

RITENOUR SCHOOL DISTRICT
ST. LOUIS COUNTY, MISSOURI
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2025

RITENOUR SCHOOL DISTRICT

TABLE OF CONTENTS

FINANCIAL SECTION

PAGE

Independent Auditor's Report.....	1-4
-----------------------------------	-----

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position – Modified Cash Basis	5
---	---

Statement of Activities – Modified Cash Basis	6
---	---

Fund Financial Statements:

Balance Sheet – Modified Cash Basis – All Governmental Funds.....	7
---	---

Statement of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis – All Governmental Funds	8
--	---

Notes to the Basic Financial Statements	9-26
---	------

OTHER INFORMATION

Budgetary Comparison Schedules – Modified Cash Basis – General Fund (Unaudited).....	27
--	----

Budgetary Comparison Schedules – Modified Cash Basis – Special Revenue Fund (Unaudited).....	28
--	----

Budgetary Comparison Schedules – Modified Cash Basis – Debt Service Fund (Unaudited).....	29
---	----

Budgetary Comparison Schedules – Modified Cash Basis – Capital Projects Fund (Unaudited)	30
--	----

Notes to the Budgetary Comparison Schedules	31
---	----

STATE COMPLIANCE SECTION

Independent Accountant's Report on Management's Assertions About Compliance with Specified Requirements of Missouri State Laws and Regulations	32
---	----

Schedule of Selected Statistics.....	33-37
--------------------------------------	-------

Schedule of State Findings.....	38
---------------------------------	----

RITENOUR SCHOOL DISTRICT

TABLE OF CONTENTS

FEDERAL COMPLIANCE SECTION

PAGE

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	39-40
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	41-43
Schedule of Expenditures of Federal Awards	44
Notes to the Schedule of Expenditures of Federal Awards.....	45-46
Schedule of Findings and Questioned Costs	47-48
Summary Schedule of Prior Year Findings	49

FINANCIAL SECTION



**Mueller Oberkfell
& Jones, LLC**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPAS
AMERICAN INSTITUTE OF CPAS

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Education
Ritenour School District

Report on the Audit of Financial Statements

Qualified and Unmodified Opinions

We have audited the modified cash basis financial statements of the governmental activities and each major fund of Ritenour School District ("District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
General Fund	Qualified
Special Revenue Fund	Qualified
Debt Service Fund	Unmodified
Capital Projects Fund	Unmodified

Qualified Opinions on Governmental Activities, General Fund and Special Revenue Fund

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, general fund and special revenue fund of the District as of June 30, 2025, 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.

Unmodified Opinions on Debt Service Fund and Capital Projects Fund

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 debt service fund and capital projects fund of the District as of June 30, 2025, 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 Qualified and Unmodified 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.

Matter Giving Rise to the Qualified Opinion on Governmental Activities, General Fund and Special Revenue Fund

Management has included a payroll liability for payroll related expenses that will be paid in the next fiscal year, as described in Note I to the financial statements. Further, the District has a self-insurance plan for vision coverage and has established a flexible-spending arrangement for health and/or dependent care expenses. The District has recognized an expense and a related payroll liability for the balance of premiums collected, less claims paid. These transactions are not derived from cash receipts or cash disbursements and, therefore, do not meet the criteria to be recorded under the modified cash basis of accounting. This results in an overstatement of expenses and understatement of fund balances. If the financial statements were corrected to exclude these departures from the modified cash basis of accounting, the effects would reduce (1) reduce liabilities, reduce expenses and increase net position of the governmental activities by \$1,534,768, (2) reduce liabilities, reduce expenses and increase fund balance in the General Fund by \$784,850, and (3) reduce liabilities, reduce expenses and increase fund balance in the special revenue fund by \$749,918.

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 as a whole that collectively comprise the District's basic financial statements. The 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 and the schedule of selected statistics 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 17, 2025, 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.

A handwritten signature in cursive script that reads "Mueller Oberkfell & Jones, LLC".

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 17, 2025

BASIC FINANCIAL STATEMENTS

Ritenour School District
Statement of Net Position - Modified Cash Basis
June 30, 2025

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 47,895,104
Restricted Cash and Cash Equivalents	3,359,062
Total Assets	51,254,166
Liabilities	
Payroll Liabilities	2,613,001
Net Position	
Restricted for:	
Retirement of Long-Term Debt	6,194,500
Student Food and Nutrition Program	1,006,275
Capital Outlay	670,437
Unrestricted	40,769,953
Total Net Position	48,641,165
Total Net Position and Liabilities	\$ 51,254,166

