

ELDON R-I SCHOOL DISTRICT

Eldon, Missouri

INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the
Eldon R-I School District
Eldon, Missouri:

Report of the Audit of the Financial Statements

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of the Eldon R-I School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities and each major fund of the District, as of June 30, 2025, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

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

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

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Graves and Associates,
CPAs, LLC

GRAVES AND ASSOCIATES, CPAs, LLC
Jefferson City, Missouri

November 13, 2025

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements: Governmental Funds

In addition, the Notes to the Financial Statements are included to provide information essential to a user's understanding of the basic financial statements.

ELDON R-I SCHOOL DISTRICT

STATEMENT OF NET POSITION – CASH BASIS
JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 20,647,770
Restricted Cash and Cash Equivalents	1,656,564
Restricted Cash with Fiscal Agent	<u>669,260</u>
 TOTAL ASSETS	 <u><u>\$ 22,973,594</u></u>
NET POSITION	
Restricted for:	
Professional Development	\$ 1,828
Retirement of Long-Term Debt	2,323,996
Unrestricted	<u>20,647,770</u>
 TOTAL NET POSITION	 <u><u>\$ 22,973,594</u></u>

The accompanying notes are an integral part of these financial statements.

ELDON R-I SCHOOL DISTRICT

STATEMENT OF ACTIVITIES – CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Disbursements	Program Receipts			Net (Disbursements)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Receipts and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instructional Services	\$ (13,905,370)	\$ 24,033	\$ 4,563,709	\$ 716,342	\$ (8,601,286)
Student Services	(1,380,612)	483,743	-	-	(896,869)
Instructional Staff Support	(501,982)	-	-	-	(501,982)
Building Administration	(1,158,215)	-	-	-	(1,158,215)
General Administration and Central Services	(1,608,390)	-	-	-	(1,608,390)
Operation of Plant	(2,470,870)	-	-	-	(2,470,870)
Transportation	(1,034,587)	-	538,198	-	(496,389)
Food Service	(1,864,729)	302,903	957,640	-	(604,186)
Community Service	(1,061,151)	-	-	-	(1,061,151)
Facility Acquisition and Construction	(1,605,469)	-	-	-	(1,605,469)
Redemption of Principal	(3,225,000)	-	-	-	(3,225,000)
Interest	(528,000)	-	-	-	(528,000)
Debt Service Fees	(46,972)	-	-	-	(46,972)
Total Governmental Activities	<u>\$ (30,391,347)</u>	<u>\$ 810,679</u>	<u>\$ 6,059,547</u>	<u>\$ 716,342</u>	<u>(22,804,779)</u>
General Receipts:					
Property Taxes					9,456,971
Sales Taxes					2,981,179
State Aid					7,117,021
Fines					76,230
Interest Income					1,026,589
Proceeds From Bond Issuance					2,485,000
Premium on Bonds					34,596
Proceeds From Sales					1,325
Other					488,154
Total General Receipts					<u>23,667,090</u>
Increase (Decrease) in Net Position					862,311
Net Position, Beginning of Year					<u>22,111,283</u>
Net Position, End of Year					<u>\$ 22,973,594</u>

The accompanying notes are an integral part of these financial statements.

ELDON R-I SCHOOL DISTRICT

BALANCE SHEET – CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 15,832,997	\$ -	\$ -	\$ 4,814,773	\$ 20,647,770
Restricted Cash and Cash Equivalents	1,828	-	1,654,736	-	1,656,564
Restricted Cash with Fiscal Agent	-	-	669,260	-	669,260
TOTAL ASSETS	<u>\$ 15,834,825</u>	<u>\$ -</u>	<u>\$ 2,323,996</u>	<u>\$ 4,814,773</u>	<u>\$ 22,973,594</u>
LIABILITIES:					
Fund Balances:					
Restricted for:					
Retirement of Long-Term Debt	\$ -	\$ -	\$ 2,323,996	\$ -	\$ 2,323,996
Professional Development	1,828	-	-	-	1,828
Committed to:					
Construction	-	-	-	1,422,894	1,422,894
Assigned to:					
Other Capital Expenditures	-	-	-	3,391,879	3,391,879
Unassigned	15,832,997	-	-	-	15,832,997
TOTAL FUND BALANCES	<u>\$ 15,834,825</u>	<u>\$ -</u>	<u>\$ 2,323,996</u>	<u>\$ 4,814,773</u>	<u>\$ 22,973,594</u>

The accompanying notes are an integral part of these financial statements.

