

ORCHARD FARM R-V SCHOOL DISTRICT

**AUDITED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Orchard Farm R-V School District
St. Charles, Missouri

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Orchard Farm R-V School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents excluding the fiduciary net position and statement of changes in fiduciary net position which were unaudited.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Orchard Farm R-V School District as of June 30, 2021, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 2.

Basis of Accounting

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Orchard Farm R-V School District's Basic financial statement excluding the statement of fiduciary net position and statement of changes in fiduciary net position as listed in the basic financial statements section of the table of contents. The Schedule of Employer Contributions PSRS and PEERS, the budget statements and the notes to the budgetary comparison schedule as listed in the "Supplementary Information" section of the table of contents and the Schedule of Selected statistics are presented for the purpose of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements (excluding the Fiduciary Net Position and Changes in Fiduciary Net Position statements which were unaudited) and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects in relation to the basic financial statements as a whole.

The Schedule of Employer Contributions PSRS and PEERS, the budget statements and the notes to budgetary comparison schedules as listed in the "Supplementary Information" section of the table of contents, Schedule of Selected Statistics and the statement of fiduciary net position and the statement of changes in fiduciary net position as shown in the basic financial statement section of the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021, on our consideration of the Orchard Farm R-V School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Orchard Farm R-V School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Orchard Farm R-V School District's internal control over financial reporting and compliance.

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
Saint Louis, Missouri
December 15, 2021

Orchard Farm R-V School District
Statement of Net Position-Modified Cash Basis
Year Ended June 30, 2021

	Governmental Activities	Total
Assets		
Cash and Cash Equivalent	\$ 15,091,364	\$ 15,091,364
Escrow Deposits	<u>729,211</u>	<u>729,211</u>
Total Assets	<u><u>\$ 15,820,575</u></u>	<u><u>\$ 15,820,575</u></u>
 Net Position		
Resticted for:		
Debt Service	\$ 2,672,205	\$ 2,672,205
Bond Proceeds	-	-
Unrestricted	<u>13,148,370</u>	<u>13,148,370</u>
Total Net Position	<u><u>\$ 15,820,575</u></u>	<u><u>\$ 15,820,575</u></u>

See accompanying notes to the financial statements.

Orchard Farm R-V School District
Statement of Activities
Modified Cash Basis
Year Ended June 30, 2021

	Program Revenues				Net (Disbursement) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Government Activities					
Instruction	\$ (15,903,686)	\$ 104,417	\$ 3,510,890	\$ -	\$ (12,288,379)
Student Charges	(325,780)	506,277	64,111	-	244,607
Support Services:					
Attendance	-	-	-	-	-
Guidance	(796,941)	-	-	-	(796,941)
Health, Psych, Speech and Audio	(1,825,375)	-	-	-	(1,825,375)
Improvement of Instruction	(398,464)	-	-	-	(398,464)
Professional Development	(49,390)	-	39,475	-	(9,915)
Media Services	(426,210)	-	-	-	(426,210)
Board of Education Services	(236,481)	-	-	-	(236,481)
Executive Administration	(1,462,392)	-	-	-	(1,462,392)
Building Level Administration	(1,707,322)	-	-	-	(1,707,322)
Business, Fiscal, Internal Service	(341,052)	-	-	-	(341,052)
Operation of Plant	(2,937,657)	-	-	-	(2,937,657)
Security Services	(18,938)	-	-	-	(18,938)
Pupil Transportation	(2,132,782)	40,227	339,416	-	(1,753,140)
Food Service	(749,753)	80,447	774,510	-	105,204
Central Office Support Service	(204,685)	-	-	-	(204,685)
Adult Education	-	-	-	-	-
Community Services	(891,338)	399,099	-	-	(492,239)
Facilities Acq & Construction	(1,119,757)	-	-	-	(1,119,757)
Principal	(4,285,000)	-	-	-	(4,285,000)
Interest	(1,995,311)	-	-	-	(1,995,311)
Other Fees	(2,256)	-	-	-	(2,256)
Total Governmental Activities	(37,810,571)	1,130,466	4,728,402	-	(31,951,702)
General Receipts					
Taxes:					
Property and other Taxes, Levied for General Purposes					10,450,274
Property and other Taxes, Levied for Special Revenue					8,868,788
Property and other Taxes Levied for Debt Service					3,347,516
Property and other Taxes Levied for Capital Projects					3,026,826
County Revenues					458,894
State Revenues					6,679,540
Other Revenues					
Interest and Investment Earnings					15,778
Refunding Bond Proceeds					-
Insurance Proceeds					15,552
Sale of Other Property					130,000
Miscellaneous Revenue					5,148
Subtotal General Receipts					\$ 32,998,315
Increase (Decrease) in Net Position					1,046,613
Net Position Beginning of Year					14,773,962
Net Position End of Year					\$ 15,820,575

See accompanying notes to the financial statements.