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, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants, Contributions and Debt Proceeds	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction	\$ 51,938,036	\$ 428,748	\$ 6,102,785	\$ -	\$ (45,406,503)
Attendance	872,975	-	-	-	(872,975)
Guidance	3,119,313	-	-	-	(3,119,313)
Health, Psych, Speech and Audio	705,319	-	-	-	(705,319)
Improvement of Instruction	1,656,824	-	9,588,589	-	7,931,765
Professional Development	342,196	-	83,954	-	(258,242)
Media Services (Library)	1,336,561	-	-	-	(1,336,561)
Board of Education Services	653,570	-	-	-	(653,570)
Executive Administration	3,064,405	-	-	-	(3,064,405)
Building Level Administration	5,227,246	-	-	-	(5,227,246)
Operation of Plant	11,582,381	18,468	-	-	(11,563,913)
Security Services	394,166	-	-	-	(394,166)
Pupil Transportation	12,976,288	287,429	1,589,283	-	(11,099,576)
Food Services	4,150,243	12,006	3,659,821	-	(478,416)
Business and Central Services	1,413,926	-	-	-	(1,413,926)
Other Supporting Services	4,525	-	-	-	(4,525)
Adult Education	246,008	-	354,076	-	108,068
Community Services	1,942,193	67,727	263,792	-	(1,610,674)
Capital Outlay	11,931,904	-	-	-	(11,931,904)
Debt Service:					
Principal Retirement	4,844,000	-	6,305,000	-	1,461,000
Interest	1,687,977	-	568,390	-	(1,119,587)
Other Charges	171,461	-	-	-	(171,461)
Total Governmental Activities	<u>\$ 120,261,517</u>	<u>\$ 814,378</u>	<u>\$ 28,515,690</u>	<u>\$ -</u>	<u>(90,931,449)</u>
General Revenues:					
Property Taxes					41,691,498
Sales Taxes					10,839,084
State Aid					37,925,857
Sale of Busses					560,000
Investment Earnings					2,312,249
Sale of Property					7,724
Miscellaneous					625,596
Subtotal, General Revenues					<u>93,962,008</u>
Change in Net Position					3,030,559
Net Position, July 1, 2024					<u>45,610,606</u>
Net Position, June 30, 2025					<u>\$ 48,641,165</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, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Investments	\$ 42,889,393	\$ 1,499,836.00	\$ 3,505,875	\$ -	\$ 47,895,104
Restricted Cash and Investments	-	-	2,688,625	670,437	3,359,062
Total Assets:	<u>\$ 42,889,393</u>	<u>\$ 1,499,836</u>	<u>\$ 6,194,500</u>	<u>\$ 670,437</u>	<u>\$ 51,254,166</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Payroll liabilities	\$ 1,113,165	\$ 1,499,836	\$ -	\$ -	\$ 2,613,001
Total Liabilities	<u>1,113,165</u>	<u>1,499,836</u>	<u>-</u>	<u>-</u>	<u>2,613,001</u>
Fund Balances:					
Restricted for:					
Debt Service	-	-	6,194,500	-	6,194,500
Student Food and Nutrition Program	1,006,275	-	-	-	1,006,275
Capital Outlay	-	-	-	670,437	670,437
Assigned for:					
Student Activity Programs	598,575	-	-	-	598,575
Student Scholarships	4,913	-	-	-	4,913
Unassigned	40,166,465	-	-	-	40,166,465
Total Fund Balances	<u>41,776,228</u>	<u>-</u>	<u>6,194,500</u>	<u>670,437</u>	<u>48,641,165</u>
Total Liabilities and Fund Balances	<u>\$ 42,889,393</u>	<u>\$ 1,499,836</u>	<u>\$ 6,194,500</u>	<u>\$ 670,437</u>	<u>\$ 51,254,166</u>

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, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenues					
Local Sources:					
Property Taxes	\$ 31,508,204	\$ -	\$ 6,934,070	\$ -	\$ 38,442,274
Sales Taxes	-	10,839,084	-	-	10,839,084
Other Taxes	3,464	-	-	2,198,708	2,202,172
Investment Income	1,837,759	-	255,557	218,933	2,312,249
Food Sales	12,006	-	-	-	12,006
Pupil Activities Income	358,115	-	-	-	358,115
Community Service	67,727	-	-	-	67,727
Other Local	541,258	-	-	-	541,258
Total Local	34,328,533	10,839,084	7,189,627	2,417,641	54,774,885
County Sources:					
Fines, Escheats, Etc.	-	102,807	-	-	102,807
State Assessed Utilities	908,264	-	138,786	-	1,047,050
Total County	908,264	102,807	138,786	-	1,149,857
State Sources:					
Basic Formula	-	34,608,480	-	-	34,608,480
State Grants and Contributions	2,059,912	3,114,370	-	407,074	5,581,356
Total State	2,059,912	37,722,850	-	407,074	40,189,836
Federal Sources	17,435,613	1,818,764	-	123,944	19,378,321
TOTAL REVENUES	54,732,322	50,483,505	7,328,413	2,948,659	115,492,899
Expenditures					
Current					
Regular Instruction	7,285,410	44,628,023	-	24,602	51,938,035
Attendance	455,810	417,165	-	-	872,975
Guidance	763,732	2,355,581	-	-	3,119,313
Health, Psych Speech & Audio	705,319	-	-	-	705,319
Improvement of Instruction	427,770	1,229,054	-	-	1,656,824
Professional Development	245,652	96,545	-	-	342,197
Media Services	491,641	844,920	-	-	1,336,561
Board of Education Services	653,570	-	-	-	653,570
Executive Administration	2,617,828	384,060	-	62,517	3,064,405
Building Level Administration	2,036,898	3,190,348	-	-	5,227,246
Operation of Plant	10,750,018	-	-	832,363	11,582,381
Security Services	262,320	-	-	131,846	394,166
Pupil Transportation	3,569,152	-	-	9,407,136	12,976,288
Food Service	4,058,594	-	-	91,649	4,150,243
Central Office Support Services	1,139,119	274,808	-	-	1,413,927
Other Supporting Services	4,525	-	-	-	4,525
Adult Continuing Education	86,463	159,545	-	-	246,008
Community Services	943,497	959,556	-	39,139	1,942,192
Capital Outlay	-	-	-	11,931,904	11,931,904
Debt Service:					
Principal	-	-	4,750,000	94,000	4,844,000
Interest and Charges	-	-	1,665,652	193,785	1,859,437
Total Expenditures	36,497,318	54,539,605	6,415,652	22,808,941	120,261,516
Excess (deficiency) of revenues over expenditures	18,235,004	(4,056,100)	912,761	(19,860,282)	(4,768,617)
Other Financing Sources (Uses):					
Transfers	(7,358,928)	3,985,467	-	3,373,461	-
Premium on Bonds Sold	-	-	-	568,390	568,390
Sale of Buses	-	-	-	560,000	560,000
Sale of Other Property	-	-	-	7,724	7,724
Capital Lease Proceeds	-	-	-	6,305,000	6,305,000
Contracted Educational Services	-	70,633	-	-	70,633
Trans from other LEAS Non-Handi	287,429	-	-	-	287,429
Total Other Financing Sources (Uses)	(7,071,499)	4,056,100	-	10,814,575	7,799,176
NET CHANGE IN FUND BALANCES	11,163,505	-	912,761	(9,045,707)	3,030,559
Fund Balances July 1, 2024	30,612,723	-	5,281,739	9,716,144	45,610,606
Fund Balances June 30, 2025	<u>\$ 41,776,228</u>	<u>\$ -</u>	<u>\$ 6,194,500</u>	<u>\$ 670,437</u>	<u>\$ 48,641,165</u>

