

ORCHARD FARM R-V SCHOOL DISTRICT

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

FOR THE YEAR ENDED JUNE 30, 2023

**ORCHARD FARM R-V SCHOOL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Orchard Farm R-V School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents excluding the fiduciary net position and statement of changes in fiduciary net position which were unaudited.

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, 2023, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Orchard Farm R-V School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the 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.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming 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 accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Revenue by Source are presented for the purposes of additional analysis and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards and schedule of revenue by source 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 and the schedule of revenue by source are fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Matters

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Employer Contributions PSRS and PEERS, the budget statements and the notes to budgetary comparison schedules as listed in the "Other 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 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

The Schedule of Employer Contributions PSRS and PEERS, the budget statements and the notes to the budgetary comparison schedule as listed in the "Other 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 20, 2023, 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.

Very truly yours,

MHH CPA, LLC

MHH CPA, LLC
9200 Watson Road, Ste. G105
St. Louis, MO 63126
November 20, 2023

Orchard Farm R-V School District
Statement of Net Position-Modified Cash Basis
Year Ended June 30, 2023

	Governmental Activities	Total
Assets		
Cash and Cash Equivalent	\$ 21,660,048	\$ 21,660,048
Escrow Deposits	<u>1,123,915</u>	<u>1,123,915</u>
Total Assets	<u>\$ 22,783,963</u>	<u>\$ 22,783,963</u>
Net Position		
Resticted for:		
Debt Service	\$ 3,108,454	\$ 3,108,454
Bond Proceeds	-	-
Unrestricted	<u>19,675,509</u>	<u>19,675,509</u>
Total Net Position	<u>\$ 22,783,963</u>	<u>\$ 22,783,963</u>

See accompanying notes to the financial statements.

Orchard Farm R-V School District
Statement of Activities
Modified Cash Basis
Year Ended June 30, 2023

	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	\$ (17,784,151)	\$ 150,626	\$ 3,546,038	\$ -	\$ (14,087,487)
Student Charges	(465,320)	588,478	257,443		380,601
Support Services:					
Attendance	-	-	-	-	-
Guidance	(1,090,681)	-	-	-	(1,090,681)
Health, Psych, Speech and Audio	(1,838,463)	-	-	-	(1,838,463)
Improvement of Instruction	(251,385)	-	-	-	(251,385)
Professional Development	(76,851)	-	47,437	-	(29,414)
Media Services	(454,960)	-	-	-	(454,960)
Board of Education Services	(239,041)	-	-	-	(239,041)
Executive Administration	(1,886,797)	-	-	-	(1,886,797)
Building Level Administration	(1,986,262)	-	-	-	(1,986,262)
Business, Fiscal, Internal Service	(338,231)	-	-	-	(338,231)
Operation of Plant	(3,477,708)	-	-	-	(3,477,708)
Security Services	(20,320)	-	-	-	(20,320)
Pupil Transportation	(2,629,449)	54,243	1,281,144	-	(1,294,063)
Food Service	(1,088,382)	647,613	676,700	-	235,931
Central Office Support Service	(286,642)	-	-	-	(286,642)
Adult Education	-	-	-	-	-
Community Services	(1,217,132)	887,277	-	-	(329,855)
Facilities Acq & Construction	(309,948)	-	-	-	(309,948)
Principal	(2,920,000)	-	-	-	(2,920,000)
Interest	(4,440,836)	-	-	-	(4,440,836)
Other Fees	(3,306)	-	-	-	(3,306)
Total Governmental Activities	(42,805,864)	2,328,235	5,808,762	-	(34,668,867)
General Receipts					
Taxes:					
Property and other Taxes, Levied for General Purposes					11,937,518
Property and other Taxes, Levied for Special Revenue					8,681,177
Property and other Taxes Levied for Debt Service					4,790,489
Property and other Taxes Levied for Capital Projects					4,530,669
County Revenues					569,769
State Revenues					7,625,767
Other Revenues					
Interest and Investment Earnings					845,088
Premium on Bonds Sold					-
Refunding Bond Proceeds					-
Bond Proceeds					8,793
Sale of Other Property					360
Miscellaneous Revenue					98,968
Subtotal General Receipts					<u>\$ 39,088,597</u>
Increase (Decrease) in Net Position					4,419,730
Net Position Beginning of Year					18,364,233
Net Position End of Year					<u>\$ 22,783,963</u>

See accompanying notes to the financial statements.

