

NORTHWESTERN R-I SCHOOL DISTRICT  
MENDON, MISSOURI

FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY DATA  
AND INDEPENDENT AUDITORS' REPORTS

June 30, 2023

NORTHWESTERN R-I SCHOOL DISTRICT  
MENDON, MISSOURI

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NORTHWESTERN R-I SCHOOL DISTRICT  
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## INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

Board of Education  
Northwestern R-I School District  
Mendon, MO 64660

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Northwestern R-I School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements 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 Northwestern R-I School District, as of June 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the basis of accounting in Note 1.

### **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 the 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 Northwestern R-I 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with modified cash basis of accounting described in Note 1; which includes the determination that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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**

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

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

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

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Receipts by Source, Schedule of Disbursement by Object, Schedule of Transportation, Cost of Eligible for State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Receipts by Source, Schedule of Disbursement by Object, Schedule of Transportation, Cost of Eligible for State Aid, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

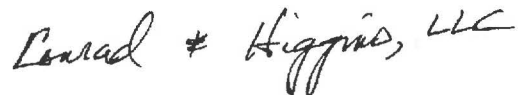
### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023 on our consideration of Northwestern R-I School District's internal control over financial reporting and on our tests of its compliance with certain provisions of the 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 Northwestern R-I School District's internal control over financial reporting and compliance.



**Conrad & Higgins, LLC**

Chillicothe, Missouri

December 12, 2023

## BASIC FINANCIAL STATEMENTS

Northwestern R-I School District  
Statement of Net Position Arising From Modified  
Cash Basis Transactions-Governmental Activities  
For the Year Ended June 30, 2023

ASSETS:

Cash	\$	1,079,617
Investments		60,360
Land, buildings and equipment, net of accumulated depreciation		4,197,346
Total Assets	\$	<u>5,337,323</u>

LIABILITIES:

Bonds payable	\$	1,840,000
Total Liabilities	\$	<u>1,840,000</u>

NET POSITION:

Net investment in capital assets	\$	4,197,346
Restricted for:		
Debt service		161,323
Capital projects		336,677
Unrestricted		667,777
Total Net Position	\$	<u>3,523,123</u>

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

Northwestern R-I School District  
Statement of Activities Arising From Modified  
Cash Basis Transactions-Governmental Activities  
For the Year Ended June 30, 2023

	Program Receipts				Net Expenses and Changes in Net Position
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction	\$ 1,731,318	\$ 119,992	\$ 339,159	\$ 55,536	\$ (1,216,631)
Student services	133,967	-	-	-	(133,967)
Instructional staff support	99,604	-	-	-	(99,604)
General administration	137,743	-	-	-	(137,743)
Building level administration	287,549	-	-	-	(287,549)
Operation of plant	393,589	-	-	-	(393,589)
Pupil transportation	214,225	-	97,098	-	(117,127)
Food services	127,071	26,845	95,642	-	(4,584)
Adult education and community services	74,111	-	-	-	(74,111)
Interest and fees	51,918	-	-	-	(51,918)
Total	\$ 3,251,095	\$ 146,837	\$ 531,899	\$ 55,536	(2,516,823)
General Revenues:					
Property and other taxes					1,732,360
Proposition C					200,446
Basic formula					478,456
Earnings on investments					47,169
Other					72,211
Increase/(decrease) in net position					13,819
Net Position, July 1, 2022					3,509,304
Net Position, June 30, 2023					\$ 3,523,123

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

**FUND FINANCIAL STATEMENTS**

Northwestern R-I School District  
Statement of Assets and Fund Balance  
Arising from Modified Cash Transactions - All Fund Types  
June 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
<b>ASSETS</b>					
Cash	\$ 667,777	\$ -	\$ 75,163	\$ 336,677	\$ 1,079,617
Investments	-	-	60,360	-	60,360
<b>Total Assets</b>	<b>\$ 667,777</b>	<b>\$ -</b>	<b>\$ 135,523</b>	<b>\$ 336,677</b>	<b>\$ 1,139,977</b>
<b>FUND BALANCE</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ 135,523	\$ -	\$ 135,523
Assigned for:					
Special revenue	-	-	-	-	-
Capital projects	-	-	-	336,677	336,677
Unassigned:	667,777	-	-	-	667,777
<b>Total Fund Balance</b>	<b>\$ 667,777</b>	<b>\$ -</b>	<b>\$ 135,523</b>	<b>\$ 336,677</b>	<b>1,139,977</b>

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

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the funds.	4,197,346
Long term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.	(1,840,000)
<b>Fund Balance of governmental activities</b>	<b>\$ 3,497,323</b>