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

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, which is a basis of accounting commonly used by school districts in the state of Missouri. 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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025.
- 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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025, 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 Fund	\$ -	\$ 1,006,275	\$ -	\$ 603,488
Special Revenue Fund	-	-	-	-
Debt Service Fund	-	6,194,500	-	-
Capital Projects Fund	-	670,437	-	-
	<u>\$ -</u>	<u>\$ 7,871,212</u>	<u>\$ -</u>	<u>\$ 603,488</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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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 balances of the UMB accounts holding the lease revenue and project fund balance of the Series 2024 Certificates of Participation.

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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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. Self-Insured Vision Benefits

The District is under a self-insured plan to provide vision benefits to participating employees and their families. The participating employees contribute to the self-insurance fund through payroll deductions based on their coverage election. The District's maximum liability for each employee and in the aggregate for a one-year period is limited by insurance coverage. Transactions for the self-funded insurance are recorded in the General Fund and Special Revenue Fund.

M. Flex Spending Arrangement

The District has established a *flexible spending arrangement*, which is a benefit that provides employees with coverage under which specified, incurred expenses may be reimbursed (subject to reimbursement maximums and other reasonable conditions). This arrangement allows participating employees to make pre-tax contributions to the flexible spending arrangement accounts for reimbursements of health and/or dependent care expenses.

The employee does run the risk of forfeiture of any unused contribution by the end of the maximum time period allowed under the plan. A third party administers the reimbursement for the District. The District merely acts as an agent, withholding the funds and reimbursing approved health and/or dependent care expenses.

N. 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, 2025, amounted to \$18,574,533. This estimate has not been subjected to auditing procedures.

O. Teachers' Salaries

The salary payment schedule of the District for the 2024-2025 school year requires the payment of salaries over a twenty-four-pay period cycle. Consequently, the July and August 2025 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.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025, the District had \$2,688,625 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, 2025, the District had \$22,105,355 invested through MOSIP.

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, 2025, the District had \$75,882 invested through MOCAAT in the Liquid Series Fund.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

II. CASH AND INVESTMENTS (CONTINUED)

The deposits and investments held at June 30, 2025, and reported at cost, are as follows:

TYPE	MATURITIES	CARRYING AMOUNT
Deposits:		
Cash and Demand Deposits	N/A	\$ 313,867
Investments:		
Certificates of Deposit	Twelve Months	6,000,000
External Investment Pool	Less than 1 year	22,181,237
Money Market Mutual Fund	Less than 1 year	3,359,062
MOCAAT Term Series II	Less than 1 year	19,400,000
Total Deposits and Investments		\$ <u>51,254,166</u>

Reconciliation to Financial Statements	
Cash and Investments	\$ 47,895,104
Cash and Investments — Restricted	<u>3,359,062</u>
Total Cash and Investments	\$ <u>51,254,166</u>

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 any insurance (FDIC or NCUSIF), as applicable. As of June 30, 2025, 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, 2025 are summarized in the schedule above.