Orchard Farm R-V School District
 Balance Sheet- Governmental Funds- Modified Cash Basis
 Year ended June 30, 2021

	Governmental Funds				Totals June 30, 2021
	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects (Building) Fund	
ASSETS					
Cash and Cash Equivalent	\$ 9,836,326	\$ 527,225	\$ 1,942,994	\$ 2,784,819	\$ 15,091,364
Escrow Deposits	-	-	729,211	-	729,211
TOTAL ASSETS	<u>\$ 9,836,326</u>	<u>\$ 527,225</u>	<u>\$ 2,672,205</u>	<u>\$ 2,784,819</u>	<u>\$ 15,820,575</u>
FUND BALANCE					
Fund balances:					
Restricted for:					
Debt Service	-	-	2,672,205	-	2,672,205
Capital Outlay	-	-	-	-	-
Committed for:					
Capital Outlay	-	-	-	2,784,819	2,784,819
Special Revenue (Teachers Fund)	-	527,225	-	-	527,225
Unassigned	9,836,326	-	-	-	9,836,326
FUND BALANCE	<u>\$ 9,836,326</u>	<u>\$ 527,225</u>	<u>\$ 2,672,205</u>	<u>\$ 2,784,819</u>	<u>\$ 15,820,575</u>

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

Orchard Farm R-V School District
Statement of Revenues Collected, Expenditures Paid, and Changes in Governmental Fund Balances-Modified Cash Basis
Year ended June 30, 2021

	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals <u>June 30, 2021</u>
REVENUE COLLECTED					
Local	\$ 11,154,306	\$ 9,167,499	\$ 3,349,972	\$ 3,028,235	\$ 26,700,012
County	187,082	132,256	73,582	65,974	458,894
State	801,500	8,505,313	-	146,312	9,453,126
Federal	1,186,528	748,771	-	19,659	1,954,957
Other	40,227	104,417	-	-	144,644
TOTAL REVENUES COLLECTED	\$ 13,369,643	\$ 18,658,256	\$ 3,423,553	\$ 3,260,180	\$ 38,711,632
EXPENDITURES PAID					
CURRENT					
Instruction	2,563,037	13,554,743	-	111,686	16,229,466
Support services	8,787,266	4,203,968	-	296,209	13,287,444
Adult Education	-	-	-	-	-
Community Services	519,018	372,320	-	-	891,338
CAPITAL OUTLAY					
Facilities and Acquisitions	-	-	-	1,119,757	1,119,757
DEBT SERVICE					
Principal	-	-	3,035,000	1,250,000	4,285,000
Interest	-	-	1,250,743	744,568	1,995,311
Other fees	-	-	2,256	-	2,256
TOTAL EXPENDITURES PAID	\$ 11,869,321	\$ 18,131,031	\$ 4,287,999	\$ 3,522,220	\$ 37,810,571
Revenue Collected over(under) Expenditures Paid	\$ 1,500,322	\$ 527,224	\$ (864,446)	\$ (262,040)	\$ 901,061
Other Financing Sources(Uses)					
Operating Transfers in(out)	(1,051,000)	-	-	1,051,000	-
Sale of Bond	-	-	-	-	-
Net Insurance Recovery	4,930	-	-	10,621	15,552
Sale of Other Property	-	-	-	130,000	130,000
TOTAL OTHER FINANCING	(1,046,070)	-	-	1,191,621	145,552
Net Changes in Fund Balance	454,253	527,223	(864,447)	929,580	1,046,610
FUND BALANCE-					
Beginning of Year	9,382,073	-	3,536,651	1,855,238	14,773,962
FUND BALANCE End of Year	\$ 9,836,326	\$ 527,224	\$ 2,672,205	\$ 2,784,819	\$ 15,820,575

The accompanying notes are an integral part of this financial statement

**Orchard Farm R-V School District
Statement of Fiduciary Net Position (Unaudited)
Modified Cash Basis
Year Ended June 30, 2021**

	<u>Employee Benefit Trust Fund</u>
Assets	
Cash and Cash Equivalents	\$ 406,822
Total Assets	<u>\$ 406,822</u>
 Net Position	
Held in Trust for Employee Health Insurance Program	406,822
Total Net Position	<u>\$ 406,822</u>

See accompanying notes to the financial statements.

Orchard Farm R-V School District
Statement of Changes in Fiduciary Net Position (Unaudited)
Modified Cash Basis
Year Ended June 30, 2021

	Employee Benefit Trust Fund
Additions	
Earnings on Investments	239
Deductions	
Fees	(518,570)
Employee Health Insurance Program	(2,910,532)
Deposits	3,495,204
Changes in Net Position	66,341
Net Position- June 30, 2020	340,481
Net Position- June 30, 2021	406,822

See accompanying notes to the financial statements.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2021

NOTE 1: DESCRIPTION OF THE SCHOOL DISTRICT

Orchard Farm R-V School District (the District) was established in 1959 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.

Reporting Entity

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

Excluded from the reporting entity:

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

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

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

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

B. Fund Accounting

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets and fund equity revenues and expenditures or expense as appropriate. District resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent.

Governmental Funds:

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

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

Debt Service Fund – Used to account for the accumulation of resources that are restricted, committed or assigned for, and the payment of principal, interest and fiscal charges on general long-term debt.

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

Fiduciary Fund- The fiduciary funds category consists of four fund types. Of the four fund types the school utilized the following:

Pension and Other Employee Benefit Trust Fund: Used to report resources required to be held in trust for the members or beneficiaries. The District’s employee benefit plans are for an employee health insurance program.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

Governmental Funds: (Continued)

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

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

Fund Balance Categories

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

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

Governmental Funds: (Continued)

The undesignated fund balance in the operating funds will be maintained at a level sufficient to provide the resources required to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources. The District will strive to maintain a minimum unrestricted balance in its operating funds no less than a range of 26-27 percent of its prior year operating expenditures. This minimum level is estimated to be sufficient to provide adequate resources to meet operational needs, to allow for emergencies, and to permit necessary adjustments resulting from fluctuations in revenue sources. If fund balances are ever projected to decline below the 25 percent floor, administration will develop a plan to replenish the fund balance above the minimum level.