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

Northwestern R-I School District  
Statement of Revenues Collected, Expenditures Paid  
and Changes in Fund Balance - All Governmental Fund Types  
for the Year Ended June 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
<b>REVENUES COLLECTED:</b>					
Local	\$ 1,071,999	\$ 200,457	\$ 76,238	\$ -	\$ 1,348,694
County	752,623	4,734	92,973	-	850,330
State	181,911	524,356	-	55,536	761,803
Federal	182,205	121,881	-	-	304,086
Total Revenues Collected	<u>2,188,738</u>	<u>851,428</u>	<u>169,211</u>	<u>55,536</u>	<u>3,264,913</u>
<b>EXPENDITURES PAID:</b>					
Instruction	290,353	1,423,380	-	-	1,713,733
Guidance	3,235	31,617	-	-	34,852
Health services	31,370	67,746	-	-	99,116
Improvement of instruction	27,014	-	-	-	27,014
Professional development	4,784	-	-	-	4,784
Media services	8,814	58,992	-	-	67,806
Executive administration	74,669	130,568	-	-	205,237
Building level administration	142,921	77,133	-	-	220,054
Operation of plant	238,762	-	-	51,437	290,199
Pupil transportation	210,300	-	-	-	210,300
Food services	127,071	-	-	-	127,071
Adult/community programs	10,749	-	-	-	10,749
Early childhood	5,002	58,361	-	-	63,363
Building acq., constr. and improvements	-	-	-	-	-
Debt service					
Principal	-	-	100,000	-	100,000
Interest & fees	-	-	51,918	-	51,918
Total Expenditures Paid	<u>1,175,044</u>	<u>1,847,797</u>	<u>151,918</u>	<u>51,437</u>	<u>3,226,196</u>
REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID	<u>1,013,694</u>	<u>(996,369)</u>	<u>17,293</u>	<u>4,099</u>	<u>38,717</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers	(785,649)	785,649	-	-	-
Total other financing sources (uses)	<u>(785,649)</u>	<u>785,649</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES	228,045	(210,720)	17,293	4,099	38,717
FUND BALANCE, JULY 1, 2022	<u>439,732</u>	<u>210,720</u>	<u>144,030</u>	<u>332,578</u>	
FUND BALANCE, JUNE 30, 2023	<u>\$ 667,777</u>	<u>\$ -</u>	<u>\$ 161,323</u>	<u>\$ 336,677</u>	

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities capital costs are allocated over their estimated useful lives through depreciation expense.

(124,898)

This is the amount by which depreciation was exceeded by capital outlays.

100,000

Issuance and repayment of long term debt provides and consumes current financial resources but has no effect on net position.

CHANGES IN FUND BALANCE OF GOVERNMENTAL ACTIVITIES

\$ 13,819

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



NOTES TO FINANCIAL STATEMENTS

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Northwestern R-I School District was established in 1865 under the Statutes of the State of Missouri. The District operates as a "six director" district (with seven members of the Board of Education as described in RSMo Chapter 162).

The financial statements of Northwestern R-I School District have been prepared on the modified-cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. The Governmental 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.

\* The financial statements include:

\*\* Financial statements prepared using modified-cash basis for government-wide financial statements and for the fund financial statements for all of the District's activities.

**A. 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 GAAP. The basic, but not the only, 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, no additional component units should be included in the reporting entity.

**B. Basis of Presentation - Fund Accounting**

The District's financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's General, Special Revenue and Capital Projects funds are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns (a) are presented on a consolidated basis by column (b) and are reported on a modified-cash basis of accounting, which recognizes all long-term assets as well as long-term debt and obligations. The District's net position is reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operation and capital grants. Program revenues must be directly associated with the function (food services, instruction, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property, sales, intergovernmental revenues, interest income, etc.).

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**B. Basis of Presentation - Fund Accounting (Continued)**

The District does not allocate indirect costs.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net assets resulting from the current year's activities.

**C. Financial Statements-Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, reserves, fund balances, revenues collected, and expenditures paid, arising from cash transactions.

The following governmental fund types are used by the District.

**General (Incidental) Fund:** Accounts for general activities of the District, including student activities, food service, and textbooks, which are not required to be accounted for in another fund.

**Special Revenue (Teachers') Fund:** Accounts for expenditures for certified employees involved in administration and instruction. It includes revenues restricted by the State and the local tax levy for the payment of teacher salaries and certain employee benefits.

**Capital Projects (Building) Fund:** Accounts for the proceeds of long-term debt, taxes and other revenues restricted for acquisition or construction of major capital assets.

**D. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The District's policy is to prepare its government-wide financial statements on the modified-cash basis of accounting which recognizes all long-term assets and long-term debt obligations. The District's policy is to prepare its fund financial statements on the modified-cash basis of accounting, which is modified to present investments; consequently, revenues are recognized when received rather than when earned, and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

**E. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**F. Pooled Cash and Temporary Investments**

Cash resources of the individual funds are combined to form a pool of cash and temporary investments, which is managed by the district treasurer. Investments of the pooled accounts may consist primarily of certificates of deposit and U.S. Government securities, carried at cost, which approximates market. Interest income received is allocated to contributing funds based on cash and temporary investment balances.

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**G. Capital Assets**

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 years
Equipment	7 years
Improvements	20 years

**H. Compensated Absences**

Vacation time, personal business days, and sick leave are considered as expenditures in the year paid. Amounts unused and which are vested in the employee are payable upon termination. Total vested and unpaid sick leave at June 30, 2023 amounted to \$0.

**I. Teachers' Salaries**

Payroll checks, written and dated in June 2023 for July and August 2023 payrolls, from 2022-2023 contracts in the amount of \$196,150 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 Employment Benefits**

COBRA Benefits: Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus a 2% administration charge is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program, and there were no participants in the program as of June 30, 2023.

**K. Inventories**

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

**L. Public School Retirement System of Missouri**

Financial reporting information pertaining to our participation in the Public School Retirement System of Missouri ("PSRS") and the Public Education Employee Retirement System of Missouri ("PEERS") is prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

**M. Public School Retirement System of Missouri (Continued)**

The fiduciary net position, as well as additions to and deductions from the fiduciary net positions, of PSRS and PEERS have been determined on the same basis as they are reported by PSRS and PEERS. The financial statements were prepared using the modified cash basis of accounting. Members and employer contributions are recognized when paid, pursuant to formal commitments and statutory requirements.

