

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI**

**FINANCIAL STATEMENTS WITH
ACCOMPANYING INFORMATION
AND
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2022**



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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Dade County School District R-II
Dadeville, Missouri

Opinions

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

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

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Dade County School District R-II, 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 1 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 opinion is 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 described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 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, 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 Dade County School District R-II'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 Dade County School District R-II'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.

Disclaimer of Opinion on Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Dade County School District R-II, financial statements. The management's discussion and analysis and budgetary comparison information on pages 4-9 and 48-52, the state compliance section, and other information on pages 56-68 which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Dade County School District R-II's financial statements. The accompanying state compliance information is presented for purposes of additional analysis as required by the Missouri Department of Elementary and Secondary Education, and is not a required part of the financial statements. The state compliance information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and

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reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the state compliance information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2022, on our consideration of the Dade County School District R-II'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 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 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 Dade County School District R-II's internal control over financial reporting and compliance.

THE CPA GROUP, P.C.

Monett, Missouri
August 8, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS
UNAUDITED INFORMATION

An objective and easily readable analysis of the District's financial activities. The Management's Discussion and Analysis presents an analytical overview.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Dade County School District R-II's financial performance provides an overview of the district's financial activities for the fiscal year ended June 30, 2022.

DISTRICT MISSION

The mission of the Dade County School District R-II is to provide quality educational experiences that enable all students to acquire the knowledge, skills, and attitudes necessary to become healthy, responsible, and productive adults. We believe all students should be able to manage change, become lifelong learners, and participate in the democratic process. By recognizing each student's unique potential, we will become effective partners in the educational process with students, parents, teachers, business, and the community.

FINANCIAL HIGHLIGHTS

- The Dade County School District R-II's total receipts collected exceeded total expenditures paid by \$237,785.30 for the year, resulting in an increase in total net position of 16.662% over the previous year.
- The Dade County School District R-II ended the year with a total fund balance of \$1,667,326.80, prior year fund balance was \$1,429,541.50.

USING THIS ANNUAL REPORT

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34. GASB Statement No. 34 implements a model of financial reporting for state and local governments designed to enhance the usefulness of the district's annual report.

REPORT COMPONENTS

This annual report consists of four parts as follows:

Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities provide information about the activities of the district government-wide (or "as a whole") and present a longer-term view of the district's finances.

Fund Financial Statements: Fund financial statements focus on the individual parts of the district government. Fund financial statements also report the district's operations in more detail than the government-wide statements by providing information about the district's most significant ("major") funds. For *governmental activities*, these statements tell how these services were financed in the short term as well as what remains for future spending.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Notes to the Financial Statements: The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Other Information: This part of the annual report includes optional financial information such as this Management Discussion and Analysis and schedule of budget to actual on the General Fund and Special Revenue Fund Budgetary Comparison Schedule, a schedule of budget to actual on Debt Service Fund and Capital Projects Fund, a schedule of receipts collected by source, a schedule of expenditures paid by object, a summary schedule of receipts collected and expenditures paid and changes in fund balances, a schedule of transfers within the reporting entity. This other financial information is provided to address certain specific needs of various users of the district's annual report.

Basis of Accounting

The District has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing receipts, disbursements and their related cash assets and investments. Under the district's modified cash basis of accounting, receipts and disbursements and related cash assets and investments are recorded 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 this modified cash basis of accounting, certain assets and their related *receipts (such as accounts receivable and receipt for billed or provided services not yet collected)* and certain liabilities and their related *disbursements (such as accounts payable and disbursements for goods or services received but not yet paid, and accrued expenses and liabilities)* are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Reporting the District as a Whole

The District's Reporting Entity Presentation

This annual report includes all activities for which the Dade County School District R-II is fiscally responsible. These activities, defined as the district's reporting entity, are operated by the District.

The Government-Wide Statement of Net Position and the Statement of Activities

The government-wide financial statements are presented on pages 11-13.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

These two statements report the district's net position and changes in them. Keep in mind the limitations of the modified cash basis of accounting.

Reporting the District's Most Significant Funds

The Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law. The district has only one kind of fund - *governmental*.

Governmental funds - The district's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds report the acquisition of capital assets and payments for debt principal as expenditures and not as changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the district's general government operations and the basic services it provides. Governmental fund information helps you determine (through a review of changes to fund balances) whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Department of Elementary and Secondary Education is requiring the General Fund, Special Revenue Fund, Debt Service Fund, and the Capital Projects Fund to be its significant or major governmental funds.

Proprietary funds - The District currently has no proprietary funds. Proprietary funds would be used to account for activities funded by charging customers for services provided.

Fiduciary funds - The District currently has no fiduciary funds. Fiduciary funds are often used to account for assets that are held in a trustee or fiduciary capacity such as pension plan assets, assets held per trust agreements and similar arrangements.

A Financial Analysis of the District as a Whole

Changes in Net Position

For the year ended June 30, 2022, net position of the primary government (resulting from modified cash basis transactions) changed as follows:

	Governmental Activities
Beginning net position	\$ 1,429,541.50
Increase in net position	237,785.30
Ending net position	<u>\$ 1,667,326.80</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Net position at June 30, 2022, reflects a decrease over the prior year's net position balances. Key elements of these increases consist of the following:

	<u>2022</u>	<u>2021</u>
Receipts collected		
Program receipts		
Receipts for services	\$ 125,675.60	\$ 111,198.11
Operating grants and contributions	667,203.73	576,145.83
Capital grants and contributions	65,958.00	62,901.92
General Receipt		
Property taxes	585,414.13	589,224.56
Sales tax	205,006.98	174,460.70
Financial institution tax	19.31	-
M & M, surcharges	2,067.74	1,917.98
In Lieu of tax	272.03	16.32
Earnings on investments	1,633.98	5,469.01
Fines & escheats	987.76	2,687.62
State assessed utility tax	145,315.05	147,585.21
Basic formula	687,944.11	688,479.74
Miscellaneous	29,801.49	32,897.89
Special and extraordinary items		
Sale of school buses	-	-
Total receipts collected	<u>\$2,517,299.91</u>	<u>\$2,392,984.89</u>
Expenditures/disbursements paid		
Instruction	\$ 1,010,964.67	\$ 958,143.64
Student services	37,675.14	57,303.68
Instructional staff support	84,574.18	84,460.81
Building administration	107,459.77	104,826.12
General administration & central services	215,288.89	212,819.57
Operation of plant	161,266.82	138,475.12
Transportation	129,965.98	125,248.66
Food service	120,757.15	96,893.29
Community services	179,545.01	159,314.56
Facility acquisition and construction	8,209.00	29,436.72
Debit service		
Principal	205,000.00	155,000.00
Interest and fiscal agent fees	<u>18,808.00</u>	<u>20,700.50</u>
Total Expenditures/disbursements	<u>\$2,279,514.61</u>	<u>\$2,142,622.67</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Change in net position	\$ 237,785.30	\$ 250,362.22
Net position, beginning of year	<u>1,459,541.50</u>	<u>1,179,179.28</u>
Net position, end of year	<u>\$ 1,667,326.80</u>	<u>\$ 1,429,541.50</u>

Net position of the District at June 30, 2022, and June 30, 2021, consist of the following:

	<u>2022</u>	<u>2021</u>
Restricted	\$ 186,061.20	\$ 230,744.38
Unrestricted	<u>1,481,265.60</u>	<u>1,198,797.12</u>
Net position, end of year	<u>\$ 1,667,326.80</u>	<u>\$ 1,479,541.50</u>

Governmental Activities

For the year ended June 30, 2022, the district's governmental activities were funded as follows:

For the year ended June 30, 2022, total receipts collected for governmental activities amounted to \$2,517,299.91, prior year \$2,392,984.89. Of the total receipts collected 37.67% was local, 5.88% was county, 35.39% was state, 21.06% was federal, and 0.00% was other. Prior year's total receipts collected 37.81% was local, 6.71% was county, 36.18% was state, 19.30% was federal, and 0.00% was other.

For the year ended June 30, 2022, total expenditures paid for governmental activities amounted to \$2,279,514.61, prior year \$2,142,622.67. Of the total expenditures paid 47.18% was salaries, 13.76% was benefits, 12.51% was purchased service, 14.90% was supplies, 1.83% was capital outlay, and 9.82% was other. Of prior year's total expenditures paid 48.71% was salaries, 14.352% was benefits, 12.92% was purchased service, 13.71% was supplies, 2.11% was capital outlay, and 8.20% was other.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The district uses the modified cash basis of accounting as described in Note 1. The District does not record depreciation on its capital assets or recognize capital assets in its financial statements. Capital Assets are expended on both Government-Wide and Fund Financial Statements in the year the cash transaction took place.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Long-Term Debt

At year-end, the District had \$795,000.00 in long-term debt arising from general obligation bonds payable. The general obligation bonds will mature for final payment in 2031.