Orchard Farm R-V School District
 Balance Sheet- Governmental Funds- Modified Cash Basis
 Year ended June 30, 2023

	Governmental Funds				Totals June 30, 2023
	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects (Building) Fund	
ASSETS					
Cash and Cash Equivalent	\$ 13,050,833	\$ -	\$ 1,984,539	\$ 6,624,676	\$ 21,660,048
Escrow Deposits	-	-	1,123,915	-	1,123,915
TOTAL ASSETS	<u>\$ 13,050,833</u>	<u>\$ -</u>	<u>\$ 3,108,454</u>	<u>\$ 6,624,676</u>	<u>\$ 22,783,963</u>
FUND BALANCE					
Fund balances:					
Restricted for:					
Debt Service	-	-	3,108,454	-	3,108,454
Capital Outlay	-	-	-	-	-
Committed for:					
Capital Outlay	-	-	-	6,624,676	6,624,676
Special Revenue (Teachers Fund)	-	-	-	-	-
Unassigned	13,050,833	-	-	-	13,050,833
FUND BALANCE	<u>\$ 13,050,833</u>	<u>\$ -</u>	<u>\$ 3,108,454</u>	<u>\$ 6,624,676</u>	<u>\$ 22,783,963</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, 2023

	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals <u>June 30, 2023</u>
REVENUE COLLECTED					
Local	\$ 14,578,758	\$ 8,900,849	\$ 4,867,079	\$ 4,662,391	\$ 33,009,076
County	229,122	130,976	110,603	99,068	569,769
State	2,468,329	8,638,463	-	485,000	11,591,792
Federal	711,087	1,126,755	-	4,895	1,842,737
Other	52,442	150,626	-	-	203,068
TOTAL REVENUES COLLECTED	<u>\$ 18,039,737</u>	<u>\$ 18,947,669</u>	<u>\$ 4,977,682</u>	<u>\$ 5,251,354</u>	<u>\$ 47,216,441</u>
EXPENDITURES PAID					
CURRENT					
Instruction	3,121,948	14,944,448	-	183,074	18,249,470
Support services	10,898,071	4,436,484	-	330,617	15,665,173
Adult Education	-	-	-	-	-
Community Services	670,275	544,003	-	2,853	1,217,132
CAPITAL OUTLAY					
Facilities and Acquisitions	-	-	-	309,948	309,948
DEBT SERVICE					
Principal	-	-	2,920,000	-	2,920,000
Interest	-	-	1,050,969	3,389,867	4,440,836
Other fees	-	-	1,806	1,500	3,306
TOTAL EXPENDITURES PAID	<u>\$ 14,690,295</u>	<u>\$ 19,924,935</u>	<u>\$ 3,972,775</u>	<u>\$ 4,217,860</u>	<u>\$ 42,805,864</u>
Revenue Collected over(under)					
Expenditures Paid	\$ 3,349,443	\$ (977,266)	\$ 1,004,907	\$ 1,033,494	\$ 4,410,577
Other Financing Sources(Uses)					
Operating Transfers in(out)	(1,880,288)	602,122	-	1,278,166	-
Sale of Bond	-	-	-	-	-
Net Insurance Recovery	8,793	-	-	-	8,793
Sale of Other Property	360	-	-	-	360
TOTAL OTHER FINANCING	<u>(1,871,135)</u>	<u>602,122</u>	<u>-</u>	<u>1,278,166</u>	<u>9,153</u>
Net Changes in Fund Balance	1,478,308	(375,144)	1,004,906	2,311,659	4,419,729
FUND BALANCE-					
Beginning of Year	11,572,525	375,144	2,103,547	4,313,016	18,364,233
FUND BALANCE					
End of Year	<u>\$ 13,050,833</u>	<u>\$ -</u>	<u>\$ 3,108,454</u>	<u>\$ 6,624,676</u>	<u>\$ 22,783,963</u>

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, 2023**

	<u>Employee Benefit Trust Fund</u>
Assets	
Cash and Cash Equivalents	\$ 1,509,669
Total Assets	<u>\$ 1,509,669</u>
Net Position	
Held in Trust for Employee Health Insurance Program	1,509,669
Total Net Position	<u>\$ 1,509,669</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, 2023**

	<u>Employee Benefit Trust Fund</u>
Additions	
Earnings on Investments	34,598
Deductions	
Fees	(403,078)
Employee Health Insurance Program	(2,901,805)
Deposits	<u>3,978,862</u>
Changes in Net Position	<u>708,577</u>
Net Position- June 30, 2022	<u>801,092</u>
Net Position- June 30, 2023	<u><u>1,509,669</u></u>

See accompanying notes to the financial statements.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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. The District unused sick leave balance as of June 30, 2023 is \$9,407.