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

C. Basis of Accounting

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

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

D. Measurement Focus

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Pooled Cash and Investments

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

F. Property & Equipment

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

G. Inventory

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

H. Compensated Absences

Vacation time, personal leave, and sick leave are considered an expenditure in the year paid. Unused personal leave and sick leave rollover into the next year as sick leave and may accumulate up to 140 days. The district pays for unused accumulated sick leave for vested employees upon termination. The district pays for unused accumulated vacation time upon termination. As of the fiscal year ending June 30, 2021 the District has \$11,302 in outstanding sick leave and \$21,620 in outstanding vacation.

I. Teachers' Salaries

The salary payment schedule for certain teachers of the District for the 2020-2021 school year requires the payment of their salaries over a 12-month period. Consequently, the July 2021 payroll checks are included in the financial statements as an expenditure in the month of June.

J. Post-Employment Benefits

The District does not offer any Post-Employment Benefits.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Interfund Activity

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

L. Extraordinary and Special Items

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

M. Transfers

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

N. Subsequent Events

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

NOTE 3: CASH AND INVESTMENTS

The District maintains a cash and temporary cash investment pool that is available for use by all funds except the Debt Service Fund (State law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District). Each fund type's portion of this pool is displayed on the balance sheet governmental funds-cash basis as "Cash and Cash Equivalents" under each fund's caption. Cash Equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less.

Custodial Credit Risk: Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2021, the carrying amount of the District's deposits was \$15,091,364 and the bank balance was \$15,664,051. District funds were fully insured by federal depository insurance or secured with collateral held by the school districts or its agent in the school districts name.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 3: CASH AND INVESTMENTS (Continued)

The District has an account held in the District's name but is a trust fund for an employee benefit trust fund. The value of the account as of June 30, 2021 was \$406,822. This was covered by Federal depository insurance or collateral held by the school district or its agent in the school districts name.

Credit Risk and Investment Interest Rate Risk: The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase or (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law.

	TYPE	RATING	MATURITY	CARRYING VALUES	FAIR MARKET VALUE
Deposits					
	Demand Deposits	N/A	N/A	\$15,091,364	\$15,091,364
	Total Demand Deposits			<u>\$15,091,364</u>	<u>\$15,091,364</u>

Reconciliation To Statement of Net Position

Cash and Cash Equivalents	\$ 15,091,364
Escrow Deposits (MOHEFA) (See Note 6)	<u>729,211</u>
Total Current Assets on Statement of Net Position	<u>\$ 15,820,575</u>

NOTE 4: TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid taxes become delinquent January 1 of the following year. The county collects the property tax and remits them to the District on a monthly basis.

The District also receives sales tax collected by the state and remitted based on eligible pupils. The District is required to reduce its property tax by one-half the amount of sales tax estimated to be received in the subsequent calendar year.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 4: TAXES (Continued)

The assessed valuation of the tangible taxable property for the calendar years 2020 and 2019 for purposes of local taxation was \$436,008,005 and \$407,373,155 respectively.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2020 and 2019 for purposes of local taxation was:

	2020		2019	
	Unadjusted	Adjusted	Unadjusted	Adjusted
General (Incidental) Fund	2.3702	2.2799	2.2950	2.1967
Special Revenue (Teachers') Fund	1.5903	1.5000	1.5983	1.5000
Debt Service Fund	0.7300	0.7300	0.7300	0.7300
Capital Projects (Building) Fund	0.5500	0.5500	0.0000	0.0000
	<u>5.2405</u>	<u>5.0599</u>	<u>4.6233</u>	<u>4.4267</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2021, aggregated approximately 104.34% of the current assessment computed on the basis of the adjusted levy as shown above.

NOTE 5: TAX ABATEMENTS

The district is subject to five tax abatements in St. Charles County the District tax revenue were not reduced for these tax abatements.

NOTE 6: COMMITMENTS

BOND PAYABLE

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

<u>Bonds Payable</u>	
Balance at July 1, 2020	\$ 40,780,000
Plus- bond issue	-
Less – payments/defeasance	<u>(3,035,000)</u>
Balance at June 30, 2021	<u>\$ 37,745,000</u>

Bonds payable at June 30, 2021 consist of:

\$18,400,000 General Obligation Bonds, Series 2018- due in varying Annual principal through March 1, 2038. Interest rates vary from 3.000% to 4.000%. \$18,400,000

\$9,405,000 General Obligation Refunding Bonds, Series 2016- due in varying annual principal through March 1, 2029. Interest rates vary from 2.00% to 4.0%. 6,030,000

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 6: COMMITMENTS (Continued)

BOND PAYABLE (Continued)

\$6,200,000 General Obligation Refunding Bonds, Series 2015- due in varying annual principal through March 1, 2027. Interest rates vary from 2.00% to 2.50%. 4,615,000

\$8,900,000 General Obligation Bonds, Series 2014- due in varying annual principal through March 1, 2034. Interest rates vary from 0.20% to 3.30%. 8,700,000

Total bonds payable \$37,745,000

Debt Service requirements for the following years ended are:

<u>June 30,</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 385,000	\$ 1,167,119	\$ 1,552,119
2023	1,220,000	1,152,719	2,372,719
2024	1,865,000	1,114,318	2,979,318
2025	1,975,000	1,059,493	3,034,493
2026	2,040,000	1,008,631	3,048,631
2027-2031	11,190,000	4,185,943	15,375,943
2032-2036	13,140,000	2,329,406	15,469,406
2037-2038	5,930,000	302,065	6,232,065
	<u>\$37,745,000</u>	<u>\$12,319,694</u>	<u>\$50,064,694</u>

The District participated in the program created by Senate Bill 301 administered by the Missouri Health and Educational Facilities Authority (MOHEFA). The program intercepts a portion of state aid and places those funds in escrow to pay the debt service requirements of the District's outstanding bonds. This is direct deposit money paid directly to the trustee. The trustee then invests in a pool of funds that are given to an investment agent. The agent only buys government treasury notes or government agency type funds. The funds cannot be used by the District. The funds are released by the trustee to pay on the behalf of the District the district bond obligations directly.

