Bancorp Government Leasing & Finance for the purchase of HP and Acer laptops. The lease requires four annual payments of \$46,943.

The following is a summary of changes in capital leases for the year ended June 30, 2023:

RITENOUR SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2023

V. LEASES (CONCLUDED)

CAPITAL LEASES (CONCLUDED)

	CAPITAL LEASES
Capital Leases, July 1, 2022	\$ 985,685
Add-Issued	-
Less-Payments	(520,487)
Capital Leases, June 30, 2023	\$ 465,198

The following is a summary of capital lease future payments for the year ended June 30, 2023:

FISCAL YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 465,198	\$ 11,326	\$ 476,524
TOTALS	\$ 465,198	\$ 11,326	\$ 476,524

OPERATING LEASES

The District entered into an operating lease with City of St. John on September 1, 2020, for a classroom and office. The lease payment on the space is for \$11,748 per year, payable at the rate of \$979 per month, for a term of 3 years ending on August 31, 2023.

The following is a summary of operating lease future payments for the year ended June 30, 2023:

FISCAL YEAR ENDING JUNE 30,	PAYMENT
2024	\$ 979
TOTALS	\$ 979

VI. RETIREMENT PLANS

**Public School and Education Employee Retirement Systems of Missouri  
 (PSRS and PEERS also referred to as the Systems)**

General Information about the 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 the Systems, Missouri State Teachers' Association,

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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VI. RETIREMENT PLANS (CONTINUED)

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 "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

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

*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. 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.

PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available 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.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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VI. RETIREMENT PLANS (CONCLUDED)

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at [www.psr-peers.org](http://www.psr-peers.org).

*Cost-of-Living Adjustments ("COLA")*. The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows:

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such 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.

*Contributions*. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2021, 2022 and 2023. 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.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2021, 2022 and 2023. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$6,018,123 and \$807,843, respectively, for the year ended June 30, 2023.

VII. CONTINGENCIES

The District is involved in pending lawsuits at June 30, 2023. No provision has been made in the financial statements for any loss that might arise in the event of an unfavorable outcome of these matters. District management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the District.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

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VII. CONTINGENCIES (CONCLUDED)

The District receives federal grants and state funding for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The District is not aware of any noncompliance with Federal or State provisions that might require the District to provide reimbursement.

The District, along with various other local school districts, participates in the MUSIC program, an insurance association for workers' compensation, general liability and property and casualty insurance. The District, along with various other local school districts, also participates in the CSD Insurance Trust, an insurance association for employee medical, dental, life, vision, long-term care, and short and long-term disability insurance. The purpose of these associations is to distribute the cost of self-insurance over similar entities. These associations require an annual premium payment to cover estimated claims payable and reserves for claims for each entity. The members of these associations have no legal interest in the assets, liabilities or fund balances of the insurance association. However, the District retains a contingent liability to fund its pro rata share of any deficit incurred by these associations should they cease operations at some future date. The District does not pay premiums to purchase insurance policies, but pays an assessment to be a member of MUSIC, the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole. The calendar year 2023 assessment was \$962,156.

VIII. OTHER 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 a duration of 18 months after the termination date. There is no associated cost to the District under this program. For the year ended June 30, 2023, the District had 2 participants in this program with premiums totaling \$30.

In addition to the pension benefits described in Note VI, the District allows employees who retire from the District to participate in the District's health, dental and life insurance plans. Upon meeting the retirement requirements per PSRS and PEERS, the employees can elect to participate in the District's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single blended rate used for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the District is considered a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay-as-you-go basis. A standalone financial report is not available for the plan. During the year, approximately 281 retirees participated in the District's insurance plans and paid premiums totaling \$844,195.

RITENOUR SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2023

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IX. INTERFUND TRANSFERS

During 2023, transfers were made to the Special Revenue Fund and the Capital Projects Fund from the General Fund. Transfers are made to the Special Revenue Fund in order to allocate more funds to the purpose of the Teachers' Fund. Transfers are made to the Capital Projects Fund to allocate more funds to capital projects.