ELDON R-I SCHOOL DISTRICT

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES – CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Receipts					
Local	\$ 8,359,448	\$ 3,080,212	\$ 1,290,875	\$ 66,880	\$ 12,797,415
County	654,728	76,230	89,465	-	820,423
State	1,756,255	7,117,021	-	701,309	9,574,585
Federal	4,207,629	50,000	-	60,696	4,318,325
Interest Income	765,228	1,782	120,825	138,754	1,026,589
Other	-	195,400	-	-	195,400
Total Receipts	15,743,288	10,520,645	1,501,165	967,639	28,732,737
Disbursements					
Instructional Services	3,595,240	10,122,148	-	187,982	13,905,370
Support Services	641,258	739,354	-	-	1,380,612
Instructional Staff Support	271,731	230,251	-	-	501,982
Building Administration	408,697	749,518	-	-	1,158,215
General Administration and Central Services	1,134,787	446,184	-	27,419	1,608,390
Operation of Plant	2,384,493	-	-	86,377	2,470,870
Transportation	928,912	-	-	105,675	1,034,587
Food Service	1,843,474	-	-	21,255	1,864,729
Community Service	449,137	612,014	-	-	1,061,151
Facility Acquisition and Construction	-	-	-	1,605,469	1,605,469
Debt Services					
Principal	-	-	3,225,000	-	3,225,000
Interest	-	-	528,000	-	528,000
Fees	-	-	46,972	-	46,972
Total Disbursements	11,657,729	12,899,469	3,799,972	2,034,177	30,391,347
Excess (Deficiency) of Receipts Over (Under) Disbursements	4,085,559	(2,378,824)	(2,298,807)	(1,066,538)	(1,658,610)
Other Financing Sources (Uses)					
Proceeds from Sales	1,325	-	-	-	1,325
Proceeds from Bond Issuance	-	-	2,485,000	-	2,485,000
Premium on Bonds	-	-	34,596	-	34,596
Transfers To (From) Fund	(3,309,311)	2,378,824	-	930,487	-
Total Other Financing Sources (Uses)	(3,307,986)	2,378,824	2,519,596	930,487	2,520,921
Excess (Deficiency) of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing (Uses)	777,573	-	220,789	(136,051)	862,311
Fund Balance, Beginning of Year	15,057,252	-	2,103,207	4,950,824	22,111,283
Fund Balance, End of Year	\$ 15,834,825	\$ -	\$ 2,323,996	\$ 4,814,773	\$ 22,973,594

The accompanying notes are an integral part of these financial statements.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Eldon R-I School District (the “District”) is a political subdivision of the State of Missouri and is governed by an elected seven member Board of Education.

As discussed further in Note 1, these financial statements are presented in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (“U.S. GAAP”) established by the Governmental Accounting Standards Board (“GASB”). These cash basis financial statements generally meet the presentation and disclosure requirements applicable to U.S. GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the cash basis of accounting.

Financial Reporting Entity

The District’s financial reporting entity is comprised of the following:

Primary Government: Eldon School District

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 within the limitations of the cash basis of accounting. They include all funds 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 revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District currently does not have business-type activities.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation (Continued)

Fund Financial Statements

Fund financial statements of the reporting entity 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 that constitutes its assets, net position or fund balance, receipts, and disbursements. The District's funds are organized into one major category: governmental. The District presently has no fiduciary or proprietary funds. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

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

The funds of the financial reporting entity are described below:

The Missouri Department of Elementary and Secondary Education has directed the following governmental funds to be treated as major:

Governmental Funds

General Fund – The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund, including student activities, food service, and textbook funds which are not designated in a separate fund.

Special Revenue Fund – The Special Revenue Funds are used to account for the proceeds of the specific revenue source that are either legally restricted or committed to disbursements for specified purposes other than debt service or capital projects. The reporting entity includes the following special revenue fund:

Teachers' Fund – The Teachers' Fund is used to account for disbursements for certified employees involved in administration and instruction. It includes receipts restricted by the State of Missouri for the payment of teachers' salaries and the local tax levy.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal, interest, and fiscal charges on general long-term debt.

Capital Projects Fund – The Capital Projects Fund is used to account for and report financial resources restricted, committed, or assigned for capital outlays; including the acquisition or construction of specific capital facilities or other capital items. It also accounts for the proceeds of long-term debt, taxes, and other receipts designated for construction of major capital assets and all other capital outlay.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

Measurement Focus

In the Government-Wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the cash basis of accounting, as defined below:

In the fund financial statements, the current financial resources measurement focus, as applied to the cash basis of accounting, is used as appropriate:

All governmental funds utilize a current financial resources measurement focus within the limitations of the cash basis of accounting. Only current financial assets are generally included on their Balance Sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting

The financial statements are presented in accordance with the cash basis of accounting, which is a basis of accounting other than U.S. GAAP as established by the GASB. The cash basis of accounting differs from U.S. GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets that do not arise from a cash transaction or event are not reported, and the measurement of reported assets does not involve adjustment to fair value.