The district uses the modified cash basis of accounting as described in Note 1. The District does not record or recognize liabilities in its financial statements. Monies raised and received by the District from obligations and leases are recorded as receipts on both Government-Wide and Fund Financial Statements in the year the cash transaction took place.

STUDENT CALENDAR AND ATTENDANCE

The number of actual calendar hours classes were in session and pupils were under the direction of teachers during this school year was:

1,044.4000

The number of days classes were in session and pupils were under the direction of the teachers during this school year was:

167

The total attendance hours for this school year was:

185,924.8014

September Resident Membership:

186.29

Free and Reduced Price Eligible Pupils:

Free	32.86
Reduced	<u>29.00</u>
Total	<u>61.86</u>

Contacting the District's Financial Management

While this Management's Discussion & Analysis is designed to provide a general overview of the cash basis financial condition and operations of the District, citizens groups, taxpayers, parents, students, investors or creditors may want further details. To obtain such details, please contact the Superintendent of Dadeville, Missouri.

GOVERNMENT FINANCIAL STATEMENTS

The financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Government Fund Financial Statements

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the financial statements.

DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2022

ASSETS

Cash and Cash Equivalents	\$	840,489.14
Investments - Available for Sale		<u>826,837.66</u>
Total Assets	\$	<u><u>1,667,326.80</u></u>

NET POSITION

Restricted	\$	186,061.20
Unrestricted		<u>1,481,265.60</u>
Total Net Position	\$	<u><u>1,667,326.80</u></u>

Notes to Financial Statements are and integral part of this statement.

DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Cash Disbursements	Receipts for Services
General Activities:		
Instruction	\$ 1,010,964.67	\$ -
Student Services	37,675.14	
Instructional Staff Support	84,574.18	
Building Administration	107,459.77	
General Administration & Central Services	215,288.89	
Operation of Plant	161,266.82	
Transportation	129,965.98	
Food Service	120,757.15	5,843.05
Community Services	179,545.01	119,832.55
Facility Acquisition and Construction	8,209.00	
Debt Service:		
Principal	205,000.00	
Interest and Fiscal Agent Fees	18,808.00	
Total Expenditures/Expenses	<u>\$ 2,279,514.61</u>	<u>\$ 125,675.60</u>
General Receipts:		
Property Taxes		
Sales Tax		
Financial Institution Tax		
In Lieu of Tax		
M & M, Surcharges		
Earnings On Investments		
Fines & Escheats		
State Assessed Utility Tax		
Basic Formula		
Miscellaneous		
Total General Receipts And Transfers		
Change In Net Position		
Net Position:		
Beginning Of The Year		
End Of The Year		

Notes to Financial Statements are and integral part of this statement.

Operating Grants and Contributions	Capital Grants and Contributions	GOVERNMENTAL ACTIVITIES
\$ 477,490.96	\$ 65,958.00	\$ (467,515.71)
		(37,675.14)
		(84,574.18)
		(107,459.77)
		(215,288.89)
		(161,266.82)
44,047.00		(85,918.98)
145,665.77		30,751.67
		(59,712.46)
		(8,209.00)
		(205,000.00)
		(18,808.00)
<u>\$ 667,203.73</u>	<u>\$ 65,958.00</u>	<u>\$ (1,420,677.28)</u>
		\$ 585,414.13
		205,006.98
		19.31
		272.03
		2,067.74
		1,633.98
		987.76
		145,315.05
		687,944.11
		29,801.49
		<u>\$ 1,658,462.58</u>
		\$ 237,785.30
		1,429,541.50
		<u><u>\$ 1,667,326.80</u></u>

Notes to Financial Statements are and integral part of this statement.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF MODIFIED CASH BASIS ASSETS AND FUND BALANCES ARISING
FROM CASH TRANSACTIONS - ALL FUNDS - MODIFIED CASH BASIS
JUNE 30, 2022**

	GOVERNMENTAL FUNDS	
	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHERS') FUND
ASSETS:		
Cash and Cash Equivalents	\$ 680,459.94	\$ -
Investments - Available for Sale	800,805.66	
Total Assets	<u>\$ 1,481,265.60</u>	<u>\$ -</u>
CASH BASIS FUND BALANCE:		
Restricted	\$ -	\$ -
Unassigned	1,481,265.60	
Total Cash Basis Fund Balance	<u>\$ 1,481,265.60</u>	<u>\$ -</u>

Notes to Financial Statements are and integral part of this statement.

GOVERNMENTAL FUNDS		
DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ 36,684.92	\$ 123,344.28	\$ 840,489.14
26,032.00		826,837.66
<u>\$ 62,716.92</u>	<u>\$ 123,344.28</u>	<u>\$ 1,667,326.80</u>
\$ 62,716.92	\$ 123,344.28	\$ 186,061.20
		1,481,265.60
<u>\$ 62,716.92</u>	<u>\$ 123,344.28</u>	<u>\$ 1,667,326.80</u>

Notes to Financial Statements are and integral part of this statement.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF RECEIPTS COLLECTED, EXPENDITURES PAID AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHERS') FUND
<u>RECEIPTS COLLECTED:</u>		
Local	\$ 659,048.16	\$ 155,798.58
County	125,449.90	987.76
State	313,622.91	524,086.08
Federal	216,613.15	300,825.70
Other Revenue		
TOTAL RECEIPTS COLLECTED	<u>\$ 1,314,734.12</u>	<u>\$ 981,698.12</u>
<u>EXPENDITURES PAID:</u>		
Current		
Instruction	\$ 118,843.78	\$ 879,370.89
Student Services	17,128.62	20,546.52
Instructional Staff Support	43,163.02	41,411.16
Building Administration	16,105.48	91,354.29
General Administration & Central Services	98,503.89	116,785.00
Operation of Plant	143,738.74	1,791.45
Transportation	128,546.74	1,419.24
Food Service	115,709.93	
Community Services	143,842.42	35,702.59
Facility Acquisition and Construction		
Debt Service:		
Principal		
Interest and Fiscal Agent Fees		
TOTAL EXPENDITURES PAID	<u>\$ 825,582.62</u>	<u>\$ 1,188,381.14</u>
<u>RECEIPTS COLLECTED OVER (UNDER) EXPENDITURES PAID</u>	<u>\$ 489,151.50</u>	<u>\$ (206,683.02)</u>
<u>OTHER FINANCING SOURCES (USES):</u>		
Transfers In (Out)	<u>(206,683.02)</u>	<u>206,683.02</u>
<u>RECEIPTS COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</u>	<u>\$ 282,468.48</u>	<u>\$ -</u>
<u>CASH BASIS FUND BALANCE, BEGINNING OF YEAR</u>	<u>1,198,797.12</u>	<u></u>
<u>CASH BASIS FUND BALANCE, END OF YEAR</u>	<u><u>\$ 1,481,265.60</u></u>	<u><u>\$ -</u></u>

Notes to Financial Statements are and integral part of this statement.

DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ 131,332.42	\$ 2,067.74	\$ 948,246.90
21,509.51		147,947.17
	53,208.00	890,916.99
	12,750.00	530,188.85
<u>\$ 152,841.93</u>	<u>\$ 68,025.74</u>	<u>\$ 2,517,299.91</u>
\$ -	\$ 12,750.00	\$ 1,010,964.67
		37,675.14
		84,574.18
		107,459.77
		215,288.89
	15,736.63	161,266.82
	5,047.22	129,965.98
		120,757.15
		179,545.01
	8,209.00	8,209.00
205,000.00		205,000.00
18,808.00		18,808.00
<u>\$ 223,808.00</u>	<u>\$ 41,742.85</u>	<u>\$ 2,279,514.61</u>
\$ (70,966.07)	\$ 26,282.89	\$ 237,785.30
\$ (70,966.07)	\$ 26,282.89	\$ 237,785.30
133,682.99	97,061.39	1,429,541.50
<u>\$ 62,716.92</u>	<u>\$ 123,344.28</u>	<u>\$ 1,667,326.80</u>

Notes to Financial Statements are and integral part of this statement.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Principles Used to Determine Scope of Entity

The district's reporting entity includes the district's governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria includes, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

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

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all activities of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts and other non-exchange receipts. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District does not operate business-type activities. Food Service operations are considered governmental activities and are recorded as such.

Government Fund Financial Statements

Fund financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitutes its cash and investment assets, cash fund balance, cash receipts, and cash expenditures. Funds are organized into two major categories: governmental and proprietary. The District presently has no proprietary funds. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the main operating fund of the District or meets the following criteria:

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1. Total assets, receipts, or expenditures/disbursements of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, receipts, or expenditures/disbursements of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Major and Non-major Funds

The funds are classified as major or non-major as follows:

General Fund - Major Fund
Special Revenue Fund - Major Fund
Debt Service Fund - Major Fund
Capital Projects Fund - Major Fund

General (Incidental) Fund:	Accounts for general activities of the District, including student activities, food service, and textbooks which are not required to be accounted for in another fund.
Special Revenue (Teachers') Fund:	Accounts for expenditures for certified employees involved in administration and instruction. It includes receipts restricted by the state and the local tax levy for the payment of teacher salaries and certain employee benefits.
Debt Service Fund:	Accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt.
Capital Projects (Building) Fund:	Accounts for the proceeds of long-term debt, taxes and other receipts reserved for construction of capital facilities and all other capital outlay.