**N. Restricted Assets**

Restricted assets of the District consist of checking, certificates of deposit and investments which have been set aside based on 1) certain debt covenants, 2) taxing authority guidelines and 3) state statutory compliance. Debt covenants provide for the redemption of debt in future years and to service outstanding debt. Taxing authority guidelines provide for the taxes collected to be disbursed in accordance with the terms that the patrons of the District approved when they voted. State statutory compliance restricts transfers from the Special Revenue Fund, the Debt Service Fund and the Capital Projects Fund. It is the District's policy to first use restricted net position prior to the use of unrestricted net position when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

2 DEPOSITS AND INVESTMENTS

*Custodial Credit Risk* - Missouri State Statutes authorize the Board of Education, with certain restrictions, to deposit funds in open accounts, time deposits and certificates of deposits. Statutes also require that collateral pledged have a fair market value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the District or a disinterested third party and must be the kind prescribed by State Statutes and approved by the State. At June 30, 2023, the carrying amount of deposits and investments was \$1,079,617 and \$60,360 and the bank balance was \$1,399,854 and \$60,360. All of the bank balances were covered by federal depository insurance or by collateral held by the pledging financial institution's trust department or agent in the District's name.

Bond covenants authorize the District to invest in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States, or in other obligations in which public funds are permitted to be invested under Missouri law.

*Interest Rate Risk* - The District has no formal investment policy regarding interest rate risk.

*Credit Risk* - The District has no investment policy that limits in investment choice other than the limitation of state law as follows:

- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

*Concentration of Investment Credit Risk* - The District places no limit on the amount it may invest in any one issuer. At June 30, 2023, the District had no concentration of credit risk.

A reconciliation of cash and investments as shown on the Balance Sheet was as follows:

	Carrying Amount
Cash on hand	\$ -
Carrying amount of deposits	1,079,617
Carrying amount of investment	60,360
Total	\$ 1,139,977
Cash	\$ 1,004,434
Cash - restricted	75,183
Investments	-
Investments - restricted	60,360
Total	\$ 1,139,977

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

2 DEPOSITS AND INVESTMENTS (Continued)

The District has the following investments at June 30, 2023:

Investment Type	Maturity	Total
Certificates of Deposit	Various	\$ -
Pro-rata shares of investment contracts with BOK Financial through the Missouri School District Direct Deposit Program	N/A	\$ 60,360

Certificates of Deposit

Certificates of deposit with maturities in excess of three months are classified as investments but are considered deposits for custodial risk determination. State statutes require that the District's deposits be collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2023, all certificates of deposit are entirely insured or collateralized with securities.

Investment Contracts with BOK Financial

Funds on deposit with BOK Financial are invested in investment contracts in which the District has a pro-rata share of the investment contract. The investment contracts are in accordance with Section 165.051 and Section 360 of the Missouri Revised Statutes through the Missouri District Deposit Program. The investment contracts are with credit providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service.

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

Real Estate:	
Residential	\$ 6,197,250
Agriculture	5,313,110
Commercial	1,008,690
Personal Property:	8,239,490
Total	<u>\$ 20,758,540</u>

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

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 3.9225	\$ 3.9225
Special Revenue Fund	-	-
Debt Service Fund	0.3700	0.3700
Capital Project Fund	-	-
Total	<u>\$ 4.2925</u>	<u>\$ 4.2925</u>

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

3 TAXES (Continued)

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2023, aggregated approximately 96.86 percent of the current assessment computed on the basis of the levy as shown above.

4 CONTINGENCIES

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

5 INTERFUND TRANSFERS

During the year ended June 30, 2023, \$785,649 was transferred from the General Fund to the Special Revenue Fund for teachers' salaries.

6 GASB STATEMENT NO. 54 - FUND BALANCE REPORTING

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 initial distinction that is made in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with scholarships.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation such as taxes levied by a vote of the public.

*Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted.

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-
Other capital assets:				
Buildings and improvements	5,350,442	47,564	-	5,398,006
Equipment	826,444	3,874	-	830,318
School buses	444,407	-	-	444,407
Total other capital assets at historical cost	6,621,293	51,438	-	6,672,731
Less accumulated depreciation for:				
Buildings and improvements	1,121,373	150,953	-	1,272,326
Equipment	750,931	21,458	-	772,389
School buses	426,745	3,925	-	430,670
Total accumulated depreciation	2,299,049	176,336	-	2,475,385
Other capital assets, net	4,322,244	(124,898)	-	4,197,346
Governmental activities capital assets, net	\$ 4,322,244	\$ (124,898)	\$ -	\$ 4,197,346

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	\$ 21,458
Operation of plant	150,953
Pupil transportation	3,925
Total governmental activities depreciation expense	\$ 176,336

8 POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 11, the District makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subjected to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

9 RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.



Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

10 GENERAL OBLIGATION BONDS

On July 28, 2021, the Northwestern R-I School District issued general obligation bonds of \$2,040,000 with an interest rate of 3.00% to 5.00%.

	<u>Bonds Payable</u>
Bonds/leases payable, July 1, 2022	\$ 1,940,000
Bonds/leases issued	-
Bonds/Leases retired	<u>(100,000)</u>
Bonds/leases payable, June 30, 2023	<u>1,840,000</u>

The schedule of future maturities of General Obligation School Bonds of the Northwestern R-I School District is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2024	\$ 100,000	\$ 50,900	\$ 150,900
2025	100,000	50,100	150,100
2026	100,000	49,200	149,200
2027	100,000	46,200	146,200
2028	100,000	43,200	143,200
2029-2033	500,000	171,000	671,000
2034-2038	580,000	89,550	669,550
2039-2040	260,000	11,700	271,700
	<u>\$ 1,840,000</u>	<u>\$ 511,850</u>	<u>\$ 2,351,850</u>

Interest paid for the fiscal year ended June 30, 2023 was \$51,600.

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

11 PENSION PLANS

**Public School Retirement System of Missouri and Public Education Employee Retirement System of Missouri**

Summary of Significant Accounting Policies

The District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the Systems). The financial statements of the District were prepared using the modified-cash basis of accounting. Therefore, member and employer contributions are recognized when paid and the District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

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

*Plan Description* PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certified 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 PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600-169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for operation of PEERS on the Board of Trustees of PSRS.

