

**HICKMAN MILLS C-1 SCHOOL DISTRICT
KANSAS CITY, MISSOURI**

**FINANCIAL STATEMENTS TOGETHER
WITH INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2021

HICKMAN MILLS C-1 SCHOOL DISTRICT

TABLE OF CONTENTS

Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Statement of Net Position - Modified Cash Basis.....	11
Statement of Activities - Modified Cash Basis	12
Balance Sheet - Modified Cash Basis - Governmental Funds	13
Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	14
Statement of Net Position - Modified Cash Basis - Fiduciary Fund.....	15
Statement of Changes in Net Position - Modified Cash Basis - Fiduciary Fund	16
Notes to the Basic Financial Statements	17
Supplementary Information	28
Budgetary Comparison Schedule - Modified Cash Basis - School District:	
General Fund.....	29
Special Revenue Fund.....	30
Debt Service Fund.....	31
Capital Projects Fund.....	32
Notes to the Budgetary Comparison Schedule	33
Schedule of Revenues Collected by Source - School District	34
Summary Schedule of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis - School District	35
Combining Balance Sheet - Modified Cash Basis - All Capital Projects Funds	36
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - All Capital Projects Funds.....	37
Schedule of Selected Statistics.....	38
Schedule of Expenditures of Federal Awards.....	42
Internal Control and Compliance	43
Independent Auditors' Report on the Administration's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	44
Schedule of State Findings.....	45
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	46
Independent Auditors' Report on Compliance for each Major Federal Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance	48
Schedule of Findings and Questioned Costs.....	50



INDEPENDENT AUDITORS' REPORT

To the Board of Education
Hickman Mills C-1 School District

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Hickman Mills C-1 School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A. This includes 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of Hickman Mills C-1 School District as of June 30, 2021, and the respective changes in modified cash basis financial position for the year then ended in accordance with the basis of accounting described in Note A.

Supplementary and Other 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 supplementary information, as listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole, on the basis of accounting described in Note A.

Management's discussion and analysis on pages 3 through 10 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on such information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2021 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.

Basis of Accounting

We draw attention to Note A of the financial statements that 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.

Westbrook & Co., P.C.

Richmond, Missouri
December 9, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The discussion and analysis of the Hickman Mills C-1 School District's financial performance provides an overview of the District's financial activities for the fiscal year that ended on June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the basic financial statements, notes to the financial statements and other supplemental information to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for the 2021 fiscal year are as follows:

1. Operating fund balances for the District (General Fund and Special Revenue Fund) increased by \$20,393,030 from \$10,734,205 to \$31,127,235. Fund balances increased due to receipt of ESSER funds and other CARES Act funding due to COVID-19. Transportation and Substitute funds were a savings in 2020-2021 due to school being virtual from August 2020 to March 2021.
2. District operating funds revenues increased by \$9,125,152 from \$76,535,215 to \$85,660,367.
 - a. ESSER I and ESSER II funds allowed us to move charges that would normally be charged to state and local to federal funds which allowed us to carryover more of our state and local funds.
 - b. Due to COVID-19, the District did not have to pay as much in transportation and substitute costs which is a large savings for the District.
 - c. The District furloughed 43 paraprofessionals and placed a hiring freeze on any vacant positions.
 - d. Food expenditures decreased as well since we did not provide breakfast, lunch and dinner every day.
 - e. Local revenues (including local assessed valuation, Proposition C, earnings and investments among others) increased by \$511,539.
 - f. County revenues increased by \$28,262 as a result of an increase in State Assessed Utilities and Fines.
 - g. State revenues decreased by \$240,686, mainly due to a decrease in Transportation and State funded Early Childhood Special Education.
 - h. Federal revenues increased by \$8,907,497 in fiscal year 2021 due to receipt of COVID-19 Funding and receipt of fiscal year 2020 revenues in fiscal year 2021.
 - i. Other revenues decreased by \$81,460, mainly due to receipt of local tax effort in 2021-2022.
3. District operating funds expenditures decreased by \$5,041,520, from \$69,041,029 to \$63,999,509. The District furloughed 43 paraprofessionals, placed a hiring freeze on vacant positions as well as a decrease in transportation and substitute costs due to COVID-19.
4. The District's long-term debt increased by \$26,366,171 from \$54,339,016 to \$80,705,187.

Using this Annual Report

This annual report consists of two distinct series of financial statements: the district-wide reports and fund financials.

- Government-wide Financial Reports: Provide both *short-term* and *long-term* information about the District's overall financial status. Government-wide statements include the Statement of Net Position and Statement of Activities.
- Fund Financial Statements: Focus on *individual funds* of the District, reporting activities in *more detail*. These statements show how services were financed in the short-term as well as what remains for future spending.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

The view of the District as a whole looks at all financial transactions and asks the questions, "Are we in a better financial position this year than last?" and "Why" or "Why not." The Statement of Net Position and the Statement of Activities provide the basis for answering these questions. The statements include *all assets* and *liabilities* using the *modified cash basis of accounting*.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The financial statements are presented on the modified cash basis of accounting, under which revenues are recorded when received rather than when susceptible to accrual, and expenditures are recorded when paid rather than when the fund liability is incurred, except for teachers' salaries. Such teachers' salaries are recorded as expenditures paid in the fiscal year in which the obligations under the salary contracts are fulfilled by the teachers, even though a portion of such salaries are not paid until July and August of the following fiscal year.

These two statements report the District's *net position* and change in net position. The change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation, food service and extracurricular activities.

Reporting the District's Most Significant Funds

Fund financial reports provide detailed information about the District's major funds. 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 funds are used by the District:

Governmental Funds:

General Fund: Accounts for and reports all financial resources not accounted for and reported in another fund.

Special Revenue Fund: Accounts for and reports the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Fiduciary Fund:

The District is the trustee, or fiduciary, for a healthcare fund. All of the District's fiduciary activities are reported in separate statements. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

The District as A Whole

The Statements of Net Position provides the perspective of the District as a whole. Table 1 provides a summary and comparison of the District's net position for 2021 and 2020:

TABLE 1	Governmental Activities	
	2021	2020
ASSETS		
Cash and cash equivalents	<u>\$ 63,708,844</u>	<u>\$ 14,755,405</u>
NET POSITION		
Restricted for:		
Capital outlay	\$ 28,185,800	\$ 50
Debt service	4,395,809	4,021,150
Unrestricted	<u>31,127,235</u>	<u>10,734,205</u>
Total Net Position	<u>\$ 63,708,844</u>	<u>\$ 14,755,405</u>

Total assets at June 30, 2021 were reported at \$63,708,844.

Unrestricted net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements were \$31,127,235. The District has restricted net position of \$4,395,809 to comply with requirements imposed by creditors and \$28,185,800 restricted for capital outlay.

Table 2 shows the change in net position for fiscal years 2021 and 2020.