If the District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Financial Position

Cash and Cash Equivalents

For the purpose of financial reporting, cash and cash equivalents include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less from date of purchase.

Capital Assets

As a result of the use of the cash basis of accounting, capital assets are recorded as disbursements at the time of purchase and, therefore, no balances for assets or accumulated depreciation are reported in the Balance Sheet.

Compensated Absences

As a result of the use of the cash basis method of accounting, liabilities related to accrued compensated absences are not recorded in the financial statements. Expenditures related to compensated absences are recorded when paid.

Restricted Assets

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

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Position (Continued)

Long-Term Debt

Long-term debts arising from cash transactions for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as disbursements. The District's long-term debt consists primarily of bonds payable and certificates of participation.

Net Position/Fund Balance Classifications

Government-Wide Financial Statements:

Net position is classified and displayed in two components:

Restricted – Consists of restricted assets with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted – Net amount of assets that are not included in the determination of the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when a disbursement is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements:

Governmental fund equity is classified as fund balance.

The difference among assets of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

- **Nonspendable:** Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.
- **Restricted:** Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Position (Continued)

Net Position/Fund Balance Classifications (Continued)

Fund Financial Statements: (Continued)

- **Committed:** Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District’s highest level of decision-making authority (i.e. the Board of Education).
- **Assigned:** Amounts constrained by the District’s intent to be used for specific purposes but that are neither restricted nor committed. Intent can be expressed by the District’s Board of Education or by an official body to which the Board of Education delegates authority.
- **Unassigned:** The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes.

The Board of Education establishes (and modifies or rescinds) fund balance commitments by passage of a motion or a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Education through adoption or amendment of the budget as intended for specific purposes (such as the purchase of capital assets, construction, debt services, or for other purposes).

In the General Fund, the District strives to maintain an unassigned fund balance not less than 10% of the actual disbursements for the prior fiscal year.

Order of Spending:

It is the District’s policy to first use restricted fund balances prior to the use of unrestricted fund balances when a disbursement is incurred for purposes for which both restricted and unrestricted balances are available. It is also District policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when a disbursement is incurred for purposes for which amounts in those classifications are available to be used.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Receipts and Disbursements

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. The District has or may have the following program receipts:

<i>Program Receipts</i>	<i>Examples</i>
Charges for Services	Tuition, adult/continuing education, transportation fees, sales, rentals, community services, food services – non program, admissions, student organization membership dues and fees
Operating Grants and Contributions	Gifts, professional development committee portion of basic formula funds, state transportation funds, various state and federal grants
Capital Grants and Contributions	Gifts, various state and federal grants

All other governmental receipts are reported as general. All taxes are classified as general receipts even if restricted for a specific purpose.

Disbursements

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

In the fund financial statements, disbursements are classified as follows: District.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Internal and Interfund Balances and Activities

Fund Financial Statements:

Interfund activity resulting from cash transactions or events, if any, within the governmental fund categories is reported as follows in the fund financial statements:

- Interfund loans – Amounts provided with requirement for repayment are reported as interfund receivables and payables.
- Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
- Interfund transfers – Flow of assets from one fund to another when payment is not expected are reported as transfers in and out.
- Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.

Government-Wide Financial Statements:

Interfund activity and balances resulting from cash transactions or events, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental columns of the Statement of Net Position.
- Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds are not eliminated in the Statement of Activities.

Use of Estimates

The preparation of financial statements in accordance with the cash basis of accounting used by the District requires management to make estimates and assumptions that affect certain amounts and disclosures; accordingly, actual results could differ from those estimates.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 2 – CASH AND CASH EQUIVALENTS:

Deposits

The District maintains a cash and temporary cash investment pool that is available for use by all funds except the Debt Service Fund (State law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District). Each fund type's portion of this pool is displayed on the Balance Sheet – Cash Basis – Governmental Funds as “Cash and Cash Equivalents” under each fund's caption.

Custodial Credit Risk – Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. As of the year ended, the carrying amount of the District's deposits was \$22,973,594, and the bank balance was \$24,578,152. The bank balances were covered, in combination, by the Federal Depository Insurance Corporation (FDIC), across multiple financial institutions, and by collateral held at the District's safekeeping bank agent, in the District's name.