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities and in the fund financial statements, the "cash" measurement focus is used. Only cash and cash equivalents and investments are recorded as assets. Their operating statements present cash receipts and cash expenditures only. These funds use modified cash fund balance as their measure of available spendable financial resources at the end of the period.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

C. Basis of Accounting

The District has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing receipts, disbursements and their related cash assets and investments. Under the district's modified cash basis of accounting, receipts and disbursements and related cash assets and investments are recorded 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 this modified cash basis of accounting, certain assets and their related *receipts (such as accounts receivable and receipt for billed or provided services not yet collected)* and certain liabilities and their related *disbursements (such as accounts payable and disbursements for goods or services received but not yet paid, and accrued disbursements and liabilities)* are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Government-Wide Financial Statements

In the government-wide financial statements, capital facilities are accounted for as expenditures in the Statement of Activities.

Fund Financial Statements

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures paid of the governmental fund upon acquisition.

Restricted Assets

Restricted assets include assets that are legally restricted as to their use. The primary restricted assets are related trustee accounts restricted for debt service.

Long-Term Debt

Long-term debt arising from cash transactions to be repaid from governmental resources is not reported as a liability in the government-wide statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. Presently, the district does not have any long-term debt or capital lease payables.

**DADE COUNTY SCHOOL DISTRICT R-II
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Long-term debt arising from cash transactions for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

Equity Classification

Government-Wide Financial Statements:

Equity is classified as net position and displayed in two components:

- a. Restricted net position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

It is the district's policy to first use reserved net position prior to the use of unreserved net position when an disbursement is made for purposes for which both reserved and unreserved net position are available.

Fund Financial Statements:

In the Governmental Fund statements, equity is defined as fund balance. As of June 30, 2022, this balance is further classified as follows:

- a. Nonspendable – these are amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – these amounts can only be spent for specific purposes due to enabling legislation, contractual requirements, or donor stipulation.
- c. Committed – these are amounts that can only be used for specific purposes as determined by formal action of the Board of Education. The Board of Education is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Education.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Education can delegate the authority to assign amounts, but does have an approval and oversight function.

**DADE COUNTY SCHOOL DISTRICT R-II
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- e. Unassigned – all other spendable amounts.

When an expenditure is made for which restricted, committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed, then assigned, and finally unassigned funds, as needed, unless the Board of Education provides otherwise in its actions.

Program Receipts

In the Statement of Activities, receipts that are derived directly from each activity or from parties outside the district are reported as program receipts. Program receipts are categorized Receipts for Services, Operating Grants And Contributions, and Capital Grants And Contributions.

Expenditures/Disbursements

In the government-wide financial statements, disbursements are reported on the modified cash basis and are classified by function for governmental activities.

Governmental Activities - By Function:

General Government
Facility Acquisition and Construction
Debt Service

In the fund financial statements, expenditures paid are classified by Character:

Governmental Funds - By Character:

Current (further classified by activity)
Facility Acquisition and Construction
Debt Service

D. Total Column on Statements

The "Total" column is presented only to facilitate financial analysis and does not present financial position or results of operations in conformity with generally accepted accounting principles.

E. Budgets and Budgetary Accounting

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

- 1) In accordance with Chapter 67, RSMo, the District adopted a budget for each fund.

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- 2) Prior to July, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated receipts and proposed expenditures for all district funds. The total authorized expenditures from any fund cannot exceed the estimated receipts to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 3) A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
- 4) Prior to July 1 the budget is legally enacted by a vote of the Board of Education.
- 5) Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the board. Adjustments made during the year are reflected in the budget information included in the financial statements.

Budgeted amounts are as originally adopted, or as amended by the Board of Education on June 10, 2021. Individual amendments were not material in relation to the original appropriations which were amended.

- 6) Budgets for district funds are prepared and adopted on the modified cash basis (budget basis), under which receipts are recorded when received rather than when susceptible to accrual, and expenditures are recorded when paid rather than when the fund liability is incurred.

F. Pooled Cash and Temporary Investments

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

G. Inventories

As a result of the use of the modified cash basis of accounting, consumable materials and supplies are recorded as expenditures at the time of purchase, and, therefore, no balances for inventory on-hand are reported in the statements.

**DADE COUNTY SCHOOL DISTRICT R-II
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

H. Capital Assets

Capital assets are recorded as expenditures paid in the Capital Projects (Building) Fund at the time goods received are paid for. No depreciation is provided on capital assets.

I. Vacation and Sick Leave

Vacation time, personal business days and sick leave are considered as expenditures in the year paid. Such amounts unused and which are vested in the employee are lost upon termination.

J. Compensated Absences

As a result of the use of the modified cash basis of accounting, liabilities related to accrued compensated absences are not recorded in the government-wide or fund financial statements. Expenditures related to compensated absences are recorded when paid. The amount of accrued compensated absences for accumulated, unpaid leave and compensatory time, along with related employer costs that would be due to employees upon termination is not known at year end.

K. Teachers' Salaries

Payroll checks written and dated in June, 2022, for July and August, 2022, payrolls from 2021-2022 contracts in the amount of \$116,644.87 are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

L. Contingencies:

1) Grant Program Involvement

In the normal course of operations, the District participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability of reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

2) Litigation

The District is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include provisions for loss contingencies that may result from these proceedings.

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M. Management Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles, using the modified cash basis of accounting. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported receipts and expenditures. Actual results could vary from the estimates that were assumed in preparing the financial statements.

N. Risk Financing Activities

The District is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District was unable to obtain general liability insurance at a cost it considered to be economically justifiable. The District joined together with other school districts and community colleges in the State to form Missouri United School Insurance Council (M.U.S.I.C.), a public entity risk pool currently operating as a common risk management and insurance program for over 475 Missouri school districts and community colleges. The District pays an annual premium to M.U.S.I.C. for its general insurance coverage. The Agreement for formation of the M.U.S.I.C. provides that M.U.S.I.C. will be self-sustaining through member premiums and will reinsure through commercial companies.

The District continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

O. Operating Transfers

The District will use operating transfers between funds to comply with various local, state, and federal requirements.

	Transfer In	Transfer Out
General Fund	\$ 0.00	\$ 206,683.02
Special Revenue Fund	206,683.02	0.00
Capital Project	0.00	0.00
	<u>\$ 206,683.02</u>	<u>\$ 206,683.02</u>

P. Post Employment Benefits

In addition to the pension described in Note 5, the district makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subject to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The district

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has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

Q. Retirement Plans:

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

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

R. Deferred Outflows/Inflows of Resources:

The District does not report deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (disbursement) until the applicable period.

The District does not report deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (receipt) until a future period.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The district's reporting entity considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Deposits

Missouri Statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2022, the carrying amount of the district's deposits was \$ 840,489.14 and the bank balance was \$ 993,859.17. Of the bank balance, \$ 250,000.00 was covered by federal depository insurance and \$ 743,859.17 was covered by collateral held in the district's name.

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NOTES TO FINANCIAL STATEMENTS
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Cash and Cash Equivalents at June 30, 2022:

The Bank of Missouri:

Checking Account (Operating & Capital Projects)	\$	953,648.65	
Outstanding Checks		(151,723.80)	
Deposits in Transit		1,679.47	\$ 803,604.22
Petty Cash (Operating)	\$	200.00	
Outstanding Checks		(0.00)	
Deposits in Transit		0.00	200.00
Checking Account (Debt Service)	\$	38,331.05	
Outstanding Checks		(1,646.13)	
Deposits in Transit		0.00	36,684.92
Total Cash and Cash Equivalents at June 30, 2022			\$ 840,489.14

Investments

Investment pools are under the custody of the district treasurer. Investing is performed in accordance with investment policies complying with state statutes. Pooled funds may be invested in bonds of the State of Missouri or any wholly owned corporation of the United States; or in other short-term obligations of the United States.

At June 30, 2022, the district's investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
BOK Financial:			
Cavanal Hill US Treasury Fd- Admin Class (Debt Service)	\$ 26,032.00	N/A	AAA
MOCAAT:			
Liquid Series Account	2,838.35	N/A	AAA
US Treasury Note	199,121.48	11/15/2048	AAA
WI Treasury Bill	298,947.20	11/17/2022	AAA
US Treasury Bill	299,898.63	5/18/2023	AAA
	<u>\$ 826,837.66</u>		

Investment Contracts with BOK Financial

The District has funds invested with BOK Financial, which are invested in investment contracts in accordance with Section 165.051 of the Missouri Revised Statutes. Each district investing in the investment

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contracts owns a pro-rata share of each investment, which is held in the name of the contract. The investment contracts are rated in either of the two highest rating categories. Fair market value approximates cost as the District has a pro-rata share of the investment.

