

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 15, 2026

**NEW ISSUE
BOOK-ENTRY ONLY**

**Moody's Direct Deposit Program Rating: Aa1
Moody's Underlying Rating: A1
See "BOND RATINGS" herein**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" in this Official Statement.

\$24,000,000*
**CENTER SCHOOL DISTRICT NO. 58
OF JACKSON COUNTY, MISSOURI
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026**

Dated: Date of Delivery

Due: March 1, as shown on the inside cover

The Center School District No. 58 of Jackson County, Missouri (the "District") will issue its General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the "Bonds") for the purpose of (1) financing the costs of the Project, as further described herein under the section captioned "PLAN OF FINANCING – The Project," and (2) paying costs related to the issuance of the Bonds.

Principal of the Bonds will be payable as set forth on the inside cover hereof. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing March 1, 2027. So long as DTC or its nominee, Cede & Co., is the bondowner, such payments will be made by UMB Bank, N.A., Kansas City, Missouri, as paying agent and bond registrar (the "Paying Agent") directly to such bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC. Distribution of such payments to Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. See "THE BONDS – Book-Entry Only System" herein.

The Bonds are subject to optional redemption prior to maturity. See the caption "THE BONDS – Redemption Provisions."

THE BONDS AND INTEREST THEREON WILL CONSTITUTE GENERAL OBLIGATIONS OF THE DISTRICT, PAYABLE FROM AD VALOREM TAXES WHICH MAY BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT UPON ALL OF THE TAXABLE TANGIBLE PROPERTY, REAL AND PERSONAL, WITHIN THE TERRITORIAL LIMITS OF THE DISTRICT.

See inside cover for maturities, principal amounts, interest rates, prices and CUSIP numbers.

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the District. Certain legal matters will be passed upon for the Underwriter by Thompson Coburn LLP, St. Louis, Missouri. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about July 7, 2026.

STIFEL

The date of this Official Statement is June ___, 2026.

* Preliminary, subject to change.

\$24,000,000*
CENTER SCHOOL DISTRICT NO. 58
OF JACKSON COUNTY, MISSOURI
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

MATURITY SCHEDULE*

Base CUSIP:⁽¹⁾ 467574

| <u>Maturity (March 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Price</u> | <u>CUSIP⁽¹⁾ Extension</u> |
|-------------------------------|-----------------------------|--------------------------|--------------|--|
| 2040 | \$1,485,000 | % | % | |
| 2041 | 2,850,000 | | | |
| 2042 | 3,210,000 | | | |
| 2043 | 3,520,000 | | | |
| 2044 | 3,925,000 | | | |
| 2045 | 4,280,000 | | | |
| 2046 | 4,730,000 | | | |

* Preliminary, subject to change.

⁽¹⁾ CUSIP numbers shown above have been assigned by an organization not affiliated with the District or the Underwriter. Neither the District nor the Underwriter is responsible for the selection of CUSIP numbers nor do either of the District or the Underwriter make any representation as to the correctness of such numbers on the Bonds or as indicated herein.

**CENTER SCHOOL DISTRICT NO. 58
OF JACKSON COUNTY, MISSOURI**

8434 Paseo Boulevard
Kansas City, Missouri 64131-2802
(816) 349-3300

BOARD OF EDUCATION

Cecelia Ball, *President & Member*
Gayla Smith, *Vice President & Member*
Marsha Brown, *Member*
Melissa Bellante, *Member*
Kristin Stokely, *Member*
Mariah Roady, *Member*
Michael Sarver, *Member*
Dr. Troy S. Hogg, *Acting Secretary***

ADMINISTRATION

Dr. Troy S. Hogg, *Superintendent*
Tyson Malone, *Chief Financial Officer*
Meagan Patterson, *Assistant Superintendent, Student and Special Services*
Dr. April Sutherland, *Assistant Superintendent, Human Resources*
Dr. Amy Casey, *Assistant Superintendent, Academic Services*
Zack Danner, *Director, Operations and Facilities*
Sonja Renner, *Director of Public Engagement and Outreach*
Brian Walter, *Director of Technology*

