

OSAGE COUNTY R-1 SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2022

**OSAGE COUNTY R-1 SCHOOL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Board of Education
Osage County R-1 School District
Chamois, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the primary government of Osage County R-1 School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Osage County R-1 School District of June 30, 2022, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 2.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Osage County R-1 School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter—Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the modified basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in note 2; this included determining that the modified cash basis of accounting is an acceptable basis for the preparation of Financial Statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Osage County R-1 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Osage County R-1 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Osage County R-1 School District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Osage County R-1 School District's basic financial statements. The accompanying Schedule of Revenue by Source as listed in the Supplementary Information section of the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Schedule of Revenue by Source as listed in the Supplementary Information section of the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Selected Statistics as listed in the "state compliance" section of the table of contents, Schedule of Employer Contribution PSRS and PEERS and the budget statements and notes to budgetary comparison schedules as listed in the "Other Information" section of the table of contents, which is the responsibility of management, are presented for the purpose of additional analysis and is not a required part of the basic financial statements. The "Other Information" sections does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the the Schedule of Selected Statistics as listed in the "state compliance" section of the table of contents, Schedule of Employer Contribution PSRS and PEERS and the budget statements and notes to budgetary comparison schedules as listed in the "Other Information" section of the table of contents, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the Osage County R-1 School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Osage County R-1 School 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 Osage County R-1 School District's internal control over financial reporting and compliance.

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.

Saint Louis, Missouri

December 20, 2022

Osage County R-I School District
Statement of Net Position-Modified Cash Basis
Year Ended June 30, 2022

	Governmental Activities	Total
Assets		
Cash and Cash Equivalents	\$ 1,902,054	\$ 1,902,054
Total Assets	\$ 1,902,054	\$ 1,902,054
Liabilities		
Current Liabilities		
Payroll Accruals	39,649	39,649
Total Liabilities	39,649	39,649
Net Position		
Unrestricted	1,862,406	1,862,406
Total Net Position	1,862,406	1,862,406
Total Liabilities and Net Position	\$ 1,902,054	\$ 1,902,054

See accompanying notes to the financial statements.

Osage County R-I School District
Statement of Activities
Modified Cash Basis
Year Ended June 30, 2022

	Program Revenues				Net (Disbursement) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Government Activities					
Instruction	\$ (1,148,356)	\$ -	\$ 376,152	\$ -	(772,204)
Student Charges	(109,633)	61,906	12,322	-	(35,405)
Support Services:					
Attendance	-	-	-	-	-
Guidance	(48,462)	-	-	-	(48,462)
Health, Psych, Speech and Audio	(56,581)	-	-	-	(56,581)
Improvement of Instruction	(5,395)	-	-	-	(5,395)
Professional Development	(6,857)	-	4,874	-	(1,984)
Media Services	(55,731)	-	-	-	(55,731)
Board of Education Services	(20,876)	-	-	-	(20,876)
Executive Administration	(236,639)	-	-	-	(236,639)
Building Level Administration	(145,855)	-	-	-	(145,855)
Business, Fiscal, Internal Service	-	-	-	-	-
Operation of Plant	(290,209)	-	-	-	(290,209)
Security Services	(3,852)	-	-	-	(3,852)
Pupil Transportation	(120,630)	-	29,427	93,242	2,039
Food Service	(142,075)	9,886	39,710	-	(92,479)
Central Office Support Service	(18,145)	-	-	-	(18,145)
Adult Education	-	-	-	-	-
Community Services	(76,219)	-	-	-	(76,219)
Facilities Acq & Construction	(2,545)	25,068	-	-	(2,545)
Principal	(8,089)	-	-	-	(8,089)
Interest	(931)	-	-	-	(931)
Other Fees	-	-	-	-	-
Total Governmental Activities	(2,497,080)	96,860	462,484	93,242	(1,844,494)
General Receipts					
Taxes:					
Property and other Taxes, Levied for General Purposes					869,952
Property and other Taxes, Levied for Special Revenue					136,264
County Revenue					92,964
State Revenue					1,083,978
Other Revenues					2,394
Interest and Investment Earnings					-
Missouri Department of Energy Loan					-
Net Insurance Property					215
Sale of Other Property					9,397
Miscellaneous					2,195,164
Subtotal General Receipts					350,670
Increase (Decrease) in Net Position					1,511,736
Net Position Beginning of Year					1,862,406
Net Position End of Year					3,374,142

See accompanying notes to the financial statements.