Investment Interest Rate Risk – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk – The District places no limit on the amount it may invest in any one issuer. As of the year ended, the District had no concentration of credit risk.

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

The District had the following cash escrow accounts:

MO. School District Direct Deposit Program –	
Bond Escrow	\$ 669,260
Total	<u>\$ 669,260</u>

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 3 – LONG-TERM DEBT:

Governmental Activities:

General Obligation Bonds

The following is a summary of bond transactions as of the year ended:

Bonds Payable, Beginning	\$ 14,622,354
Bonds Issued	2,485,000
Bonds Retired	<u>(3,225,000)</u>
Bonds Payable, Ending	<u>\$ 13,882,354</u>

Repayment of the bond issues is made through the Missouri School District Direct Deposit Program which is a mechanism for public school bond repayments. It authorizes the direct deposit of a portion of the District's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds.

Summary of Bonds Outstanding

\$677,354, General Obligation Bonds, Series
 2014B due in a single payment
 March 1, 2029; interest at 0%
 2014B Series Total \$ 677,354

\$3,970,000, General Obligation Refunding
 Bonds, Series 2019 due in varying installments
 through March 1, 2034; interest at 1.3%
 to 3.0%. The District will realize a net present value
 benefit of approximately \$389,706, from the
 refunding.
 2019 Series Total 3,845,000

\$4,750,000, General Obligation Refunding
 Bonds, Series 2021 due in varying installments
 through March 1, 2028; interest at 2%.
 The District will realize a net present value
 benefit of approximately \$189,711, from the
 refunding.
 2021 Series Total 1,875,000

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 3 – LONG-TERM DEBT: (Continued)

Summary of Bonds Outstanding (Continued)

\$5,000,000, General Obligation Bonds, Series 2023 due in varying installments through March 1, 2039; interest at 4.0% to 5.0%	\$ 5,000,000
2023 Series Total	\$ 5,000,000
\$2,485,000, General Obligation Refunding bonds, Series 2024 due in varying installments through March 1, 2039; interest at 4.0%. The District will realize a net present value benefit of approximately \$34,596, from the refunding.	
2024 Series Total	<u>2,485,000</u>
Total Bonds Payable	<u>\$ 13,882,354</u>

The annual requirements for bonds payable outstanding as of the year ended were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,105,000	\$ 511,672	\$ 1,616,672
2027	1,125,000	458,300	1,583,300
2028	570,000	428,550	998,550
2029	1,302,354	415,400	1,717,754
2030	625,000	396,650	1,021,650
2031-2035	4,720,000	1,605,400	6,325,400
2036-2040	4,435,000	497,050	4,932,050
Total	<u>\$ 13,882,354</u>	<u>\$ 4,313,022</u>	<u>\$ 18,195,376</u>

As of the year ended, the District paid bond interest expense of \$528,000.

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 4 – INTERFUND TRANSFERS:

Interfund transfers as of the year ended consisted of the following:

Transfers from the General fund:

<i>Special Revenue Fund</i>	
To zero out Teacher’s Fund	
Total transfers to Special Revenue Fund	\$ 2,378,824
 <i>Capital Projects Fund</i>	
\$162,326 or 7% \times SAT \times WADA	
Total transfers to Capital Projects Fund	<u>930,487</u>
 Total Transfers from the General Fund	 <u>\$3,309,311</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 – RETIREMENT PLAN:

The District reports on the cash basis of accounting. Therefore, the District’s unfunded portion of the net pension liability is not reflected in the financial statements.

Public School Retirement System of Missouri (PSRS)

Plan Description: Public School Retirement System of Missouri (“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 PSRS, 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-third’s statute.” PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The member’s benefits are further calculated at two-thirds the normal benefit amount. An Annual Comprehensive Financial Report (“ACFR”) can be obtained at <https://www.psr-peers.org>.

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 5 – RETIREMENT PLAN: (Continued)

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

Benefits Provided: PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. A Summary Plan Description detailing the provisions of the plan can be found on PSRS’ website at <https://www.psr-peers.org>.

Contributions: PSRS members are required to contribute a percentage of their annual covered salary and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the PSRS Board of Trustees. The District’s contributions to PSRS for the year ended were equal to the required contributions. The annual statutory increase in the total contribution rate may not exceed 1% of pay. The contributions for the last three fiscal years were as follows:

<u>Year Ended</u>	<u>Amount of Employer Contribution</u>	<u>Percentage of Contributions</u>
2025	\$ 1,518,419	14.5%
2024	\$ 1,384,171	14.5%
2023	\$ 1,372,604	14.5%

Public Education Employee Retirement System (PEERS)

Plan Description: The District also contributes to the Public Education Employee Retirement System (“PEERS”), a mandatory cost sharing multiple-employer retirement system for all public school district employees in Missouri (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 do not contribute to PSRS must contribute to PEERS. Certain part-time certified employees may be covered by this plan. Positions covered by PEERS are also covered by social security.