*Benefits Provided* PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 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 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor was 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.

*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 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 lifelong 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.

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

11 PENSION PLANS (Continued)

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

-If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2% at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.

-If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.

-If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.

-If the CPI decreases, no COLA is provided.

For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

*Contributions*. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2021, 2022, and 2023. Employers were required to match the contributions made by the 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*. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2021, 2022, and 2023. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$208,604 and \$24,200, respectively, for the year ended June 30, 2023.

Summary Plan descriptions detailing the provisions of the plans as well as additional information regarding the District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at [www.psr-peers.org](http://www.psr-peers.org).

**SUPPLEMENTARY INFORMATION**

Northwestern R-I School District  
General (Incidental) Fund  
Statement of Revenues Collected, Expenditures Paid  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 796,135	\$ 1,071,999	\$ 1,071,999	\$ 275,864
County	707,856	752,623	752,623	44,767
State	114,643	181,911	181,911	67,268
Federal	192,421	182,205	182,205	(10,216)
Other	6,250	-	-	(6,250)
Total Revenues Collected	1,817,305	2,188,738	2,188,738	371,433
<b>EXPENDITURES PAID:</b>				
Instruction	195,770	290,353	290,353	(94,583)
Guidance	3,617	3,235	3,235	382
Health services	26,983	31,370	31,370	(4,387)
Improvement of instruction	26,649	27,014	27,014	(365)
Professional development	4,789	4,784	4,784	5
Media services	6,883	8,814	8,814	(1,931)
Executive administration	83,649	74,669	74,669	8,980
Building level administration	124,260	142,921	142,921	(18,661)
Operation of plant	236,868	238,762	238,762	(1,894)
Pupil transportation	189,391	210,300	210,300	(20,909)
Food services	142,446	127,071	127,071	15,375
Early childhood	14,579	5,002	5,002	9,577
Adult/community programs	9,938	10,749	10,749	(811)
Fees/bonded indebtedness	-	-	-	-
Total Expenditures Paid	1,065,822	1,175,044	1,175,044	(109,222)
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ 751,483	\$ 1,013,694	1,013,694	\$ 262,211
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			(785,649)	
Total other financing sources (uses)			(785,649)	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			228,045	
FUND BALANCE, JULY 1, 2022			439,732	
FUND BALANCE, JUNE 30, 2023			\$ 667,777	

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

Northwestern R-I School District  
Special Revenue (Teachers') Fund  
Statement of Revenues Collected, Expenditures Paid  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 180,440	\$ 200,457	\$ 200,457	\$ 20,017
County	6,661	4,734	4,734	(1,927)
State	479,012	524,356	524,356	45,344
Federal	227,065	121,881	121,881	(105,184)
Total Revenues Collected	893,178	851,428	851,428	(41,750)
<b>EXPENDITURES PAID:</b>				
Instruction	1,279,032	1,423,380	1,423,380	(144,348)
Guidance	59,195	31,617	31,617	27,578
Health	48,772	67,746	67,746	(18,974)
Media services	55,681	58,992	58,992	(3,311)
Executive administration	119,777	130,568	130,568	(10,791)
Building level administration	77,208	77,133	77,133	75
Early childhood programs	69,872	58,361	58,361	11,511
Total Expenditures Paid	1,709,537	1,847,797	1,847,797	(138,260)
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ (816,359)	\$ (996,369)	(996,369)	\$ (180,010)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			785,649	
Total other financing sources (uses)			785,649	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			(210,720)	
<b>FUND BALANCE, JULY 1, 2022</b>				
			210,720	
<b>FUND BALANCE, JUNE 30, 2023</b>				
			\$ -	

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

Northwestern R-I School District  
Debt Service Fund  
Statements of Revenues Collected, Expenditures Paid  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 69,754	\$ 76,238	\$ 76,238	\$ 6,484
County	94,140	92,973	92,973	(1,167)
Total Revenues Collected	163,894	169,211	169,211	5,317
<b>EXPENDITURES PAID:</b>				
Debt service:				
Principal	100,000	100,000	100,000	-
Interest and fees	82,388	51,918	51,918	30,470
Total Expenditures Paid	182,388	151,918	151,918	30,470
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ (18,494)	\$ 17,293	17,293	\$ 35,787
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			-	
Total other financing sources (uses)			-	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			17,293	
<b>FUND BALANCE, JULY 1, 2022</b>			144,030	
<b>FUND BALANCE, JUNE 30, 2023</b>			\$ 161,323	

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

Northwestern R-I School District  
 Capital Projects (Building) Fund  
 Statements of Revenues Collected, Expenditures Paid  
 and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 37,496	\$ -	\$ -	\$ (37,496)
State	55,536	55,536	55,536	-
Federal	64,999	-	-	(64,999)
Other	49,999	-	-	(49,999)
Total Revenues Collected	208,030	55,536	55,536	(152,494)
<b>EXPENDITURES PAID:</b>				
Instruction	-	-	-	-
Operation of plant	13,674	51,437	51,437	(37,763)
Food service	11,599	-	-	11,599
Facilities acquisition & construction	49,999	-	-	49,999
Total Expenditures Paid	75,272	51,437	51,437	23,835
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ 132,758	\$ 4,099	4,099	\$ (128,659)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			-	
Total other financing sources (uses)			-	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			4,099	
FUND BALANCE, JULY 1, 2022			332,578	
FUND BALANCE, JUNE 30, 2023			\$ 336,677	