Osage County R-I School District
 Balance Sheet Governmental Funds-Modified Cash Basis
 Year Ended June 30, 2022

	Governmental Funds			Totals June 30, 2022
	General (Incidental) Fund	Special Revenue (Teachers) Fund	Capital Projects (Building) Fund	
ASSETS				
Cash and Cash Equivalents	\$ 1,443,858	\$ -	\$ 458,191	\$ 1,902,050
TOTAL ASSETS	<u>\$ 1,443,858</u>	<u>\$ -</u>	<u>\$ 458,191</u>	<u>\$ 1,902,050</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Payroll accruals	39,649	-	-	39,649
TOTAL LIABILITIES	<u>39,649</u>	<u>-</u>	<u>-</u>	<u>39,649</u>
FUND BALANCE				
Committed Fund Balance				
Capital Outlay			458,191	458,191
Unassigned Fund Balance	1,404,210	5	-	1,404,214
TOTAL FUND BALANCE	<u>1,404,210</u>	<u>5</u>	<u>458,191</u>	<u>1,862,406</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,443,858</u>	<u>\$ 5</u>	<u>\$ 458,191</u>	<u>\$ 1,902,054</u>

The accompanying notes are an integral part of this financial statement

Osage R-I School District
 Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balance- Modified Cash Basis-All Governmental Funds
 Year ended June 30, 2022

	General (Incidental) Fund	Special Revenue (Teachers) Fund	Capital Projects (Building) Fund	Totals June 30, 2022
REVENUE COLLECTED				
Local	\$ 978,031	\$ 136,269	\$ 250	\$ 1,114,551
County	87,463	5,501	-	92,964
State	66,039	1,083,738	31,288	1,181,064
Federal	277,484	180,551	-	458,035
Other	921	-	-	921
TOTAL REVENUES COLLECTED	\$ 1,409,938	\$ 1,406,059	\$ 31,538	\$ 2,847,535
EXPENDITURES PAID				
CURRENT				
Instruction	149,017	1,108,972	-	1,257,989
Support services	786,447	347,678	17,182	1,151,307
Adult Education	-	-	-	-
Community Services	27,899	48,320	-	76,219
CAPITAL OUTLAY				
Facilities and Acquisitions	-	-	2,545	2,545
DEBT SERVICE				
Debt Service	-	-	8,089	8,089
Interest	-	-	931	931
Other fees	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 963,362	\$ 1,504,971	\$ 28,747	\$ 2,497,080
Revenue Collected over/(under)	\$ 446,576	\$ (98,912)	\$ 2,791	\$ 350,455
Expenditures Paid	(269,306)	98,917	170,389	-
Other Financing Sources/(Uses)	-	-	-	-
Operating Transfers in/(out)	-	-	215	215
Net Insurance Recovery	-	-	170,604	170,604
Sale of Other Property	(269,306)	98,917	-	-
TOTAL OTHER FINANCING SOURCES/(USES)	177,270	-	173,395	350,670
Net Change in Fund Balance	1,226,939	-	284,796	1,511,736
FUND BALANCE-				
Beginning of Year	-	-	-	-
FUND BALANCE	\$ 1,404,210	\$ -	\$ 458,191	\$ 1,862,406
End of Year	-	-	-	-

The accompanying notes are an integral part of this financial statement.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 1: DESCRIPTION OF THE SCHOOL DISTRICT

Osage County R-1 School District (the District) operates as a "six director" district (with seven members of the Board of Education) as described in RSMo Chapter 162.

Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in generally accepted accounting principles accepted in the United States of America. The basic criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the District's reporting entity.

Excluded from the reporting entity:

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

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

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of Osage County R-1 School District have been prepared on the basis of accounting that demonstrates compliance with the modified cash basis and budget laws of the State of Missouri, which is a comprehensive basis of accounting other than generally accepted accounting principles. The Government Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

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 District, and exclude fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Restricted fund balance includes amounts that can be spent only for specific purposes stipulated by external resource providers, for example, grant providers, constitutionally, or through enabling legislation (this is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers. Unrestricted balances are the residual fund balances after restrictions.

The Statement of Net Position: Presents the financial condition of the governmental activities of the School District at year-end.

The Statement of Activities: Presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

Government-wide Financial Statements(Continued)

B. Fund Accounting

Fund Financial Statements: During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if applicable, are aggregated and presented in a single column. The District uses only the governmental category of funds.

The accounts of the district are organized on the basis of funds, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets and 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.

Governmental Funds:

General (Incidental) Fund- Used to account for general activities of the district, including student activities, food services, and textbooks which are not required to be accounted for in another fund.