Benefits Provided: PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Benefit provisions are set forth in Section 169.600-169.715 and 169.560-169.595, of the Missouri Revised Statutes. The Statutes assign responsibility for the administration of the system to the Board of Trustees of the PSRS of Missouri. PEERS issues a publicly available financial report that includes financial statements and required supplementary information. A Summary Plan Description detailing the provisions of the plan can be found on PEERS’ website at <https://www.psr-peers.org>.

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 5 – RETIREMENT PLAN: (Continued)

Public Education Employee Retirement System (PEERS) (Continued)

Contributions: PEERS members are required to contribute a percentage of their annual covered salary and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the PSRS Board of Trustees. The District's contributions to PEERS for the year ended were equal to the required contributions. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay. The contributions for the last three fiscal years were as follows:

<u>Year Ended</u>	<u>Amount of Employer Contribution</u>	<u>Percentage of Contributions</u>
2025	\$ 330,543	6.86%
2024	\$ 319,392	6.86%
2023	\$ 284,627	6.86%

NOTE 6 – RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruptions; errors and omissions; natural disasters; employee injuries and illnesses; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than employee health benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

NOTE 7 – CONTINGENCIES:

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

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

NOTE 8 – TEACHERS' SALARIES:

Payroll checks written and dated in June, for July and August 2025 payroll from 2024-25 contracts, are included in the financial statements as disbursements paid in the month of June. This practice has been consistently followed in previous years.

ELDON R-I SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS:

The District provides health insurance benefits to its retirees on a reimbursable basis. The cost of the insurance premium is charged to the retirees at the same cost as active employees. This situation causes an implicit premium subsidy for the difference the retirees would have to pay for similar insurance coverage and the actual amount of their premiums. This implicit premium subsidy represents an unfunded obligation to the District. This obligation has not been valued or reported because the District reports its financial activity using the cash basis of accounting.

NOTE 10 – 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 taxes and remits them to the District on a monthly basis. All unpaid taxes become delinquent January 1, of the following year.

The District also receives sales tax collected by the State of Missouri and remitted based on eligible pupil counts. 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 District elected a full waiver of the rollback as of the year ended.

The assessed valuation of the tangible property for calendar year 2024, for the purposes of local taxation, was as follows:

Miller County	\$136,080,282
Morgan County	93,481,872
Moniteau County	<u>999,764</u>
Total	<u>\$230,561,918</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2024, for purposes of local taxation was:

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 3.1747	\$ 3.1747
Debt Service Fund	<u>0.5523</u>	<u>0.5523</u>
TOTAL	<u>\$ 3.7270</u>	<u>\$ 3.7270</u>

The receipts of current and delinquent property taxes during the fiscal year ended aggregated approximately 102% for Miller County; 98% for Morgan County; and 97% for Moniteau County, of the current assessment computed on the basis of the levy shown above.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 – TAX ABATEMENTS:

The Eldon School District is subject to four projects through which tax abatements are provided:

Industrial Development Project. This project authorizes cities, counties towns and villages to issue industrial development revenue bonds to finance the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agriculture processing industries, service facilities that provide interstate commerce, industrial plants and other commercial facilities.

The Board of Alderman of Eldon, Missouri (the “City”) issued taxable development revenue bonds in aggregate principle amounts not to exceed \$7,500,000 (the “2014 Bonds”) to finance the costs of an industrial development project for Johnson Controls, Inc. The 2014 Bonds are authorized by the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27(b) of the Missouri Constitution, as amended.

The Board of Alderman of Eldon, Missouri (the “City”) issued taxable development revenue bonds in a principal amount not to exceed \$80,000,000 (the “2018 Bonds”) to finance the cost of a proposed industrial development project for the benefit of Quaker Window Products Co. The 2018 Bonds are authorized by the provision of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27 (b) of the Missouri Constitution, as amended.