During fiscal year 2019 the District issued \$18,400,000 General Obligation Bonds, Series 2018 for the purpose of acquiring, construction, renovation, repair, improving, furnishing, and equipping new and existing school sites, buildings and related facilities in the District, including expansion of the Early Learning Center, and Orchard Farm Middle School, HVAC, and bathroom renovation and land acquisition.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 6: COMMITMENTS (Continued)

BOND PAYABLE (Continued)

During the fiscal year ending June 30, 2016 the District issued \$9,405,000 General Obligation Refunding Bonds, Series 2016 for the purpose of refunding \$2,370,000 principal amount of the District's outstanding General Obligation Refunding Bonds, Series 2007A and to advance refund \$7,580,000 principal amount of the District's outstanding General Obligation Bonds, Series 2009.

During the fiscal year ending June 30, 2015 the District issued \$6,200,000 General Obligation Refunding Bonds, Series 2015 along with certain other funds of the District to advance refund \$6,310,000 principal amount of the District's outstanding General Obligation Bonds, Series 2007B.

During the fiscal year ending June 30, 2014 the District issued \$8,900,000 General Obligation Bonds, Series 2014 for the purpose of acquiring, constructing, renovating, repairing, improving, furnishing, and equipping new and existing school sites, buildings and related facilities in the District, including construction of additional classrooms at Discovery Elementary School and the construction of a new early childhood center.

During the fiscal year ending June 30, 2012 the District issued \$3,475,000 of General Obligation Refunding Bonds, Series 2012. The purpose of the bond, together with certain other funds of the District, will be used to refund \$4,060,000 principal amount of the District outstanding General Obligation Bonds, Series 2003, which comprise that portion of the Series 2003 Bonds that are subject to redemption on March 1, 2013. This Bond was paid off during the fiscal year ending June 30, 2021.

Total amount of interest paid on bond debt for fiscal year ending June 30, 2021 was \$1,247,919.

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15% of the assessed valuation of the district (including state-assessed railroad and utilities).

The legal debt margin of the District as of June 30, 2021 was:

Constitutional debt limit	\$ 65,401,201
Long-term debt	(37,745,000)
Amount available in Debt Service Fund	<u>2,672,205</u>
Legal Debt Margin	<u>\$ 30,328,406</u>

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 6: COMMITMENTS (Continued)

CERTIFICATE OF PARTICIPATION

During the fiscal year ending June 30, 2021 the District issued \$52,685,000 of Certificates of Participation, Series 2020, for the purpose of financing cost of acquiring, constructing, improving, renovating, financing and equipping a new project.

Total future annual payments consist of the following:

Fiscal Year Ending:	Principal	Interest	Total
2022	\$ 560,000	\$ 1,577,225	\$ 2,137,225
2023	650,000	1,560,425	2,210,425
2024	780,000	1,540,925	2,320,925
2025	875,000	1,509,725	2,384,725
2026	985,000	1,474,725	2,459,725
2027-2031	6,780,000	6,686,825	13,466,825
2032-2036	10,455,000	5,168,475	15,623,475
2037-2041	14,785,000	3,334,475	18,119,475
2045	15,565,000	1,000,000	16,565,000
Total Lease Payment	<u>\$51,435,000</u>	<u>\$23,852,800</u>	<u>\$75,287,800</u>

CAPITAL LEASES

The District has a lease purchase agreement to purchase copiers for \$55,273. The agreement signed in July 2020 is for sixty payments of \$1,634 and has an interest rate of 4.64%. Total interest over the life of the lease will be \$6,607. Total principal and interest paid for the year ending June 30, 2021 was \$11,374 and \$2,175 respectively.

The District entered into a lease purchase agreement to purchase a bus for \$239,566. The agreement signed in the fiscal year ending June 30, 2021 is for eight payment with no interest. Total payments year ending June 30, 2021 were \$35,757.

Total future annual lease payments, assuming renewal, consist of the following:

Fiscal Year Ending:	Principal	Interest	Total
2022	\$ 35,757	-	\$ 35,757
2023	26,459	-	26,459
2024	26,459	-	26,459
2025	26,459	-	26,459
2026	26,459	-	26,459
2027	26,458	-	26,458
Total Lease Payment	<u>\$ 168,051</u>	<u>\$ -</u>	<u>\$ 168,051</u>

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 7: RETIREMENT PLANS

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

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

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarially age-reduced benefits are available for members with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are 3 years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on the website at www.psrps-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs. If the June to June change in the Consumer Price Index for all urban consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at the 2% cost-of-living increase is granted. If the June to June change in CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 7: RETIREMENT PLANS (Continued)

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

increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2019, 2020 and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

The district's contributions to PSRS were \$2,073,480 for the year ended June 30, 2021. For detail of prior years contributions see schedule of employee contributions PSRS and PEERS in the required supplemental information.