TRANSFERS TO:

TRANSFERS FROM:	SPECIAL REVENUE (TEACHER'S FUND)	CAPITAL PROJECTS FUND
General (Incidental) Fund	\$ 5,883,793	\$ 11,989
	\$ 5,883,793	\$ 11,989

X. EMPLOYEE BENEFITS PLANS

The District offers its employees tax-sheltered annuity programs created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, available to all District employees, permit them to defer a portion of their salary for investment purposes. The District also offers a Section 125 Cafeteria Plan to all employees. Under this plan, the deferred portion can be used to purchase health insurance plan benefits and for reimbursement of qualified dependent care costs and medical expenses.

XI. SELF-INSURANCE PLAN

The District has a self-insurance plan which covers participating employees' vision coverage. Both the members and the District contribute to a reserve maintained by an insurance administrator, which is used to pay claims. The District utilizes separate accounts in the general fund to account for the activity of the plans. The District limits the number of covered visits and reimbursement amounts to reduce its exposure to catastrophic claims. Vision claims as of June 30, 2023 totaled \$68,017. This plan was not subject to audit procedures.

XII. SUBSEQUENT EVENTS

The District issued the other half of the Prop S bonds of \$9.75 million plus refunding \$6.81 million of outstanding bonds for savings. The pricing took place on November 9, 2023 and closed on December 5, 2023.

## **OTHER INFORMATION**

**Ritenour School District**  
**Budgetary Comparison Schedule - Modified Cash Basis**  
**General Fund - Unaudited**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>Revenues</b>				
Local Sources	\$ 28,920,696	\$ 31,619,275	\$ 32,494,550	\$ 875,275
County Sources	831,706	831,706	949,725	118,019
State Sources	663,000	1,526,340	1,517,369	(8,971)
Federal Sources	10,276,117	9,669,155	6,260,360	(3,408,795)
<b>TOTAL REVENUES</b>	<b>40,691,519</b>	<b>43,646,476</b>	<b>41,222,004</b>	<b>(2,424,472)</b>
<b>Expenditures</b>				
<b>Current:</b>				
Instruction	4,802,876	4,840,631	4,461,182	(379,449)
Attendance	923,258	967,472	333,373	(634,099)
Guidance	395,053	401,871	728,619	326,748
Health, Psych Speech & Audio	681,186	680,360	693,519	13,159
Improvement of Instruction	165,096	165,691	569,906	404,215
Professional Development	313,485	430,386	153,707	(276,679)
Media Services	448,950	466,441	497,949	31,508
Board of Education Services	556,700	546,353	499,005	(47,348)
Executive Administration	2,112,472	2,146,742	2,551,187	404,445
Building Level Administration	1,671,985	1,685,283	1,753,268	67,985
Operation of Plant	8,845,998	10,622,831	10,962,621	339,790
Security Services	121,750	122,153	253,379	131,226
Pupil Transportation	2,391,228	3,198,779	3,282,086	83,307
Food Service	3,825,376	3,825,700	3,815,390	(10,310)
Business and Central Services	1,126,340	1,191,240	1,242,637	51,397
Other Supporting Services	-	-	9,786	9,786
Adult/Continuing Education	112,575	152,326	117,232	(35,094)
Community Services	1,118,496	1,208,992	745,046	(463,946)
Contingency	15,000	16,641	-	(16,641)
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service:</b>				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>29,627,824</b>	<b>32,669,892</b>	<b>32,669,892</b>	<b>-</b>
<b>Revenues Collected Over (Under)</b>				
<b>Expenditures Paid</b>	<b>11,063,695</b>	<b>10,976,584</b>	<b>8,552,112</b>	<b>(2,424,472)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	(10,606,621)	(9,529,291)	(5,895,782)	3,633,509
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	157,640	157,640
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(10,606,621)</b>	<b>(9,529,291)</b>	<b>(5,738,142)</b>	<b>3,791,149</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>457,074</b>	<b>1,447,293</b>	<b>2,813,970</b>	<b>1,366,677</b>
Fund Balance, July 1, 2022	26,627,569	26,627,569	26,627,569	-
<b>Fund Balance, June 30, 2023</b>	<b>\$ 27,084,643</b>	<b>\$ 28,074,862</b>	<b>\$ 29,441,539</b>	<b>\$ 1,366,677</b>