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



Northwestern R-I School District  
 Combined Funds  
 Statement of Revenues Collected, Expenditures Paid  
 and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 1,083,825	\$ 1,348,694	\$ 1,348,694	\$ 264,869
County	808,657	850,330	850,330	41,673
State	649,191	761,803	761,803	112,612
Federal	484,485	304,086	304,086	(180,399)
Other	56,249	-	-	(56,249)
Total Revenues Collected	<u>3,082,407</u>	<u>3,264,913</u>	<u>3,264,913</u>	<u>182,506</u>
<b>EXPENDITURES PAID:</b>				
Instruction	1,474,802	1,713,733	1,713,733	(238,931)
Guidance	62,812	34,852	34,852	27,960
Health services	75,755	99,116	99,116	(23,361)
Improvement of instruction	26,649	27,014	27,014	(365)
Professional development	4,789	4,784	4,784	5
Media services	62,564	67,806	67,806	(5,242)
Executive administration	203,426	205,237	205,237	(1,811)
Building level administration	201,468	220,054	220,054	(18,586)
Operation of plant	250,542	290,199	290,199	(39,657)
Pupil transportation	189,391	210,300	210,300	(20,909)
Food services	154,045	127,071	127,071	26,974
Adult/community programs	9,938	10,749	10,749	(811)
Early childhood	84,451	63,363	63,363	21,088
Facilities acquisition and construction	49,999	-	-	49,999
Debt service				
Principal	100,000	100,000	100,000	-
Interest and fees	82,388	51,918	51,918	30,470
Total Expenditures Paid	<u>3,033,019</u>	<u>3,226,196</u>	<u>3,226,196</u>	<u>(193,177)</u>
<b>REVENUES COLLECTED OVER (UNDER)</b>				
EXPENDITURES PAID	<u>\$ 49,388</u>	<u>\$ 38,717</u>	<u>38,717</u>	<u>\$ (10,671)</u>
<b>FUND BALANCE, JULY 1, 2022</b>			<u>1,127,060</u>	
<b>FUND BALANCE, JUNE 30, 2023</b>			<u>\$ 1,165,777</u>	

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

Northwestern R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2023

1 SUMMARY OF SIGNIFICANT BUDGETARY ACCOUNTING POLICIES

**Budgets and Budgetary Accounting**

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

- 1) In accordance with Chapter 67, RSMo, the District adopts a budget for each fund of the political subdivision.
- 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 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 budget information included in the financial statements.

Budgeted amounts are as originally adopted, or as amended by the Board of Education. Individual amendments were not material in relation to the original appropriations which were amended. Unused appropriations lapse at the end of each fiscal year.

The final budget amendment was made at the June 2023 board meeting.

- 6) Budgets for District funds are prepared and adopted on the cash basis (budget basis), recognizing revenues when collected and expenditures when paid.

Northwestern R-I School District  
Schedule of Revenues Collected by Source  
Year Ended June 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
<u>Local</u>					
Current property taxes	\$ 772,370	\$ -	\$ 72,856	\$ -	\$ 845,226
Delinquent property taxes	24,807	-	2,340	-	27,147
Sales tax	-	200,446	-	-	200,446
Financial institution tax	75	-	-	-	75
M & M in lieu and city sales taxes	9,581	-	-	-	9,581
Tuition from individuals	2,000	-	-	-	2,000
Earnings on investments	46,156	11	1,002	-	47,169
Accrued interest on bonds sold	-	-	40	-	40
Food service - program	20,720	-	-	-	20,720
Food service - non-program	6,125	-	-	-	6,125
Student activities	114,334	-	-	-	114,334
Community services	3,660	-	-	-	3,660
Gifts	29,021	-	-	-	29,021
Other	43,150	-	-	-	43,150
Total Local	<u>1,071,999</u>	<u>200,457</u>	<u>76,238</u>	<u>-</u>	<u>1,348,694</u>
<u>County</u>					
Fines and escheats	-	4,734	-	-	4,734
State assessed utility taxes	752,623	-	92,973	-	845,596
Total County	<u>752,623</u>	<u>4,734</u>	<u>92,973</u>	<u>-</u>	<u>850,330</u>
<u>State</u>					
Basic formula	-	478,456	-	-	478,456
Transportation	97,098	-	-	-	97,098
Career ladder	-	45,900	-	-	45,900
Small schools grant	59,064	-	-	-	59,064
Basic formula - classroom trust fund	7,064	-	-	55,536	62,600
Career education	2,957	-	-	-	2,957
Food service	326	-	-	-	326
Teacher baseline grant	6,300	-	-	-	6,300
Educational screening program	8,611	-	-	-	8,611
Other	491	-	-	-	491
Total State	<u>181,911</u>	<u>524,356</u>	<u>-</u>	<u>55,536</u>	<u>761,803</u>
<u>Federal</u>					
Food service	95,316	-	-	-	95,316
IDEA Part B	-	38,268	-	-	38,268
Title I-ESEA	-	72,274	-	-	72,274
Title II	7,971	-	-	-	7,971
Title IV.A	10,000	-	-	-	10,000
ECSE	-	2,857	-	-	2,857
ARP - IDEA	-	8,182	-	-	8,182
CARES - ESSER fund	4,328	-	-	-	4,328
CRRSA - ESSER II	3,015	-	-	-	3,015
CRRSA - GEER II	281	-	-	-	281
Other restricted federal revenue	61,294	300	-	-	61,594
Total Federal	<u>182,205</u>	<u>121,881</u>	<u>-</u>	<u>-</u>	<u>304,086</u>
Total Revenues	<u>\$ 2,188,738</u>	<u>\$ 851,428</u>	<u>\$ 169,211</u>	<u>\$ 55,536</u>	<u>\$ 3,264,913</u>

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

Northwestern R-I School District  
Schedule of Expenditures Paid by Object  
Year Ended June 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
Salaries	\$ 333,339	\$ 1,398,778	\$ -	\$ -	\$ 1,732,117
Employee benefits	118,000	413,127	-	-	531,127
Purchased services	174,884	35,893	-	-	210,777
Supplies	548,821	-	-	-	548,821
Capital outlay	-	-	-	51,437	51,437
Debt service	-	-	151,918	-	151,918
	<u>\$ 1,175,044</u>	<u>\$ 1,847,798</u>	<u>\$ 151,918</u>	<u>\$ 51,437</u>	<u>\$ 3,226,197</u>