Public Education Employees Retirement System of Missouri (PEERS)

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 7: RETIREMENT PLAN (Continued)

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

minimum Social Security age (currently age 62) which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55.

Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on the systems website at www.psr-s-peers.org.

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

Contributions: PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2019, 2020, and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The district's contributions to PEERS were \$432,933 for the year ended June 30, 2021. For detail of prior years contributions see schedule of employee contributions PSRS and PEERS in the required supplemental information.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

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

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

NOTE 9: INTERFUND TRANSFERS

The District transferred from the General Fund \$1,051,000 to the Capital Projects Fund in the amount of \$848,500 for the WADA transfer and \$202,500 for the transportation transfer.

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has purchased various insurance policies to safeguard its assets from risk of loss. Insurance coverage appears to be consistent with previous years. During the year ended June 30, 2021 and the two previous fiscal years, no settlements exceeded insurance coverage.

NOTE 11: CONTINGENCIES

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

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2021

NOTE 11: CONTINGENCIES (Continued)

rapid development and fluidity of the situation precludes any prediction as to the ultimate material adverse impact on the District's future financial operating performance and financial condition.

NOTE 12: SUBSEQUENT EVENTS

Subsequent to the fiscal year ending June 30, 2021 the district approved as of December 1, 2021 \$7,115,000 of Series 2021 General Obligation Refunding Bonds. The proceeds of the bonds are to provide funds, together with other legally available funds of the District to refund all of the Districts outstanding General Obligation Bonds, Series 2014, in the aggregate principal amount of \$8,700,000.

SUPPLEMENTARY INFORMATION

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Employer Contributions PSRS and PEERS
June 30, 2021

Schedule of Employer Contributions PSRS

Year Ended *	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of covered Payroll
6/30/2013	\$1,194,891	\$1,194,891	\$ -	\$ 8,330,028	14.34%
6/30/2014	\$1,237,161	\$1,237,161	\$ -	\$ 8,623,900	14.35%
6/30/2015	\$1,387,203	\$1,387,203	\$ -	\$ 9,652,910	14.37%
6/30/2016	\$1,446,582	\$1,446,582	\$ -	\$10,075,433	14.36%
6/30/2017	\$1,578,542	\$1,578,542	\$ -	\$10,987,110	14.37%
6/30/2018	\$1,727,809	\$1,727,809	\$ -	\$12,031,487	14.36%
6/30/2019	\$1,858,917	\$1,858,917	\$ -	\$12,938,910	14.37%
6/30/2020	\$1,973,752	\$1,973,752	\$ -	\$13,751,910	14.35%
6/30/2021	\$2,073,480	\$2,073,480	\$ -	\$14,005,970	14.80%

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

Schedule of Employer Contributions PEERS

Year Ended *	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of covered Payroll
6/30/2013	\$217,486	\$217,486	\$ -	\$3,170,344	6.86%
6/30/2014	\$241,302	\$241,302	\$ -	\$3,517,517	6.86%
6/30/2015	\$257,369	\$257,369	\$ -	\$3,751,731	6.86%
6/30/2016	\$277,974	\$277,974	\$ -	\$4,052,105	6.86%
6/30/2017	\$352,772	\$352,772	\$ -	\$5,142,446	6.86%
6/30/2018	\$385,972	\$385,972	\$ -	\$5,626,403	6.86%
6/30/2019	\$393,592	\$393,592	\$ -	\$5,733,289	6.87%
6/30/2020	\$427,685	\$427,685	\$ -	\$6,231,360	6.86%
6/30/2021	\$432,933	\$432,933	\$ -	\$6,310,985	6.86%

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

Orchard Farm R-V School District
Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance
Original Budget, Final Budget and Actual- Modified Cash Basis- General Fund
Year Ended June 30, 2021

	General (Incidental) Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 13,113,207	\$ 11,272,919	\$ 11,154,306	\$ (118,613)
County	190,688	187,087	187,082	(5)
State	620,148	754,372	801,500	47,129
Federal	503,389	1,142,092	1,186,528	44,435
Other	95,000	37,284	40,227	2,943
TOTAL REVENUES COLLECTED	<u>\$ 14,522,431</u>	<u>\$ 13,393,754</u>	<u>\$ 13,369,643</u>	<u>\$ (24,111)</u>
EXPENDITURES PAID				
Regular Instruction	723,316	906,740	818,324	88,416
Special Programs	1,091,539	1,130,239	1,134,941	(4,702)
Vocational Instruction	77,100	84,338	54,464	29,874
Student Activities	866,090	866,090	555,308	310,782
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	1,032,059	1,069,507	1,044,947	24,559
Staff Services	153,250	199,170	168,274	30,896
General Administration	1,050,147	1,067,753	576,488	491,265
Building Level Administration	998,921	1,005,421	1,386,067	(380,646)
Operations and Maintenance of Plant	3,250,407	3,324,538	2,728,953	595,585
Transportation of Students	2,385,070	2,420,347	2,132,782	287,565
Food Service	745,000	765,000	749,753	15,247
Community Service	668,140	662,953	519,018	143,934
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	<u>\$ 13,041,041</u>	<u>\$ 13,502,095</u>	<u>\$ 11,869,321</u>	<u>\$ 1,632,774</u>
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	1,481,391	(108,342)	1,500,322	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	(1,514,425)	(289,947)	(1,051,000)	
Sale of Bonds	-	-	-	
Sale of Other Property	-	10,000	-	
Net Insurance Recovery	-	3,489	4,930	
TOTAL OTHER FINANCING SOURCES(USES)	<u>(1,514,425)</u>	<u>(276,458)</u>	<u>(1,046,070)</u>	
Net Changes in Fund Balance	<u>\$ (33,034)</u>	<u>\$ (384,800)</u>	<u>\$ 454,252</u>	
FUND BALANCE - Beginning of Year	9,382,073	9,382,073	9,382,073	
FUND BALANCE - End of Year	<u>\$ 9,349,039</u>	<u>\$ 8,997,274</u>	<u>\$ 9,836,326</u>	