I. Teachers' Salaries

The salary payment schedule for certain teachers of the District for the 2022-2023 school year requires the payment of their salaries over a 12-month period. Consequently, the July 2023 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, 2023

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, 2023, the carrying amount of the District's deposits was \$21,660,048 and the bank balance was \$23,045,803. 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, 2023

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, 2023 was \$1,509,669. 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	\$21,660,048	\$21,660,048
Total Demand Deposits				<u>\$21,660,048</u>	<u>\$21,660,048</u>

Reconciliation To Statement of Net Position

Cash and Cash Equivalents	\$ 21,660,048
Escrow Deposits (MOHEFA) (See Note 6)	<u>1,123,915</u>
Total Current Assets on Statement of Net Position	<u>\$ 22,783,963</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, 2023

NOTE 4: TAXES (Continued)

The assessed valuation of the tangible taxable property for the calendar years 2022 and 2021 for purposes of local taxation was \$535,184,126 and \$500,042,792 respectively.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2022 and 2021 for purposes of local taxation was:

	2022		2021	
	Unadjusted	Adjusted	Unadjusted	Adjusted
General (Incidental) Fund	2.3553	2.2562	2.3557	2.2576
Special Revenue (Teachers') Fund	1.2991	1.2000	1.2980	1.2000
Debt Service Fund	0.9200	0.9200	0.9200	0.9200
Capital Projects (Building) Fund	0.6800	0.6800	0.6800	0.6800
	<u>5.2544</u>	<u>5.0562</u>	<u>5.2537</u>	<u>5.0576</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2023, aggregated approximately 96.23% 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 reduced by \$1,152,713 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, 2023:

<u>Bonds Payable</u>	
Balance at July 1, 2022	\$ 33,275,000
Plus- bond issue	-
Less – payments/defeasance	<u>(2,920,000)</u>
Balance at June 30, 2023	<u>\$ 30,355,000</u>

Bonds payable at June 30, 2023 consist of:

\$7,115,000 General Obligation Refunding Bonds, Series 2021- due in varying annual principal through March 1, 2034. Interest rate is 4.00% \$ 2,915,000

\$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%. 18,065,000

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 6: COMMITMENTS (Continued)

BOND PAYABLE (Continued)

\$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%.	5,330,000
\$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%.	<u>4,045,000</u>
 Total bonds payable	 <u>\$30,355,000</u>

Debt Service requirements for the following years ended are:

<u>June 30.</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,865,000	\$ 944,569	\$ 2,809,569
2025	1,975,000	889,744	2,864,744
2026	2,040,000	838,881	2,878,881
2027	2,110,000	783,181	2,893,181
2028	2,170,000	733,031	2,903,031
2029-2033	7,330,000	2,877,669	10,207,669
2034-2038	<u>12,865,000</u>	<u>1,420,913</u>	<u>14,285,913</u>
	<u>\$30,355,000</u>	<u>\$8,487,988</u>	<u>\$38,842,988</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 the fiscal year ending June 30, 2022 the District issued \$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.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 6: COMMITMENTS (Continued)

BOND PAYABLE (Continued)

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.

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.

Total amount of interest paid on bond debt for fiscal year ending June 30, 2023 was \$1,050,969.

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, 2023 was:

Constitutional debt limit	\$ 80,277,619
Long-term debt	(30,355,000)
Amount available in Debt Service Fund	<u>3,108,454</u>
Legal Debt Margin	<u>\$ 53,031,073</u>

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 6: COMMITMENTS (Continued)

CERTIFICATE OF PARTICIPATION

During the fiscal year ending June 30, 2022 the District issued \$43,200,000 of Certificate of Participation, Series 2022A, for the purpose of acquiring, construction, improving, remodeling, renovating, installing, furnishing, and equipping District facilities, including completing construction of a new high school and transportation facility.