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

Northwestern R-I School District  
Summary Schedule of Revenues Collected, Expenditures Paid and  
Changes in Fund Balance  
Year Ended June 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
REVENUES COLLECTED	\$ 2,188,738	\$ 851,428	\$ 169,211	\$ 55,536	\$ 3,264,913
EXPENDITURES PAID	<u>1,175,044</u>	<u>1,847,797</u>	<u>151,918</u>	<u>51,437</u>	<u>3,226,196</u>
EXCESS OF REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID	<u>1,013,694</u>	<u>(996,369)</u>	<u>17,293</u>	<u>4,099</u>	<u>38,717</u>
OTHER FINANCING SOURCES (USES)					
Transfers	<u>(785,649)</u>	<u>785,649</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(785,649)</u>	<u>785,649</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES	228,045	(210,720)	17,293	4,099	38,717
FUND BALANCE, JULY 1, 2022	<u>439,732</u>	<u>210,720</u>	<u>144,030</u>	<u>332,578</u>	<u>1,127,060</u>
FUND BALANCE, JUNE 30, 2023	<u>\$ 667,777</u>	<u>\$ -</u>	<u>\$ 161,323</u>	<u>\$ 336,677</u>	<u>\$ 1,165,777</u>

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

Northwestern R-I School District  
Schedule of Transportation Costs Eligible for State Aid  
Year Ended June 30, 2023

	District Owned	Total
Salaries	\$ 103,449	\$ 103,449
Employee benefits	26,424	26,424
Purchased services	19,413	19,413
Supplies	61,014	61,014
Total	\$ 210,300	\$ 210,300
 Nonroute contracted transportation	 \$ -	
 School buses purchased	 \$ -	
 School buses leased/purchased:		
Principal	\$ -	
Interest	\$ -	
 Transportation revenues from other districts	 \$ -	

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

Northwestern R-I School District  
Schedule of State Financial Assistance  
Year Ended June 30, 2023

State Grantor/Program Title	Balance June 30, 2022	Receipts	Disbursements	Balance June 30, 2023
Department of Elementary and Secondary Education:				
Basic Formula	\$ -	\$ 478,456	\$ 478,456	\$ -
Transportation	-	97,098	97,098	-
Basic Formula - Classroom Trust Fund	-	62,600	62,600	-
Career Education	-	2,957	2,957	-
Food Service	-	326	326	-
Small Schools Grant	-	59,064	59,064	-
Career Ladder	-	45,900	45,900	-
Teacher Baseline Grant	-	6,300	6,300	-
Educational Screening	-	8,611	8,611	-
Other	-	491	491	-
<b>Total State Financial Assistance</b>	<b>\$ -</b>	<b>\$ 761,803</b>	<b>\$ 761,803</b>	<b>\$ -</b>

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

Northwestern R-I School District  
Public School Retirement System of Missouri  
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios  
Year Ended June 30, 2023

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2014	0.0231%	\$ 947,695	\$ 1,025,859	92.38%	89.34%
6/30/2015	0.0236%	\$ 1,362,395	\$ 1,069,507	127.39%	85.78%
6/30/2016	0.0218%	\$ 1,622,061	\$ 1,012,829	160.15%	82.18%
6/30/2017	0.0224%	\$ 1,617,622	\$ 1,058,553	152.81%	83.77%
6/30/2018	0.0213%	\$ 1,585,243	\$ 1,024,488	154.74%	84.06%
6/30/2019	0.0206%	\$ 1,520,295	\$ 1,010,311	150.48%	84.62%
6/30/2020	0.0220%	\$ 1,964,758	\$ 1,099,993	178.62%	82.01%
6/30/2021	0.0233%	\$ 515,810	\$ 1,215,101	42.45%	95.81%
6/30/2022	0.0242%	\$ 1,871,678	\$ 1,277,310	146.53%	86.04%

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

*\* The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the district's fiscal year.*



Northwestern R-I School District  
Public School Retirement System of Missouri  
Schedule of Employer Contributions  
Year Ended June 30, 2023

Year Ended*	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/(Deficiency) (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2013	\$ 142,214	\$ 142,214	\$ -	\$ 980,784	14.50%
6/30/2014	\$ 148,749	\$ 148,749	\$ -	\$ 1,025,859	14.50%
6/30/2015	\$ 155,079	\$ 155,079	\$ -	\$ 1,069,507	14.50%
6/30/2016	\$ 146,085	\$ 146,085	\$ -	\$ 1,012,829	14.42%
6/30/2017	\$ 153,490	\$ 153,490	\$ -	\$ 1,058,553	14.50%
6/30/2018	\$ 148,551	\$ 148,551	\$ -	\$ 1,024,488	14.50%
6/30/2019	\$ 146,495	\$ 146,495	\$ -	\$ 1,010,311	14.50%
6/30/2020	\$ 159,499	\$ 159,499	\$ -	\$ 1,099,993	14.50%
6/30/2021	\$ 173,580	\$ 173,580	\$ -	\$ 1,215,101	14.29%
6/30/2022	\$ 185,210	\$ 185,210	\$ -	\$ 1,277,310	14.50%

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

Northwestern R-I School District  
Public Education Employee Retirement System of Missouri  
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios  
Year Ended June 30, 2023