Missouri Capital Asset Advantage Treasury (MOCAAT)

The District has funds invested with The Missouri Capital Asset Advantage Treasury (MOCAAT) which was established by Missouri public entities and associations. Provide a daily liquid portfolio called the Liquid Series and also a fixed term fixed rate investments, called a Term Series. Fair market value approximates cost for the District.

The District complies with various restrictions on deposits and investments which are imposed as follows:

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District may invest in bonds of the State of Missouri or any wholly owned corporation of the United States, or in other short-term obligations of the United States. The district has no investment policy that would further limit its investment choices. The district has no policy regarding credit risk.

Custodial Credit Risk

The custodial risk, for an investment is the risk that in the event of the failure of the counterparty, the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The district has no policy on custodial credit risk.

Concentration of Credit Risk

The district places no limit on the amount the district may invest in any one issuer.

3. TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The county collects the property tax and remits it to the District.

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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 levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year.

The assessed valuation of the tangible taxable property (excluding state assessed railroad and utilities) for calendar year 2021 for purposes of local taxation was:

Real Estate:	
Residential	\$ 6,872,450.00
Commercial	1,429,420.00
Agricultural	1,150,670.00
Personal Property	3,842,708.00
Total	<u>\$ 13,295,248.00</u>

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

	Unadjusted	Adjusted
General Fund	\$ 3.4300	\$ 3.4300
Special Revenue Fund	.0000	.0000
Debt Service Fund	.9900	.9900
Capital Projects Fund	.0000	.0000
Total	<u>\$ 4.4200</u>	<u>\$ 4.4200</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2022, aggregated approximately 99.6195 percent of the current assessment computed on the basis of the levy as shown above.

4. CHANGES IN LONG-TERM DEBT

The district issued \$1,290,000.00 in general obligation refunding bonds, series 2016, during the year 2016. These bonds were issued for the purpose of providing funds to advance refund the \$1,290,000.00 portion of principal callable on March 1, 2019 of the district's general obligation bonds, series 2014, maturing from March 1, 2022 to March 1, 2034 callable March 1, 2019 which were redeemed on March 1, 2019.

The following is a summary of bond transactions for the year ended June 30, 2022.

Bonds payable, July 1, 2021	\$ 1,000,000.00
Bonds retired	(205,000.00)
Bonds issued	<u>0.00</u>

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Bonds payable, June 30, 2022 \$ 795,000.00

Bonds payable at June 30, 2022, consist of:

\$1,290,000.00 general obligation refunding bonds due in
varying annual installments through March 1, 2031;
interest of 1.05 percent to 2.30 percent. \$ 795,000.00

Debt service requirements are:

Fiscal Year Ended	Total Payment	Total Interest	Principal Maturing
2023	65,060.00	15,060.00	50,000.00
2024	119,385.00	14,385.00	105,000.00
2025	12,810.00	12,810.00	0.00
2026	117,810.00	12,810.00	105,000.00
2027	121,025.00	11,025.00	110,000.00
2028-2031	447,270.00	22,270.00	425,000.00
Totals	<u>\$ 883,360.00</u>	<u>\$ 88,360.00</u>	<u>\$ 795,000.00</u>

Article VI, Section 26 (b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of the district. The legal debt margin, computed excluding state-assessed railroad and utilities, of the District at June 30, 2022, was:

Constitutional debt limit	\$ 1,994,287.20
General obligation bonds payable	(795,000.00)
Amount available in Debt Service Fund	36,684.92
Amount available in Debt Service Escrow Funds	<u>26,032.00</u>
Legal Debt Margin	<u>\$ 1,262,004.12</u>

5. RETIREMENT PLANS

Public School Retirement System of Missouri ("PSRS")

Financial reporting information pertaining to the district's participation in the Public School Retirement System of Missouri and the Public Education Employee Retirement System of Missouri (PSRS and PEERS, also referred to as the Systems) is prepared in accordance with Governmental

**DADE COUNTY SCHOOL DISTRICT R-II
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Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of PSRS have been determined on the same basis as they are reported by the Systems. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing the Systems. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value. The fiduciary net position is reflected in the measurement of the district's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. An Annual Comprehensive Financial Report ("ACFR") can be obtained at www.psrs-peers.org.

General Information about the Pension Plan

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 Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

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 five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Summary Plan Description detailing the provisions of the plan can be found on the System's website at www.psrs-peers.org.

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

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided

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

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2020, 2021 and 2022. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

The district's contributions to PSRS were \$ 136,735 for the year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the district has an unrecorded liability of \$400,694 for its proportionate share of the PSRS net pension liability. The net pension liability for the plan in total was measured as of June 30, 2021 and determined by an actuarial valuation as of that date. The district's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PSRS of \$134,867 for the year ended June 30, 2021 relative to the total contributions for PSRS of \$744,694,744 from all participating employers. At June 30, 2021, the district's proportionate share was 0.0181%.

For the year ended June 30, 2022, the district recognized a pension expense (income) of (\$60,948), its proportionate share of the total pension expense (income). Pension expense is the change in the

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DADEVILLE, MISSOURI
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net pension liability from the previous reporting period to the current reporting period, less adjustments. This may be a negative expense (pension income).

At June 30, 2022, the district deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS pension benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows Due to:		
- Differences between expected and actual experience	\$ 149,682	\$ 35,864
- Changes of assumptions	164,398	0
- Net difference between projected and actual earnings on pension plan investments	188,935	1,214,157
- Changes in proportion and differences between Employer contributions and proportionate shares of contributions	13,348	2,134
- Employer contributions subsequent to the measurement date	136,735	0
Total	<u>\$ 653,098</u>	<u>\$ 1,252,155</u>

Amounts reported as deferred outflows of resources to pensions resulting from contribution subsequent to the measurement date of June 30, 2021 will be recognized as a reduction to the net pension liability in the year ended June 30, 2023. Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized in pension expense:

Year Ending June 30:	
2023	\$ (151,754)
2024	(168,054)
2025	(200,856)
2026	(249,653)
2027	34,526
Thereafter	0
	<u>\$ (735,791)</u>

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Actuarial Assumptions

Actuarial valuations of the Systems involves assumptions about probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of Trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year and from Board policies concerning investments and COLAs. The most recent comprehensive experience studies were completed in May 2021. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the studies and effective with the June 30, 2021 valuation. Significant actuarial assumption and methods are detailed below. For additional information please refer to the Systems' Annual Comprehensive Financial Report (ACFR). The next experience studies area scheduled for 2026.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

- | | |
|----------------------------------|--|
| - Measurement Date | June 30, 2021 |
| - Valuation Date | June 30, 2021 |
| - Expected Return on Investments | 7.30%, net of investment expenses including 2.00% inflation |
| - Inflation | 2.00% per annum |
| - Total Payroll Growth | 2.25% per annum, consisting of 2.00% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity. |
| - Future Salary Increase | 2.625-8.875%, depending on service and including 2.00% inflation, 0.125% real wage growth additional inflation due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity, and real wage growth for merit. |
| - Cost-of-Living Increases | Given that the actual increase in the CPI-U index from June 2020 to June 2021 was |

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FOR THE YEAR ENDED JUNE 30, 2022**

5.39%, the Board approved an actual cost-of-living adjustment (COLA) as of January 1, 2022 of 5.00%, in accordance with the Board's funding policy and Missouri statutes, compared to an assumed COLA of 2.00%. Future COLAs assumed in the valuation are 2.00% as of January 1, 2023, and January 1, 2024, and 1.35% each January 1, thereafter. This COLA assumption is based on the 20-year stochastic analysis of inflation performed in the 2021 experience study, the application of the Board's COLA policy, and the short-term expectations of COLA due to the recent CPI activity. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:

- If the June to June change in the 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 zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which time the 2% cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI-U decreases, no COLA is

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provided.

- The COLA applies to service retirements and beneficiary annuities. The COLA does not apply to the benefits for in-service death payable to spouses (where the spouse is over age 60), and does not apply to the spouse with children pre-retirement death benefit, the dependent children pre-retirement death benefit, or the dependent parent death benefit. The total lifetime COLA cannot exceed 80% of the original benefit. PSRS members receive a COLA on the second January after retirement.

- Mortality Assumption
Actives:

Experience-adjusted Pub-2010 Teachers Mortality Table for Employees projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Non-Disabled Retirees:

Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 Teachers Mortality Table for Healthy Retirees and the Pub-2010 Teachers Mortality Table for Contingent Survivors, respectively. The tables are projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

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	<u>Males</u>	<u>Females</u>
Non-Disabled	1.10	1.04
Contingent Survivor	1.18	1.07

Disabled Retirees:

Experience-adjusted Pub-2010 Teacher Disability Mortality Table, projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Changes in Actuarial Assumptions and Methods

An experience study was completed in May 2021 resulting in an update in the following assumptions:

- The long-term inflation assumption was decreased from 2.25% to 2.00%.
- The expected return on assets assumption was decreased from 7.50% to 7.30%.
- The cost-of-living assumption was changed to be 2.00% on January 1, 2022, 2023, and 2024, and 1.35% on each January 1 thereafter.
- The total payroll growth assumption was decreased from 2.75% to 2.25%.
- The future salary growth assumption was decreased from 3.00%-9.00%, depending on service, to 2.625%-8.875%, depending on service.
- The mortality assumptions were changed to reflect the PubT-2010 (Teacher) mortality tables, with adjustments based on actual member mortality experience from 2015-2020, and to incorporate future mortality improvement on a generational basis in accordance with the MP-2020 improvement scale.