Eldon Assisted Living Chapter 353 Development Plan: This plan provides for real property tax abatement for the Redevelopment Project pursuant to Section 353.110, RSMo. The Eldon Assisted Living Redevelopment Corporation (the “Corporation”), in an effort to remediate the blighting conditions currently burdening the Redevelopment Area, promote redevelopment of an aging vacant industrial building, maximize the use of and update existing public infrastructure, including create new construction and health care employment, the Development Plan proposes rehabilitation of a vacant industrial building to establish a 48-bed assisted living facility with 12 units of memory care and appurtenant private and public infrastructure improvements, including parking lots, street improvements, water system and sanitary sewer facilities (the “Redevelopment Project.”)

The City enacted into law Ordinance No. 2017-46 approving the Eldon Assisted Living Chapter 353 Redevelopment Area Plan. Property tax abatement is equal to 100% for the first ten (10) years and 50% for the next fifteen (15) years. After a period totaling twenty-five (25) years, the real property will be subject to payment of all *ad valorem* taxes.

ELDON R-I SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 – TAX ABATEMENTS: (Continued)

For the ended, the District abated taxes as follows:

Tax Abatement Project	Amount Abated During the Year
Industrial Development Project (2014 Bonds)	\$ 6,284
Industrial Development Project (2018 Bonds)	34,748
Eldon Assisted Living Chapter 353 Development Plan Taxable Industrial Revenue Bonds (Quaker Window Products Co. Project)	20,558
	<u>474,069</u>
Total Tax Abatements	<u>\$ 535,659</u>

NOTE 12 – CONSTRUCTION COMMITMENTS:

The District had uncompleted construction contracts in the capital projects fund. The remaining commitment on these construction contracts was approximately \$445,325.

NOTE 13 – EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through November 13, 2025, the date which the financial statements were available to be issued.

OTHER INFORMATION

ELDON R-I SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – CASH BASIS
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Original to Final Variance	Actual	Final to Actual Variance
Receipts					
Local	\$ 7,882,271	\$ 8,359,448	\$ (477,177)	\$ 8,359,448	\$ -
County	604,862	654,728	(49,866)	654,728	-
State	1,475,553	1,756,255	(280,702)	1,756,255	-
Federal	3,831,935	4,207,629	(375,694)	4,207,629	-
Interest Income	358,912	765,228	(406,316)	765,228	-
Other	250,801	-	250,801	-	-
Total Receipts	<u>14,404,334</u>	<u>15,743,288</u>	<u>(1,338,954)</u>	<u>15,743,288</u>	<u>-</u>
Disbursements					
Instructional Services	3,914,432	3,595,240	319,192	3,595,240	-
Support Services	980,505	641,258	339,247	641,258	-
Instructional Staff Support	303,265	271,731	31,534	271,731	-
Building Administration	445,107	408,697	36,410	408,697	-
General Administration and Central Services	1,274,992	1,134,787	140,205	1,134,787	-
Operation of Plant	2,691,913	2,384,493	307,420	2,384,493	-
Transportation	1,066,699	928,912	137,787	928,912	-
Food Service	1,705,945	1,843,474	(137,529)	1,843,474	-
Community Service	507,015	449,137	57,878	449,137	-
Total Disbursements	<u>12,889,873</u>	<u>11,657,729</u>	<u>1,232,144</u>	<u>11,657,729</u>	<u>-</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	1,514,461	4,085,559	(2,571,098)	4,085,559	-
Other Financing Sources (Uses)					
Proceeds from Sales	-	1,325	(1,325)	1,325	-
Transfers To (From) Fund	(3,309,311)	(3,309,311)	-	(3,309,311)	-
Total Other Financing Sources (Uses)	<u>(3,309,311)</u>	<u>(3,307,986)</u>	<u>(1,325)</u>	<u>(3,307,986)</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing (Uses)	(1,794,850)	777,573	(2,572,423)	777,573	-
Fund Balance, Beginning of Year	<u>15,057,252</u>	<u>15,057,252</u>	<u>-</u>	<u>15,057,252</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 13,262,402</u>	<u>\$ 15,834,825</u>	<u>\$ (2,572,423)</u>	<u>\$ 15,834,825</u>	<u>\$ -</u>