TABLE 2

REVENUES	<u>2021</u>	<u>2020</u>
Program Revenues:		
Charges for services	\$ 161,457	\$ 310,097
Operating grants and contributions	28,240,009	19,645,597
Capital grants and contributions	<u>1,224,973</u>	<u>635,957</u>
Total Program Revenues	<u>29,626,439</u>	<u>20,591,651</u>
General Revenues:		
Property taxes	27,525,012	27,400,360
Basic formula	27,214,389	26,931,580
Sales tax	6,137,443	6,177,836
Earnings on investments	3,668,633	680,920
State assessed utilities	1,116,166	1,070,585
M&M surtax	714,579	765,822
Financial institution tax	536,321	602,614
Fines and escheats	17,480	22,255
In lieu of tax	3,930	14,557
Other revenue	<u>1,304,494</u>	<u>111,119</u>
Total General Revenues	68,238,447	63,777,648
Special item - proceeds from bonds	<u>34,855,000</u>	<u>-</u>
Total General Revenues and Special Item	<u>103,093,447</u>	<u>63,777,648</u>
Total Revenues	<u>132,719,886</u>	<u>84,369,299</u>
PROGRAM EXPENSES		
Instruction	31,218,515	32,003,862
Student activities	324,845	420,636
Student services	5,667,492	5,662,783
Instructional staff support	2,373,773	2,546,428
General administration and central services	8,239,298	8,187,515
Building administration	3,146,741	2,894,969
Operation of plant	7,295,977	7,845,217
Pupil transportation	1,879,570	4,538,319
Food service	2,009,257	3,573,415
Community services	3,424,783	3,701,352
Facility acquisition and construction	5,771,659	255,392
Debt Service:		
Principal retirement	9,966,128	5,335,143
Interest and fees	<u>2,448,409</u>	<u>2,218,273</u>
Total Governmental Activities Expenses	<u>83,766,447</u>	<u>79,183,304</u>
CHANGE IN NET POSITION	48,953,439	5,185,995
Net Position Beginning of Year	<u>14,755,405</u>	<u>9,569,410</u>
Net Position End of Year	<u>\$ 63,708,844</u>	<u>\$ 14,755,405</u>

Governmental Activities

Revenues

General revenues, excluding bond proceeds, totaled \$68,238,447. The three largest sources of general revenue for Hickman Mills C-1 School District are generated from the local property taxes \$27,525,012, State Basic Foundation Formula \$27,214,389 and Proposition C sales tax \$6,137,443. Program specific revenues in the form of operating and capital grants and contributions totaled \$29,626,439. The largest portion of this revenue was from the Education Stabilization Fund, Title I, Individuals with Disabilities (IDEA), Early Childhood Special Education and food service programs. State and federal reimbursement for transportation and food service were \$748,754 and \$928,425, respectively. Charges for services, including student activities and food service, totaled \$161,457.

Expenditures

Expenditures for governmental activities totaled \$83,766,447. Only \$29,626,439 was offset by program specific charges for services, grants or contributions. General revenues, primarily property taxes, sales tax, the basic formula and to a lesser extent state assessed utilities, fines and earnings on investments provided for program activities.

End-of-year fund balances in the General and Special Revenue Funds increased \$20,393,030 from \$10,734,205 to \$31,127,235.

The Statement of Activities shows the costs of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the costs of these services supported by tax revenue and unrestricted State entitlements.

TABLE 3

	2021		2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 31,218,515	\$ 10,691,111	\$ 32,003,862	\$ 21,350,612
Student activities	324,845	231,847	420,636	217,067
Student services	5,667,492	5,256,248	5,662,783	5,264,810
Instructional staff support	2,373,773	1,798,931	2,546,428	1,638,069
General administration and central services	8,239,298	7,721,195	8,187,515	7,812,959
Building administration	3,146,741	2,050,426	2,894,969	2,894,969
Operation of plant	7,295,977	5,579,810	7,845,217	7,635,324
Pupil transportation	1,879,570	945,275	4,538,319	3,112,994
Food service	2,009,257	1,256,034	3,573,415	319,390
Community services	3,424,783	422,935	3,701,352	723,585
Facility acquisition and construction	5,771,659	5,771,659	255,392	68,458
Debt Service:				
Principal retirement	9,966,128	9,966,128	5,335,143	5,335,143
Interest and fees	2,448,409	2,448,409	2,218,273	2,218,273
Total Governmental Activities	<u>\$ 83,766,447</u>	<u>\$ 54,140,008</u>	<u>\$ 79,183,304</u>	<u>\$ 58,591,653</u>

Instruction includes activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student activities includes expenses related to extracurricular activities and services.

Student services include guidance and counseling, health services, as well as the costs of student attendance reporting.

Instructional staff support includes the activities involved with assisting staff with the content and process of teaching pupils.

General administration and central services includes the expenses associated with administrative and financial supervision of the District and office support staff. It also includes expenses related to planning, research, development and evaluation of instructional and support services, as well as the reporting of this information internally and to the public.

Building administration includes the cost of salaries and benefits for building level principals and office support staff.

Operation of plant activities involves keeping the school grounds, buildings, and equipment in an effective working condition.

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

Food service includes the preparation, delivery, and servicing of lunches, snacks, and other incidental meals to students and school staff in connection with school activities.

Community services includes expense related to student activities provided by the District which are designed to provide opportunities for pupils to participate in school events, public events, or a combination of these for the purpose of motivation, enjoyment and skill improvement.

Facility acquisition and construction includes expenditures for land or existing buildings; improvement of grounds; construction of buildings; remodeling of buildings; initial equipment; additional equipment; and replacement of equipment.

Debt service involves the transactions associated with the payment of principal, interest and other related charges for debt of the District.

The District's Funds

The District's funds are accounted for using the modified cash basis of accounting. All governmental funds for the District had total revenues of \$132,719,886 and total expenditures of \$83,766,447. The net change in fund balances for the year was significant in the General Fund which increased by \$20,393,030, while the Capital Projects Fund balance increased by \$28,185,750. The reason for these changes in fund balances is discussed in the financial highlights.

General Fund Budgeting Highlights

Missouri statutes are very specific regarding public school finance. These laws establish funds which must be used in the accounting process and place certain limits upon the use of revenue and expenditure transactions allowed in these funds. The District's budget is prepared according to Missouri law and is based on accounting for certain transactions on the modified cash basis. The most significant budgeted fund is the General Fund. During the course of the year, the District amended the General Fund budget numerous times.

Throughout the year, as better information becomes available, budget adjustments are required for improved accuracy. During the 2021 fiscal year, original balances were budgeted for a year-ending reserve of 16.529%. With planned expenditure reductions, along with anticipated reductions in revenue,

the actual unrestricted reserve balance at year-end was 48.59%. Major reasons for budget amendments during the 2021 fiscal year are as follows:

- The preliminary budget must be constructed before final local property tax and state revenue figures are available. Additionally, many Federal and State grants and Title programs are not finalized at the time of the preliminary budget publication.
- Expenditure projections improve as information becomes available throughout the year.

The General Fund actual revenue was \$48,381,267 representing a \$1,152,891 decrease under the original budget estimate of \$47,228,376. Most of the difference is due to reasons cited above. Total actual General Fund expenditures were \$26,720,409 representing a \$6,383,122 decrease from the original budget estimate of \$33,103,531. Most of the variance is due to reasons cited above. In general, the District follows a practice of budgeting for revenue conservatively low and for expenditures conservatively high.

Debt Administration

As of June 30, 2021, the District had \$80,705,187 in outstanding debt. This represents an increase of \$26,366,171 from the \$54,339,016 in outstanding debt that existed as of June 30, 2020.

TABLE 4

Outstanding Debt

	2021	2020
Series 2011 Refunding Bonds	\$ -	\$ 7,450,000
Series 2016 Refunding Bonds	13,925,000	13,925,000
Series 2016A Building Bonds	14,705,000	14,705,000
Series 2020 Improvement and Refunding Bonds	33,705,000	-
Direct Borrowings	1,525,187	449,016
Series 2015 Lease Certificates of Participation	9,125,000	9,525,000
Series 2016 Lease Certificates of Participation	2,490,000	2,550,000
Series 2014 Building Corporation Leasehold Revenue and Refunding Bonds	5,230,000	5,735,000
Total	<u>\$ 80,705,187</u>	<u>\$ 54,339,016</u>

Current Financial Issues and Concerns

The Hickman Mills C-1 School District is financially sound, but like many school districts is facing increasing budgetary pressure. Due in large part to strict monetary controls, the District was able to significantly increase its unrestricted operating fund balances from 6.45 % in fiscal year 2009 to 21.99% in fiscal year 2013 and 25.31% in 2014. There was a decrease in the unrestricted operating fund balances in fiscal year 2018 to 8.25% and in 2019 to 7.52% due to salary, transportation, contracted educational service and a decrease in enrollment. With the closure of two elementary schools and moving the 9th grade students back to the high school which closed the 9th grade center the District was able to increase the fiscal year 2020 fund balance to 15.50%. In 2021, the District ended the year with its largest fund balance in many years of 48.55%. This is largely due to the additional COVID-19 funding.