**Ritenour School District**  
**Budgetary Comparison Schedule - Modified Cash Basis**  
**Special Revenue Fund - Unaudited**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>Revenues</b>				
Local Sources	\$ 8,633,520	\$ 8,633,520	\$ 8,881,230	\$ 247,710
County Sources	30,000	62,000	62,198	198
State Sources	27,576,524	27,685,211	27,884,354	199,143
Federal Sources	2,990,000	6,074,515	7,943,330	1,868,815
<b>TOTAL REVENUES</b>	<b>39,230,044</b>	<b>42,455,246</b>	<b>44,771,112</b>	<b>2,315,866</b>
<b>Expenditures</b>				
<b>Current:</b>				
Instruction	38,918,401	41,064,451	41,100,840	36,389
Attendance	209,787	209,787	209,791	4
Guidance	2,749,767	2,745,562	2,465,949	(279,613)
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	1,052,437	1,060,437	1,060,351	(86)
Professional Development	239,058	279,311	107,487	(171,824)
Media Services	821,338	821,338	757,009	(64,329)
Board of Education Services	-	-	-	-
Executive Administration	332,115	332,115	325,231	(6,884)
Building Level Administration	3,402,689	3,402,689	3,377,856	(24,833)
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Business and Central Services	209,967	209,967	216,193	6,226
Other Supporting Services	-	-	-	-
Adult/Continuing Education	190,670	170,670	117,397	(53,273)
Community Services	837,065	876,556	975,623	99,067
Contingency	260,000	150,610	-	(150,610)
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Debt Service:</b>				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>49,223,294</b>	<b>51,323,493</b>	<b>50,713,727</b>	<b>(609,766)</b>
<b>Revenues Collected Over (Under)</b>				
<b>Expenditures Paid</b>	<b>(9,993,250)</b>	<b>(8,868,247)</b>	<b>(5,942,615)</b>	<b>2,925,632</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	9,993,250	8,868,247	5,883,793	(2,984,454)
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	58,822	58,822
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>9,993,250</b>	<b>8,868,247</b>	<b>5,942,615</b>	<b>(2,925,632)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance, July 1, 2022	-	-	-	-
<b>Fund Balance, June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Ritenour School District**  
**Budgetary Comparison Schedule - Modified Cash Basis**  
**Debt Service Fund - Unaudited**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>Revenues</b>				
Local Sources	\$ 5,413,055	\$ 5,517,734	\$ 5,943,490	\$ 425,756
County Sources	168,294	168,294	127,329	(40,965)
State Sources	-	-	-	-
Federal Sources	-	-	-	-
<b>TOTAL REVENUES</b>	<b><u>5,581,349</u></b>	<b><u>5,686,028</u></b>	<b><u>6,070,819</u></b>	<b><u>384,791</u></b>
<b>Expenditures</b>				
<b>Current:</b>				
Instruction	-	-	-	-
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	-	-	-	-
Building Level Administration	-	-	-	-
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Business and Central Services	-	-	-	-
Other Supporting Services	-	-	-	-
Adult/Continuing Education	-	-	-	-
Community Services	-	-	-	-
Contingency	-	-	-	-
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Debt Service:</b>				
Principal	4,575,000	4,575,000	4,575,000	-
Interest and Charges	1,437,750	1,437,750	1,436,428	(1,322)
<b>TOTAL EXPENDITURES</b>	<b><u>6,012,750</u></b>	<b><u>6,012,750</u></b>	<b><u>6,011,428</u></b>	<b><u>(1,322)</u></b>
<b>Revenues Collected Over (Under)</b>				
<b>Expenditures Paid</b>	<b><u>(431,401)</u></b>	<b><u>(326,722)</u></b>	<b><u>59,391</u></b>	<b><u>386,113</u></b>
<b>Other Financing Sources (Uses):</b>				
Transfers	-	-	-	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Premium on Issuance of Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(431,401)</b>	<b>(326,722)</b>	<b>59,391</b>	<b>386,113</b>
Fund Balance, July 1, 2022	6,002,334	6,002,334	6,002,334	-
<b>Fund Balance, June 30, 2023</b>	<b><u>\$ 5,570,933</u></b>	<b><u>\$ 5,675,612</u></b>	<b><u>\$ 6,061,725</u></b>	<b><u>\$ 386,113</u></b>