BOND COUNSEL

Gilmore & Bell, P.C.
Kansas City, Missouri

UNDERWRITER

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

UNDERWRITER'S COUNSEL

Thompson Coburn LLP
St. Louis, Missouri

PAYING AGENT

UMB Bank, N.A.
Kansas City, Missouri

** The District recently hired Ieshia Riley to fill the position of Secretary to the Board of Education but she won't start this position until July 2026. Dr. Troy S. Hogg is serving as acting Secretary until Ms. Riley begins.

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION CONTAINED IN SECTION 3(a)(2) OF SUCH ACT.

The information set forth herein has been obtained from the District and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the District. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or any other person has been authorized by the District to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District or the other matters described herein since the date hereof.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the District’s current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED UNDER THE CAPTION “CONTINUING DISCLOSURE UNDERTAKING.”

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OFFICIAL STATEMENT

\$24,000,000*
CENTER SCHOOL DISTRICT NO. 58
OF JACKSON COUNTY, MISSOURI
General Obligation Bonds
(Missouri Direct Deposit Program)
Series 2026

INTRODUCTION

The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices hereto, should be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, including the cover pages and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$24,000,000* aggregate principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”) by the Center School District No. 58 of Jackson County, Missouri (the “**District**”). The issuance and sale of the Bonds is authorized by a resolution expected to be adopted by the Board of Education of the District on June 22, 2026 (the “**Resolution**”). *All capitalized terms not otherwise defined herein have the meanings assigned to those terms in the Resolution.*

Purpose of the Bonds

The District will issue the Bonds for the purpose of (1) financing the costs of the Project, and (2) paying costs related to the issuance of the Bonds. See the section captioned “**PLAN OF FINANCING**” herein.

Security for the Bonds

General. The Bonds will constitute general obligations of the District and will be payable as to principal or Redemption Price and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all of the taxable tangible property, real and personal, within the territorial limits of the District. See the section herein captioned “**SECURITY FOR THE BONDS - General.**”

Direct Deposit Agreement. Pursuant to a Direct Deposit Agreement, among the Office of the Treasurer of the State of Missouri, the Department of Elementary and Secondary Education of the State of Missouri, the Health and Educational Facilities Authority of the State of Missouri, BOKF, N.A. and the District, the District will agree that a portion of its State Aid payments will be transferred to BOKF, N.A., as Direct Deposit Trustee, in order to pay the debt service on the Bonds. See the section herein captioned “**SECURITY FOR THE BONDS — Direct Deposit of State Aid Payments.**”

* Preliminary, subject to change.

Continuing Disclosure

The District will agree in a Continuing Disclosure Certificate dated as of July 7, 2026 (the “**Continuing Disclosure Undertaking**”) to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed by the District in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the sections herein captioned “**CONTINUING DISCLOSURE UNDERTAKING**” and “**APPENDIX C – FORM OF CONTINUING DISCLOSURE UNDERTAKING.**”

Description of Documents

Brief descriptions of the Bonds, the security for the Bonds and certain other matters are included in this Official Statement. Such information, summaries and descriptions do not purport to be comprehensive or definitive. All references herein to the Bonds and the Resolution are qualified in their entirety by reference to such documents.

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of \$24,000,000*. The Bonds shall consist of fully registered bonds, numbered from 1 upward in order of issuance, with the number on each Bond preceded by the letter “R,” in denominations of \$5,000 or any integral multiple thereof. All of the Bonds shall be dated the date of original issuance and delivery thereof, shall become due in the amounts on the Stated Maturities set forth on the inside cover page hereof, subject to redemption and payment prior to their Stated Maturities as provided in the Resolution, and shall bear interest at the rates shown on the inside cover page hereof (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 in each year (each a “**Bond Payment Date**”), beginning on March 1, 2027.