During the fiscal year ending June 30, 2022 the District issued \$7,975,000 of Taxable Refunding Certificate of Participation, Series 2022B. These funds will be used to fund an initial cash deposit into an escrowed security and to acquire United States Treasury Obligations to provide funds to advance refund on a taxable basis principal and certain interest requirements of Certificate of Participation, Series 2020.

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
2024	\$ -	\$ 3,569,469	\$ 3,569,469
2025	-	3,693,269	3,693,269
2026	-	3,821,269	3,821,269
2027	-	3,955,868	3,955,868
2028	-	4,065,869	4,065,869
2029-2033	10,390,000	19,231,800	29,621,800
2034-2038	19,590,000	16,326,619	35,916,619
2039-2043	30,995,000	11,546,850	42,541,850
2044-2047	34,115,000	4,357,275	38,472,275
Total Lease Payment	<u>\$95,090,000</u>	<u>\$70,568,288</u>	<u>\$165,658,288</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 \$1,034 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, 2023 was \$10,989 and \$1,419 respectively.

The District entered into a lease purchase agreement to purchase of two buses for \$239,566. The agreement signed in the fiscal year ending June 30, 2022 is for eight payment with no interest. Total payments year ending June 30, 2023 were \$26,459.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 6: COMMITMENTS (Continued)

CAPITAL LEASES (Continued)

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

Fiscal Year Ending:	Principal	Interest	Total
2024	\$ 26,459	-	\$ 26,459
2025	26,459	-	26,459
2026	26,459	-	26,459
2027	26,458	-	26,458
Total Lease Payment	<u>\$ 105,835</u>	<u>\$ -</u>	<u>\$ 105,835</u>

NOTE 7: RETIREMENT PLANS

Public School Retirement System of Missouri (PSRS)

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

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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

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

benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on the website at www.psr-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 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 2021, 2022 and 2023. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

The district's contributions to PSRS were \$2,266,928 for the year ended June 30, 2023. 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

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 7: RETIREMENT PLAN (Continued)

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

Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

Benefits Provided. PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62) which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55.

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

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.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

NOTE 7: RETIREMENT PLAN (Continued)

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

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

The district's contributions to PEERS were \$515,669 for the year ended June 30, 2023. For detail of prior years contributions see schedule of employee contributions PSRS and PEERS in the required supplemental information.

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

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

NOTE 9: INTERFUND TRANSFERS

The District transferred from the General Fund \$1,880,288 to the Special Revenue (Teacher Fund) in the amount of \$602,122 to zero out the fund and Capital Projects Fund in the amount of \$909,423 for the WADA transfer and \$368,743 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, 2023 and the two previous fiscal years, no settlements exceeded insurance coverage.

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2023

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.