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, 2025 the District's investments were rated as follows:

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

II. CASH AND INVESTMENTS (CONCLUDED)

Description	Financial Institution	Amount	Rating
External Investment Pool - Liquid Series	MOCAAT	\$ 75,882	AAAm
External Investment Pool - Liquid Series	MOSIP	22,105,355	AAAm
MOHEFA Bond Program:			
Money Market Mutual Funds	BOK Financial	2,688,625	AAAm
Money Market Mutual Funds	UMB Bank	670,437	BBB+
Certificates of Deposit	MOCAAT	6,000,000	N/A
MOCAAT Term Series II	MOCAAT	19,400,000	AAAf

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, 2025, 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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

III. TAXES (CONCLUDED)

The assessed valuation of the tangible taxable property (including state assessed railroad and utilities) for the calendar year 2024, for purposes of local taxation, was:

Real Estate:	
Residential	\$ 395,738,620
Agricultural	-
Commercial	239,782,040
Personal Property:	211,668,160
Total	<u>\$ 847,188,820</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the fiscal year 2024-25, for purposes of local taxation, was:

	Unadjusted	Adjusted
General (Incidental) Fund	\$ 3.8205	\$ 3.8205
Debt Service Fund	0.8400	0.8400
Total	<u>\$ 4.6605</u>	<u>\$ 4.6605</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 97.36% of the current assessment computed on the basis of the levy as shown above.

IV. CHANGES IN LONG-TERM DEBT

The legal debt margin of the District as of June 30, 2025 was:

Constitutional Debt Limit	\$ 127,078,323
Amount Available in Debt Service Fund	6,194,500
General Obligation Bonds Payable	<u>(38,835,000)</u>
Legal Debt Margin	<u>\$ 94,437,823</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 railroads and utilities). The District did not exceed the legal debt margin at June 30, 2025.

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

Description	Beginning Balance July 1, 2024	Current Year Additions	Current Year Deletions & Payments	Ending Balance June 30, 2025	Interest Paid Current Year
General Obligation Bonds	\$ 43,585,000	\$ -	\$ (4,750,000)	\$ 38,835,000	\$ 1,663,000
Total	<u>\$ 43,585,000</u>	<u>\$ -</u>	<u>\$ (4,750,000)</u>	<u>\$ 38,835,000</u>	<u>\$ 1,663,000</u>

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

IV. CHANGES IN LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 2025, consist of:

\$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.	\$ 1,725,000
\$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.	6,460,000
\$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.	7,400,000
\$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.	9,750,000
\$16,610,000 Original Principal of Ritenour School District General Obligation and Refunding Bonds Series 2023 – due in varying annual principal installments ranging from \$1,045,000 to \$4,250,000 through March 1, 2029. The purposes of the bond was to provide funds to currently refund a portion of the District's outstanding general obligation bonds as well as pay a portion of the costs of improving the District's schools and pay the costs of issuance related to the bonds. The refunding resulted in cash flow savings of \$315,286 and an economic gain of \$277,248.	<u>13,500,000</u>
TOTAL GENERAL OBLIGATION BONDS.....	<u>\$ 38,835,000</u>

The bond payments are made from the Debt Service 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, 2025, including interest payments are as follows:

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

IV. CHANGES IN LONG-TERM DEBT (CONCLUDED)

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 4,900,000	\$ 1,529,650	\$ 6,429,650
2027	5,105,000	1,358,450	6,463,450
2028	5,345,000	1,125,900	6,470,900
2029	5,600,000	877,150	6,477,150
2030	3,985,000	617,900	4,602,900
2031-2035	8,150,000	1,448,500	9,598,500
2036-2040	5,750,000	555,000	6,305,000
Totals	\$ <u>38,835,000</u>	\$ <u>7,512,550</u>	\$ <u>46,347,550</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, 2025.

V. LEASES

LEASE PURCHASES

The following is a summary of changes in lease purchases debt for the year ended June 30, 2025:

	Lease Purchases
Lease Purchases Debt - July 1, 2024	\$ <u>1,151,000</u>
Add: Issued	6,305,000
Less: Payments	(94,000)
Lease Purchases Debt - June 30, 2025	\$ <u><u>7,362,000</u></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 District entered into a lease purchase agreement with UMB Bank in the amount of \$6,305,000 for Certificates of Participation Series 2024 due in varying annual principal installments ranging from \$180,000 to \$620,000 through April 1, 2039. The purposes of the certificate was to purchase real estate and renovate the site and existing buildings and pay certain costs related to the Certificates of Participation.

The annual requirements to amortize lease purchase debt outstanding as of June 30, 2025, including interest payments are as follows:

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

V. LEASES (CONTINUED)

LEASE PURCHASES (CONCLUDED)

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 276,000	\$ 494,936	\$ 770,936
2027	443,000	327,104	770,104
2028	465,000	307,727	772,727
2029	482,000	287,307	769,307
2030	504,000	266,094	770,094
2031-2035	2,882,000	974,510	3,856,510
2036-2039	2,310,000	295,750	2,605,750
Totals	\$ 7,362,000	\$ 2,953,428	\$ 10,315,428

The lease purchase agreements payments are made out of the Capital Projects Fund.

CAPITAL LEASES

In June 2024, the District entered into a lease agreement with SumnerOne for copiers used district-wide. The lease requires monthly payments of \$9,033 for a term of 60 months, through July 31, 2029.

In June 2024, the District entered into a lease purchase agreement with Great America Financial Services for the purchase of Avaya telephone services. The lease requires annual payments of \$26,681 for a term of 24 months, through August 2026.