COVID-19 had an impact on the District's state funding and will also have an impact on Fiscal Year 2022 and possibly 2023 based on decisions made by the state.

In conclusion, the Hickman Mills C-1 School District has committed itself to maintaining sound financial practices that protect the solvency of the District and promote the academic excellence of its students.

The District considers it essential to continue this sound fiscal management in order to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our taxpayers, investors and creditors with a general overview of the Hickman Mills C-1 School District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mrs. Shellie Wiltsey, Director of Business & Finance, at Hickman Mills School District, 5401 East 103rd Street, Kansas City, Missouri 64137.

HICKMAN MILLS C-1 SCHOOL DISTRICT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2021

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	<u>\$ 63,708,844</u>
NET POSITION	
Restricted for:	
Capital outlay	\$ 28,185,800
Debt service	4,395,809
Unrestricted	<u>31,127,235</u>
Total net position	<u>\$ 63,708,844</u>

See accompanying notes to the basic financial statements.

HICKMAN MILLS C-1 SCHOOL DISTRICT
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2021

		PROGRAM REVENUES			Net (Expenditure) Revenue And Change in Net Position
		Charges For	Operating Grants And Contributions	Capital Grants And Contributions	
	Expenditures	Services			Governmental
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 31,218,515	\$ -	\$ 19,474,074	\$ 1,053,330	\$ (10,691,111)
Student activities	324,845	92,998	-	-	(231,847)
Student services	5,667,492	-	411,244	-	(5,256,248)
Instruction staff support	2,373,773	-	574,842	-	(1,798,931)
General administration & central services	8,239,298	49,020	469,083	-	(7,721,195)
Building administration	3,146,741	-	1,096,315	-	(2,050,426)
Operation of plant	7,295,977	9,100	1,535,424	171,643	(5,579,810)
Transportation	1,879,570	5,870	928,425	-	(945,275)
Food service	2,009,257	4,469	748,754	-	(1,256,034)
Community services	3,424,783	-	3,001,848	-	(422,935)
Facility acquisition and construction	5,771,659	-	-	-	(5,771,659)
Debt service:					
Principal retirement	9,966,128	-	-	-	(9,966,128)
Interest and fees	2,448,409	-	-	-	(2,448,409)
Total Governmental Activities	<u>\$ 83,766,447</u>	<u>\$ 161,457</u>	<u>\$ 28,240,009</u>	<u>\$ 1,224,973</u>	<u>(54,140,008)</u>
General Revenues:					
Property taxes					27,525,012
Basic formula					27,214,389
Sales tax					6,137,443
Earnings on investments					3,668,633
State assessed utilities					1,116,166
M&M surtax					714,579
Financial institution tax					536,321
Fines and escheats					17,480
In lieu of tax					3,930
Other revenue					<u>1,304,494</u>
Total General Revenues					68,238,447
Special item - bond proceeds					<u>34,855,000</u>
Total General Revenues and Special Item					<u>103,093,447</u>
Change in net position					48,953,439
Net Position Beginning of year					<u>14,755,405</u>
Net Position End of year					<u>\$ 63,708,844</u>

See accompanying notes to the basic financial statements.

**HICKMAN MILLS C-1 SCHOOL DISTRICT
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	\$ 31,127,235	\$ -	\$ 4,395,809	\$ 28,185,800	\$ 63,708,844
FUND BALANCES					
Restricted	\$ 27,983	\$ -	\$ 4,395,809	\$ 28,181,852	\$ 32,605,644
Assigned	2,772,576	-	-	3,948	2,776,524
Unassigned	28,326,676	-	-	-	28,326,676
Total fund balances	\$ 31,127,235	\$ -	\$ 4,395,809	\$ 28,185,800	\$ 63,708,844

See accompanying notes to the basic financial statements.

HICKMAN MILLS C-1 SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local	\$ 27,525,483	\$ 2,539,399	\$ 5,544,821	\$ 4,668,946	\$ 40,278,649
County	851,783	17,480	264,383	-	1,133,646
State	11,689,654	20,511,673	-	145,662	32,346,989
Federal	8,313,859	14,210,548	-	588,635	23,113,042
Other	488	-	-	992,072	992,560
Total Revenues	48,381,267	37,279,100	5,809,204	6,395,315	97,864,886
EXPENDITURES:					
Instruction	3,575,298	27,111,634	-	531,583	31,218,515
Student activities	220,796	104,049	-	-	324,845
Student services	3,534,465	2,133,027	-	-	5,667,492
Instruction staff support	713,614	1,660,159	-	-	2,373,773
General administration & central services	4,916,084	2,328,081	-	995,133	8,239,298
Building administration	855,973	2,290,768	-	-	3,146,741
Operation of plant	7,173,553	105,924	-	16,500	7,295,977
Transportation	1,793,798	85,772	-	-	1,879,570
Food service	1,984,699	-	-	24,558	2,009,257
Community services	1,938,213	1,459,686	-	26,884	3,424,783
Facility acquisition and construction	-	-	-	5,771,659	5,771,659
Debt service:					
Principal retirement	-	-	8,600,000	1,366,128	9,966,128
Interest and fees	13,916	-	1,689,545	744,948	2,448,409
Total Expenditures	26,720,409	37,279,100	10,289,545	9,477,393	83,766,447
Revenues Over (Under) Expenditures	21,660,858	-	(4,480,341)	(3,082,078)	14,098,439
Other Financing Sources (Uses):					
Transfers	(1,267,828)	-	-	1,267,828	-
Proceeds from sale of bonds	-	-	4,855,000	30,000,000	34,855,000
Total Other Financing Sources (Uses)	(1,267,828)	-	4,855,000	31,267,828	34,855,000
Net change in fund balance	20,393,030	-	374,659	28,185,750	48,953,439
Fund balance, beginning	10,734,205	-	4,021,150	50	14,755,405
Fund balance, ending	\$ 31,127,235	\$ -	\$ 4,395,809	\$ 28,185,800	\$ 63,708,844

See accompanying notes to the basic financial statements.

HICKMAN MILLS C-1 SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2021

	HEALTH CARE FUND
ASSETS	
Cash and cash equivalents	<u>\$ 1,127,321</u>
NET POSITION	
Held in trust	<u>\$ 1,127,321</u>

See accompanying notes to the basic financial statements.

HICKMAN MILLS C-1 SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>HEALTH CARE FUND</u>
Additions	
Contributions - District	\$ 5,867,192
Contributions - Employees	1,032,951
Investment earnings	<u>33</u>
Total additions	<u>6,900,176</u>
Deductions	
Administrative fees	574,051
Distributions	<u>5,814,634</u>
Total deductions	<u>6,388,685</u>
Change in Net Position	511,491
Net Position, beginning	<u>615,830</u>
Net Position, ending	<u><u>\$ 1,127,321</u></u>

See accompanying notes to the basic financial statements.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles Used to Determine Scope of Entity: The District's reporting entity includes the District's governing board and all related organizations.

The combined financial statements of the District include all organizations that raise and hold economic resources for the direct benefit of the District. The District has implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and 34*. GASB Statement No. 61 amended GASB Statement No. 14. GASB Statement 61 modifies certain requirements for inclusion of component units in the financial reporting entity.