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- Other demographic assumptions were also changed based on actual member demographic experience from 2015-2020.

Fiduciary Net Position

The System issues a publicly available financial report (ACFR) that can be obtained at www.psrs-peers.org

- Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target allocation as of June 30, 2021 are summarized below.

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Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis
U.S. Public Equity	23.0%	4.81%
Public Credit	0.0%	0.80%
Hedged Assets	6.0%	2.39%
Non-U.S. Public Equity	16.0%	6.88%
U.S. Treasuries	20.0%	-0.02%
U.S. TIPS	0.0%	0.29%
Private Credit	8.0%	5.61%
Private Equity	16.0%	10.90%
Private Real Estate	11.0%	7.47%
Total	100.0%	

- Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.30% as of June 30, 2021, and is consistent with the long-term expected geometric return on plan investments. The Board of Trustees adopted a new actuarial assumed rate of return to 7.3 % effective with the June 30, 2021 valuation based on the actuarial experience studies conducted during the current year.. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

- Discount Rate Sensitivity

The sensitivity of the district's net pension

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liability to changes in the discount rate is presented below. The district's net pension liability calculated using the discount rate of 7.30 is presented as well as the net pension liabilities using a discount rate that is 1.0% lower (6.30) or 1.0% higher (8.30) than the current rate.

Discount Rate	1% Decrease (6.30%)	Current Rate (7.30%)	1% Increase (8.30%)
Proportionate share of the Net Pension Liability/(Asset)	\$ 1,613,163	\$ 400,694	\$ (603,169)

Public Education Employee Retirement System of Missouri ("PEERS")

Financial reporting information pertaining to the district's participation in the Public Education Employee Retirement System of Missouri (PEERS, also referred to as the System) is prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, Accounting and Financial Reporting for Pensions, as amended.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of PEERS have been determined on the same basis as they are reported by the Systems. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing the Systems. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value. The fiduciary net position is reflected in the measurement of the district's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. An Annual Comprehensive Financial Report ("ACFR") can be obtained at www.psrs-peers.org.

General Information about the Pension Plan

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

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Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri.

Benefits Provided. PEERS is a defined benefit plan providing service retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62) which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their 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 plans can be found on the Systems' website at www.psrs-peers.org.

Cost-of-Living Adjustments (COLA). The Board of Trustees has established a policy of providing COLAs to members as follows:

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods a cost-of-living increase of 2% will be granted when the cumulative increase is equal or greater than 5%, at which point the cumulative increase in the CPI-U will reset to zero. For the following year the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
-
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
-
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
-
- If the CPI decreases, no COLA is provided.
-
- For any 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.

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Contributions. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2020, 2021, and 2022. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The district's contributions to PEERS were \$10,208 the year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the district had an unrecorded liability of \$8,615 for its proportionate share of the PEERS net pension liability. The net pension liability for the plan in total was measured as of June 30, 2021, and determined by an actuarial valuation as of that date. The district's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PEERS of \$10,111, for the year ended June 30, 2021, relative to the total contributions for PEERS of \$125,712,392 from all participating employers. At June 30, 2021, the district's proportionate share was 0.0080%.

For the year ended June 30, 2022, the district recognized a pension expense of \$295 its proportionate share of the total pension expense (income). Pension expense is the change in the net pension liability from the previous reporting period to the current reporting period, less adjustments. This may be a negative expense (pension income).

At June 30, 2022, the district deferred outflows of resources and deferred inflows of resources from the following sources related to PEERS pension benefits:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance of Deferred Outflows and Inflows Due to:		
- Differences between expected and actual experience	\$ 4,984	\$ 447
- Changes of assumptions	4,633	0
- Net difference between projected and actual earnings on pension plan investments	10,346	67,953
- Changes in proportion and differences between Employer contributions and proportionate shares of contributions	5,907	586

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- Employer contributions subsequent to the measurement date	10,208	0
Total	<u>\$ 36,078</u>	<u>\$ 68,986</u>

Amounts reported as deferred outflows of resources to pensions resulting from contribution subsequent to the measurement date of June 30, 2021 will be recognized as a reduction to the net pension liability in the year ended June 30, 2023. Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized in pension expense:

Year Ending June 30:

2023	\$ (7,801)
2024	(6,183)
2025	(12,326)
2026	(16,806)
2027	0
Thereafter	0
	<u>\$ (43,116)</u>

Actuarial Assumptions

Actuarial valuations of the Systems involves assumptions about probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of Trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year and from Board policies concerning investments and COLAs. The most recent comprehensive experience studies were completed in May 2021. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the studies and effective with the June 30, 2021 valuation. Significant actuarial assumption are detailed below. For additional information please refer to the Systems' Annual Comprehensive Financial Report (ACFR).The next experience studies are scheduled for 2022.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

- Measurement Date	June 30, 2021
- Valuation Date	June 30, 2021
- Expected Return on Investments	7.30%, net of investment expenses including 2.00% inflation
- Inflation	2.00% per annum
- Total Payroll Growth	2.50% per annum, consisting of 2.00%

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inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.

- Future Salary Increase

3.25%-9.75%, depending on service and including 2.00% inflation, 0.25% real wage growth due to the inclusion active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity, and real wage growth for merit.

- Cost-of-Living Increases

Given that the actual increase in the CPI-U index from June 2020 to June 2021 was 5.39%, the Board approved an actual cost-of-living adjustment (COLA) as of January 1, 2022 of 5.00%, in accordance with the Board's funding policy and Missouri statutes, compared to an assumed (COLA) of 2.00%. Future COLAs assumed in the valuation are 2.00% as of January 1, 2023 and January 1, 2024, and 1.35% each January 1, thereafter. This COLA assumption is based on the 20-year stochastic analysis of inflation performed in the 2021 experience study, the application of the Board's COLA policy, and the short-term expectations of COLA due to recent CPI activity. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:

- If the June to June change in the 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 which the 2% cost-of-living increase is granted.

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- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.
-
- The COLA applies to service retirements and beneficiary annuities. The COLA does not apply to the benefits for in-service death payable to spouses (where the spouse is over age 60), and does not apply to the spouse with children pre-retirement death benefit, the dependent children pre-retirement death benefit, or the dependent parent death benefit. The total lifetime COLA cannot exceed 80% of the original benefit. PEERS members receive a COLA on the fourth January after retirement.

- Mortality Assumption
Actives:

Experience-adjusted Pub-2010 General (Below-Median Income) Mortality Table for Employees projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Non-Disabled Retirees:

Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 General (Below-Median Income) Mortality Table for Healthy Retirees and the Pub-2010 General (Below-Median Income) Mortality Table for Contingent Survivors, respectively. The tables are projected from 2010 to 2018

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using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

	<u>Males</u>	<u>Females</u>
Non-Disabled	1.10	1.04
Contingent Survivor	1.18	1.07

Disabled Retirees:

Experience-adjusted Pub-2010 General Disability Mortality Table projected from 2010-2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Changes in Actuarial Assumptions and Methods

An experience study was completed in May 2021 resulting in an update to the following assumptions:

- The long-term inflation assumption was decreased from 2.25% to 2.00%.
- The expected return on assets assumption was decreased from 7.50% to 7.30%.
- The cost-of-living increase assumption was changed to be 2.00% on January 1, 2022, 2023, and 2024, and 1.35% on each January 1 thereafter,
- The Total payroll growth assumption was decreased from 3.25% to 2.50%.
- The future salary growth assumption was decreased from 4.00%-11.00%, depending on service, to 3.25%-9.75%, depending on service.
- The mortality assumptions were changed to reflect the PubG-2010(B) (General Employee, Below-Median Income) mortality tables, with adjustments based on actual member experience from 2015-2020, and to incorporate future mortality improvement on

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a generational basis in accordance with the MP-2020 improvement scale.

- Other demographic assumptions were also changed based on actual member demographic experience from 2015-2020.

Fiduciary Net Position

The Systems issues a publicly available financial report (ACFR) that can be obtained at www.psr-s-peers.org

- Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long-term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target allocation as of June 30, 2021 are summarized below.