The following is a summary of changes in capital leases for the year ended June 30, 2025:

	Capital Leases
Capital Leases Debt - July 1, 2024	\$ -
Add: Issued	588,585
Less: Payments	(122,664)
Capital Leases Debt - June 30, 2025	\$ 465,921

The following is a summary of capital lease future payments for the year ended June 30, 2025:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 131,697	\$ 3,381	\$ 135,078
2027	108,397	-	108,397
2028	108,397	-	108,397
2030	9,033	-	9,033
	\$ 357,524	\$ 3,381	\$ 360,905

The capital lease payments are made out of the General Fund.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

V. LEASES (CONCLUDED)

OPERATING LEASES

The District entered into an operating lease with City of St. John on September 1, 2023, for a classroom and office. The lease payment on the space is for \$12,090 per year, payable at the rate of \$1,008 per month, for a term of 3 years ending on August 31, 2026.

The following is a summary of operating lease future payments for the year ended June 30, 2025:

Fiscal Year Ending June 30,	Principal
2026	\$ 12,090
2027	2,015
	<u>\$ 14,105</u>

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, 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.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

VI. RETIREMENT PLANS (CONTINUED)

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. Members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with 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.

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at 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.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

VI. RETIREMENT PLANS (CONCLUDED)

- 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 2023, 2024 and 2025. 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 2023, 2024 and 2025. 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 \$6,526,156 and \$886,826, respectively, for the year ended June 30, 2025.

VII. CONTINGENCIES

The District is involved in pending lawsuits at June 30, 2025. 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. 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 2024 assessment was \$1,659,774.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025, the District had 4 participants in this program with premiums totaling \$13,659.

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 267 retirees participated in the District's insurance plans and paid premiums totaling \$785,551.

IX. INTERFUND TRANSFERS

During 2025, 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.

	<u>Transfer In</u>	<u>Transfer Out</u>
General (Incidental) Fund	\$ -	\$ 7,358,928
Special Revenue Fund	3,985,467	-
Debt Service Fund	-	-
Capital Projects Fund	3,373,461	-
Total	\$ <u>7,358,928</u>	\$ <u>7,358,928</u>

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.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025 totaled \$66,193. This plan was not subject to audit procedures.

XII. SUBSEQUENT EVENTS

In October 2025, The District Board of Education approved a future prepayment of bonds in the amount of \$1,900,000 to occur in March 2026.

OTHER INFORMATION

Ritenour School District
Budgetary Comparison Schedule - Modified Cash Basis - General Fund (Unaudited)
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance Actual Over (Under) Final Budget
	Original	Final	Actual	
Revenues				
Local Sources	\$ 34,919,746	\$ 35,368,841	\$ 34,328,533	\$ (1,040,308)
County Sources	693,567	693,567	908,264	214,697
State Sources	615,000	1,598,954	2,059,912	460,958
Federal Sources	4,475,000	4,519,493	17,435,613	12,916,120
Other Sources	150,000	150,000	-	(150,000)
TOTAL REVENUES	40,853,313	42,330,855	54,732,322	12,401,467
Expenditures				
Current:				
Instruction	7,484,591	7,840,297	7,285,410	(554,887)
Attendance	409,186	415,186	455,810	40,624
Guidance	821,944	889,544	763,732	(125,812)
Health, Psych Speech & Audio	715,321	715,321	705,319	(10,002)
Improvement of Instruction	326,165	505,326	427,770	(77,556)
Professional Development	262,369	263,169	245,652	(17,517)
Media Services	527,086	527,886	491,641	(36,245)
Board of Education Services	581,700	692,056	653,570	(38,486)
Executive Administration	2,406,793	2,450,165	2,617,828	167,663
Building Level Administration	1,934,728	1,725,064	2,036,898	311,834
Operation of Plant	9,741,175	10,541,832	10,750,018	208,186
Security Services	221,281	268,281	262,320	(5,961)
Pupil Transportation	2,837,808	3,084,639	3,569,152	484,513
Food Service	4,161,668	4,161,668	4,058,594	(103,074)
Business and Central Services	1,336,258	1,336,258	1,139,119	(197,139)
Other Supporting Services	151,500	151,500	4,525	(146,975)
Adult/Continuing Education	119,638	100,635	86,463	(14,172)
Community Services	1,213,545	1,087,866	943,497	(144,369)
Contingency	15,000	18,808	-	(18,808)
TOTAL EXPENDITURES	35,267,756	36,775,501	36,497,318	(278,183)
Revenues Collected Over (Under)				
Expenditures Paid	5,585,557	5,555,354	18,235,004	12,679,650
Other Financing Sources (Uses):				
Transfers	(5,225,131)	1,592,377	(7,358,928)	(8,951,305)
Trans from other LEAS Non-Handi	-	-	287,429	287,429
Total Other Financing Sources (Uses)	(5,225,131)	1,592,377	(7,071,499)	(8,663,876)
NET CHANGE IN FUND BALANCES	360,426	7,147,731	11,163,505	4,015,774
Fund Balance, July 1, 2024	30,612,722	30,612,723	30,612,723	-
Fund Balance, June 30, 2025	\$ 30,973,148	\$ 37,760,454	\$ 41,776,228	\$ 4,015,774

See accompanying independent auditor's report and notes to the budgetary comparison schedule.