Special Revenue (Teachers') Fund- Used to account for the financial resources from taxes, revenues restricted by the State and the local tax levy and other sources for the payment of teacher salaries and certain employee benefits that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects (Building) Fund- Used to account for and report financial resources from long-term debt, taxes and other resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

The Board of Education has the authority to set aside funds for a specific purpose. Commitments are authorized by formal Board resolution. The passage of a resolution must take place prior to June 30 of the applicable fiscal year. If the actual amount of the commitment is not available by June 30, the resolution must state the process or formula necessary to calculate the actual amount as soon as information is available.

Assignments are authorized by fund placement in the special revenue, capital projects and debt service funds in the original, adopted and later revised budget. Upon adoption of a budget where fund balance is used as a source to balance the budget, the superintendent shall record the amount as assigned fund balance. The Board delegates the authority to assign amounts for specific purpose(s) to the superintendent.

Fund Balance Categories

- **Nonspendable Fund Balance:** amounts that are not in spendable form or are required to be maintained intact.
- **Restricted Fund Balance:** amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or enabling legislation.
- **Committed Fund Balance:** amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Education). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the restraint.
- **Assigned Fund Balance:** amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Education or by an official body to which the Board of Education delegates authority.
- **Unassigned Fund Balance:** amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second and unassigned funds last.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

The School 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.

C. Basis of Accounting

The government-wide Statement of Net Position and Statement of Activities and the fund financial statements are presented using the modified cash basis of accounting. The modification to the cash basis relates to the presentation of investments and accrued payroll liabilities. This basis recognizes assets, net position/fund equity, receipts and disbursements when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of modified cash basis of accounting, certain assets and their related revenue (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Measurement Focus

Government Wide Financial Statements: The government-wide financial statements are reported using the current financial resources measurement focus or the economic resources measurement focus is used as appropriate and the modified cash basis of accounting.

Fund Financial Statements: The government fund financial statements are reported using the current financial resources measurement focus and the modified cash basis of accounting.

E. Pooled Cash and Temporary Investments

Cash resources of the individual funds are combined to form a pool of cash and temporary investments that is managed by the District Treasurer. Temporary investments of the pooled accounts are carried at cost, which approximates market. Interest income earned is allocated to contributing fund based on cash and temporary investment balances.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property & Equipment

Capital assets are recorded as expenditures in the General (Incidental) Fund and the Capital Projects (Building) Fund at the time the expenditures are paid. No depreciation is provided for property and equipment.

G. Inventory

Inventory is deemed immaterial. Supplies are charged to expenditures when purchased.

H. Compensated Absences

Employees working full-time on a twelve month basis receive 12 days of sick leave per year, of which two may be used as personal leave days. Full-time employees whose duties are only during the regular school term receive ten days of sick leave, of which two days may be used for personal leave. Unused sick days cumulate up to 90 days, or reimbursed at the end of their contract at \$25 per sick day not used if elected by the last day of contract term. Upon leaving the School District, an employee will be paid \$5 for each cumulated sick day. Upon retirement, an employee will be paid \$25 for each cumulated sick day. Support staff employed on a twelve month basis receive two weeks of vacation per year. For the fiscal year ending June 30, 2022 the District has \$5,421 accrued unused sick leave days.

I. Teachers' Salaries

The salary payment schedule of the District for the 2021-2022 school year requires the payment of salaries over a twelve-month period. Consequently, the July and August 2022 payroll checks are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

J. Post Retirement Employment Benefits

The District does not offer paid post-retirement benefits.

K. Interfund Activity

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

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Extraordinary and Special Items

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

M. Transfers

Transfers are used to move revenues from the fund that statute or budget requires expending them and moving unrestricted revenue collected in the general fund to finance programs in other funds.

N. Subsequent Events

The District evaluated subsequent events for potential required disclosure through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 3: CASH AND INVESTMENTS

The District maintains a cash and temporary cash investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet governmental funds-modified cash basis as "Cash and Cash Equivalents" under each fund's caption. Cash Equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less.

Custodial Credit Risk: Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2022, the carrying amount of the District's deposits was \$1,862,106 and the bank balance was \$1,949,771. The entire deposits were fully insured by depository insurance or secured with collateral held by the school districts or its agent in the school districts name. All investments are registered in the name of the school district and held at the Federal Reserve in the districts name.

Credit Risk and Investment Interest Rate Risk: The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 3: CASH AND INVESTMENTS (Continued)

payable not more than three years from the date of purchase or (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law.

Non-negotiable certificates of deposit are not subject to interest rate risk, therefore their maturity dates are not provided.