SUPPLEMENTARY INFORMATION

Orchard Farm R-V School District
Schedule of Revenues by Source
All Governmental Funds
Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Local Revenue					
Current Taxes	11,314,013	6,017,558	4,613,461	3,409,950	25,354,982
Delinquent Taxes	434,269	230,905	177,027	130,846	973,047
Prop C Trust Fund	189,237	2,432,713	-	-	2,621,950
Financial Institution Tax	-	-	-	802	802
M&M Tx's/Surcharge	-	-	-	558,648	558,648
In Lieu of Tax	-	-	-	430,422	430,422
Transportation Fees from Patrons	1,801	-	-	-	1,801
Earnings on Invest	427,936	219,672	76,590	120,890	845,088
Sale to Pupils Reimbursable School Meals	430,184	-	-	-	430,184
Sales of Adults for Adult Meals Non-Program Food	14,268	-	-	-	14,268
Nonreimbursable Meal Sales Non-Program Food	203,161	-	-	-	203,161
Admissions Student Activities	66,918	-	-	-	66,918
Bookstore Sales	16,375	-	-	-	16,375
Student Organization Membership Dues and Fees	179,584	-	-	-	179,584
Revenue from Enterprise Activities	325,600	-	-	-	325,600
Community Services	321,004	-	-	-	321,004
Pre-K Tuition from Parents	566,272	-	-	-	566,272
Other From Local Sources	88,136	-	-	10,832	98,968
Local Subtotal	14,578,758	8,900,849	4,867,079	4,662,391	33,009,076
County Revenue					
Fines Forfeit Ect	-	9,114	-	-	9,114
State Assessed Utilities	215,410	114,570	105,011	94,935	529,926
Federal Property	13,712	7,293	5,591	4,133	30,729
County Subtotal	229,122	130,976	110,603	99,068	569,769
State Revenue					
Basic Formula-State Monies	560,550	6,222,041	-	-	6,782,591
Transportation	1,281,144	-	-	-	1,281,144
Early Childhood Special Education	390,000	1,590,757	-	-	1,980,757
Basic Formula-Classroom Trust Fund	70,268	287,908	-	485,000	843,176
Educational Screening Prog/PAT	153,332	10,080	-	-	163,412
Career Education	8,648	-	-	-	8,648
Food Service State	4,386	-	-	-	4,386
Residential Placement/Excess Cost	-	5,604	-	-	5,604
High Need Fund Special Education	-	522,073	-	-	522,073
State Subtotal	2,468,329	8,638,463	-	485,000	11,591,792
Federal Revenue					
Medicaid	-	257,443	-	-	257,443
CRRSA Child Care Start-up Grant	36,913	14,560	-	-	51,473
CRRSA ESSER II	85	30,205	-	-	30,290
IDEA Grants	-	15,256	-	-	15,256
ARP IDEA 611 Entitlement Funds	-	93,943	-	-	93,943
IDEA Entitlement Funds Part B	-	325,404	-	-	325,404
Early Childhood Special Education Federal	-	107,723	-	-	107,723
ARP IDEA Early Childhood Special Education	6,670	-	-	-	6,670
National School Lunch Equipment Grant	-	-	-	4,895	4,895
National School Lunch Program	547,978	-	-	-	547,978
School Breakfast Program	113,302	-	-	-	113,302
After School Snack Program	6,139	-	-	-	6,139
Title I ESEA	-	216,100	-	-	216,100
Title IV Student Support and Academic Enrichment	-	18,684	-	-	18,684
Title II Part A&B ESEA Teacher Principal Training	-	47,437	-	-	47,437
Summer Food Service Program	-	-	-	-	-
Title VI Part B Rural Education Initiative	-	-	-	-	-
Other Federal	-	-	-	-	-
Federal Subtotal	711,087	1,126,755	-	4,895	1,842,737
Other Revenue					
Net Insurance Recovery	8,793	-	-	-	8,793
Sale of Other Property	360	-	-	-	360
Tuition from Other LEA's Regular Term	-	141,207	-	-	141,207
Contracted Education Services	-	9,419	-	-	9,419
Transportation from Other LEA's for K-12 Disabled Students	52,442	-	-	-	52,442
Other Revenue Subtotal	61,595	150,626	-	-	52,442
Total Revenues	18,048,890	18,947,669	4,977,682	5,251,354	47,225,594

OTHER INFORMATION

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Employer Contributions PSRS and PEERS
June 30, 2023

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
6/30/2014	\$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	\$2,073,520	\$2,073,520	\$ -	\$14,447,057	14.35%
6/30/2022	\$2,150,614	\$2,150,614	\$ -	\$14,996,199	14.34%
6/30/2023	\$2,266,928	\$2,266,928	\$ -	\$15,795,901	14.35%

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
6/30/2014	\$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%
6/30/2022	\$471,282	\$471,282	\$ -	\$6,869,259	6.86%
6/30/2023	\$515,669	\$515,669	\$ -	\$7,517,031	6.86%