**Ritenour School District**  
**Budgetary Comparison Schedule - Modified Cash Basis**  
**Capital Projects Fund - Unaudited**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Local Sources	\$ 10,000	\$ 200,000	\$ 247,279	\$ 47,279
County Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	111,000	111,000	436,198	325,198
<b>TOTAL REVENUES</b>	<b>121,000</b>	<b>311,000</b>	<b>683,477</b>	<b>372,477</b>
<b>Expenditures</b>				
<b>Current:</b>				
Instruction	22,990	72,673	66,425	(6,248)
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	33,000	33,000	19,447	(13,553)
Building Level Administration	-	-	-	-
Operation of Plant	299,500	209,500	18,901	(190,599)
Security Services	-	-	-	-
Pupil Transportation	225,338	217,338	-	(217,338)
Food Service	99,000	99,000	21,395	(77,605)
Business and Central Services	-	5,990	-	(5,990)
Other Supporting Services	-	-	5,990	5,990
Adult/Continuing Education	-	-	-	-
Community Services	-	-	-	-
Contingency	-	-	-	-
<b>Capital Outlay</b>	<b>5,975,000</b>	<b>7,906,028</b>	<b>5,601,417</b>	<b>(2,304,611)</b>
<b>Debt Service:</b>				
Principal	-	90,000	90,000	-
Interest and Charges	44,543	44,543	226,030	181,487
<b>TOTAL EXPENDITURES</b>	<b>6,699,371</b>	<b>8,678,072</b>	<b>6,049,605</b>	<b>(2,628,467)</b>
<b>Revenues Collected Over (Under)</b>				
<b>Expenditures Paid</b>	<b>(6,578,371)</b>	<b>(8,367,072)</b>	<b>(5,366,128)</b>	<b>3,000,944</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	613,371	661,044	11,989	(649,055)
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Sources (Uses)</b>	<b>613,371</b>	<b>661,044</b>	<b>11,989</b>	<b>(649,055)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(5,965,000)</b>	<b>(7,706,028)</b>	<b>(5,354,139)</b>	<b>2,351,889</b>
Fund Balance, July 1, 2022	9,166,530	9,166,530	9,166,530	-
<b>Fund Balance, June 30, 2023</b>	<b>\$ 3,201,530</b>	<b>\$ 1,460,502</b>	<b>\$ 3,812,391</b>	<b>\$ 2,351,889</b>

RITENOUR SCHOOL DISTRICT  
NOTES TO THE BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED JUNE 30, 2023

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I. BUDGETS AND BUDGETARY ACCOUNTING

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

- A. In accordance with Chapter 67 RSMo, the District adopts a budget for each fund.
- B. Prior to June 30, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
- C. 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.
- D. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
- E. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.

Budgeted amounts are as originally adopted on June 9, 2022, and as finally amended by the Board of Education on June 8, 2023.

- F. Budgets are adopted on the modified cash basis of accounting for all Governmental Funds.

## **STATE COMPLIANCE SECTION**



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S  
ASSERTIONS ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS  
OF MISSOURI STATE LAWS AND REGULATIONS

To the Members of the Board of Education  
Ritenour School District

**Report on Compliance with State Requirements**

We have examined management's assertions that Ritenour School District ("District") complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of pupil attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2023.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion on Compliance with State Requirements**

In our opinion, management's assertions that Ritenour School District complied with the aforementioned requirements for the year ended June 30, 2023, are fairly stated, in all material respects.