TYPE	RATING	MATURITY	CARRYING VALUES	FAIR MARKET VALUE
Deposits				
Demand Deposits and Certificate of Deposit	N/A	N/A	\$ 1,862,106	\$ 1,862,106
Total Deposits			<u>\$ 1,862,106</u>	<u>\$ 1,862,106</u>
Reconciliation To Statement of Net Position				
Deposits Total			<u>\$ 1,862,106</u>	
Petty Cash			<u>300</u>	
Total Current Assets on Statement of Net Position			<u>\$ 1,862,406</u>	

NOTE 4: COMMITMENTS

**DEPARTMENT OF ECONOMIC DEVELOPMENT-DIVISION OF ENERGY
LOAN**

During the 2017-2018 year the District entered into a \$32,352 loan for a boiler repair with the Department of Energy. The loan is payable in payable in \$1,787 payments through November 1, 2027 and carries an interest rate of 2% per year. Total interest paid in the fiscal year ending June 30, 2022 was \$480.

During the 2015-2016 fiscal year the District obtained a \$47,575 loan from the Department of Economic Development-Division of Energy for lighting updates. The \$47,575 loan balance has a 2.50% interest rate plus a 1% loan origination fee on the principal loan amount. Interest was accrued and not paid until project completion. Total loan payback amount is \$48,051. The loan is payable in twenty payments of \$2,723 starting July 1, 2016, paid two times a year on July 1st, and January 1st. The District made the July 1, 2021 payment with interest expense paid in the amount of \$666.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 4: COMMITMENTS

**DEPARTMENT OF ECONOMIC DEVELOPMENT-DIVISION OF ENERGY
LOAN (Continued)**

Year End June 30,	Principle	Interest	Total
2023	\$ 8,244	\$ 776	\$ 9,020
2024	8,435	585	9,020
2025	8,630	390	9,020
2026	6,099	189	6,288
2027	3,487	87	3,574
2028	1,740	17	1,757
	<u>\$ 36,635</u>	<u>\$ 2,044</u>	<u>\$ 38,679</u>

COPIER LEASE

The District entered into a 60 month lease for copier equipment. The monthly payments were \$380 starting April 2012, and was revised to add new equipment in July 2012. New payments from August 2012 through June 2015 were \$401 and increased to \$431 for the fiscal year ending June 30, 2016 which increased to \$899 per month in the fiscal year ending June 30, 2018. During the fiscal year ending June 30, 2021, the District entered into a new lease for this equipment for the lease payment amount of \$915. There is no interest expenses associated with the lease. There were eleven payments made in the amount of \$915 and one payment of \$940. Total payments for the year ending June 30, 2022 were \$11,048.

NOTE 5: 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. The county collects the property tax and remits it to the district. The patrons of the district voted a full waiver of the roll back provision.

The district also receives sales tax collected by the state and remitted based on eligible pupils.

The assessed valuation of the tangible taxable property for the calendar years 2021 and 2020 for purposes of local taxation was \$16,310,054 and \$15,425,826 respectively.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 5: TAXES (Continued)

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar years 2021 and 2020 for purposes of local taxation was:

	2021		2020	
	Unadjusted	Adjusted	Unadjusted	Adjusted
General (Incidental) Fund	5.1076	5.1076	5.0901	5.0901
Special Revenue (Teachers')	0.0000	0.0000	0.0000	0.0000
Debt Service Fund	0.0000	0.0000	0.0000	0.0000
Capital Projects (Building)	0.0000	0.0000	0.0000	0.0000
TOTAL	5.1076	5.1076	5.0901	5.0901

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2022 aggregate approximately 97.97 percent of the current assessment computed on the basis of the levy as shown above.

NOTE 6: TAX ABATEMENT

The District is not subject to any tax abatements from either Gasconade County or Osage County.

NOTE 7: RETIREMENT PLAN

Public School Retirement System of Missouri (PSRS)

Plan Description. PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not 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.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 7: RETIREMENT PLAN (Continued)

Public School Retirement System of Missouri (PSRS) (Continued)

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarially age-reduced benefits are available for members with 5 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 3 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 the website at www.psr-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs. If the June to June change in the Consumer Price Index for all urban consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at the 2% cost-of-living increase is granted. If the June to June change in CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2020, 2021 and 2022. 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.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 7: RETIREMENT PLAN (Continued)

Public School Retirement System of Missouri (PSRS) (Continued)

The district's contributions to PSRS were \$163,907 for the year ended June 30, 2022. For detail of prior years contributions see schedule of employer contributions PSRS and PEERS in the required supplemental information.