Method and Place of Payment of Bonds

The principal or Redemption Price of each Bond will be paid at Maturity by check, electronic transfer or draft to the person in whose name such Bond is registered (the “**Registered Owner**”) at the Maturity thereof, upon presentation and surrender of such Bond at the payment office designated by the Paying Agent.

The interest payable on each Bond on any Bond Payment Date shall be paid to the Registered Owner of such Bond as shown on the books for the registration, transfer and exchange of Bonds kept at the payment office designated by the Paying Agent (the “**Bond Register**”) at the close of business on the 15th day (whether or not a business day) of the calendar month next preceding a Bond Payment Date (the “**Record Date**”) for such interest by (1) check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the

* Preliminary, subject to change.

bank, the bank's ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

Redemption of Bonds

Optional Redemption of Bonds. At the option of the District, the Bonds may be called for redemption and payment prior to maturity on March 1, 20__ and thereafter in whole or in part at any time at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for such redemption pursuant to the terms of the Resolution (the "**Redemption Date**").

Selection of Bonds to be Redeemed

The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as provided in the Resolution upon receipt by the Paying Agent at least 35 days prior to the Redemption Date of the District's written instructions specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in the Resolution are met.

The Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the Stated Maturities as shall be determined by the District, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the case of a partial redemption of Bonds, when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and any accrued interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the District's behalf by mailing a copy of an official redemption notice by first class mail at least 20 days prior to the Redemption Date to the State Auditor of Missouri, the purchaser of the Bonds, and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information: (1) the Redemption Date; (2) the Redemption Price; (3) if less than all Outstanding Bonds are to be redeemed, the identification number of each Bond being redeemed (such identification to include interest rates, maturities, principal amounts, CUSIP numbers and such additional information as the Paying Agent may reasonable determine of the Bonds to be redeemed); (4) a statement that on the Redemption Date the Redemption Price

will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (5) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal payment office of the Paying Agent.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the District defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Resolution for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying Agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Resolution. All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent as provided in the Resolution and shall not be reissued.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York.

The following information concerning DTC and DTC’s book-entry system has been obtained from DTC. The District takes no responsibility for the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC and its Participants. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers,

banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Ownership Interests. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payment of principal or Redemption Price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the District or the Paying Agent, on the payment

date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or Redemption Price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

If the District determines that it is in the best interest of the Beneficial Owners that they be able to obtain certificated Bonds, the District may notify the Securities Depository and the Paying Agent, whereupon the Securities Depository shall notify all Participants of the availability through the Securities Depository of Bond certificates.

Registration, Transfer and Exchange of Bonds

The District covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in the Resolution. Upon surrender of any Bond at the payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. The District shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees and expenses of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The District and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (2) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the District of its intent

to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Resolution.

SECURITY FOR THE BONDS

General

Pledge of Full Faith and Credit. The Bonds shall be general obligations of the District payable as to principal or Redemption Price of and interest on the Bonds from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the District's territorial limits.

Levy and Collection of Annual Tax. Under the Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal or Redemption Price of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the District's other ad valorem taxes are levied and collected. Except as otherwise provided under the caption "**Direct Deposit of State Aid Payments,**" the proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District and shall be used solely for the payment of the principal or Redemption Price of and interest on the Bonds as and when the same become due, taking into account scheduled mandatory redemptions, if any, and the fees and expenses of the Paying Agent.