Hickman Mills C-1 School District Building Corporation: The Hickman Mills C-1 School District Building Corporation, (the "Building Corporation") is a separate non-profit corporation authorized under Section 355 of the Missouri Revised Statutes, as amended. The Building Corporation was organized on September 14, 1999, for planning, development, acquisition, construction, renovation and financing of public school sites, buildings, structures, facilities, furnishings and equipment for the benefit or use of the District for educational purposes. The projects are being financed through the Building Corporation's issuance of leasehold revenue bonds. The District has entered into lease-purchase agreements with the Building Corporation for the resulting fixed assets. The Board of Education appoints members to the board of directors of the Building Corporation. Financial transactions of the Building Corporation are maintained and recorded by the District's accounting department. The financial information presented for the Building Corporation has been blended with that of the School District. The information must be reported using the blended method since the component unit is so closely related to the primary government that the component unit, in effect, is the same as the primary unit. The separate information for the Building Corporation can be found in the supplemental information.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government.

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 expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The accounts of the District are organized on the basis of 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. 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 funds are used by the District:

Major Governmental Funds:

General Fund: Accounts for and reports all financial resources not accounted for and reported in another fund.

Special Revenue Fund: Accounts for and reports the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Fiduciary Funds:

Health Care Fund: Accounts for the District's self-funded health care plan for the purpose of providing benefits to eligible employees.

Measurement Focus

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the District as a whole. The government-wide financial statements are prepared using the total economic resources measurement focus within the limitations of the modified cash basis of accounting as defined below.

Fund Financial Statements: All governmental funds are accounted for using a flow of current financial resources measurement focus within the limitations of modified cash basis of accounting as defined below. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting: In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues and expenditures when they result from cash transactions. Also, District-wide salaries, health insurance and retirement expenditures are recorded as expenditures paid in the fiscal year in which the obligation under the salary contracts are fulfilled by the teachers, even though a portion of such salaries are not paid until July of the following fiscal year. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Pooled Cash and Temporary Investments: The District maintains a cash and temporary investment pool that is available for use by all funds except the Debt Service Fund (state law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District). Investments of the pooled accounts may consist primarily of certificates of deposit and U.S. Government securities, carried at cost. Interest income received is allocated to contributing funds based on cash and temporary investment balances.

Sick and Personal Leave: Personal leave for emergencies, sickness and personal business are considered as expenditures in the year paid. An employee may accumulate unused leave to 150 days; however, an employee may only be paid upon retirement for a maximum of 150 days and only when the employee qualifies for payment as provided in the District's policy. Accumulation of leave is only paid upon retirement, termination or death of personnel and is limited to those employees with ten years of consecutive service to the District.

Payroll Related Expenditures: Payroll checks and employee benefits written and held at June 30, 2021 for the July 2021 payroll expenditures in the amount of \$1,583,518 are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

OPEB Liabilities: As the District uses the modified cash basis of accounting, OPEB liabilities are not reported in these financial statements. The District has not provided for an estimate of this liability to be performed.

NOTE B - CASH AND CASH EQUIVALENTS

Custodial credit risk: For deposits, custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. At June 30, 2021, the bank balances of the District's deposits totaled \$38,143,388. Of this amount \$250,000 was covered by FDIC insurance and \$37,893,388 was guaranteed with securities under a repurchase agreement.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District has a formal investment policy that minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirement for ongoing operation, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities.

Credit risk: Credit risk is defined as the risk that an issuer or other counterparties to an investment in debt securities will not fulfill its obligation.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE B - CASH AND CASH EQUIVALENTS (continued)

Concentration of credit risk: Concentration of credit risk is the risk loss attributed to the magnitude of a government's investment in a single user. The District's investment policy places no limit on the amount the District may invest in any one user.

MOSIP is professionally managed by PFM Asset Management LLC, a registered investment advisor, who is one of the nations' largest administrators of local government investment programs. All investments in the MOSIP pool are rated AAAM by Standard and Poor's and meet the permitted investment statutes for Missouri School. The District has \$28,659,458 invested with MOSIP at June 30, 2021.

The District is participating in the program created by Senate Bill 301 administered by the Missouri Health and Educational Authority (MOHEFA). The program intercepts a portion of state aid and places those funds in escrow to pay the debt service requirement of the District's outstanding bonds. The District's investments in MOHEFA are not rated by any of the nationally recognized statistical rating organizations. The District had \$2,238,085 invested with MOHEFA at June 30, 2021.

NOTE C - TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. Jackson County collects the property tax and remits it to the District. The District also receives sales tax collected and remitted by the state based on weighted average daily attendance. The District is required to reduce its total operating levy by one-half the amount of sales tax received in the previous fiscal year. The District's voters have approved a waiver of the rollback and, therefore, the District was not required to reduce its levy for the calendar year 2020.

The assessed valuation of the tangible taxable property for the calendar year 2020 for purposes of local taxation was:

Real Estate:	
Residential	\$ 288,917,325
Agricultural	309,379
Commercial	95,548,300
Personal Property	<u>90,583,664</u>
Total	<u><u>\$ 475,358,668</u></u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2020 for purposes of local taxation was:

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 4.7891	\$ 4.7891
Special Revenue Fund	-	-
Debt Service Fund	1.1000	1.1000
Capital Projects Fund	<u>-</u>	<u>-</u>
	<u><u>\$ 5.8891</u></u>	<u><u>\$ 5.8891</u></u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2021, aggregated approximately 98 percent of the current assessment computed on the basis of the levy as shown above.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE D - TAX ABATEMENT

The District's 2020 property tax revenues were reduced by \$2,583,472 under agreements entered into by Jackson County. The District also received \$3,930 in lieu of tax payments related to these agreements.

NOTE E - INSURANCE

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; injuries to employees, and natural disasters. The District has purchased commercial insurance coverage to mitigate these risks. Such coverage allows for liability claims up to \$2,000,000, property claims to various amounts and worker's compensation claims to statutory limits.

NOTE F - SELF-FUNDED GROUP HEALTH BENEFIT PLAN

Effective July 1, 2020, the District adopted a self-funded health care plan for the purpose of providing medical, dental, and prescription benefits to eligible employees. The administration of the plan is provided through a third party claims administrator. Plan contributions for employee and dependent coverage are made by the District and employees. Benefits are paid directly from the plan through the claims administrator. For the year ended June 30, 2021, the District made contributions of \$5,867,192 and employees contributed \$1,032,951 to the plan.

NOTE G - RETIREMENT PLAN

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psr-speers.org.

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

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE G - RETIREMENT PLAN (continued)

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay. Contributions for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.

The District's contributions to PSRS for the year ended June 30, 2021 was \$4,338,166. The District's contributions to S-PSRS, the "2/3's statute", for the year ended June 30, 2021 was \$9,612.

PEERS is a mandatory cost-sharing multiple employer retirement system for all 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 the Public School Retirement System of Missouri (PSRS) must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600-169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psrs-peers.org.

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

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

The District's contributions to PEERS for the year ended June 30, 2021 was \$797,115.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE H - TAX ANTICIPATION LOAN

On November 23, 2020, the District obtained a tax anticipation loan in the amount of \$3,500,000 with interest at 1.38% to provide cash flow for operations. The loan, including interest of \$7,916, was paid in full on January 22, 2021.

NOTE I - LONG-TERM DEBT

Changes in debt for the School District and Building Corporation combined during the fiscal year were as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Amount Due Within One Year
General Obligation Bonds	\$ 36,080,000	\$ 34,855,000	\$ 8,600,000	\$ 62,335,000	\$ 3,370,000
Building Corporation					
Leasehold Revenue Bonds	5,735,000	5,230,000	5,735,000	5,230,000	320,000
Lease Certificates of Participation	12,075,000	-	460,000	11,615,000	505,000
Direct Borrowings	449,016	1,662,299	586,128	1,525,187	586,707
Total	<u>\$ 54,339,016</u>	<u>\$ 41,747,299</u>	<u>\$ 15,381,128</u>	<u>\$ 80,705,187</u>	<u>\$ 4,781,707</u>

On December 2, 2020, the District issued \$34,855,000 Series 2020 General Obligation Improvement and Refunding Bonds, consisting of \$30,000,000 building bonds and \$4,855,000 refunding bonds. The refunding bonds were issued to current refund the remaining \$5,050,000 of the Series 2011 Bonds on call date March 1, 2021. This refunding was undertaken to obtain an economic gain of \$118,311.