Ritenour School District
Budgetary Comparison Schedule - Modified Cash Basis - Special Revenue Fund (Unaudited)
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Local Sources	\$ 10,840,645	\$ 10,840,645	\$ 10,839,084	\$ (1,561)
County Sources	75,000	75,000	102,807	27,807
State Sources	32,205,439	36,255,949	37,722,850	1,466,901
Federal Sources	6,410,094	6,568,707	1,818,764	(4,749,943)
Other Sources	75,000	75,000	-	(75,000)
TOTAL REVENUES	49,606,178	53,815,301	50,483,505	(3,256,796)
Expenditures				
Current:				
Instruction	43,807,127	43,874,542	44,628,023	753,481
Attendance	238,264	238,264	417,165	178,901
Guidance	2,398,845	2,398,189	2,355,581	(42,608)
Improvement of Instruction	1,476,053	1,634,258	1,229,054	(405,204)
Professional Development	137,204	137,204	96,545	(40,659)
Media Services	855,418	855,418	844,920	(10,498)
Executive Administration	384,197	384,197	384,060	(137)
Building Level Administration	3,463,786	3,429,001	3,190,348	(238,653)
Business and Central Services	237,343	241,343	274,808	33,465
Adult/Continuing Education	209,484	279,116	159,545	(119,571)
Community Services	924,343	922,515	959,556	37,041
Contingency	267,500	267,500	-	(267,500)
TOTAL EXPENDITURES	54,399,564	54,661,547	54,539,605	(121,942)
Revenues Collected Over (Under)				
Expenditures Paid	(4,793,386)	(846,246)	(4,056,100)	(3,134,854)
Other Financing Sources (Uses):				
Transfers	4,793,386	846,246	3,985,467	3,139,221
Contracted Educational Services	-	-	70,633	70,633
Total Other Financing Sources (Uses)	4,793,386	846,246	4,056,100	3,209,854
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balance, July 1, 2024	-	-	-	-
Fund Balance, June 30, 2025	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditor's report and notes to the budgetary comparison schedule.

Ritenour School District
Budgetary Comparison Schedule - Modified Cash Basis - Debt Service Fund (Unaudited)
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Local Sources	\$ 7,288,021	\$ 7,288,021	\$ 7,189,627	\$ (98,394)
County Sources	156,433	156,433	138,786	(17,647)
TOTAL REVENUES	7,444,454	7,444,454	7,328,413	(116,041)
Expenditures				
Current:				
Debt Service:				
Principal	4,750,000	4,750,000	4,750,000	-
Interest and Charges	1,667,700	1,667,700	1,665,652	(2,048)
TOTAL EXPENDITURES	6,417,700	6,417,700	6,415,652	(2,048)
Revenues Collected Over (Under)				
Expenditures Paid	1,026,754	1,026,754	912,761	(113,993)
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	1,026,754	1,026,754	912,761	(113,993)
Fund Balance, July 1, 2024	5,281,739	5,281,739	5,281,739	-
Fund Balance, June 30, 2025	\$ 6,308,493	\$ 6,308,493	\$ 6,194,500	\$ (113,993)

See accompanying independent auditor's report and notes to the budgetary comparison schedule.

Ritenour School District
Budgetary Comparison Schedule - Modified Cash Basis - Capital Projects Fund (Unaudited)
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Local Sources	\$ 125,000	\$ 7,968,110	\$ 2,417,641	\$ (5,550,469)
State Sources	-	-	407,074	407,074
Federal Sources	129,932	129,932	123,944	(5,988)
TOTAL REVENUES	254,932	8,098,042	2,948,659	(5,149,383)
Expenditures				
Current:				
Instruction	12,000	34,558	24,602	(9,956)
Media Services	15,000	15,000	-	(15,000)
Executive Administration	30,000	30,000	62,517	32,517
Operation of Plant	163,500	463,500	832,363	368,863
Security Services	-	133,000	131,846	(1,154)
Pupil Transportation	-	9,444,594	9,407,136	(37,458)
Food Service	221,200	221,200	91,649	(129,551)
Community Services	-	-	39,139	39,139
Capital Outlay	5,315,218	12,347,123	11,931,904	(415,219)
Debt Service:				
Principal	-	-	94,000	94,000
Interest and Charges	119,977	119,977	193,785	73,808
TOTAL EXPENDITURES	5,876,895	22,808,952	22,808,941	(11)
Revenues Collected Over (Under)				
Expenditures Paid	(5,621,963)	(14,710,910)	(19,860,282)	(5,149,372)
Other Financing Sources (Uses):				
Transfers	431,745	(2,438,623)	3,373,461	5,812,084
Sale of School Buses	-	560,000	560,000	-
Sale of Other Property	-	-	7,724	7,724
Premium on Bonds Sold	-	568,390	568,390	-
Capital Lease Proceeds	-	6,305,000	6,305,000	-
Sources (Uses)	431,745	4,994,767	10,814,575	5,819,808
NET CHANGE IN FUND BALANCES	(5,190,218)	(9,716,143)	(9,045,707)	670,436
Fund Balance, July 1, 2024	9,716,144	9,716,144	9,716,144	-
Fund Balance, June 30, 2025	\$ 4,525,926	\$ 1	\$ 670,437	\$ 670,436

See accompanying independent auditor's report and notes to the budgetary comparison schedule.

RITENOUR SCHOOL DISTRICT
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2025

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 13, 2024, and as finally amended by the Board of Education on June 12, 2025.

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

STATE COMPLIANCE SECTION



**Mueller Oberkfell
& Jones, LLC**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPAs
AMERICAN INSTITUTE OF CPAs

**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 of 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, 2025.

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, 2025, 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.