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Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis
U.S. Public Equity	23.0%	4.81%
Public Credit	0.0%	0.80%
Hedged Assets	6.0%	2.39%
Non-U.S. Public Equity	16.0%	6.88%
U.S. Treasuries	20.0%	-0.02%
U.S. TIPS	0.0%	0.29%
Private Credit	8.0%	5.61%
Private Equity	16.0%	10.90%
Private Real Estate	11.0%	7.47%
Total	100.0%	

- Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.3% as of June 30, 2021, and is consistent with the long-term expected geometric return on plan investments. The Board of Trustees adopted a new actuarial assumed rate of return of 7.3% effective with the June 30, 2021 valuations based on the actuarial experience studies conducted during the current fiscal year. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed percent, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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- Discount Rate Sensitivity

The sensitivity of the district's net pension liabilities to changes in the discount rate is presented below. The district's net pension liabilities calculated using the discount rate of 7.30% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.30) or 1.0% higher (8.30) than the current rate.

Discount Rate	1% Decrease (6.30%)	Current Rate (7.30%)	1% Increase (8.30%)
Proportionate share of the Net Pension Liability/(Asset)	\$ 72,955	\$ 8,615	\$ (45,078)

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 8, 2022, the date which the financial statements were available to be issued. No unusual or significant events have occurred which would impact the information included here.

OTHER INFORMATION

Other information includes financial statements and schedules not required by the GASB, nor a part of the financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Statement of Receipts Collected, Expenditures Paid and Changes in Cash Fund Balance – Final Budget and Actual - General Fund and Special Revenue Fund - Modified Cash Basis
- Statement of Receipts Collected, Expenditures Paid and Changes in Cash Fund Balance - Final Budget and Actual - Debt Service Fund and Capital Projects Fund - Modified Cash Basis
- Schedule of Receipts Collected by Source - School District Funds - Modified Cash Basis
- Schedule of Expenditures Paid by Object - School District Funds - Modified Cash Basis
- Summary Schedule of Receipts Collected, Expenditures Paid and Changes in Fund Balances - School District Funds - Modified Cash Basis
- Schedule of Transfers Within the Reporting Entity - Modified Cash Basis
- Financial Statement Information Related to the Public School Retirement System of Missouri, Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
- Financial Statement Information Related to the Public School Retirement System of Missouri, Schedule of Employer Contributions
- Financial Statement Information Related to the Public Education Employee Retirement System of Missouri, Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
- Financial Statement Information Related to the Public Education Employee Retirement System of Missouri, Schedule of Employer Contributions

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF RECEIPTS COLLECTED, EXPENDITURES PAID
AND CHANGES IN CASH FUND BALANCE-FINAL BUDGET AND ACTUAL -
GENERAL FUND AND SPECIAL REVENUE FUND - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND			
	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
<u>RECEIPTS COLLECTED:</u>				
Local	\$ 487,274.00	\$ 659,048.16	\$ 659,048.16	\$ -
County	126,000.00	125,449.90	125,449.90	
State	156,965.00	313,622.91	313,622.91	
Federal	114,863.00	216,613.15	216,613.15	
Other Revenue				
TOTAL RECEIPTS COLLECTED	<u>\$ 885,102.00</u>	<u>\$ 1,314,734.12</u>	<u>\$ 1,314,734.12</u>	<u>\$ -</u>
<u>EXPENDITURES PAID:</u>				
Current				
Instruction	\$ 217,149.00	\$ 118,843.78	\$ 118,843.78	\$ -
Student Services	17,788.00	17,128.62	17,128.62	
Instructional Staff Support	32,164.00	43,163.02	43,163.02	
Building Administration	17,984.00	16,105.48	16,105.48	
General Administration & Central Services	92,520.74	98,503.89	98,503.89	
Operation of Plant	152,901.00	143,738.74	143,738.74	
Transportation	129,221.00	128,546.74	128,546.74	
Food Service	95,604.00	115,709.93	115,709.93	
Community Services	1,918.00	143,842.42	143,842.42	
Facility Acquisition and Construction				
Debt Service:				
Principal				
Interest and Fiscal Agent Fees				
TOTAL EXPENDITURES PAID	<u>\$ 757,249.74</u>	<u>\$ 825,582.62</u>	<u>\$ 825,582.62</u>	<u>\$ -</u>
<u>RECEIPTS COLLECTED OVER (UNDER)</u>				
<u>EXPENDITURES PAID</u>	<u>\$ 127,852.26</u>	<u>\$ 489,151.50</u>	<u>\$ 489,151.50</u>	<u>\$ -</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers In (Out)	<u>(111,176.00)</u>	<u>(206,683.02)</u>	<u>(206,683.02)</u>	
<u>RECEIPTS COLLECTED AND OTHER</u>				
<u>SOURCES OVER (UNDER) EXPENDITURES</u>				
<u>PAID AND OTHER USES</u>	<u>\$ 16,676.26</u>	<u>\$ 282,468.48</u>	<u>\$ 282,468.48</u>	<u>\$ -</u>
<u>CASH BASIS FUND BALANCE, BEGINNING OF YEAR</u>			<u>1,198,797.12</u>	
<u>CASH BASIS FUND BALANCE, END OF YEAR</u>			<u>\$1,481,265.60</u>	

SPECIAL REVENUE (TEACHERS') FUND

BUDGETED AMOUNTS		ACTUAL	VARIANCE
ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
\$ 187,704.00	\$ 155,798.58	\$ 155,798.58	\$ -
3,000.00	987.76	987.76	
711,885.00	524,086.08	524,086.08	
40,666.00	300,825.70	300,825.70	
<u>\$ 943,255.00</u>	<u>\$ 981,698.12</u>	<u>\$ 981,698.12</u>	<u>\$ -</u>
\$ 889,295.08	\$ 879,370.89	\$ 879,370.89	\$ -
20,562.00	20,546.52	20,546.52	
40,608.00	41,411.16	41,411.16	
91,306.00	91,354.29	91,354.29	
118,417.00	116,785.00	116,785.00	
	1,791.45	1,791.45	
1,419.00	1,419.24	1,419.24	
	35,702.59	35,702.59	
<u>\$ 1,161,607.08</u>	<u>\$ 1,188,381.14</u>	<u>\$ 1,188,381.14</u>	<u>\$ -</u>
\$ (218,352.08)	\$ (206,683.02)	\$ (206,683.02)	\$ -
<u>111,176.00</u>	<u>206,683.02</u>	<u>206,683.02</u>	
<u><u>\$ (107,176.08)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
		<u><u>\$ -</u></u>	

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
STATEMENT OF RECEIPTS COLLECTED, EXPENDITURES PAID
AND CHANGES IN CASH FUND BALANCE-FINAL BUDGET AND ACTUAL -
DEBT SERVICE FUND AND CAPITAL PROJECTS FUND-MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	DEBT SERVICE FUND			
	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
<u>RECEIPTS COLLECTED:</u>				
Local	\$ 126,608.00	\$ 131,332.42	\$ 131,332.42	\$ -
County	21,873.00	21,509.51	21,509.51	
State				
Federal				
Other Revenue				
TOTAL RECEIPTS COLLECTED	<u>\$ 148,481.00</u>	<u>\$ 152,841.93</u>	<u>\$ 152,841.93</u>	<u>\$ -</u>
<u>EXPENDITURES PAID:</u>				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Student Services				
Instructional Staff Support				
Building Administration				
General Administration & Central Services				
Operation of Plant				
Transportation				
Food Service				
Community Services				
Facility Acquisition and Construction				
Debt Service:				
Principal	155,000.00	205,000.00	205,000.00	
Interest and Fiscal Agent Fees	20,201.00	18,808.00	18,808.00	
TOTAL EXPENDITURES PAID	<u>\$ 175,201.00</u>	<u>\$ 223,808.00</u>	<u>\$ 223,808.00</u>	<u>\$ -</u>
<u>RECEIPTS COLLECTED OVER (UNDER)</u>				
<u>EXPENDITURES PAID</u>	\$ (26,720.00)	\$ (70,966.07)	\$ (70,966.07)	\$ -
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In (Out)				
<u>RECEIPTS COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</u>				
	<u>\$ (26,720.00)</u>	<u>\$ (70,966.07)</u>	<u>\$ (70,966.07)</u>	<u>\$ -</u>
<u>CASH BASIS FUND BALANCE, BEGINNING OF YEAR</u>			<u>133,682.99</u>	
<u>CASH BASIS FUND BALANCE, END OF YEAR</u>			<u>\$ 62,716.92</u>	

CAPITAL PROJECTS (BUILDING) FUND					
BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE		
ORIGINAL	FINAL		FINAL BUDGET		
\$	900.00	\$	2,067.74	\$	-
	500.00		53,208.00		
			12,750.00		
\$	1,400.00	\$	68,025.74	\$	-
\$	2,956.00	\$	12,750.00	\$	-
	3,250.00		15,736.63		
			5,047.22		
	10,000.00		8,209.00		
\$	16,206.00	\$	41,742.85	\$	-
\$	(14,806.00)	\$	26,282.89	\$	-
\$	(14,806.00)	\$	26,282.89	\$	-
			97,061.39		
			\$ 123,344.28		