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, 2023

	General (Incidental) Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 14,337,365	\$ 14,243,917	\$ 14,578,758	\$ 334,841
County	250,418	238,175	229,122	(9,053)
State	1,591,206	1,754,225	2,468,329	714,103
Federal	513,991	588,512	711,087	122,575
Other	45,000	50,158	52,442	2,284
TOTAL REVENUES COLLECTED	\$ 16,737,980	\$ 16,874,987	\$ 18,039,737	\$ 1,164,750
EXPENDITURES PAID				
Regular Instruction	713,436	714,536	538,096	176,440
Special Programs	1,606,516	1,665,687	1,710,611	(44,925)
Vocational Instruction	65,250	69,330	39,133	30,197
Student Activities	880,000	892,300	834,108	58,192
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	1,205,153	1,208,153	1,168,033	40,119
Staff Services	135,765	133,265	122,383	10,882
General Administration	1,291,863	1,311,463	650,582	660,881
Building Level Administration	1,228,031	1,233,431	1,821,692	(588,261)
Operations and Maintenance of Plant	3,540,908	3,562,934	3,417,549	145,385
Transportation of Students	2,674,759	2,748,759	2,629,449	119,310
Food Service	1,015,991	1,018,991	1,088,382	(69,391)
Community Service	688,876	726,647	670,275	56,371
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 15,046,548	\$ 15,285,495	\$ 14,690,295	\$ 595,201
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	1,691,432	1,589,492	3,349,443	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	(1,318,288)	(427,091)	(1,880,288)	
Sale of Bonds	-	-	-	
Sale of Other Property	2,000	2,000	360	
Net Insurance Recovery	-	-	8,793	
TOTAL OTHER FINANCING SOURCES(USES)	(1,316,288)	(425,091)	(1,871,135)	
Net Changes in Fund Balance	\$ 375,144	\$ 1,164,401	\$ 1,478,307	
FUND BALANCE - Beginning of Year	11,572,525	11,572,525	11,572,525	
FUND BALANCE - End of Year	\$ 11,947,670	\$ 12,736,926	\$ 13,050,833	

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, 2023

	Special Revenue (Teachers) Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 8,754,548	\$ 9,060,682	\$ 8,900,849	\$ (159,833)
County	140,107	135,784	130,976	(4,808)
State	8,744,217	9,206,056	8,638,463	(567,593)
Federal	823,925	1,006,312	1,126,755	120,443
Other	240,000	240,000	150,626	(89,374)
TOTAL REVENUES COLLECTED	\$ 18,702,797	\$ 19,648,834	\$ 18,947,669	\$ (701,165)
EXPENDITURES PAID				
Regular Instruction	10,503,915	10,503,915	10,315,778	188,137
Special Programs	3,271,981	3,299,386	3,089,271	210,115
Vocational Instruction	391,604	391,574	388,656	2,918
Student Activities	-	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	1,184,970	1,195,000	1,150,744	44,256
Pupil Services	1,633,526	1,633,526	1,553,003	80,523
Staff Services	653,131	653,131	660,813	(7,682)
General Administration	792,345	792,345	935,616	(143,271)
Building Level Administration	1,403,913	1,403,913	1,287,052	116,861
Operations and Maintenance of Plant	-	-	-	-
Transportation of Students	-	-	-	-
Food Service	-	-	-	-
Community Service	560,843	578,280	544,003	34,277
Facilities and Acquisitions	-	-	-	-
Debt Services	-	-	-	-
Fees Bond Indebtedness	-	-	-	-
TOTAL EXPENDITURES PAID	\$ 20,396,228	\$ 20,451,069	\$ 19,924,935	\$ 526,134
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	(1,693,431)	(802,235)	(977,266)	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	1,318,288	427,091	602,122	
Sale of Property	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	1,318,288	427,091	602,122	
Net Changes in Fund Balance	\$ (375,144)	\$ (375,144)	\$ (375,144)	
FUND BALANCE - Beginning of Year	375,144	375,144	375,144	
FUND BALANCE - End of Year	\$ -	\$ -	\$ -	

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, 2023

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 4,821,298	\$ 4,893,967	\$ 4,867,079	\$ (26,888)
County	102,048	114,289	110,603	(3,686)
State	-	-	-	-
Federal	-	-	-	-
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 4,923,346	\$ 5,008,256	\$ 4,977,682	\$ (30,574)
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	3,970,969	3,970,969	3,970,969	-
Fees Bond Indebtedness	5,000	5,000	1,806	3,194
TOTAL EXPENDITURES PAID	\$ 3,975,969	\$ 3,975,969	\$ 3,972,775	\$ 3,194
REVENUES COLLECTED OVER(UNDER)				
EXPENDITURES PAID	947,377	1,032,287	1,004,907	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	-	-	-	
Sale of Refunding Bond	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	-	-	-	
Net Changes in Fund Balance	\$ 947,377	\$ 1,032,287	\$ 1,004,907	
FUND BALANCE - Beginning of Year	2,103,547	2,103,547	2,103,547	
FUND BALANCE - End of Year	\$ 3,050,925	\$ 3,135,835	\$ 3,108,454	