Public Education Employees Retirement System of Missouri (PEERS)

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

Benefits Provided. PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62) which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 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 the systems website at www.psr-peers.org.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 7: RETIREMENT PLAN (Continued)

Public Education Employees Retirement System of Missouri (PEERS) (Continued)

Cost-of-Living Adjustments (COLA). The Board of Trustees has established a policy of providing COLAs. If the June to June change in the Consumer Price Index for all urban consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at the 2% cost-of-living increase is granted. If the June to June change in CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If CPI decrease, no COLA is provided. For any member, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions: PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2019, 2020, and 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 were \$24,313 for the year ended June 30, 2022. For detail of prior years contributions see schedule of employer contributions PSRS and PEERS in the required supplemental information.

NOTE 8: GENERAL AND CASUALTY INSURANCE- PUBLIC ENTITY RISK POOL

The District is a member of the Missouri School Insurance Council (MUSIC), a protected self-insurance program of approximately 400 Missouri Public School districts. The District does not pay premiums to purchase insurance policies, but pays an assessment to be a member of a self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole.

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 9: INTERFUND TRANSFER

During the fiscal year ending June 30, 2022, the District transferred \$269,306 from the General Fund in the amount of \$98,917 to the Special Revenue (Teachers) to zero out the Special Revenue (Teachers) Fund, and \$162,326 from the General Fund to the Capital Projects Fund for the state allowed WADA transfer and \$8,063 for the transportation calculation cost transfer.

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has purchased various insurance policies to safeguard its assets from risk of loss. Insurance coverage appears to be consistent with previous years. During the year ended June 30, 2022 and the two previous fiscal years, no settlements exceeded insurance coverage.

NOTE 11: CONTINGENCIES

The school district participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Various claims and lawsuits are possible against the District. In the opinion of the District management, the potential loss on all claims and lawsuits would not be significant to the District's financial statements.

Coronavirus Pandemic - In March of 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "public health emergency of international concern", which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of the situation precludes any prediction as to the ultimate material adverse impact on the District's future financial operating performance and financial condition.

SUPPLEMENTARY INFORMATION

**Osage County R-I School District
Schedule of Revenues by Source
All Governmental Funds
Year Ended June 30, 2022**

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Local Revenue				
Current Taxes	773,216	-	-	773,216
Delinquent Taxes	42,888	-	-	42,888
Prop C Trust Fund	45,421	-	-	45,421
Financial Institution Tax	302	136,264	-	181,685
M&M Surtax	5,355	-	-	5,355
In Lieu of Tax	2,769	-	-	2,769
Earnings on Invest	2,138	-	-	2,138
Sales to Adults for Adult Meals Non-Program Food	4,876	5	250	2,394
Nonreimbursable Meal Sales Non-Program Food	4,694	-	-	4,694
Admissions Student Activities	61,906	-	-	61,906
Community Services	25,068	-	-	25,068
Other From Local Sources	9,397	-	-	9,397
Local Subtotal	978,031	136,269	250	1,114,551
County Revenue				
Fines Forfeit Ect	-	5,501	-	5,501
State Assessed Utilities	87,463	-	-	87,463
Federal Properties (Including Federal Forest, Flood and Mineral)	-	-	-	-
County Subtotal	87,463	5,501	-	92,964
State Revenue				
Basic Formula-State Monies	-	1,024,908	-	1,024,908
Transportation	28,506	-	-	28,506
Early Childhood Special Education	-	-	-	-
Basic Formula-Classroom Trust Fund	17,721	10,061	31,288	59,070
Educational Screening Prog/PAT	505	-	-	505
Small School Grant	18,917	44,139	-	63,055
Career Education	-	4,630	-	4,630
Food Service State	316	-	-	316
High Need Fund Special Education	-	-	-	-
Other State	74	-	-	74
State Subtotal	66,039	1,083,738	31,288	1,181,064
Federal Revenue				
Medicaid	12,322	-	-	12,322
CRRSA ESSER II	101,810	97,550	-	199,360
IDEA Entitlement Funds Part B	-	40,009	-	40,009
Early Childhood Special Education Program	-	-	-	-
National School Lunch Program	93,242	-	-	93,242
School Breakfast Program	39,124	-	-	39,124
After School Snack Program	586	-	-	586
Title I ESEA	-	42,992	-	42,992
Title IV Student Support and Academic Enrichment	8,531	-	-	8,531
Title II Part A&B ESEA Teacher Principal Training	4,874	-	-	4,874
Title VI, Part B Rural Education Initiative	16,996	-	-	16,996
Other Federal	-	-	-	-
Federal Subtotal	277,484	180,551	-	458,035
Other Revenue				
Sale of other Property	-	-	215	215
Contracted Educational Services	921	-	-	921
Other Revenue Subtotal	921	-	215	1,136
Total Revenues	1,409,938	1,406,059	31,753	2,847,750