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2014	0.0149%	\$ 54,410	\$ 217,594	25.01%	91.33%
6/30/2015	0.0175%	\$ 92,559	\$ 262,494	35.26%	88.28%
6/30/2016	0.0173%	\$ 138,804	\$ 267,781	51.83%	83.32%
6/30/2017	0.0165%	\$ 125,887	\$ 265,495	47.42%	85.35%
6/30/2018	0.0213%	\$ 164,588	\$ 354,992	46.36%	86.06%
6/30/2019	0.0228%	\$ 180,339	\$ 394,776	45.68%	86.38%
6/30/2020	0.0241%	\$ 233,904	\$ 433,834	53.92%	84.06%
6/30/2021	0.0233%	\$ 25,092	\$ 427,428	5.87%	98.36%
6/30/2022	0.0213%	\$ 180,010	\$ 415,309	43.34%	87.92%

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

*\* The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the district's fiscal year.*

Northwestern R-I School District  
Public Education Employee Retirement System of Missouri  
Schedule of Employer Contributions  
Year Ended June 30, 2023

Year Ended*	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/(Deficiency) (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2013	\$ 13,541	\$ 13,541	\$ -	\$ 197,383	6.86%
6/30/2014	\$ 14,927	\$ 14,927	\$ -	\$ 217,594	6.86%
6/30/2015	\$ 18,007	\$ 18,007	\$ -	\$ 262,494	6.86%
6/30/2016	\$ 18,370	\$ 18,370	\$ -	\$ 267,781	6.86%
6/30/2017	\$ 18,213	\$ 18,213	\$ -	\$ 265,495	6.86%
6/30/2018	\$ 24,353	\$ 24,353	\$ -	\$ 354,992	6.86%
6/30/2019	\$ 27,172	\$ 27,172	\$ -	\$ 394,776	6.88%
6/30/2020	\$ 29,761	\$ 29,761	\$ -	\$ 433,834	6.86%
6/30/2021	\$ 29,322	\$ 29,322	\$ -	\$ 427,428	6.86%
6/30/2022	\$ 28,490	\$ 28,490	\$ -	\$ 415,309	6.86%

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

STATE COMPLIANCE SECTION

# CONRAD & HIGGINS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 920  
Chillicothe, MO 64601  
(660) 240-0645  
Fax - (660) 240-0654

706 Grant  
Princeton, MO 64673  
(660) 748-4423  
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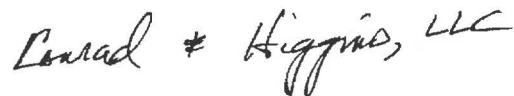
INDEPENDENT AUDITORS' REPORT ON MANAGEMENT'S ASSERTIONS  
ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF  
MISSOURI LAWS AND REGULATIONS

Board of Education  
Northwestern R-I School District  
Mendon, MO 64660

We have examined management of Northwestern R-I School District's assertions that Northwestern R-I 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 attendance, resident membership on the last Wednesday of September and the free and reduced lunch count on the last Wednesday of January; 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 the allowable costs for pupil transportation during the year ended June 30, 2023. Northwestern R-I School District's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion 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 assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, 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.

In our opinion, management's assertion that Northwestern R-I School District complied with the aforementioned requirements for the year ended June 30, 2023 is fairly stated, in all material respects.



**Conrad & Higgins, LLC**  
Chillicothe, Missouri  
December 12, 2023

Northwestern R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2023

Type of Audit Performed:

Yellow Book:  X

Single Audit:       

**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
	K	12		7.3500	148	1,082.0000

Notes:


**2 Attendance Hours**

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

School Code	Grade Level	Full Time Hours	Part Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4020	K	9,570.5333	-	-	-	-	9,570.5333
4020	1	12,459.4998	-	-	-	-	12,459.4998
4020	2	18,328.2667	-	-	-	-	18,328.2667
4020	3	15,607.1168	-	-	-	-	15,607.1168
4020	4	9,291.0667	-	-	-	-	9,291.0667
4020	5	7,228.7500	-	-	-	-	7,228.7500
4020	6	7,480.1332	-	-	3.0000	-	7,483.1332
1050	7	14,142.2165	-	-	-	-	14,142.2165
1050	8	3,341.7333	-	-	-	-	3,341.7333
1050	9	18,236.2333	-	-	-	-	18,236.2333
1050	10	12,278.0666	-	-	-	-	12,278.0666
1050	11	12,080.2667	-	-	-	-	12,080.2667
1050	12	12,682.1833	-	-	-	-	12,682.1833
Grand Total		152,726.0662	-	-	3.0000	-	152,729.0662

Notes:


Northwestern R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2023

**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
4020	K	10.00	-	-	10.00
4020	1	12.00	-	-	12.00
4020	2	18.00	-	-	18.00
4020	3	15.00	-	-	15.00
4020	4	9.00	-	-	9.00
4020	5	7.00	-	-	7.00
4020	6	8.00	-	-	8.00
1050	7	13.00	-	-	13.00
1050	8	3.00	-	-	3.00
1050	9	18.00	-	-	18.00
1050	10	12.00	-	-	12.00
1050	11	12.00	-	-	12.00
1050	12	13.00	-	-	13.00
<b>Grand Total</b>		150.00	-	-	150.00

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
1050	22.00	9.00	-	-	31.00
4020	24.00	8.00	-	-	32.00
<b>Grand Total</b>	46.00	17.00	-	-	63.00

Notes:

Northwestern R-I School District  
Schedule of Selected Statistics  
Year Ended June 30, 2023