Mueller Oberkfell & Jones, LLC

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 17, 2025

RITENOUR SCHOOL DISTRICT
DISTRICT COUNTY NUMBER 096-110
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2025

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

School Code	Begin Grade	End Grade	Half-Day Indicator	Standard Day Length	Days	Hours in Session
1050	9	12	-	6.5000	170	1,066.7504
3000	6	8	-	6.4167	171	1,080.5053
3050	6	8	-	6.4167	171	1,083.6720
4020	K	5	-	6.4167	171	1,083.0053
4100	K	5	-	6.4167	171	1,083.0053
4120	K	5	-	6.4167	171	1,083.0053
4140	K	5	-	6.4167	171	1,083.0053
4160	K	5	-	6.4167	171	1,083.0053
4220	K	5	-	6.4167	171	1,083.0053
7500	PK	PP	-	6.5000	171	1,096.8335
7500	PA	PA	A	3.1667	171	541.5057
7500	PP	PP	P	3.1667	166	525.6722

2. ATTENDANCE HOURS

School Code	Grade Level	Full-Time & Res II Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
1050	9-12	1,568,556.3839	40,902.4341	-	-	38,545.9200	1,648,004.7380
3000	6-8	644,757.2351	-	-	-	4,534.7400	649,291.9751
3050	6-8	708,795.5386	-	-	-	4,353.0600	713,148.5986
4020	K-5	468,391.1397	-	-	-	5,680.0400	474,071.1797
4100	K-5	439,872.4675	-	-	-	5,951.0000	445,823.4675
4120	K-5	465,531.1526	-	-	-	5,229.2200	470,760.3726
4140	K-5	485,575.1751	-	-	-	5,335.3600	490,910.5351
4160	K-5	558,277.8058	-	-	-	4,878.2800	563,156.0858
4220	K-5	547,069.4360	-	-	-	8,435.7300	555,505.1660
7500	PK-PP	80,916.6304	-	-	-	-	80,916.6304
Total		<u>5,967,742.9647</u>	<u>40,902.4341</u>	<u>-</u>	<u>-</u>	<u>82,943.3500</u>	<u>6,091,588.7488</u>

See accompanying independent auditor's report.

RITENOUR SCHOOL DISTRICT
DISTRICT COUNTY NUMBER 096-110
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2025

3. SEPTEMBER MEMBERSHIP

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	1,946.00	54.15	-	2,000.15
3000	6-8	664.00	-	-	664.00
3050	6-8	737.00	-	-	737.00
4020	K-5	471.00	-	-	471.00
4100	K-5	441.00	-	-	441.00
4120	K-5	474.00	-	-	474.00
4140	K-5	496.00	-	-	496.00
4160	K-5	561.00	-	-	561.00
4220	K-5	545.00	-	-	545.00
7500	PK-PP	149.00	-	-	149.00
	Total	<u>6,484.00</u>	<u>54.15</u>	<u>-</u>	<u>6,538.15</u>

4. JANUARY MEMBERSHIP

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	1,898.00	46.74	-	1,944.74
3000	6-8	676.00	-	-	676.00
3050	6-8	731.00	-	-	731.00
4020	K-5	466.00	-	-	466.00
4100	K-5	440.00	-	-	440.00
4120	K-5	473.00	-	-	473.00
4140	K-5	491.00	-	-	491.00
4160	K-5	562.00	-	-	562.00
4220	K-5	561.00	-	-	561.00
7500	PK-PP	153.00	-	-	153.00
	Total	<u>6,451.00</u>	<u>46.74</u>	<u>-</u>	<u>6,497.74</u>

5. 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
1050	1,944.74	-	-	-	1,944.74
3000	676.00	-	-	-	676.00
3050	731.00	-	-	-	731.00
4020	466.00	-	-	-	466.00
4100	440.00	-	-	-	440.00
4120	473.00	-	-	-	473.00
4140	491.00	-	-	-	491.00
4160	562.00	-	-	-	562.00
4220	561.00	-	-	-	561.00
Total	<u>6,344.74</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,344.74</u>

See accompanying independent auditor's report.

RITENOUR SCHOOL DISTRICT
DISTRICT COUNTY NUMBER 096-110
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2025

6. FINANCE

6.1	The District maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	<u>True</u>
6.2	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 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:	<u>True</u>
	Academic Programs Off-Campus.....	<u>True</u>
	Career Exploration Program — Off Campus.....	<u>True</u>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<u>True</u>
	Dual enrollment.....	<u>True</u>
	Homebound instruction.....	<u>True</u>
	Missouri Options.....	<u>True</u>
	Prekindergarten eligible to be claimed for state aid.....	<u>True</u>
	Remediation.....	<u>True</u>
	Sheltered Workshop participation.....	<u>True</u>
	Students participating in the school flex program.....	<u>N/A</u>
	Traditional instruction (full and part-time students).....	<u>True</u>
	Virtual instruction (MOCAP or other option).....	<u>True</u>
	Work Experience for Students with Disabilities.....	<u>True</u>
6.3	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.	<u>True</u>
6.4	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.	<u>True</u>
6.5	As required by Section 162.401, RSMo, a bond was purchased for the District's school treasurer in the total amount of:	<u>\$ 50,000.00</u>
6.6	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.	<u>True</u>
6.7	The District maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo.	<u>True</u>

See accompanying independent auditor's report.