OTHER INFORMATION

OSAGE COUNTY R-1 SCHOOL DISTRICT
Schedule of Employer Contributions PSRS and PEERS
June 30, 2022

Schedule of Employer Contributions PSRS

Year Ended *	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of covered Payroll
6/30/2013	\$184,301	\$184,301	\$ -	\$1,283,996	14.35%
6/30/2014	\$154,334	\$154,334	\$ -	\$1,077,361	14.33%
6/30/2015	\$149,813	\$149,813	\$ -	\$1,046,014	14.32%
6/30/2016	\$156,034	\$156,034	\$ -	\$1,089,307	14.32%
6/30/2017	\$161,804	\$161,804	\$ -	\$1,129,449	14.33%
6/30/2018	\$163,672	\$163,672	\$ -	\$1,145,735	14.29%
6/30/2019	\$167,925	\$167,925	\$ -	\$1,173,198	14.33%
6/30/2020	\$162,893	\$162,893	\$ -	\$1,138,260	14.31%
6/30/2021	\$166,121	\$166,121	\$ -	\$1,116,187	14.32%
6/30/2022	\$168,145	\$168,145	\$ -	\$1,145,287	14.68%

Schedule of Employer Contributions PEERS

Year Ended *	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of covered Payroll
6/30/2013	\$16,943	\$16,943	\$ -	\$246,983	6.86%
6/30/2014	\$17,337	\$17,337	\$ -	\$252,720	6.86%
6/30/2015	\$17,780	\$17,780	\$ -	\$259,188	6.86%
6/30/2016	\$19,544	\$19,544	\$ -	\$284,903	6.86%
6/30/2017	\$20,628	\$20,628	\$ -	\$300,695	6.86%
6/30/2018	\$20,031	\$20,031	\$ -	\$291,994	6.86%
6/30/2019	\$20,131	\$20,131	\$ -	\$293,448	6.86%
6/30/2020	\$21,007	\$21,007	\$ -	\$306,217	6.86%
6/30/2021	\$23,372	\$23,372	\$ -	\$340,708	6.86%
6/30/2022	\$24,313	\$24,313	\$ -	\$354,434	6.86%

Osage County R-I School District
Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balance-Original Budget, Final Budget
and Actual-Modified Cash Basis-General Fund
Year Ended June 30, 2022

REVENUE COLLECTED	General (Incidental) Fund			
	Original Budget	Final Budget	Actual	Variance
Local	\$ 991,775	\$ 978,031	\$ 978,031	\$ -
County	103,000	87,463	87,463	-
State	85,802	66,039	66,039	-
Federal	107,261	277,484	277,484	-
Other	-	921	921	-
TOTAL REVENUES COLLECTED	\$ 1,287,838	\$ 1,409,938	\$ 1,409,938	\$ -
EXPENDITURES PAID				
Regular Instruction	55,505	43,040	43,040	-
Special Programs	16,819	12,825	12,825	-
Vocational Instruction	10,880	8,487	8,487	-
Student Activities	68,157	84,665	84,665	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	45,916	57,730	57,730	-
Staff Services	25,710	16,010	16,010	-
General Administration	85,022	92,604	92,604	-
Building Level Administration	88,203	85,203	85,203	-
Operations and Maintenance of Plant	280,057	272,194	272,194	-
Transportation of Students	129,291	120,630	120,630	-
Food Service	137,047	142,075	142,075	-
Community Service	49,706	27,899	27,899	-
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 992,313	\$ 963,362	\$ 963,362	\$ -
REVENUES COLLECTED OVER(UNDER) EXPENDITURES PAID	295,525	446,576	446,576	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	(252,019)	(269,306)	(269,306)	
Sale of Other Property	-	-	-	
Net Insurance Recovery	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	(252,019)	(269,306)	(269,306)	
Net Changes in Fund Balance	43,506	177,270	177,270	
FUND BALANCE - Beginning of Year	1,226,939	1,226,939	1,226,939	
FUND BALANCE - End of Year	\$ 1,270,445	\$ 1,404,210	\$ 1,404,210	