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

*Daniel Jones & Associates*

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 12, 2023

RITENOUR SCHOOL DISTRICT  
DISTRICT COUNTY NUMBER 096-110  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2023

**I. CALENDAR (Sections 160.041 and 171.031, RSMo)**

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
7500	PK	PK	-	3.1667	171	1,197.0000
7500	PK	PK	A	3.1667	171	540.3300
7500	PK	PK	P	3.1667	171	540.3300
4220	K	5	-	6.4167	171	1,098.9200
4160	K	5	-	6.4167	171	1,098.9200
4140	K	5	-	6.4167	171	1,098.9200
4120	K	5	-	6.4167	171	1,098.9200
4100	K	5	-	6.4167	171	1,098.9200
4020	K	5	-	6.4167	171	1,098.9200
3050	6	8	-	6.5000	171	1,098.8700
3000	6	8	-	6.5000	171	1,098.8700
1050	9	12	-	6.5000	171	1,079.9500

**II. ATTENDANCE HOURS**

Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
PK	38,937.3668	-	-	-	-	38,937.3668
PA	-	1,036.5000	-	-	-	1,036.5000
PP	-	1,053.3333	-	-	-	1,053.3333
K	475,094.2041	1,914.0834	-	1,029.2139	-	478,037.5014
1	462,809.6137	921.1166	-	-	4,960.5700	468,691.3003
2	500,254.5998	1,040.4666	-	-	8,763.8000	510,058.8664
3	496,587.5381	2,681.4834	-	-	7,554.4400	506,823.4615
4	465,775.3346	980.0500	-	-	7,867.9000	474,623.2846
5	461,885.6961	4,473.8001	-	1,055.1678	11,069.8800	478,484.5440
6	428,199.7004	2,479.3666	-	855.7154	91.000	431,625.7824
7	468,412.6669	3,785.0833	-	-	4,841.4400	477,039.1902
8	485,777.0517	4,880.8833	-	-	4,619.7700	495,277.7050
9	438,736.0530	9,430.0164	-	-	7,693.8200	455,859.8894
10	387,355.6201	18,825.2664	-	-	10,039.2200	416,220.1065
11	348,510.3485	35,565.7497	-	-	9,674.4000	393,750.4982
12	228,706.4763	25,281.6501	-	-	7,008.0800	260,996.2064
<b>Grand Total</b>	<b>5,687,042.2701</b>	<b>114,348.8492</b>	<b>-</b>	<b>2,940.0971</b>	<b>84,184.32</b>	<b>5,888,515.5364</b>

RITENOUR SCHOOL DISTRICT  
DISTRICT COUNTY NUMBER 096-110  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2023

**III. SEPTEMBER MEMBERSHIP**

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	1,721.00	88.58	-	1,809.58
3000	6-8	297.00	1.00	-	298.00
3050	6-8	463.00	2.97	-	465.97
4020	K-5	403.00	0.53	-	403.53
4100	K-5	435.00	1.78	-	436.78
4120	K-5	535.00	1.22	-	536.22
4140	K-5	476.00	-	-	476.00
4160	K-5	515.00	1.57	-	516.57
4220	K-5	490.00	-	-	490.00
7500	PK-PK	27.00	0.50	-	27.50
	<b>Grand Total</b>	<b>5,362.00</b>	<b>98.15</b>	<b>-</b>	<b>5,460.15</b>

**IV. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMo)**

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
N/A	2.00	-	-	-	2.00
1050	1,761.56	-	-	-	1,761.56
3000	728.00	-	-	-	728.00
3050	707.54	-	-	-	707.54
4020	399.53	-	-	-	399.53
4100	435.78	-	-	-	435.78
4120	525.79	-	-	-	525.79
4140	490.20	-	-	-	490.20
4160	519.90	-	-	-	519.90
4220	484.25	-	-	-	484.25
<b>Grand Total</b>	<b>6,054.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,054.55</b>