The accompanying notes are an integral part of this financial statement

Orchard Farm R-V School District
Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance
Original Budget, Final Budget and Actual- Modified Cash Basis- Special Revenue Fund
Year Ended June 30, 2021

	Special Revenue (Teachers) Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 8,433,455	\$ 9,259,056	\$ 9,167,499	\$ (91,557)
County	113,992	132,256	132,256	-
State	7,841,212	8,576,961	8,505,313	(71,648)
Federal	699,061	762,305	748,771	(13,534)
Other	72,083	113,447	104,417	(9,030)
TOTAL REVENUES COLLECTED	\$ 17,159,803	\$ 18,844,025	\$ 18,658,256	\$ (185,769)
EXPENDITURES PAID				
Regular Instruction	9,578,471	9,608,349	9,455,707	152,641
Special Programs	2,798,267	2,803,854	2,476,972	326,882
Vocational Instruction	359,559	359,559	361,916	(2,357)
Student Activities	-	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	1,249,700	1,231,125	1,260,148	(29,023)
Pupil Services	1,651,715	1,651,715	1,577,368	74,346
Staff Services	513,341	513,341	705,790	(192,449)
General Administration	850,005	850,005	661,819	188,186
Building Level Administration	1,257,085	1,257,085	1,258,990	(1,905)
Operations and Maintenance of Plant	-	-	-	-
Transportation of Students	111	111	-	111
Food Service	-	-	-	-
Community Service	382,940	382,940	372,320	10,620
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 18,641,194	\$ 18,658,084	\$ 18,131,031	\$ 527,053
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	(1,481,391)	185,941	527,225	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	1,481,391	289,947	-	
Sale of Property	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	1,481,391	289,947	-	
Net Changes in Fund Balance	\$ -	\$ 475,888	\$ 527,225	
FUND BALANCE - Beginning of Year	-	-	-	
FUND BALANCE - End of Year	\$ -	\$ 475,888	\$ 527,225	

The accompanying notes are an integral part of this financial statement

Orchard Farm R-V School District
Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance
Original Budget, Final Budget and Actual- Modified Cash Basis- Debt Service Fund
Year Ended June 30, 2021

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 3,409,982	\$ 3,393,550	\$ 3,349,972	\$ (43,578)
County	56,382	73,582	73,582	(0)
State	-	-	-	-
Federal	-	-	-	-
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 3,466,364	\$ 3,467,132	\$ 3,423,553	\$ (43,579)
EXPENDITURES PAID				
Regular Instruction	-	-	-	-
Special Programs	-	-	-	-
Vocational Instruction	-	-	-	-
Student Activities	-	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	-	-	-	-
Staff Services	-	-	-	-
General Administration	-	-	-	-
Building Level Administration	-	-	-	-
Operations and Maintenance of Plant	-	-	-	-
Transportation of Students	-	-	-	-
Food Service	-	-	-	-
Community Service	-	-	-	-
Facilities and Acquisitions	-	-	-	-
Debt Services	3,442,919	4,285,744	4,285,743	-
Fees Bond Indebtedness	5,000	5,000	2,256	2,744
TOTAL EXPENDITURES PAID	\$ 3,447,919	\$ 4,290,744	\$ 4,287,999	\$ 2,744
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	18,445	(823,612)	(864,446)	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	-	-	-	
Sale of Refunding Bond	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	-	-	-	
Net Changes in Fund Balance	\$ 18,445	\$ (823,612)	\$ (864,446)	
FUND BALANCE - Beginning of Year	3,536,651	3,536,651	3,536,651	
FUND BALANCE - End of Year	\$ 3,555,096	\$ 2,713,039	\$ 2,672,205	

The accompanying notes are an integral part of this financial statement

Orchard Farm R-V School District
Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balance
Original Budget, Final Budget and Actual-Modified Cash Basis-Capital Projects Fund
Year Ended June 30, 2021

	Capital Projects Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 2,564,418	\$ 3,076,208	\$ 3,028,235	\$ (47,973)
County	42,480	65,974	65,974	-
State	-	-	146,312	146,312
Federal	-	19,659	19,659	-
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 2,606,898	\$ 3,161,841	\$ 3,260,180	\$ 98,339
EXPENDITURES PAID				
Regular Instruction	207,000	111,686	111,686	-
Special Programs	-	-	-	-
Vocational Instruction	6,000	-	-	-
Student Activities	-	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	-	-	-	-
Staff Services	-	-	-	-
General Administration	50,000	69,750	68,568	1,182
Building Level Administration	-	-	-	-
Operations and Maintenance of Plant	459,759	497,218	227,641	269,577
Transportation of Students	-	-	-	-
Food Service	-	-	-	-
Community Service	3,000	2	-	2
Facilities and Acquisitions	3,763,105	2,190,589	1,119,757	1,070,833
Debt Services	-	1,994,568	1,994,568	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 4,488,864	\$ 4,863,813	\$ 3,522,220	\$ 1,341,593
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	(1,881,966)	(1,701,972)	(262,040)	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	1,051,000	1,051,000	1,051,000	
Sale of Bond	-	-	-	
Insurance Recovery	-	10,621	10,621	
Sale of Property	1,500	130,000	130,000	
TOTAL OTHER FINANCING SOURCES(USES)	1,052,500	1,191,621	1,191,621	
Net Changes in Fund Balance	(829,466)	(510,351)	929,581	
FUND BALANCE - Beginning of Year	1,855,238	1,855,238	1,855,238	
FUND BALANCE - End of Year	\$ -	\$ 1,344,887	\$ 2,784,819	