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, 2023

	Capital Projects Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUE COLLECTED				
Local	\$ 3,834,871	\$ 4,670,289	\$ 4,662,391	\$ (7,898)
County	75,427	101,792	99,068	(2,724)
State	475,000	485,000	485,000	-
Federal	-	3,713	4,895	1,182
Other	-	-	-	-
TOTAL REVENUES COLLECTED	\$ 4,385,298	\$ 5,260,794	\$ 5,251,354	\$ (9,440)
EXPENDITURES PAID				
Regular Instruction	195,000	196,400	183,074	13,326
Special Programs	-	-	-	-
Vocational Instruction	-	-	-	-
Student Activities	-	-	-	-
Adult Vocational Programs	-	-	-	-
Payments to Other Districts	-	-	-	-
Pupil Services	-	-	208,108	(208,108)
Staff Services	-	-	-	-
General Administration	-	140,100	17,445	122,655
Building Level Administration	50,000	65,809	24,587	41,222
Operations and Maintenance of Plant	103,000	292,600	80,478	212,122
Transportation of Students	-	250,000	-	250,000
Food Service	-	-	-	-
Community Service	3,000	3,000	2,853	147
Facilities and Acquisitions	-	490,691	309,948	180,743
Debt Services	5,856,819	3,389,867	3,389,867	-
Fees Bond Indebtedness	1,500	1,500	1,500	-
TOTAL EXPENDITURES PAID	\$ 6,209,319	\$ 4,829,967	\$ 4,217,860	\$ 612,107
REVENUES COLLECTED OVER(UNDER) EXPENDITURES PAID	(1,824,021)	430,827	1,033,494	
OTHER FINANCING SOURCES(USES):				
Operating Transfers in(out)	-	-	1,278,166	
Sale of Bond	-	-	-	
Insurance Recovery	-	-	-	
Sale of Property	-	-	-	
TOTAL OTHER FINANCING SOURCES(USES)	-	-	1,278,166	
Net Changes in Fund Balance	(1,824,021)	430,827	2,311,660	
FUND BALANCE - Beginning of Year	4,313,016	4,313,016	4,313,016	
FUND BALANCE - End of Year	\$ 2,488,995	\$ 4,743,843	\$ 6,624,676	

The accompanying notes are an integral part of this financial statement

ORCHARD FARM R-V SCHOOL DISTRICT
Notes to Budgetary Comparison Schedules
June 30, 2023

- 1) In accordance with Chapter 67, RSMo, the district adopts a budget for each fund.
- 2) Prior to July the Certified Administrator of Finance and Operations, 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.

STATE COMPLIANCE

MHH CPA, LLC

9200 Watson Rd. Ste. G-105
Crestwood, MO 63126
(314) 842-8844

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 November 20, 2023, 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, 2023.

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 judgment, 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, 2023.

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.

MHH CPA, LLC

MHH CPA, LLC
9200 Watson Road, Ste. G105
St. Louis, MO 63126
November 20, 2023

MEMBERS AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2023

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	170	1,119.2800
4020 & 4030	K	5		6.4500	170	1,090.5000
1050 & 3000	6	12		6.3700	170	1,076.9000
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	14,360.7501	-	-	-	-	14,360.7501
	K	169,941.2669	565.5333	155.0340	-	-	170,661.8342
	1	184,259.4668	-	-	1.0000	-	184,260.4668
	2	178,561.1673	1,085.9667	2,069.9388	-	84.0167	181,801.0895
	3	178,642.2670	924.7833	-	-	84.0167	179,651.0670
	4	166,996.5675	41.2500	2,017.4688	-	419.2833	169,474.5696
	5	163,555.5002	1,168.6500	1,633.8600	-	1,531.8701	167,889.8803
	6	151,849.5201	1,000.8167	827.9964	-	-	153,678.3332
	7	160,556.3665	1,971.6834	653.9616	-	-	163,182.0115
	8	178,353.0828	105.0000	1,620.0792	-	-	180,078.1620
	9	180,741.7222	844.7767	698.1228	-	96.0000	182,380.6217
	10	150,533.7043	885.2920	-	-	504.0000	151,922.9963
	11	138,372.2486	3,603.7798	-	-	708.0000	142,684.0284
	12	98,681.2387	21,046.8536	138.5388	-	534.0501	120,400.6812
Grand Total		2,115,404.8690	33,244.3855	9,815.0004	1.0000	3,961.2369	2,162,426.4918
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	2,152.00	19.78	-	2,171.78
Grand Total		2,152.00	19.78	-	2,171.78
Notes:					