**5 Finance**

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

- |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|-----------------------------------------|------------|--------------------------------------------------------------------------------|------------|-----------------|------------|-----------------------|------------|------------------|------------|------------------------------------------------------|------------|-------------|------------|----------------------------------|------------|---------------------------------------------------|------------|-------------------------------------------------------|-------------|---------------------------------------------|------------|------------------------------------------------|------------|--|
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>TRUE</u>                  |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 2                                                                              | <p>The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance which includes the reporting of calendar and attendance hours for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:</p> <table style="width: 100%; margin-left: 40px;"> <tr><td>Academic Programs Off Campus</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Career Exploration Program - Off Campus</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Cooperative Occupational Education (COE) or Supervised Occupational Experience</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Dual Enrollment</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Homebound instruction</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Missouri Options</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Prekindergarten eligible to be claimed for state aid</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Remediation</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Sheltered Workshop participation</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Students participating in the school flex program</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Traditional instruction (full and part-time students)</td><td style="text-align: right;"><u>TRUE</u></td></tr> <tr><td>Virtual instruction (MOCAP or other option)</td><td style="text-align: right;"><u>N/A</u></td></tr> <tr><td>Work Experience for Students with Disabilities</td><td style="text-align: right;"><u>N/A</u></td></tr> </table> | Academic Programs Off Campus | <u>N/A</u> | Career Exploration Program - Off Campus | <u>N/A</u> | Cooperative Occupational Education (COE) or Supervised Occupational Experience | <u>N/A</u> | Dual Enrollment | <u>N/A</u> | Homebound instruction | <u>N/A</u> | Missouri Options | <u>N/A</u> | Prekindergarten eligible to be claimed for state aid | <u>N/A</u> | Remediation | <u>N/A</u> | Sheltered Workshop participation | <u>N/A</u> | Students participating in the school flex program | <u>N/A</u> | Traditional instruction (full and part-time students) | <u>TRUE</u> | Virtual instruction (MOCAP or other option) | <u>N/A</u> | Work Experience for Students with Disabilities | <u>N/A</u> |  |
| Academic Programs Off Campus                                                   | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Career Exploration Program - Off Campus                                        | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Cooperative Occupational Education (COE) or Supervised Occupational Experience | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Dual Enrollment                                                                | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Homebound instruction                                                          | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Missouri Options                                                               | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Prekindergarten eligible to be claimed for state aid                           | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Remediation                                                                    | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Sheltered Workshop participation                                               | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Students participating in the school flex program                              | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Traditional instruction (full and part-time students)                          | <u>TRUE</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Virtual instruction (MOCAP or other option)                                    | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| Work Experience for Students with Disabilities                                 | <u>N/A</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                              |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>TRUE</u>                  |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u>TRUE</u>                  |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 5                                                                              | As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <u>\$ 50,000</u>             |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 6                                                                              | The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <u>TRUE</u>                  |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |
| 7                                                                              | The district maintained a separate bank account for the Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>N/A</u>                   |            |                                         |            |                                                                                |            |                 |            |                       |            |                  |            |                                                      |            |             |            |                                  |            |                                                   |            |                                                       |             |                                             |            |                                                |            |  |



Northwestern R-I School District  
Schedule of Selected Statistics  
Year Ended June 30, 2023

**5 Finance (continued)**

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

- |    |                                                                                                                                                                                                                                                                                                                                                                                                               |                 |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 8  | Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.                                                                                                                                                  | <u>TRUE</u>     |
| 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).                                                                                    | <u>N/A</u>      |
| 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.                                                                                                                                                                                                                                            | <u>TRUE</u>     |
| 11 | The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools). | <u>TRUE</u>     |
| 12 | The amount spent for approved professional development committee plan activities was:                                                                                                                                                                                                                                                                                                                         | <u>\$ 4,784</u> |
| 13 | The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document of database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.                                                                                   | <u>TRUE</u>     |

Notes:

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**6 Transportation (Section 163.161, RSMo)**

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

- |   |                                                                                                                                                                                                      |             |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 1 | The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.                                                                   | <u>TRUE</u> |
| 2 | The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects that average number of regular riders transported. | <u>TRUE</u> |

Northwestern R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2023

**6 Transportation (Section 163.161, RSMo) (continued)**

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

3 Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:

<b>• Eligible ADT</b>	93.00
<b>• Ineligible ADT</b>	29.00

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

5 Actual odometer records show the total district/charter-operated and contracted mileage for the year was:

69,513

6 Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:

* <b>Eligible Miles</b>	50,850
* <b>Ineligible Miles (Non-Route/Disapproved)</b>	18,663

7 Number of days the district/charter school operated the school transportation system during the regular school year:

144

Notes:

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

FEDERAL COMPLIANCE SECTION

# CONRAD & HIGGINS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 920  
Chillicothe, MO 64601  
(660) 240-0645  
Fax - (660) 240-0654

706 Grant  
Princeton, MO 64673  
(660) 748-4423  
Fax - (660) 748-4422

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  
Northwestern R-I School District  
Mendon, MO 64660

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Northwestern R-I School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Northwestern R-I School District's basic financial statements, and have issued our report thereon dated December 12, 2023.

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

In planning and performing our audit of the financial statements, we considered the Northwestern R-I School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Northwestern R-I School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Northwestern R-I 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described below, that we consider to be significant deficiencies.

1 Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties, so that no one employee has access to both physical assets and related accounting records, or all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected. Our audit did not reveal any significant errors or irregularities resulting from this lack of segregation of employee duties and responsibilities.

**Management Response**

The size and budget of the Northwestern R-I School District limits the application of adequate segregation of duties.

**Report on Compliance and Other Matters**

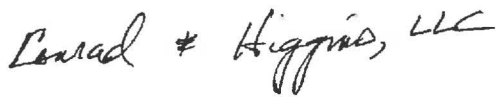
As part of obtaining reasonable assurance about whether Northwestern R-I School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a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

**Northwestern R-I School District's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the Northwestern R-I School District's response to the findings identified in our audit are described previously. The Northwestern R-I School District's response was not subjected to the audit procedures applied in that audit of the financial statements and, accordingly, we express no opinion on the response.

**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 that 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.



**Conrad and Higgins, LLC**  
Chillicothe, Missouri  
December 12, 2023