The accompanying notes are an integral part of this financial statement

Osage County R-I School District
Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balance-Original Budget, Final Budget
and Actual-Modifies Cash Basis-Special Revenue Fund
Year Ended June 30, 2022

	Special Revenue (Teachers) Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 78,215	\$ 136,269	\$ 136,269	\$ -
County	4,100	5,501	5,501	-
State	1,059,697	1,083,738	1,083,738	-
Federal	104,001	180,551	180,551	-
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 1,246,013	\$ 1,406,059	\$ 1,406,059	\$ -
EXPENDITURES PAID				
Regular Instruction	752,015	815,310	815,310	-
Special Programs	194,822	183,447	183,447	-
Vocational Instruction	116,796	78,454	78,454	-
Student Activities	39,707	24,969	24,969	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	2,000	6,793	6,793	-
Pupil Services	47,379	47,313	47,313	-
Staff Services	55,534	51,973	51,973	-
General Administration	129,202	164,911	164,911	-
Building Level Administration	116,001	78,797	78,797	-
Operations and Maintenance of Plant	-	4,684	4,684	-
Transportation of Students	-	-	-	-
Food Service	-	-	-	-
Community Service	44,576	48,320	48,320	-
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 1,498,032	\$ 1,504,971	\$ 1,504,971	\$ -
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	(252,019)	(98,912)	(98,912)	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	252,019	98,917	98,917	
TOTAL OTHER FINANCING SOURCES(USES)	252,019	98,917	98,917	
Net Changes in Fund Balance	-	5	5	
FUND BALANCE - Beginning of Year	-	-	-	
FUND BALANCE - End of Year	\$ -	\$ 5	\$ 5	

The accompanying notes are an integral part of this financial statement

Osage County R-I School District
Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balance-Original Budget, Final Budget
and Actual-Modified Cash Basis-Capital Projects Fund
Year Ended June 30, 2022

	Capital Projects Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 12,125	\$ 250	\$ 250	\$ -
County	-	-	-	-
State	39,870	31,288	31,288	-
Federal	-	-	-	-
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 51,995	\$ 31,538	\$ 31,538	\$ -
EXPENDITURES PAID				
Regular Instruction	-	-	-	-
Special Programs	-	-	-	-
Vocational Instruction	-	-	-	-
Student Activities	2,000	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	-	-	-	-
Staff Services	1,500	-	-	-
General Administration	-	-	-	-
Building Level Administration	6,000	-	-	-
Operations and Maintenance of Plant	63,500	17,182	17,182	-
Transportation of Students	-	-	-	-
Food Service	5,000	-	-	-
Community Service	-	-	-	-
Facilities and Acquisitions	-	2,545	2,545	-
Debt Services	9,000	9,020	9,020	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 87,000	\$ 28,747	\$ 28,747	\$ -
REVENUES COLLECTED OVER(UNDER) EXPENDITURES PAID	(35,005)	2,792	2,792	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	-	170,389	170,389	
Net Insurance Recovery	-	-	-	
Sale of Other Property	-	215	215	
TOTAL OTHER FINANCING SOURCES(USES)	-	170,604	170,604	
Net Changes in Fund Balance	(35,005)	173,395	173,395	
FUND BALANCE - Beginning of Year	284,796	284,796	284,796	
FUND BALANCE - End of Year	\$ 249,791	\$ 458,191	\$ 458,191	

The accompanying notes are an integral part of this financial statement

OSAGE COUNTY R-1 SCHOOL DISTRICT
Notes to Budgetary Comparison Schedules
June 30, 2022

- 1) In accordance with Chapter 67, RSMo, the district adopts a budget for each fund.
- 2) Prior to July the superintendent, 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 district funds. Budgeted disbursements 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 was legally enacted by vote of the Board of Education.
- 5) Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the board. Adjustments made during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Board of Education.
- 6) Budgets for district funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid. The actual results of operation are presented in the statement of revenues collected, expenditures paid, and changes in fund balances – original budget, final budget and actual-modified cash basis- all government fund types in accordance with the budget basis to provide a meaningful comparison of actual results with the budget.

STATE COMPLIANCE SECTION

Mueller, Walla & Albertson, P.C.

9200 Watson Rd. Ste. G-105
Crestwood, MO 63126

Certified Public Accountants

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

Board of Education
Osage County R-1 School District
Chamois, Missouri

REPORT ON COMPLIANCE WITH STATE REQUIREMENTS

We have examined management's assertions, included in its representation letter dated December 20, 2022 that Osage County R-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, and accurate disclosure by the District's pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics, during the year ended June 30, 2022. As discussed in that representation letter, management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination.