ELDON R-I SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – CASH BASIS
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Original to Final Variance	Actual	Final to Actual Variance
Receipts					
Local	\$ 2,902,907	\$ 3,080,212	\$ (177,305)	\$ 3,080,212	\$ -
County	136,500	76,230	60,270	76,230	-
State	6,819,140	7,117,021	(297,881)	7,117,021	-
Federal	24,665	50,000	(25,335)	50,000	-
Interest Income	5	1,782	(1,777)	1,782	-
Other	241,250	195,400	45,850	195,400	-
Total Receipts	<u>10,124,467</u>	<u>10,520,645</u>	<u>(396,178)</u>	<u>10,520,645</u>	<u>-</u>
Disbursements					
Instructional Services	10,368,112	10,122,148	245,964	10,122,148	-
Support Services	750,058	739,354	10,704	739,354	-
Instructional Staff Support	232,189	230,251	1,938	230,251	-
Building Administration	794,121	749,518	44,603	749,518	-
General Administration and Central Services	449,308	446,184	3,124	446,184	-
Community Service	523,899	612,014	(88,115)	612,014	-
Total Disbursements	<u>13,117,687</u>	<u>12,899,469</u>	<u>218,218</u>	<u>12,899,469</u>	<u>-</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	(2,993,220)	(2,378,824)	(614,396)	(2,378,824)	-
Other Financing Sources (Uses)					
Transfers To (From) Fund	2,993,220	2,378,824	614,396	2,378,824	-
Total Other Financial Sources (Uses)	<u>2,993,220</u>	<u>2,378,824</u>	<u>614,396</u>	<u>2,378,824</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing (Uses)	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ELDON R-I SCHOOL DISTRICT
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2025

Budget Law

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

1. In accordance with Section 67, RSMo, the District adopts a budget for each fund of the political subdivision.
2. Prior to July, the Assistant 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 disbursements for all District funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board of Education. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgeted amounts are as originally adopted or as amended by the Board of Education.
7. Budgets for district funds are prepared and adopted on the cash basis (budget basis), recognizing receipts when collected and disbursements when paid. Budgets lapse at year end.

SUPPLEMENTARY
INFORMATION

Federal Compliance Section



3702 West Truman Blvd, Suite 213
Jefferson City, MO 65109

Phone: (573) 893-7700 Fax: (573) 893-6649

Web: gravescpas.com

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

To the Board of Education of the
Eldon R-I School District
Eldon, 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 the Eldon R-I School District (the “District”), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated November 13, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2025-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The District's response was not subjected to the other auditing procedures applied to the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Graves and Associates,
CPAs, LLC

GRAVES AND ASSOCIATES, CPAs, LLC
Jefferson City, Missouri

November 13, 2025

ELDON R-I SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2025

SECTION II – FINANCIAL STATEMENTS FINDINGS:

SIGNIFICANT DEFICIENCY

2025-001: Segregation of Duties

Criteria: Duties 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. The District has mitigating controls in place, but it is not possible to have segregation in all areas.

Condition: As in many smaller to medium-sized organizations, it is difficult to obtain proper segregation of duties due to the limited number of employees.

Effect: Due to the limited number of employees, the District might not prevent, or detect and correct, misstatements on a timely basis in the normal performance of duties.

Recommendation: We recognize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties. However, professional standards require that we bring this lack of segregation of duties to your attention. We recommend management continue to review these processes accordingly to optimize the functionality of internal controls.

Response: The District recognizes that the limited number of employees prohibits proper segregation of duties in all areas. The District will continue to review these processes accordingly to optimize the functionality of internal controls.



CORRECTIVE ACTION PLAN

November 13, 2025

The Eldon R-I School District respectfully submits the following corrective action plan for the year ended June 30, 2025.

Contact Information for the individual responsible for the corrective action:

Mr. Matt Davis, Superintendent
112 S. Pine Street
Eldon, MO 65026

Independent Public Accounting Firm:
Graves and Associates, CPAs, LLC
3702 West Truman Blvd, Suite 213
Jefferson City, MO 65109

Audit Period: Year ended June 30, 2025

The finding from the Schedule of Findings and Responses is discussed below. The finding is numbered consistently with the numbers assigned in the Schedule.

FINDINGS – FINANCIAL STATEMENT

SIGNIFICANT DEFICIENCY

2025-001: Segregation of Duties

Criteria: Duties 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. The District has mitigating controls in place, but it is not possible to have segregation in all areas.

Condition: As in many smaller to medium-sized organizations, it is difficult to obtain proper segregation of duties due to the limited number of employees.

Effect: Due to the limited number of employees, the District might not prevent, or detect and correct, misstatements on a timely basis in the normal performance of duties.

Recommendation: We recognize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties. However, professional standards require that we bring this lack of segregation of duties to your attention. We recommend management continue to review these processes accordingly to optimize the functionality of internal controls.

Response: The District recognizes that the limited number of employees prohibits proper segregation of duties in all areas. The District will continue to review these processes accordingly to optimize the functionality of internal controls.