The accompanying notes are an integral part of this financial statement

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to Budgetary Comparison Schedules
June 30, 2021

- 1) In accordance with Chapter 67, RSMo, the district adopts a budget for each fund.
- 2) Prior to July the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all district funds. Budgeted disbursements cannot exceed beginning available monies plus estimated revenues for the year.
- 3) A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education the budget document is available for public inspection.
- 4) Prior to July 1, the budget was legally enacted by vote of the Board of Education.
- 5) Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the board. Adjustments made during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Board of Education.
- 6) Budgets for district funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid. The actual results of operation are presented in the statement of revenues collected, expenditures paid, and changes in fund balances – original budget, final budget and actual-modified modified cash basis- all government fund types in accordance with the budget basis to provide a meaningful comparison of actual results with the budget.

SUPPLEMENTARY STATE INFORMATION

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

Board of Education
Orchard Farm R-V School District
St. Charles, Missouri

Report on Compliance with State Requirements

We have examined management's assertions, included in its representation letter dated December 15, 2021, that Orchard Farm R-V School District complied with the requirements of Missouri Laws and Regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of average daily attendance, resident membership on the last Wednesday of September, and accurate disclosure by the District's pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the schedule of selected statistics during the year ended June 30, 2021.

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Compliance with State Requirements

In our opinion, management's assertions that Orchard Farm R-V School District complied with the aforementioned requirements of Missouri Laws and Regulations as described in the first paragraph is fairly stated, in all material respects for the year ended June 30, 2021.

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

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
December 15, 2021

MEMBERS AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2021

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
7500	PK	PK		6.5840	168	1,092.9440
4020 & 4030	K	5		6.4500	168	1,064.7000
1050 & 3000	6	12		6.3700	168	1,051.4200
Notes:						

2. Average Daily Attendance (ADA)

Report the total number of PK-12 student attendance hours allowed to be claimed for the calculation of Average Daily Attendance. Include only PK students allowed to be claimed for state aid in the calculation.

School Code	Grade Level	Full-Time	Part-Time	Resident II	Remedial Hours	Summer School	Total
	PK	18,174.6000	-	-	-	-	18,174.6000
	K	178,794.9300	2,039.0600	540.0000	-	-	181,373.9900
	1	171,138.8500	2,758.2600	269.2500	-	-	174,166.3600
	2	150,244.0600	-	1,141.6434	-	-	151,385.7034
	3	138,396.1900	32.5000	554.2596	-	-	138,982.9496
	4	163,657.1300	27.2000	1,502.9532	-	-	165,187.2832
	5	153,623.6500	1,082.6600	2,036.5000	-	-	156,742.8100
	6	160,093.4100	3.5000	1,704.0000	-	-	161,800.9100
	7	160,006.6400	693.6700	1,260.0000	-	-	161,960.3100
	8	134,330.8600	674.4300	816.0000	-	-	135,821.2900
	9	147,312.8700	2,815.9600	467.5088	-	3,690.0000	154,286.3388
	10	137,859.2600	4,787.5900	533.7000	-	1,920.0000	145,100.5500
	11	129,299.1100	11,960.2500	2,623.4918	-	1,650.0000	145,532.8518
	12	59,547.1400	43,443.6100	666.6700	-	180.0000	103,837.4200
Grand Total		1,902,478.70000	70,318.6900	14,115.9768	-	7,440.0000	1,994,353.3668
Notes:							

3. September Membership

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
	K-12	1,907.00	48.01	-	2,018.01
Grand Total		1,907.00	48.01	-	2,018.01
Notes:					

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2021

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
	376.85	24.99	-	-	401.84
Grand Total	376.85	24.99	-	-	401.84

Notes:

5. Finance

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2021

5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	<u>True</u>
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	<u>True</u>
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:	<u>\$50,000</u>
5.6	The district's\charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	<u>True</u>
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	<u>True</u>
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	<u>True</u>
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	<u>True</u>
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	<u>True</u>
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	<u>True</u>
5.12	The amount spent for approved professional development committee plan activities was:	<u>\$49,390</u>
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	<u>True</u>

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2021

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

6. Transportation (Section 163.161, RSMo)

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

6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<u>True</u>
6.2	The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	<u>True</u>
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	<u>#914.5</u>
	Ineligible ADT	<u>#6.0</u>
6.4	The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	<u>True</u>
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	
		<u>#317,841</u>
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	<u>#310,306</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>#7,535</u>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<u>172</u>

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

Finding:	
Management Letter Comment:	