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2022**

Budgets and Budgetary Accounting

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

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund of the political subdivision.
2. Prior to July, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. On June 10, 2021, 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.
6. Budgets for District funds are prepared and adopted on the cash basis (budget basis), recognizing revenues when collected and expenditures when paid.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF RECEIPTS COLLECTED BY SOURCE
SCHOOL DISTRICT FUNDS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHERS') FUND
<u>LOCAL:</u>		
Current Taxes	\$ 431,901.66	\$ -
Delinquent Taxes	22,391.42	
School District Trust Fund (Prop C)	49,214.82	155,792.16
Financial Institution Tax	19.31	
M & M Surcharge Tax		
In Lieu of Tax	272.03	
Earnings On Investments	1,416.19	6.42
Food Service-Non Program	5,843.05	
Student Activities	119,832.55	
Other Local	28,157.13	
TOTAL LOCAL	\$ 659,048.16	\$ 155,798.58
<u>COUNTY:</u>		
Fines, Escheats, Etc	\$ -	\$ 987.76
State Assessed Utilities	124,173.84	
Federal Property	1,276.06	
TOTAL COUNTY	\$ 125,449.90	\$ 987.76
<u>STATE:</u>		
Basic Formula	\$ 171,986.03	\$ 515,958.08
Transportation	31,675.00	
Early Childhood Special Education	12,372.00	
Basic Formula-Classroom Trust Fund	17,527.52	
Educational Screening Prog Entitlement	8,256.85	
Small School Grant	64,497.00	
Career Education	639.23	8,128.00
Food Service-State	1,479.63	
High Need Fund-Special Education	3,417.49	
Other State Revenue	1,772.16	
TOTAL STATE	\$ 313,622.91	\$ 524,086.08

DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ 124,658.30	\$ -	\$ 556,559.96
6,462.75		28,854.17
		205,006.98
		19.31
	2,067.74	2,067.74
		272.03
211.37		1,633.98
		5,843.05
		119,832.55
		28,157.13
<u>\$ 131,332.42</u>	<u>\$ 2,067.74</u>	<u>\$ 948,246.90</u>
\$ -	\$ -	\$ 987.76
21,141.21		145,315.05
368.30		1,644.36
<u>\$ 21,509.51</u>	<u>\$ -</u>	<u>\$ 147,947.17</u>
\$ -	\$ -	\$ 687,944.11
		31,675.00
		12,372.00
	53,208.00	70,735.52
		8,256.85
		64,497.00
		8,767.23
		1,479.63
		3,417.49
		1,772.16
<u>\$ -</u>	<u>\$ 53,208.00</u>	<u>\$ 890,916.99</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF RECEIPTS COLLECTED BY SOURCE
SCHOOL DISTRICT FUNDS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHERS') FUND
<u>FEDERAL:</u>		
Medicaid	\$ 4,242.02	\$ -
A.R.P. - Esser I I I		243,449.82
Cares - Esser Fund	100.18	6,837.50
Cares - Governor'S Emergency Education Relief	87.68	
I D E A Grants	81.69	
Individuals With Disabilities Act (I.D.E.A.)	30,903.48	
Early Childhood Special Education	6,497.00	
School Lunch Program	102,910.31	
School Breakfast Program	41,275.83	
Title 1 - E.S.E.A.		40,100.33
Title I V	2,888.00	10,438.05
Title I I, Part A	4,326.64	
Title V I, Rural Education Initiative	15,671.48	
Other Federal	7,628.84	
TOTAL FEDERAL	<u>\$ 216,613.15</u>	<u>\$ 300,825.70</u>
<u>OTHER NON-CURRENT RECEIPTS</u>	<u>\$ -</u>	<u>\$ -</u>
<u>RECEIVED FROM OTHER DISTRICTS</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL RECEIPTS COLLECTED	<u><u>\$ 1,314,734.12</u></u>	<u><u>\$ 981,698.12</u></u>

DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ -	\$ -	\$ 4,242.02
	12,750.00	256,199.82
		6,937.68
		87.68
		81.69
		30,903.48
		6,497.00
		102,910.31
		41,275.83
		40,100.33
		13,326.05
		4,326.64
		15,671.48
		7,628.84
<u>\$ -</u>	<u>\$ 12,750.00</u>	<u>\$ 530,188.85</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 152,841.93</u>	<u>\$ 68,025.74</u>	<u>\$ 2,517,299.91</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF EXPENDITURES PAID BY OBJECT
SCHOOL DISTRICT FUNDS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHER'S) FUND
Salaries	\$ 158,731.34	\$ 916,798.04
Employee Benefits	49,990.32	263,583.10
Purchased Service	277,242.94	8,000.00
Supplies	339,618.02	
Capital Outlay		
Other Objects		
	<u>\$ 825,582.62</u>	<u>\$ 1,188,381.14</u>

DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ -	\$ -	\$ 1,075,529.38
		313,573.42
		285,242.94
		339,618.02
	41,742.85	41,742.85
223,808.00		223,808.00
<u>\$ 223,808.00</u>	<u>\$ 41,742.85</u>	<u>\$ 2,279,514.61</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SUMMARY SCHEDULE OF RECEIPTS COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCES
SCHOOL DISTRICT FUNDS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL (INCIDENTAL) FUND
Receipts Collected	\$ 1,314,734.12
Expenditures Paid	<u>825,582.62</u>
Receipts Collected Over (Under) Expenditures Paid	\$ 489,151.50
Other Financing Sources (Uses) Transfers	<u>(206,683.02)</u>
Receipts Collected and Other Sources Over (Under) Expenditures Paid and Other Uses	\$ 282,468.48
Cash Fund Balance, Beginning Of The Year	<u>1,198,797.12</u>
Cash Fund Balance, End Of The Year	<u><u>\$ 1,481,265.60</u></u>

SPECIAL REVENUE (TEACHERS') FUND	DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL
\$ 981,698.12	\$ 152,841.93	\$ 68,025.74	\$ 2,517,299.91
<u>1,188,381.14</u>	<u>223,808.00</u>	<u>41,742.85</u>	<u>2,279,514.61</u>
\$ (206,683.02)	\$ (70,966.07)	\$ 26,282.89	\$ 237,785.30
<u>206,683.02</u>	<u> </u>	<u> </u>	<u> </u>
\$ -	\$ (70,966.07)	\$ 26,282.89	\$ 237,785.30
<u> </u>	<u>133,682.99</u>	<u>97,061.39</u>	<u>1,429,541.50</u>
<u>\$ -</u>	<u>\$ 62,716.92</u>	<u>\$ 123,344.28</u>	<u>\$ 1,667,326.80</u>

DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF TRANSFERS WITHIN THE REPORTING ENTITY - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

TRANSFERS TO/FROM	GENERAL (INCIDENTAL) FUND	SPECIAL REVENUE (TEACHER) FUND	DEBT SERVICE FUND	CAPITAL PROJECTS (BUILDING) FUND	TOTAL TRANSFERS TO/FROM
Transfer To	\$ -	\$ 206,683.02	\$ -	\$ -	\$ 206,683.02
Transfer From	206,683.02				206,683.02
Total Transfers	<u>\$ 206,683.02</u>	<u>\$ 206,683.02</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
FINANCIAL STATEMENT INFORMATION RELATED TO THE PUBLIC SCHOOL
RETIREMENT SYSTEM OF MISSOURI, SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios

<u>Year Ended</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2014	0.0174%	\$717,951	\$775,658	92.56%	89.34%
6/30/2015	0.0174%	1,004,478	788,148	127.45%	85.78%
6/30/2016	0.0179%	1,331,876	831,273	160.22%	85.18%
6/30/2017	0.0179%	1,292,653	850,878	151.92%	83.77%
6/30/2018	0.0178%	1,324,257	860,953	153.87%	84.06%
6/30/2019	0.0180%	1,328,413	888,942	149.44%	84.62%
6/30/2020	0.0180%	1,607,529	902,131	149.44%	82.01%
6/30/2021	0.0181%	400,694	930,117	42.08%	95.81%

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
FINANCIAL STATEMENT INFORMATION RELATED TO THE PUBLIC SCHOOL
RETIREMENT SYSTEM OF MISSOURI, SCHEDULE OF EMPLOYER
CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2013	\$109,786	\$109,786	-	\$757,143	14.50%
6/30/2014	112,471	112,471	-	775,658	14.50%
6/30/2015	114,282	114,282	-	788,148	14.50%
6/30/2016	119,619	119,619	-	831,273	14.39%
6/30/2017	122,388	122,388	-	850,878	14.38%
6/30/2018	123,805	123,805	-	860,953	14.38%
6/30/2019	127,822	127,822	-	888,942	14.38%
6/30/2020	130,671	130,671	-	902,131	14.48%
6/30/2021	130,671	130,671	-	930,117	14.50%

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
FINANCIAL STATEMENT INFORMATION RELATED TO THE PUBLIC SCHOOL
RETIREMENT SYSTEM OF MISSOURI, SCHEDULE OF EMPLOYER
CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios

<u>Year Ended</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2014	0.0074%	\$27,022	\$107,553	25.12%	91.33%
6/30/2015	0.0076%	40,197	114,327	35.16%	88.28%
6/30/2016	0.0071%	56,966	109,103	56.21%	83.32%
6/30/2017	0.0075%	57,221	121,160	47.23%	85.35%
6/30/2018	0.0077%	59,499	127,566	46.64%	86.06%
6/30/2019	0.0070%	55,367	121,506	45.57%	86.38%
6/30/2020	0.0070%	67,939	125,938	53.95%	84.06%
6/30/2021	0.0080%	8,615	147,394	5.85%	98.36%

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
FINANCIAL STATEMENT INFORMATION RELATED TO THE PUBLIC SCHOOL
RETIREMENT SYSTEM OF MISSOURI, SCHEDULE OF EMPLOYER
CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2013	\$8,793	\$8,793	-	\$128,181	6.86%
6/30/2014	7,378	7,378	-	107,553	6.86%
6/30/2015	7,843	7,843	-	114,327	6.86%
6/30/2016	7,484	7,484	-	109,103	6.86%
6/30/2017	8,312	8,312	-	121,160	6.80%
6/30/2018	8,751	8,751	-	127,566	6.86%
6/30/2019	8,335	8,335	-	121,506	6.86%
6/30/2020	8,639	8,639	-	125,938	6.86%
6/30/2021	10,111	10,111	-	147,394	6.86%

SUPPLEMENTARY INFORMATION

State Compliance Section:

- Independent Accountants' Report On Management's Assertions About Compliance With Specified Requirements Of Missouri Laws And Regulations
- Summary Schedule of State Findings
- Summary Schedule of Selected Statistics
- Schedule of Transportation Costs Eligible for State Aid
- Schedule of State Financial Assistance

Federal Compliance Section:

- Independent Auditors' Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

STATE COMPLIANCE SECTION

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

To the Board of Education
Dade County School District R-II
Dadeville, Missouri

We have examined management's assertions that Dade County School District R-II, Dadeville, Missouri complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, resident membership on the last Wednesday of September, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the schedule of selected statistics during the year ended June 30, 2022. Management is responsible for the Dade County School District R-II's compliance with those requirements. Our responsibility is to express an opinion on management's assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertions referred to above are fairly stated, in all material respects, with the aforementioned requirements for the year ended June 30, 2022.

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

THE CPA GROUP, P.C.

Monett, Missouri
August 8, 2022

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SUMMARY SCHEDULE OF STATE FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

Budget:

None

Attendance:

None

Transportation:

None

Other Compliance:

None

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2022**

SCHEDULE OF SELECTED STATISTICS YEAR ENDED JUNE 2022

1. Calendar (Sections 160.041, 171.029, 171.031, and 171.033 RSMo)

The district calendar 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
029-002	K	12		6.3167	164	1,044.4000

2. ATTENDANCE HOURS

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
029-002	K	12,334.6822					12,334.6822
029-002	1	12,135.5988					12,135.5988
029-002	2	20,941.2644					20,941.2644
029-002	3	16,482.7652					16,482.7652
029-002	4	15,250.8320					15,250.8320
029-002	5	21,972.2012					21,972.2012
029-002	6	12,550.4320					12,550.4320
029-002	7	14,927.3152	50.8833				14,978.1985
029-002	8	15,869.7149					15,869.7149
029-002	9	14,027.4486					14,027.4486
029-002	10	11,812.5821	559.3495				12,371.9320
029-002	11	10,824.3989					10,824.3989
029-002	12	5,344.5661	840.7660				6,185.3327
Grand Total		184,473.8016	1,400.1155				185,924.8014

3. SEPTEMBER MEMBERSHIP

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.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2022**

School Code	Grade Level	Full-Time	Part-Time	Other	Total
029-002	K	13.00			13.00
029-002	1	11.00			11.00
029-002	2	21.00			21.00
029-002	3	17.00			17.00
029-002	4	15.00			15.00
029-002	5	22.00			22.00
029-002	6	12.00			12.00
029-002	7	15.00			15.00
029-002	8	16.00			16.00
029-002	9	14.00			14.00
029-002	10	12.00	.43		12.43
029-002	11	11.00			11.00
029-002	12	6.00	.86		6.86
Grand Total	K-12	185.00	1.29		186.29

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

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
029-002	32.86	38.00			61.86

5. FINANCE

Section	Question	Answer
5.1	The district 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 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:	True

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2022**

	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	True
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	True
	Sheltered Workshop participation	True
	Students participating in the school flex program	True
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	True
5.3	The district maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:	\$50,000.00
5.6	The district's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	True
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo.	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken	N/A
5.10	The district published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment	True

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2022**

	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.	
5.12	The amount spent for approved professional development committee plan activities was:	\$5,123.77
5.13	The district has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

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

Finding:	
Management Letter Comment:	

6. TRANSPORTATION (SECTION 163.161, RSMO)

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	134.00
	Ineligible ADT	0.00
6.4	The district's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	60,182
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	46,668

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2022**

	Ineligible Miles (Non-Route/Disapproved)	13,514
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	166

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

Finding:	
Management Letter Comment:	

DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF TRANSPORTATION COSTS ELIGIBLE FOR STATE AID
FOR THE YEAR ENDED JUNE 30, 2022

	DISTRICT		HANDICAPPED		PAYMENTS	
	OWNED	CONTRACTED	DISTRICT	CONTRACTED	TO OTHER	TOTAL
			OWNED		DISTRICTS	
Certificated						
Salaries	\$ -	\$ 1,224.00	\$ -	\$ -	\$ -	\$ 1,224.00
Non Certificated						
Salaries	17,040.85					17,040.85
Fringe Benefits	1,914.23	195.24				2,109.47
Purchased Services	6,731.23	68,868.40		1,314.72		76,914.35
Supplies	18,791.83					18,791.83
Safety Equipment						
Depreciation	10,084.00					10,084.00
TOTAL	<u>\$ 54,562.14</u>	<u>\$ 70,287.64</u>	<u>\$ -</u>	<u>\$ 1,314.72</u>	<u>\$ -</u>	<u>\$ 126,164.50</u>
Nonroute Contracted						
Transportation			<u>\$ -</u>			
School Buses Purchased			<u>\$ -</u>			
School Buses Leased/Purchased:						
Principal			<u>\$ -</u>			
Interest			<u>\$ -</u>			
Transportation Revenues						
From Other Districts			<u>\$ -</u>			

Notes to Financial Statements are and integral part of this statement.

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2022**

STATE GRANTOR/PROGRAM TITLE	GRANTOR'S NUMBER	BALANCE JUNE 30, 2021	RECEIPTS	DISBURSEMENTS	BALANCE JUNE 30, 2022
Department Of Elementary And Secondary Education:					
Basic Formula	029-002	\$ -	\$ 687,944.11	\$ 687,944.11	\$ -
Transportation	029-002		31,675.00	31,675.00	
Early Childhood Special Education	029-002	(12,372.00)	12,372.00	12,372.00	(12,372.00)
Basic Formula-Classroom Trust Fund	029-002		70,735.52	70,735.52	
Educational Screening Prog Entitlement	029-002		8,256.85	8,256.85	
Small School Grant	029-002		64,497.00	64,497.00	
Career Education	029-002		8,767.23	8,767.23	
Food Service-State	029-002		1,479.63	1,479.63	
High Need Fund-Special Education	029-002		3,417.49	3,417.49	
Other State Revenue	029-002		1,772.16	1,772.16	
TOTAL STATE FINANCIAL ASSISTANCE		\$ (12,372.00)	\$ 890,916.99	\$ 890,916.99	\$ (12,372.00)

Notes to Financial Statements are and integral part of this statement.

FEDERAL COMPLIANCE SECTION

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

To the Board of Education
Dade County School District R-II
Dadeville, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Dade County School District R-II, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Dade County School District R-II's financial statements, and have issued our report thereon dated August 8, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and, therefore, material weakness or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses, that we consider to be material weakness. The deficiency is identified as finding 2022-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dade County School District R-II's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are reported to management of the Dade County School District R-II in a separate letter dated August 8, 2022.

Dade County School District R-II's Response to Findings

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

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.

THE CPA GROUP, P.C.

Monett, Missouri
August 8, 2022

**DADE COUNTY SCHOOL DISTRICT R-II
DADEVILLE, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2022**

Finding 2022-001

Material Weakness – Internal Control over Financial Reporting

Segregation of duties

Condition: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. The District has one full time bookkeeper to handle the accounting needs of the district. There are some mitigating controls in place, but it is not possible to have segregation in all areas.

Criteria: The District should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Effect: Risk is present that errors or irregularities in amounts that would be material to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: Because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

Views of responsible officials and planned corrective actions: The limited number of available personnel prohibits segregation of incompatible duties and the district does not have the resources to hire additional accounting personnel.