RITENOUR SCHOOL DISTRICT  
DISTRICT COUNTY NUMBER 096-110  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2023

**V. FINANCE**

5.1	The district maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	<b>True</b>
5.2	The district maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	<b>True</b>
	Academic Programs Off-Campus	<b>True</b>
	Career Exploration Program – Off Campus	<b>True</b>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<b>True</b>
	Dual enrollment	<b>True</b>
	Homebound instruction	<b>True</b>
	Missouri Options	<b>True</b>
	Prekindergarten eligible to be claimed for state aid	<b>True</b>
	Remediation	<b>True</b>
	Sheltered Workshop participation	<b>True</b>
	Students participating in the school flex program	<b>N/A</b>
	Traditional instruction (full and part-time students)	<b>True</b>
	Virtual instruction (MOCAP or other option)	<b>True</b>
	Work Experience for Students with Disabilities	<b>True</b>
5.3	The district maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	<b>True</b>
5.4	The district maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	<b>True</b>
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district’s treasurer in the total amount of:	<b>\$50,000</b>
5.6	The district’s deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	<b>True</b>
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo.	<b>True</b>
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	<b>True</b>
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	<b>True</b>

RITENOUR SCHOOL DISTRICT  
DISTRICT COUNTY NUMBER 096-110  
SCHEDULE OF SELECTED STATISTICS  
FOR THE YEAR ENDED JUNE 30, 2023

**V. FINANCE (CONCLUDED)**

5.10	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.	<b>True</b>
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	<b>True</b>
5.12	The amount spent for approved professional development committee plan activities was:	<b>\$261,195</b>
5.13	The district has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by section 160.066, RSMo.	<b>True</b>

**VI. TRANSPORTATION (SECTION 163.161, RSMo)**

6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<b>True</b>
6.2	The district’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	<b>True</b>
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	<b>True</b>
	Eligible ADT	<b>2,933</b>
	Ineligible ADT	<b>304</b>
6.4	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.	<b>True</b>
6.5	Actual odometer records show the total district-operated and contracted mileage for the year was:	<b>420,602</b>
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	<b>True</b>
	Eligible Miles	<b>364,330</b>
	Ineligible Miles (Non-Route/Disapproved)	<b>56,272</b>
6.7	Number of days the district operated the school transportation system during the regular school year:	<b>174</b>

RITENOUR SCHOOL DISTRICT  
SCHEDULE OF STATE FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. CHAPTER 67 RSMO (BUDGET STATUTE)

Chapter 67 RSMo requires that each political subdivision of the State of Missouri adopts an annual budget, itemized by fund. It further requires that in no event shall the total proposed 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.

There were no state budget findings for the year ended June 30, 2023.

**FEDERAL COMPLIANCE SECTION**



# Daniel Jones & Associates

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S 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*

To the Members of the Board of Education  
Ritenour 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 and each major fund of Ritenour School District ("District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 2023. Our report on the basic financial statements disclosed that, as described in Note I to the financial statements, the District prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### ***Report on Internal Control Over Financial Reporting***

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 or significant deficiencies may exist that were not identified.

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

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

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

A handwritten signature in cursive script that reads "Daniel Jones & Associates".

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 12, 2023



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Board of Education  
Ritenour School District

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

**Opinion on Each Major Federal Program**

We have audited Ritenour School District's ("District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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, 2023.

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

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

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

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

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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