OTHER FINANCIAL INFORMATION

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

Board of Education
Orchard Farm R-V School District
St. Charles, Missouri

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of Orchard Farm R-V School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Orchard Farm R-V School District's basic financial statements excluding the statement of fiduciary net position and the statement of changes in fiduciary net position, and have issued our report thereon dated December 15, 2021. In our report, on financial statements which were prepared on the modified cash basis of accounting which is another comprehensive basis of accounting other than generally accepted accounting principles accepted in the United States of America as described in footnote 2, our opinion was unmodified.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Orchard Farm R-V 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Orchard Farm R-V School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Orchard Farm R-V 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. Given these limitations, during our audit we did not identify any deficiencies in internal control we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Orchard Farm R-V School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
Saint Louis, Missouri
December 15, 2021

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

Board of Education
Orchard Farm R-V School District
St. Charles, Missouri

Report on Compliance for Each Major Federal Program

We have audited Orchard Farm R-V School District's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Orchard Farm R-V School District's major federal programs for the year ended June 30, 2021. The Orchard Farm R-V School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Orchard Farm R-V School District's compliance.

Opinion on Each Major Federal Programs

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

Report on Internal Control Over Compliance

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

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

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

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

Mueller, Walla & Albertson, P.C.

Mueller, Walla & Albertson, P.C.
Saint Louis, Missouri
December 15, 2021

Orchard Farm R-V School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor Pass-through Grantor Program Title	Programs CFDA Number	Pass-Through Entity Identifying Numbers	Expenditures(1)
U.S. Department of Education			
Passed-through Missouri			
Department of Elementary and Secondary Education			
Title I	84.010A	092-091	231,646
Total Title I			<u>231,646</u>
Title II.A	84.367A	092-091	45,482
Total Title II.A			<u>45,482</u>
Assistive Technology Reimbursement	84.027A	092-091	1,550
Special Education High Need Fund	84.027A	092-091	24,501
Individuals with Disabilities Education Act (IDEA) part B	84.027A	092-091	302,867
ECSE	84.027A	092-091	86,843
ECSE	84.173A	092-091	9,973
Total IDEA/ECSE Cluster			<u>425,734</u>
Education Stabilization Fund (ESF)			
Elementary and Secondary School Emergency Relief (ESSER)	84.425D	092-091	145,611
Education Stabilization Fund (ESF)			
Elementary and Secondary School Emergency Relief (ESSER II)	84.425C	092-091	52,107
Education Stabilization Fund (ESF)			
Governer's Emergency Education Relief (GEER)	84.425D	092-091	688,700
			<u>886,418</u>
Total U.S. Department of Education			<u>\$ 1,589,280</u>
U.S. Department of Agriculture			
Passed-through Missouri			
Department of Elementary and Secondary Education			
School Breakfast Program	10.553	092-091	186,334
Cares Food & Nutrition Breakfast Program	10.555	092-091	14,622
Cares Food & Nutrition Lunch Program	10.555	092-091	39,954
National School Lunch Program	10.555	092-091	516,076
Food and Nutrition Services Snack Payment	10.555	092-091	2,380
Cares After School Snack Payment	10.555	092-091	140
Commodities	10.555	092-091	37,473
Total Child Nutrition Cluster			<u>796,979</u>
Total U.S. Department of Agriculture			<u>\$ 796,979</u>
U.S. Department of Treasury			
Passed-through Missouri			
Department of Elementary and Secondary Education			
Coronavirus Relief Fund (CRF) K-12 Support	21.019	092-091	143,151
Coronavirus Relief Fund (CRF) PPE/Medical/Sanitation	21.019	092-091	28,703
			<u>171,854</u>
Passed-through Saint Charles County			
Coronavirus Relief Fund (CRF)	21.019	092-091	74,828
			<u>74,828</u>
Total Coronavirus Relief Fund (CRF) Cluster			<u>\$ 246,682</u>
Total Expenditures of Federal Awards			<u>\$ 2,632,941</u>

(1) Basis of Presentation: The accompanying schedule of expenditures of federal awards includes the federal award activity of the District under programs of the federal government for the fiscal year ended June 30, 2021. The information reported in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District

(2) Summary of Significant Accounting Policies: The Schedule of Expenditures of Federal Awards is presented using the modified cash basis of accounting, which is described in Note 2 to the District's financial statements.

(3) Non-Cash Program: Commodities received and expended were valued by the Food Service Section of the Department of Elementary and Secondary Education.

(4) Subrecipients: The District did not provide funds to subrecipients in the current year.

(5) Indirect Cost Rate: The District elected not to use the 10% de minimis indirect cost rate.

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Orchard Farm R-V School District that were prepared on the modified cash basis of accounting.
2. There were no deficiencies or material weaknesses disclosed during the audit of the financial statements and reported in the Independent Auditor's report on Internal Control Over Financial Reporting and On Compliance and other Matters Based on an Audit of Financial Statements Performed in accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Orchard Farm R-V School District, which would be required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit.
4. There were no significant deficiencies and no material weaknesses discovered related to the audit of the major Federal Award Program.
5. The Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance for Orchard Farm R-V School District expresses an unmodified opinion on federal program tested.
6. There were no audit finding that were required to be reported in accordance with section 2 CFR 200.516 (a) of The Uniform Guidance.
7. The programs tested as major programs include:

Coronavirus Relief Fund Cluster (CRF)	CFDA# 20.019
Education Stabilization Fund Cluster (ESF)	CFDA# 84.425C, 84.425D
Child Nutrition Cluster	CFDA# 10.553, 10.555

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Orchard Farm R-V School District was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD
PROGRAMS AUDIT**

None

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Resolutions of Prior Year Audit Findings
Year ended June 30, 2021

None