RITENOUR SCHOOL DISTRICT
DISTRICT COUNTY NUMBER 096-110
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2025

6. FINANCE (CONCLUDED)

6.8	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.	<u>True</u>
6.9	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.	<u>N/A</u>
6.10	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.	<u>True</u>
6.11	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.	<u>True</u>
6.12	The amount spent for approved professional development committee plan activities was:	<u>\$342,196</u>
6.13	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.	<u>True</u>

7. TRANSPORTATION (SECTION 163.161, RSMo)

7.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<u>True</u>
7.2	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.	<u>True</u>
7.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT.....	<u>3,222.50</u>
	Ineligible ADT.....	<u>311.00</u>

See accompanying independent auditor's report.

RITENOUR SCHOOL DISTRICT
DISTRICT COUNTY NUMBER 096-110
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2025

7. TRANSPORTATION (SECTION 163.161, RSMo) (CONCLUDED)

7.4	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.	<u>True</u>
7.5	Actual odometer records show the total District-operated and contracted mileage for the year was:	<u>537,495</u>
7.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles.....	<u>475,284</u>
	Ineligible Miles (Non-Route/Disapproved).....	<u>62,211</u>
7.7	Number of days the District operated the school transportation system during the regular school year:	<u>165</u>

See accompanying independent auditor's report.

RITENOUR SCHOOL DISTRICT
SCHEDULE OF STATE FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025.

FEDERAL COMPLIANCE SECTION



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 (*Government Auditing Standards*), 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, 2025, 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 17, 2025. 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. Our report on the Governmental Activities, General Fund, and Special Revenue Fund was qualified due to the inclusion of an accrued payroll liability for payments made in the subsequent fiscal year, which is not in accordance with the basis of accounting used by the District.

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 "Mueller Oberkfell & Jones, LLC".

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 17, 2025



**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, 2025. 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, 2025.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 GAAS, *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 GAAS, *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.

A handwritten signature in cursive script that reads "Mueller Oberkfell & Jones, LLC".

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 17, 2025

**RITENOUR SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Provided to Subrecipients
U.S. Department of Agriculture				
Passed-through Missouri Department of Elementary and Secondary Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	096-110	\$ 1,077,638	\$ -
National School Lunch Program	10.555	096-110	2,556,781	-
National School Lunch Program - Commodities	10.555	096-110	383,597	-
Subtotal Assistance Listing # 10.555			2,940,378	-
Total Child Nutrition Cluster			4,018,016	-
Total U.S. Department of Agriculture			4,018,016	-
U.S. Department of Transportation				
Passed-through Environmental Protection Agency:				
Clean Fuels Grant	20.519	096-110	\$ 10,254,904	\$ -
Total U.S. Department of Transportation			10,254,904	-
U.S. Department of Education				
Passed-through Missouri Department of Elementary and Secondary Education:				
Title I Grants to Local Educational Agencies	84.010	096-110	2,720,671	-
Supportive Effective Instruction State Grants	84.367	096-110	257,529	-
English Language Acquisition State Grants	84.365	096-110	201,780	-
Stronger Connections Grant	84.424	096-110	100,528	-
COVID 19: Education Stabilization Fund:				
COVID 19: ESSER III	84.425U	096-110	1,640,637	-
COVID 19: ARP-Immediate Responses Grant	84.425U	096-110	6,621	-
Subtotal Assistance Listing # 84.425			1,647,258	-
Passed-through Missouri Office of Vocational and Adult Education:				
Perkins Basic Grant - Basic Grants to States	84.048	096-110	169,310	-
Adult Education - Basic Grants to States	84.002	096-110	35,472	-
Total U.S. Department of Education			5,132,548	-
U.S. Department of Health and Human Services				
Passed-through Missouri Department of Elementary and Secondary Education:				
Foundations for Success Grant	93.596	096-110	27,061	-
Childcare Development Grant	93.596	096-110	39,139	-
Subtotal Assistance Listing # 93.596			66,200	-
Total Child Care Development Fund			66,200	-
Total U.S. Department of Health and Human Services			66,200	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 19,471,668	\$ -

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

RITENOUR SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025. 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 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	\$ 17,435,613
Special Revenue Fund	1,818,764
Debt Service Fund	-
Capital Projects Fund	123,944
	<u>\$ 19,378,321</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, 2025

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, 2025.

RITENOUR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued:

Governmental Activities	Qualified - Modified Cash Basis
General Fund	Qualified - Modified Cash Basis
Special Revenue Fund	Qualified - Modified Cash Basis
Debt Service Fund	Unmodified - Modified Cash Basis
Capital Projects Fund	Unmodified - Modified Cash Basis

2. Internal control over financial reporting:

a. Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
b. Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None Reported

3. Noncompliance material to financial statements noted?

<u> </u> Yes	<u> X </u> No
-------------------	-----------------

B. Federal Awards

1. Internal control over major federal programs:

a. Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
b. Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> 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)?

<u> </u> Yes	<u> X </u> No
-------------------	-----------------

4. Identification of major federal programs:

<u>CFDA Number(s):</u>	<u>Name of Federal Program or Cluster</u>
20.519	Clean Fuels Grant

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, 2025

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2025.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

RITENOUR SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

I. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2024.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2024.