## Report On Internal Control Over Compliance

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

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

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



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 12, 2023

**RITENOUR SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Passed-through Missouri Department of Elementary and Secondary Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	096-110	\$ -	\$ 1,030,541
National School Lunch Program	10.555	096-110	\$ -	\$ 3,178,788
National School Lunch Program - Equipment Grant	10.555	096-110	\$ -	\$ 21,395
National School Lunch Program - Commodities	10.555	096-110	\$ -	\$ 358,332
Subtotal Assistance Listing # 10.555			\$ -	\$ 3,558,515
Fresh Fruit and Vegetable Program	10.582	096-110	\$ -	\$ 15,867
Total Child Nutrition Cluster			\$ -	\$ 4,604,923
<b>Total U.S. Department of Agriculture</b>			\$ -	\$ 4,604,923
<b>U.S. Department of Education</b>				
Passed-through Missouri Department of Elementary and Secondary Education:				
Title I Grants to Local Educational Agencies	84.010	096-110	\$ -	\$ 2,183,745
Supportive Effective Instruction State Grants	84.367	096-110	\$ -	\$ 348,907
English Language Acquisition State Grants	84.365	096-110	\$ -	\$ 166,941
Student Support and Academic Enrichment Program	84.424	096-110	\$ -	\$ 149,584
COVID 19: Education Stabilization Fund:				
COVID 19: ESSER III	84.425U	096-110	\$ -	\$ 2,391,383
COVID 19: CRRSA ESSER II	84.425D	096-110	\$ -	\$ 1,753,175
COVID 19: Teacher Recruitment Retention ESSER II	84.425D	096-110	\$ -	\$ 205,216
COVID 19: CRRSA Grow Your Own	84.425D	096-110	\$ -	\$ 10,000
COVID 19: Teacher Recruitment and Retention ESSER I	84.425D	096-110	\$ -	\$ 36,810
Subtotal Assistance Listing # 84.425			\$ -	\$ 4,396,584
Passed-through Missouri Office of Vocational and Adult Education:				
Perkins Basic Grant - Basic Grants to States	84.048	096-110	\$ -	\$ 152,885
CTE Substitute Payments	84.048	096-110	\$ -	\$ 25,961
Subtotal Assistance Listing # 84.048			\$ -	\$ 178,846
Adult Education - Basic Grants to States	84.002	096-110	\$ -	\$ 126,126
			\$ -	\$ 304,972
<b>Total U.S. Department of Education</b>			\$ -	\$ 7,550,734
<b>U.S. Department of Health and Human Services</b>				
Passed-through Missouri Department of Elementary and Secondary Education:				
Improving Student Health and Academic Achievement	93.981	096-110	\$ -	\$ 30,311
Child Care Development Fund Grant	93.575	096-110	\$ -	\$ 56,190
<b>Total U.S. Department of Health and Human Services</b>			\$ -	\$ 86,501
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ -</b>	<b>\$ 12,242,158</b>

The notes to the schedule of expenditures of federal awards are an integral part of this statement.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

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NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Ritenour School District under programs of the federal government for the year ended June 30, 20. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified cash basis of accounting.

NOTE 5 - RELATIONSHIP TO ACCOMPANYING FINANCIAL STATEMENTS

Federal awards are reported in the District's accompanying financial statements as follows:

<u>Federal Sources</u>	
General Fund	\$ 6,260,360
Special Revenue Fund	7,943,330
Debt Service Fund	-
Capital Projects Fund	436,198
	<u>\$ 14,639,888</u>

NOTE 6 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles, as applicable to the modified cash basis of accounting.

RITENOUR SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

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NOTE 7 - MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 8 – NON-CASH PROGRAMS

The commodities received, which are non-cash revenues, are valued using prices provided by the United States Department of Agriculture.

NOTE 9 – SUBRECIPIENTS

The District provided no federal awards to subrecipients during the year ended June 30, 2023.

NOTE 10 – DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)

The District did not receive any donated personal protective equipment during the year ended June 30, 2023.

RITENOUR SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified – Modified Cash Basis
2. Internal control over financial reporting:
  - a. Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
  - b. Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None Reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

B. Federal Awards

1. Internal control over major federal programs:
  - a. Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
  - b. Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None Reported
2. Type of auditor's report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ Yes   X   No

4. Identification of major federal programs:

Federal Assistance Listing Number(s):	Name of Federal Program or Cluster:
84.010	Title I Grants to Local Education Agencies
84.425	COVID 19: Education Stabilization Fund

5. Dollar threshold used to distinguish between type A and type B programs:           \$ 750,000
6. Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes   X   No

RITENOUR SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023

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II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2023.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2023.

RITENOUR SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023

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I. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2022.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2022.