Completion Date: Not Applicable

Sincerely,



Mr. Matt Davis, Superintendent
Eldon R-I School District

SUPPLEMENTARY STATE
INFORMATION

State Compliance Section



3702 West Truman Blvd, Suite 213
Jefferson City, MO 65109

Phone: (573) 893-7700 Fax: (573) 893-6649

Web: gravescpas.com

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

To the Board of Education of the
Eldon R-I School District
Eldon, Missouri:

We have examined Eldon R-I School District’s (the “District”) compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District’s attendance hours, standard day length, resident membership on the last Wednesday of September and January, 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, 2025. Management of the District is responsible for the District’s compliance with the specified requirements. Our responsibility is to express an opinion on the District’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides 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 examination engagement.

Our examination engagement does not provide a legal determination on the District’s compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2025.

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.

Graves and Associates,
CPAs, LLC

GRAVES AND ASSOCIATES, CPAs, LLC
Jefferson City, Missouri

November 13, 2025

ELDON R-I SCHOOL DISTRICT
 SCHEDULE OF SELECTED STATISTICS
 FOR THE YEAR ENDED JUNE 30, 2025

1. Calendar (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
4020	PK	2	-	6.4167	170	1,054.7833
4040	3	5	-	6.4167	170	1,054.7833
3000	6	8	-	6.4167	170	1,054.7667
1050	9	12	-	6.3667	170	1,046.3333

2. Attendance Hours

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4020	PK-2	473,719.1332	-	-	-	24,705.4000	498,424.5332
4040	3-5	467,952.3662	-	-	-	27,062.3300	495,014.6962
3000	6-8	404,623.8960	361.2833	-	-	11,298.0000	416,283.1793
1050	9-12	554,377.9805	2,160.6667	3,322.9300	-	7,731.0000	567,592.5772
Grand Total		1,900,673.3759	2,251.9500	3,322.9300	-	70,796.7300	1,977,314.9859

3. September Membership

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4020	PK-2	552.00	-	-	552.00
4040	3-5	475.00	-	-	475.00
3000	6-8	413.00	0.20	-	413.20
1050	9-12	593.00	2.00	-	595.00
Grand Total		2,033.00	2.20	-	2,035.20

4. January Membership

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4020	PK-2	539.00	0.40	-	539.40
4040	3-5	469.00	-	-	469.00
3000	6-8	410.00	0.20	-	410.20
1050	9-12	588.00	2.00	-	590.00
Grand Total		2,006.00	2.60	-	2,008.60

ELDON R-I SCHOOL DISTRICT
 SCHEDULE OF SELECTED STATISTICS
 FOR THE YEAR ENDED JUNE 30, 2025

5. Free and Reduced Priced Lunch FTE Count (Section 163.011 (6), RSMO)

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
4020	183.00	53.00	-	-	236.00
4040	206.00	48.00	-	-	254.00
3000	163.00	41.00	-	-	204.00
1050	208.00	61.75	-	-	269.75
Grand Total	760.00	203.75	-	-	963.75

6. Finance

- 6.1 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
- 6.2 The District maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those receiving instruction on the following categories: True
- 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
- 6.3 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

ELDON R-I SCHOOL DISTRICT
 SCHEDULE OF SELECTED STATISTICS
 FOR THE YEAR ENDED JUNE 30, 2025

6. Finance (Continued)

6.4	The District maintained complete and accurate attendance and other applicable record allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	<u>True</u>
6.5	As required by Section 162.401, RSMo, a bond was purchased for the District's treasurer in the total amount of:	<u>\$50,000</u>
6.6	The District's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	<u>True</u>
6.7	The District maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	<u>True</u>
6.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	<u>True</u>
6.9	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.	<u>True</u>
6.10	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.	<u>True</u>
6.11	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.	<u>True</u>
6.12	The amount spent for approved professional development committee plan activities was:	<u>\$ 65,394</u>
6.13	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 website or other form of social media as required by Section 160.066, RSMo.	<u>True</u>

ELDON R-I SCHOOL DISTRICT
 SCHEDULE OF SELECTED STATISTICS
 FOR THE YEAR ENDED JUNE 30, 2025

7. Transportation

7.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<u>True</u>
7.2	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.	<u>True</u>
7.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	• Eligible ADT	<u># 826.5</u>
	• Ineligible ADT	<u># 46</u>
7.4	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.	<u>True</u>
7.5	Actual odometer records show the total district-operated <u>and</u> contracted mileage for the year was:	<u># 237,815</u>
7.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route <u>and</u> disapproved miles (combined) was:	
	• Eligible Miles	<u># 169,802</u>
	• Ineligible Miles (Non-Route/Disapproved)	<u># 68,013</u>
7.7	Number of days the District operated the school transportation system during the regular school year.	<u>170</u>