On March 4, 2021, the Building Corporation issued \$5,230,000 Series 2021 Leasehold Refunding Revenue Bonds to current refund the remaining \$5,735,000 Series 2014 Leasehold Revenue Bonds on April 1, 2021.

NOTE J - BONDS PAYABLE

Bonds payable outstanding at June 30, 2021 are as follows:

SCHOOL DISTRICT:

Series 2016 general obligation refunding bonds due in varying annual installments beginning March 2024 through March 2028 interest at 2.0 to 5.0%	\$ 13,925,000
Series 2016A general obligation bonds due in varying annual installments beginning March 2016 through March 2036 interest at 2.0 to 4.0%	14,705,000
Series 2020 general obligation improvement & refunding bonds due in varying annual installments beginning March 2021 through March 2040 interest at 3.0 to 4.0%	<u>33,705,000</u>
Total School District	<u>62,335,000</u>

BUILDING CORPORATION:

Series 2021 Hickman Mills School District Building Corporation leasehold refunding revenue bonds due in varying annual installments through April 1, 2034 interest of 3.0%	<u>5,230,000</u>
	<u>\$ 67,565,000</u>

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE J - BONDS PAYABLE (continued)

Debt service requirements to maturity for the School District and Building Corporation combined are:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 3,690,000	\$ 2,393,855	\$ 6,083,855
2023	3,850,000	2,237,688	6,087,688
2024	4,015,000	2,087,137	6,102,137
2025	4,150,000	1,912,888	6,062,888
2026	3,470,000	1,808,137	5,278,137
2027	3,625,000	1,729,200	5,354,200
2028	3,700,000	1,589,100	5,289,100
2029	2,925,000	1,445,100	4,370,100
2030	3,230,000	1,332,200	4,562,200
2031	3,315,000	1,207,300	4,522,300
2032	3,425,000	1,079,100	4,504,100
2033	3,565,000	946,600	4,511,600
2034	3,680,000	808,650	4,488,650
2035	3,300,000	666,250	3,966,250
2036	3,300,000	534,250	3,834,250
2037	3,425,000	429,750	3,854,750
2038	3,525,000	327,000	3,852,000
2039	3,625,000	221,250	3,846,250
2040	3,750,000	112,500	3,862,500
Total	<u>\$ 67,565,000</u>	<u>\$ 22,867,955</u>	<u>\$ 90,432,955</u>

At June 30, 2021, the District had a total of \$2,975,000 of defeased bonds that remain outstanding.

NOTE K - LEASE CERTIFICATES OF PARTICIPATION

On December 30, 2015, the District issued \$9,860,000 Series 2015 Lease Certificates of Participation to finance a Guaranteed Energy Savings Contract. The certificates provide for interest at 3.0 to 4.0% with principal due in varying annual installments beginning April 15, 2020 through April 15, 2035. The outstanding balance at June 30, 2021 was \$9,125,000.

On February 9, 2016, the District issued \$3,700,000 Series 2016 Lease Certificates of Participation to finance the costs of acquiring and installing energy conservation measures at school facilities. The certificates provide for interest at 2.0 to 3.375% with principal due in varying annual installments through April 15, 2036. The outstanding balance at June 30, 2021 was \$2,490,000.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE K - LEASE CERTIFICATES OF PARTICIPATION (continued)

Debt service requirements on the above leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 505,000	\$ 384,631	\$ 889,631
2023	530,000	370,081	900,081
2024	545,000	354,781	899,781
2025	555,000	338,431	893,431
2026	575,000	321,781	896,781
2027	595,000	304,531	899,531
2028	650,000	386,681	1,036,681
2029	705,000	267,181	972,181
2030	770,000	245,150	1,015,150
2031	835,000	220,244	1,055,244
2032	905,000	192,838	1,097,838
2033	980,000	162,425	1,142,425
2034	1,065,000	129,300	1,194,300
2035	1,155,000	87,563	1,242,563
2036	<u>1,245,000</u>	<u>42,019</u>	<u>1,287,019</u>
Total	<u>\$ 11,615,000</u>	<u>\$ 3,807,637</u>	<u>\$ 15,422,637</u>

NOTE L - DIRECT BORROWINGS

On August 1, 2017, the District entered into a lease purchase agreement in the amount of \$309,354 with a third party to finance the cost of technology equipment. The lease is for five years, requiring annual lease payments of \$69,268, including interest at 5.829%.

On April 15, 2019, the District entered into a lease purchase agreement in the amount of \$558,000 with a third party to finance the cost of technology equipment. The lease is for three years, requiring an initial payment of \$236,000, then three annual lease payments of \$107,333. Interest at 0%.

On July 1, 2020, the District entered into a lease purchase agreement in the amount of \$1,668,530 with a third party to finance the cost of technology equipment. The lease is for three years, requiring an initial payment of \$417,133, then three annual lease payments of \$417,133, including interest at 0.25%.

Debt service requirements on the above leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 586,707	\$ 7,026	\$ 593,733
2023	522,388	2,088	524,476
2024	<u>416,092</u>	<u>1,040</u>	<u>417,132</u>
Total	<u>\$ 1,525,187</u>	<u>\$ 10,154</u>	<u>\$ 1,535,341</u>

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE L - DIRECT BORROWINGS (continued)

All leases from direct borrowings contain an event of default that changes the timing of repayment of outstanding amounts to become immediately due if the District is unable to make payment.

NOTE M - OPERATING LEASE

On August 23, 2016, the District entered into an operating lease agreement for copiers. The lease is for sixty months, requiring monthly lease payments of \$7,995 through August 31, 2022. Lease expense for the year ended June 30, 2021 was \$95,940.

NOTE N - INTERFUND TRANSFERS

During the year, the District made a \$1,267,828 transfer from the General Fund to the Capital Projects Fund for necessary capital outlay expenditures. This revenue transfer is capped by an amount calculated annually by the Missouri Department of Elementary and Secondary Education (DESE).

NOTE O - FUND BALANCES - GOVERNMENTAL FUNDS

The General Accounting Standards Board adopted Statement 54 regarding restricted fund balances. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The purpose of GASB 54 is to enhance the usefulness of the fund balance information by providing clearer fund balance classifications. It presents five new classifications that range from non-spendable through three levels of less binding constraints to an unassigned level.

Non-spendable funds: This represents amounts that cannot be spent because they are in non-spendable form or are legally or contractually required to be maintained intact. The District will not likely have non-spendable funds.

Restricted funds: This represents amounts reported as restricted but that are spendable only as directed by an external party such as another governmental unit, a donor or by constitutional provision or enabling legislation. Examples of restricted funds include grants for a specific purpose, bonds and statutorily restricted funds.

Committed funds: This represents amounts that can only be used as specified by the formal action of the Board of Directors. Amounts reported as committed can be redeployed for other purposes by using the same formal process that created the commitment. The Board of Directors must approve each commitment prior to the end of the fiscal year but the amount may be determined after the end of the fiscal year.

Assigned funds: This represents amounts that the Board of Directors intends to use for a specific purpose. Intent does not require formal action by the Board of Directors. The intended use is established internally by persons or groups with delegated authority such as the Superintendent, finance director, etc. Examples of assigned funds are student activity balances.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE O - FUND BALANCES - GOVERNMENTAL FUNDS (continued)

Unassigned funds: This represents amounts that are the residual balance for the General Fund only. These funds will be available for any purpose, similar to what was traditionally classified as unreserved.

The Board of Directors is the only authority that may assign funds to any of the five categories of funds and is the only authority that may direct the expenditure of funds within each category of funds. The Board of Directors may designate the Superintendent or their designee to spend Assigned Funds but only as specifically authorized by the Board of Directors.