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated in all material respects. An examination involves performing procedures to obtain evidence about management assertions. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement of management assertions whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

OPINION ON COMPLIANCE WITH STATE REQUIREMENTS

In our opinion, management's assertions that Osage County R-1 School District complied with the aforementioned requirements of Missouri Laws and Regulations, as described in the first paragraph, is fairly stated in all material respects for the year ended June 30, 2022.

This report is intended solely for the information of the Board of Education, District management, the Missouri Department of Elementary and Secondary Education, Federal awarding agencies, and pass-through entities. It is not intended to be and should not be used by anyone other than these specified parties.

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
December 20, 2022

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2022

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		7.0000	156	1,088.5000

Notes:

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. Include only PK students allowed to be claimed for state aid in the calculation.

School Code	Grade Level	Full-Time	Part-Time	Remedial Hours	Other	Summer School	Total
	K	14,334.5654	-	-	-	-	14,334.5654
	1	7,652.2826	-	-	-	-	7,652.2826
	2	8,868.6824	-	-	-	-	8,868.6824
	3	6,480.5993	-	-	-	-	6,480.5993
	4	8,320.2825	-	-	-	-	8,320.2825
	5	8,083.4992	-	-	-	-	8,083.4992
	6	14,609.3651	-	-	-	-	14,609.3651
	7	13,661.4152	-	-	-	-	13,661.4152
	8	8,292.0159	-	-	-	-	8,292.0159
	9	9,841.6825	-	-	-	-	9,841.6825
	10	15,015.6486	-	-	-	-	15,015.6486
	11	8,359.2992	-	-	-	-	8,359.2992
	12	11,735.6155	-	-	-	-	11,735.6155
Grand Total		135,254.9534	-	-	-	-	135,254.9534

Notes:

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.

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2022

3. September Membership (Continued)

School Code	Grade Level	Full-Time	Part-Time	Other	Total
	K-12	139.00	-	-	139.00
Grand Total		139.00	-	-	139.00

Notes: _____

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
	60.00	7.00	-	-	67.00
Grand Total	60.00	7.00	-	-	67.00

Notes: _____

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, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	N/A
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	N/A
	Homebound instruction	True
	Missouri Options	N/A

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2022

5. Finance (Continued)

5.2	Prekindergarten eligible to be claimed for state aid	N/A
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	True
	Traditional instruction (full and part-time students)	True
	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:	\$50,000
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)	N/A
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 approve 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

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2022

5. Finance (Continued)

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:	\$6,857
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

Notes:	
All above "False" answers must be supported by a finding or management letter comment.	
Finding:	
Management Letter Comment:	

6. Transportation (Section 163.161, RSMo)

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

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: Eligible ADT Ineligible ADT	#188.0 #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

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2022

6. Transportation (Section 163.161, RSMo) (Continued)

6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	<u>#36,227</u>
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	<u>#25,284</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>#10,943</u>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<u>156</u>

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

Finding:	
Management Letter Comment:	

FEDERAL COMPLIANCE SECTION

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

**Board of Education
Osage County R-1 School District
Chamois, Missouri**

We have audited 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, the financial statements of the governmental activities, and each major fund of Osage County R-1 School District, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise Osage County R-1 School District's basic financial statements and have issued our report thereon dated December 20, 2022. In our report, on financial statements which were prepared on the modified cash basis of accounting which is another comprehensive basis of accounting other than generally accepted accounting principles accepted in the United States of America as described in footnote 2, our opinion was unmodified.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Osage County R-1 School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Osage County R-1 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Osage County R-1 School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control we considered to be material weaknesses. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and responses as items 2022-001 that we considered to be significant deficiencies.

Osage County R-1 School District's Response to Findings

Osage County R-1 School District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Osage County R-1 School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Osage County R-1 School 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
Saint Louis, Missouri
December 20, 2022

OSAGE COUNTY R-I SCHOOL DISTRICT
Schedule of Findings and Responses
June 30, 2022

Finding 2022-001

Condition: Lack of Sufficient segregation of duties.

Criteria: No. 55, *Consideration of Internal Control in a Financial Statement Audit* as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55.*

Cause of Condition: Size and budget constraints limiting the number of personnel within the accounting department

Potential Effect of Condition: The design of the internal control over financial reporting could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Recommendation We realize the size and budget constraints of the Osage County R-I School District limit the application of adequate segregation of duties. However, these areas should be reviewed periodically and consideration given to improving the segregation of duties.

Management's Response: All efforts are made to ensure that there is a check and balance system in place so no one person has complete control over an account or cash.