ORCHARD FARM R-V SCHOOL DISTRICT
Schedule of Selected Statistics
For the Year Ended June 30, 2023

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
	425.73	96.75	-	-	522.48
Grand Total	425.736	96.75	-	-	522.48

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, 2023

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>\$76,851</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, 2023

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>#1,357.50</u> |
| | Ineligible ADT | <u>#1.5</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>#386,499</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>#356,211</u> |
| | Ineligible Miles (Non-Route/Disapproved) | <u>#30,288</u> |
| 6.7 | Number of days the district/charter school operated the school transportation system during the regular school year: | <u>165</u> |

Notes:	
--------	--

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

Finding:	
Management Letter Comment:	

FEDERAL COMPLIANCE

MHH CPA, LLC

9200 Watson Rd. Ste. G-105
Crestwood, MO 63126
(314) 842-8844

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, 2023, 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 November 20, 2023. In our report, on financial statements which were prepared on the modified cash basis of accounting which is another comprehensive basis of accounting other than generally accepted accounting principles accepted in the United States of America as described in footnote 2, our opinion was unmodified.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 or significant deficiencies may exist that were not identified.

Report on 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.

MHH CPA, LLC

MHH CPA, LLC
9200 Watson Road, Ste. G105
St. Louis, MO 63126
November 20, 2023

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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

Opinion on Each Major Federal Program

We have audited Orchard Farm R-V School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Orchard Farm R-V School District's major federal programs for the year ended June 30, 2023. 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.

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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Orchard Farm R-V School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Orchard Farm R-V School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Orchard Farm R-V School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Orchard Farm R-V School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Orchard Farm R-V School District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Orchard Farm R-V School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Orchard Farm R-V School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Orchard Farm R-V School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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St. Louis, MO 63126
November 20, 2023

Orchard Farm R-V School District
 Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2023

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	216,100	
Total Title I				216,100
	84.367A	092-091	66,121	\$ 216,100
Title II.A				66,121
Total Title II.A				66,121
Special Education High Need Fund				
Individuals with Disabilities Education Act (IDEA) part B				
	84.027A	092-091	9,613	
	84.027A	092-091	332,443	
	84.027A	092-091	96,842	
	84.173A	092-091	10,881	
	84.027X	092-091	95,200	
	84.173X	092-091	6,670	
Total IDEA/ECSE Cluster				551,649
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA ESSER II)				
	84.425D	092-091	85	
Elementary and Secondary School Emergency Relief Teacher Retention Grant				
	84.425D	092-091	30,205	
				30,290
U.S. Department of Health and Human Services				
Passed-through Missouri				
Department of Elementary and Secondary Education				
CRRSA Childcare Preschool Start Up Grant				
	93.575	092-091	51,473	
				51,473
Total U.S. Department of Education				\$ 915,633
U.S. Department of Agriculture				
Passed-through Missouri				
Department of Elementary and Secondary Education				
School Breakfast Program				
	10.553	092-091	93,167	
National School Lunch Program				
	10.555	092-091	433,272	
Food and Nutrition Services Snack Payment				
	10.555	092-091	6,139	
Child Nutrition Discretionary Grant				
	10.579	092-091	4,895	
Commodities				
	10.555	092-091	125,636	
Total Child Nutrition Cluster				663,109
Total U.S. Department of Agriculture				\$ 663,109
Total Expenditures of Federal Awards				\$ 1,578,742

(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, 2023. 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, 2023

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:
 - Education Stabilization Fund Cluster (ESF) CFDA# 84.425D
 - CRRSA Childcare Preschool Start up Grant CFDA# 93.575
 - Individuals with Disabilities Education Act (IDEA) CFDA#84.027A, 84.027X,
84.173A
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, 2023

**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, 2023

None