Unless otherwise directed by the Board of Directors, the School District's funds shall be used beginning with unassigned funds, then assigned funds, committed funds, restricted funds and non-spendable funds, in that order.

As of June 30, 2021, fund balances are composed of the following:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund
Restricted:				
Debt service	\$ -	\$ -	\$ 4,395,809	\$ -
Unspent bond proceeds	-	-	-	28,181,852
Career Education Consortium	27,983	-	-	-
Total Restricted	<u>27,983</u>	<u>-</u>	<u>4,395,809</u>	<u>28,181,852</u>
Assigned:				
Student activities	257,370	-	-	-
Food service	2,515,206	-	-	-
Capital projects	-	-	-	3,948
Total Assigned	<u>2,772,576</u>	<u>-</u>	<u>-</u>	<u>3,948</u>
Unassigned	<u>28,326,676</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u><u>\$ 31,127,235</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,395,809</u></u>	<u><u>\$ 28,185,800</u></u>

NOTE P - LITIGATION

The District is a defendant in several pending lawsuits at various stages of litigation. At this time, outcomes cannot be predicted, however, the District is vigorously defending against each claim.

NOTE Q - COMMITMENTS

As of June 30, 2021, the District had \$21,918,570 of remaining costs on executed contracts for the 2021 elementary school renovation packages and Ruskin High School renovations. The elementary school renovation packages included Burke Academy, Compass Elementary, Dobbs Elementary, Ervin Elementary, Ingels Elementary and Warford Elementary.

SUPPLEMENTARY INFORMATION

HICKMAN MILLS C-1 SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES:				
Local	\$ 26,870,393	\$ 27,679,282	\$ 27,525,483	\$ (153,799)
County	875,000	853,500	851,783	(1,717)
State	10,773,207	11,505,131	11,689,654	184,523
Federal	8,709,776	8,956,917	8,313,859	(643,058)
Other	-	14,059	488	(13,571)
Total Revenues	<u>47,228,376</u>	<u>49,008,889</u>	<u>48,381,267</u>	<u>(627,622)</u>
EXPENDITURES:				
Instruction	4,694,282	5,134,309	3,575,298	1,559,011
Student activities	209,577	219,360	220,796	(1,436)
Student services	3,786,571	3,925,269	3,534,465	390,804
Instruction staff support	1,158,211	945,795	713,614	232,181
General administration & central services	4,306,840	4,975,699	4,916,084	59,615
Building administration	878,950	902,674	855,973	46,701
Operation of plant	7,992,370	8,684,561	7,173,553	1,511,008
Transportation	3,514,119	3,282,093	1,793,798	1,488,295
Food service	4,132,994	3,800,888	1,984,699	1,816,189
Community services	2,429,617	2,865,907	1,938,213	927,694
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	13,916	13,916	-
Total Expenditures	<u>33,103,531</u>	<u>34,750,471</u>	<u>26,720,409</u>	<u>8,030,062</u>
Revenues Over (Under) Expenditures	14,124,845	14,258,418	21,660,858	7,402,440
Other Financing Sources (Uses):				
Transfers	<u>(13,474,455)</u>	<u>(5,207,252)</u>	<u>(1,267,828)</u>	<u>3,939,424</u>
Net change in fund balance	650,390	9,051,166	20,393,030	11,341,864
Fund balance, beginning	<u>10,734,205</u>	<u>10,734,205</u>	<u>10,734,205</u>	<u>-</u>
Fund balance, ending	<u>\$ 11,384,595</u>	<u>\$ 19,785,371</u>	<u>\$ 31,127,235</u>	<u>\$ 11,341,864</u>

See accompanying notes to the budgetary comparison schedule.

HICKMAN MILLS C-1 SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES:				
Local	\$ 2,054,989	\$ 2,450,416	\$ 2,539,399	\$ 88,983
County	100,000	100,000	17,480	(82,520)
State	19,950,058	21,200,058	20,511,673	(688,385)
Federal	5,316,598	16,163,927	14,210,548	(1,953,379)
Other	100,000	80,000	-	(80,000)
Total Revenues	27,521,645	39,994,401	37,279,100	(2,715,301)
EXPENDITURES:				
Instruction	28,457,057	32,419,352	27,111,634	5,307,718
Student activities	82,598	82,598	104,049	(21,451)
Student services	2,784,557	2,587,035	2,133,027	454,008
Instruction staff support	1,834,383	1,833,085	1,660,159	172,926
General administration & central services	2,353,259	2,794,550	2,290,768	503,782
Building administration	2,213,174	2,213,961	2,328,081	(114,120)
Operation of plant	159,663	159,663	105,924	53,739
Transportation	-	-	85,772	(85,772)
Food service	-	-	-	-
Community services	1,613,014	1,613,014	1,459,686	153,328
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Total Expenditures	39,497,705	43,703,258	37,279,100	6,424,158
Revenues Over (Under) Expenditures	(11,976,060)	(3,708,857)	-	3,708,857
Other Financing Sources (Uses):				
Transfers	11,976,060	3,708,857	-	(3,708,857)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the budgetary comparison schedule.

HICKMAN MILLS C-1 SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES:				
Local	\$ 5,292,499	\$ 5,595,002	\$ 5,544,821	\$ (50,181)
County	250,000	264,383	264,383	-
State	-	-	-	-
Federal	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>5,542,499</u>	<u>5,859,385</u>	<u>5,809,204</u>	<u>(50,181)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Student activities	-	-	-	-
Student services	-	-	-	-
Instruction staff support	-	-	-	-
General administration & central services	-	-	-	-
Building administration	-	-	-	-
Operation of plant	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Community services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	2,400,000	8,600,000	8,600,000	-
Interest and fees	<u>1,279,588</u>	<u>1,755,418</u>	<u>1,689,545</u>	<u>65,873</u>
Total Expenditures	<u>3,679,588</u>	<u>10,355,418</u>	<u>10,289,545</u>	<u>65,873</u>
Revenues Over (Under) Expenditures	1,862,911	(4,496,033)	(4,480,341)	15,692
Other Financing Sources (Uses):				
Proceeds from sale of bonds	<u>-</u>	<u>4,855,000</u>	<u>4,855,000</u>	<u>-</u>
Net change in fund balance	1,862,911	358,967	374,659	15,692
Fund balance, beginning	<u>4,021,150</u>	<u>4,021,150</u>	<u>4,021,150</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,884,061</u>	<u>\$ 4,380,117</u>	<u>\$ 4,395,809</u>	<u>\$ 15,692</u>

See accompanying notes to the budgetary comparison schedule.

HICKMAN MILLS C-1 SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES:				
Local	\$ 1,927,634	\$ 4,722,023	\$ 4,668,946	\$ (53,077)
County	-	-	-	-
State	164,900	164,900	145,662	(19,238)
Federal	738,774	750,506	588,635	(161,871)
Other	40,000	1,057,268	992,072	(65,196)
Total Revenues	2,871,308	6,694,697	6,395,315	(299,382)
EXPENDITURES:				
Instruction	468,118	551,593	531,583	20,010
Student activities	-	-	-	-
Student services	-	-	-	-
Instruction staff support	-	-	-	-
General administration & central services	1,039,183	1,031,631	995,133	36,498
Building administration	-	-	-	-
Operation of plant	-	16,500	16,500	-
Transportation	-	-	-	-
Food service	225,000	229,696	24,558	205,138
Community services	25,300	28,300	26,884	1,416
Facility acquisition and construction	622,721	34,033,464	5,771,659	28,261,805
Debt service:				
Principal retirement	1,366,129	1,366,129	1,366,128	1
Interest and fees	623,252	795,831	748,869	46,962
Total Expenditures	4,369,703	38,053,144	9,481,314	28,571,830
Revenues Over (Under) Expenditures	(1,498,395)	(31,358,447)	(3,085,999)	28,272,448
Other Financing Sources (Uses):				
Transfers	1,498,395	1,498,395	1,267,828	(230,567)
Proceeds from sale of bonds	-	30,000,000	30,000,000	-
Total Other Financing Sources (Uses)	1,498,395	31,498,395	31,267,828	(230,567)
Net change in fund balance	-	139,948	28,181,829	28,041,881
Fund balance, beginning	23	23	23	-
Fund balance, ending	\$ 23	\$ 139,971	\$ 28,181,852	\$ 28,041,881

See accompanying notes to the budgetary comparison schedule.

HICKMAN MILLS C-1 SCHOOL DISTRICT
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2021

Budgetary Process

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

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
2. Prior to July, the Assistant Superintendent of Business, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the final budget information included in the financial statements.
6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid, except for teachers' salaries as explained in Note A.

HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF REVENUES COLLECTED BY SOURCE - SCHOOL DISTRICT
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL
LOCAL:					
Property tax	\$ 22,385,173	\$ -	\$ 5,139,839	\$ -	\$ 27,525,012
Sales tax	3,828,139	2,309,304	-	-	6,137,443
M & M surtax	-	-	-	714,579	714,579
Financial institution tax	-	-	-	536,321	536,321
In lieu of tax	-	-	-	3,930	3,930
Earnings on investments	340,374	-	404,982	2,923,278	3,668,634
Food service	4,469	-	-	-	4,469
Student activities	92,998	-	-	-	92,998
Other local revenue	874,330	230,095	-	490,838	1,595,263
Total Local	<u>27,525,483</u>	<u>2,539,399</u>	<u>5,544,821</u>	<u>4,668,946</u>	<u>40,278,649</u>
COUNTY:					
Fines and escheats	-	17,480	-	-	17,480
State assessed utilities	851,783	-	264,383	-	1,116,166
Total County	<u>851,783</u>	<u>17,480</u>	<u>264,383</u>	<u>-</u>	<u>1,133,646</u>
STATE:					
Basic formula	6,781,935	20,432,454	-	-	27,214,389
Transportation	776,712	-	-	-	776,712
Basic formula - classroom trust fund	2,030,829	-	-	-	2,030,829
Early Childhood Special Ed.	1,777,982	79,219	-	145,662	2,002,863
Career Education	35,247	-	-	-	35,247
Food service	28,883	-	-	-	28,883
High Need Fund	161,722	-	-	-	161,722
Residential placement	62,949	-	-	-	62,949
Educational Screening Prog/PAT	33,395	-	-	-	33,395
Total State	<u>11,689,654</u>	<u>20,511,673</u>	<u>-</u>	<u>145,662</u>	<u>32,346,989</u>
FEDERAL:					
Title I	2,085,257	1,448,728	-	405,633	3,939,618
Title II	143,873	154,408	-	-	298,281
Title III	42,234	-	-	-	42,234
Title IV- Student Support	114,045	65,586	-	105,678	285,309
Perkins Basic Grant	158,882	1,491	-	77,324	237,697
Reserve Officer Training Corps	662	63,333	-	-	63,995
Medicaid	335,499	-	-	-	335,499
Individuals with Disabilities	903,691	905,423	-	-	1,809,114
IDEA grants	56,881	-	-	-	56,881
Early Childhood Special Education	383,607	-	-	-	383,607
Child Nutrition Program	527,429	-	-	-	527,429
CARES Act - Child Nutrition Program	172,441	-	-	-	172,441
Dept of Health Food Service Program	915,951	-	-	-	915,951
Education Stabilization Fund	1,779,166	11,571,579	-	-	13,350,745
Coronavirus Relief Fund	483,653	-	-	-	483,653
Other federal revenue	210,588	-	-	-	210,588
Total Federal	<u>8,313,859</u>	<u>14,210,548</u>	<u>-</u>	<u>588,635</u>	<u>23,113,042</u>
OTHER:					
Sale of other property	-	-	-	85,956	85,956
Net insurance recovery	488	-	-	906,116	906,604
Bond proceeds	-	-	4,855,000	30,000,000	34,855,000
Total Other	<u>488</u>	<u>-</u>	<u>4,855,000</u>	<u>30,992,072</u>	<u>35,847,560</u>
Total Revenues Collected	<u>\$ 48,381,267</u>	<u>\$ 37,279,100</u>	<u>\$ 10,664,204</u>	<u>\$ 36,395,315</u>	<u>\$ 132,719,886</u>

HICKMAN MILLS C-1 SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - SCHOOL DISTRICT
FOR THE YEAR ENDED JUNE 30, 2021

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>DEBT SERVICE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTALS</u>
REVENUES	\$ 48,381,267	\$ 37,279,100	\$ 5,809,204	\$ 6,395,315	\$ 97,864,886
EXPENDITURES	<u>26,720,409</u>	<u>37,279,100</u>	<u>10,289,545</u>	<u>9,481,314</u>	<u>83,770,368</u>
Revenues Over (Under) Expenditures	21,660,858	-	(4,480,341)	(3,085,999)	14,094,518
Other Financing Sources (Uses)	<u>(1,267,828)</u>	<u>-</u>	<u>4,855,000</u>	<u>31,267,828</u>	<u>34,855,000</u>
Net change in fund balance	20,393,030	-	374,659	28,181,829	48,949,518
Fund balance, beginning	<u>10,734,205</u>	<u>-</u>	<u>4,021,150</u>	<u>23</u>	<u>14,755,378</u>
Fund balance, ending	<u>\$ 31,127,235</u>	<u>\$ -</u>	<u>\$ 4,395,809</u>	<u>\$ 28,181,852</u>	<u>\$ 63,704,896</u>

**HICKMAN MILLS C-1 SCHOOL DISTRICT
COMBINING BALANCE SHEET
MODIFIED CASH BASIS - ALL CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>SCHOOL DISTRICT</u>	<u>BUILDING CORPORATION</u>	<u>TOTALS</u>
ASSETS			
Cash and cash equivalents	<u>\$ 28,181,852</u>	<u>\$ 3,948</u>	<u>\$ 28,185,800</u>
FUND BALANCES			
Restricted	<u>\$ 28,181,852</u>	<u>\$ 3,948</u>	<u>\$ 28,185,800</u>

HICKMAN MILLS C-1 SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - ALL CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	SCHOOL DISTRICT	BUILDING CORPORATION	COMBINING/ ELIMINATING ENTRIES	TOTALS
REVENUES:				
Local	\$ 4,668,946	\$ 466,060	\$ (466,060)	\$ 4,668,946
County	-	-	-	-
State	145,662	-	-	145,662
Federal	588,635	-	-	588,635
Other	992,072	-	-	992,072
Total Revenues	6,395,315	466,060	(466,060)	6,395,315
EXPENDITURES:				
Instruction	531,583	-	-	531,583
Student activities	-	-	-	-
Student services	-	-	-	-
Instruction staff support	-	-	-	-
General administration & central services	995,133	-	-	995,133
Building administration	-	-	-	-
Operation of plant	16,500	-	-	16,500
Transportation	-	-	-	-
Food service	24,558	-	-	24,558
Community services	26,884	-	-	26,884
Facility acquisition and construction	5,771,659	-	-	5,771,659
Debt service:				
Bond principal	-	-	-	-
Lease principal	1,366,128	5,735,000	(5,735,000)	1,366,128
Interest and fees	748,869	336,976	(340,897)	744,948
Total Expenditures	9,481,314	6,071,976	(6,075,897)	9,477,393
Revenues Over (Under) Expenditures	(3,085,999)	(5,605,916)	5,609,837	(3,082,078)
Other Financing Sources (Uses):				
Proceeds from bonds issued	30,000,000	5,230,000	(5,230,000)	30,000,000
Transfers	1,267,828	379,837	(379,837)	1,267,828
Total Other Financing Sources (Uses)	31,267,828	5,609,837	(5,609,837)	31,267,828
Net change in fund balance	28,181,829	3,921	-	28,185,750
Fund balance, beginning	23	27	-	50
Fund balance, ending	\$ 28,181,852	\$ 3,948	\$ -	\$ 28,185,800

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021**

County District Number: 048-072

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
	PK	12		6.5000	170	1,105.00

2. AVERAGE DAILY ATTENDANCE (ADA)

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

School Code	Grade Level	Full-Time	Part-Time	Remed. Hours	Other	Summer School	Total
	PK	86,120.00				0.00	86,120.00
	K-5	2,471,914.20	415.48			34,228.48	2,506,558.16
3050	6	406,089.50	0.00			5,942.45	412,031.95
3050	7-8	818,584.85	0.00			14,463.79	833,048.64
	9-12	998,777.32	38,931.71			14,222.93	1,051,931.96
RII		35,307.59					35,307.59
Grand Total		4,816,793.46	39,347.19			68,857.65	4,924,998.30

3. SEPTEMBER MEMBERSHIP

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
	PK	89.00	0.00		89.00
	K-5	2,393.00	0.20		2,393.20
3050	6	392.00	0.00		392.00
3050	7-8	776.00	0.00		776.00
	9-12	1,037.00	106.61		1,143.61
Grand Total		4,687.00	106.81		4,793.81

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021**

County District Number: 048-072

4. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMO)

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

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
3050	1,243.00	0.00			1,243.00
	3,601.93	0.00			3,601.93
RII	36.00	0.00			36.00
Grand Total	4,880.93	0.00			4,880.93

5. FINANCE

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

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

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021**

County District Number: 048-072

	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:	\$1,000,000
5.6	The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	True
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	\$262,558
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021**

County District Number: 048-072

6. TRANSPORTATION (SECTION 163.161, RSMO)

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

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	True
	Eligible ADT	20.5
	Ineligible ADT	0.0
6.4	The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	265,627
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	187,179
	Ineligible Miles (Non-Route/Disapproved)	78,448
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	64

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR NUMBER	EXPENDITURES
<u>U.S. Department of Agriculture</u>			
Child Nutrition Cluster:			
Passed-through Missouri Department of Elementary and Secondary Education:			
School Breakfast Program	10.553	048-072	\$ 6,676
COVID-19 - School Breakfast Program	10.553	048-072	25,432
National School Lunch Program	10.555	048-072	10,635
COVID-19 - National School Lunch Program	10.555	048-072	657,127
Non-Cash: Food Distribution Program	10.555	048-072	150,743
			<u>850,613</u>
Passed-through Missouri Department of Health and Senior Services:			
Summer Food Service Program	10.559	ERS0462195S	816,487
COVID-19 - Summer Food Service Program	10.559	ERS0462195S	56,874
Total Child Nutrition Cluster			<u>1,723,974</u>
Passed-through Missouri Department of Health and Senior Services:			
Child and Adult Care Food Program	10.558	ERS46112195	724
COVID-19 - Child and Adult Care Food Program	10.558	ERS46112195	10,368
Total Child and Adult Care Food Program			<u>11,092</u>
Total U.S. Department of Agriculture			<u>1,735,066</u>
<u>U.S. Department of Defense</u>			
Direct:			
Reserve Officer Training Corps	12.000		<u>64,394</u>
<u>U.S. Department of the Treasury</u>			
Passed-through Jackson County, Missouri:			
COVID-19 - Coronavirus Relief Fund	21.019		237,760
Passed-through Missouri Department of Elementary and Secondary Education:			
COVID-19 - Coronavirus Relief Fund	21.019	048-072	483,653
Total COVID-19 - Coronavirus Relief Fund			<u>721,413</u>
<u>U.S. Department of Education</u>			
Passed-through Missouri Department of Elementary and Secondary Education:			
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027	048-072	1,512,641
Special Education - Preschool Grants	84.173	048-072	54,812
Total Special Education Cluster (IDEA)			<u>1,567,453</u>
Title I - Grants to Local Educational Agencies	84.010	048-072	3,240,337
Career and Technical Education Basic Grants to States	84.048	048-072	193,542
English Language Acquisition Grants	84.365	048-072	42,524
Supporting Effective Instruction State Grants	84.367	048-072	255,596
Student Support and Academic Enrichment Program	84.424	048-072	232,391
COVID-19 - Education Stabilization Fund:			
COVID-19 - Governor's Emergency Education Relief (GEER) Fund	84.425C	048-072	327,073
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	048-072	13,031,599
Total COVID-19 - Education Stabilization Fund			<u>13,358,672</u>
Total U.S. Department of Education			<u>18,890,515</u>
Total Expenditures of Federal Awards			<u>\$ 21,411,388</u>

Note 1. 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. The District has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Hickman Mills C-1 School District under programs of the federal government for the year ended June 30, 2021. 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 Hickman Mills C-1 School District, it is not intended to and does not present the financial position, change in net position or cash flows of Hickman Mills C-1 School District.

INTERNAL CONTROL AND COMPLIANCE



**INDEPENDENT AUDITORS' REPORT ON THE ADMINISTRATION'S
ASSERTIONS ABOUT COMPLIANCE WITH SPECIFIED
REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS**

To the Board of Education
Hickman Mills C-1 School District

We have audited the administration's assertions, included in its representation letter dated December 9, 2021 that Hickman Mills C-1 School District complied with the requirements of Missouri Laws and Regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of average daily attendance, resident membership on the last Wednesday of September, 2020 and the number of students eligible to receive free or reduced price lunches on the last Wednesday of January, 2021; and accurate disclosure by the District's pupil transportation records of the average students scheduled to be transported eligible and ineligible for state aid, the number of actual odometer miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2021. As discussed in that representation letter, the administration is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the administration's assertions about the District's compliance based on our audit.

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

In our opinion, the administration's assertions that the District complied with the aforementioned requirements for the year ended June 30, 2021, are fairly stated in all material respects.

We noted immaterial instances of noncompliance with the aforementioned requirements that we have reported to the administration of the District in the accompanying Schedule of State Findings.

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

Westbrook & Co., P.C.

December 9, 2021

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF STATE FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

TRANSPORTATION

Condition: The District did not obtain a ridership list from the bus company for the Spring 2021 ridership count.

Criteria: DESE requires that Districts prepare a list of regular riders during the fall and spring of each school year. The recommended count dates are in October and February. However, if the District is not able to prepare a ridership list during those times, an alternate count date should be used. A ridership list should have been prepared in the Spring 2021 when the transportation system started operating.

Cause: The District does not have an adequate review and reconciliation process in place. The contracted transportation company did not know that they could use an alternate count date.

Effect: Incorrect ridership was reported to DESE as the District did not have a detailed listing of riders. Therefore, ridership reported to DESE was understated.

Recommendation: We recommend that the District implement a review process to ensure accurate and complete ridership is reported to DESE.

Auditee's Response: The District will work with the bus company to make sure they are aware of DESE's requirements for ridership going forward. The Business Office will work closely with the Operations Department to assure that the review process is being followed going forward.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education
Hickman Mills C-1 School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information for Hickman Mills C-1 School District as of and for the year ended June 30, 2021, 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 9, 2021.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Westbrook & Co., P.C.

Richmond, Missouri
December 9, 2021



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Education
Hickman Mills C-1 School District

Report on Compliance for Each Major Federal Program

We have audited Hickman Mills C-1 School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Westbrook & Co., P.C.

Richmond, Missouri
December 9, 2021

**HICKMAN MILLS C-1 SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with the modified cash basis:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiency(ies) identified?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiency(ies) identified?

_____ Yes X None reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Identification of major federal programs:

Child Nutrition Cluster

AL Nos. 10.553, 10.555 and 10.559

Coronavirus Relief Fund

AL No. 21.019

Education Stabilization Fund

AL No. 84.425

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

None