Direct Deposit of State Aid Payments

Pursuant to Section 360.111 *et seq.* of the Revised Statutes of Missouri, as amended, and related statutes (the "**Deposit Law**"), the State of Missouri (the "**State**") and the District may agree to transfer to BOKF, N.A., as direct deposit trustee (the "**Deposit Trustee**"), a portion of the District's State aid payments and distributions normally used for operational purposes ("**State Aid**") in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the "**Deposit Agreement**") with the Office of the Treasurer of the State of Missouri ("**Treasurer's Office**"), the Department of Elementary and Secondary Education of the State of Missouri ("**DESE**"), the Health and Educational Facilities Authority of the State of Missouri and the Deposit Trustee. The Deposit Agreement will provide for the payment of one-fifth (1/5) of the annual debt service to be paid on the Bonds during the bond year ending March 1, 2027, to be deposited with the Deposit Trustee in each of the five (5) months of August 2026, September 2026, and December 2026; and January and February 2027 and (b) for each bond year thereafter, one-tenth (1/10th) of the annual debt service to be paid on the Bonds during each bond year will be deposited with the Deposit Trustee in each of the ten (10) months of March through September and December through February so long as the Bonds are outstanding. Amounts of State Aid to the District in excess of the one-tenth (1/10) monthly deposit will not be deposited with the Deposit Trustee but will be transferred directly to the District as has historically been the case with all State Aid.

Each month, pursuant to the terms of the Deposit Agreement, DESE will advise the Treasurer's Office of the amount of the District's State Aid to be deposited with the Deposit Trustee for the purpose of paying the Bonds, as specified in the Deposit Agreement. If there is a shortfall in a monthly payment, it is to be made up in the succeeding monthly payment of State Aid. Following receipt of the deposits, the Deposit Trustee will invest the amounts for the benefit of the District. The Deposit Trustee will transfer to the Paying Agent the amount necessary for payment of debt service on the Bonds not later than the day

prior to each payment date with respect to the Bonds. The District remains obligated to provide funds to the Paying Agent for debt service on the Bonds if the amounts of State Aid transferred are not sufficient to pay the Bonds when due.

Nothing in the Deposit Law or in the Deposit Agreement shall be construed to relieve the District of its obligation to make payments of principal and interest on the Bonds, or to impose any debt service levy sufficient to retire the Bonds. Moneys of the District which would otherwise be used to pay the Bonds on each payment date may be transferred to the District's operational funds to replace State Aid funds used to pay the Bonds. The State has not committed pursuant to the Deposit Law, the Deposit Agreement or otherwise to maintain any particular level of State Aid on behalf of the District, and the State is not obligated in any manner, contractually or morally, to make payments of debt service on the Bonds, other than its obligation to make transfers to the Deposit Trustee as described above. No assurance can be made that the amount of annual State Aid to the District will not in the future drop below that of the annual debt service requirements on the Bonds.

PLAN OF FINANCING

Authorization and Purpose of Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State, including particularly Article VI, Section 26 of the Missouri Constitution and Chapter 164 of the Revised Statutes of Missouri, as amended. The Bonds were approved by 2,399 "yes" votes to 405 "no" votes, which is at least four-sevenths of the qualified voters of the District voting at an election held on April 7, 2026. The Bonds are being issued pursuant to the Resolution.

The Project

The District will issue the Bonds for the purposes of (1) improving, repairing, renovating, furnishing and equipping school facilities, including, but not limited to, classroom and building improvements, athletic facilities and playground and security upgrades (collectively, the "**Project**") and (2) paying costs of issuance of the Bonds.

The Project will address necessary improvements across the District's facilities. The Project includes, but is not limited to, the following:

Classroom and Building Improvements

- HVAC system repairs and replacements
- Roofing repairs and replacements
- Asphalt/sidewalk repairs
- Science lab renovations
- Elevator installation

Athletic Facility Improvements

- Locker room renovations
- Field and turf upgrades
- Track retaining wall

Playground and Security Improvements

- Playground upgrades
- Intercom Bells

- Various other elementary school renovations

The District expects to go out for construction bids in the next several months and to award contracts shortly thereafter. The District expects all portions of the Project to be completed by 2028.

Sources and Uses of Funds

The estimated sources and uses of the proceeds of the Bonds are as follows:

Sources of Funds

| | |
|--------------------------------------|-------|
| Par Amount of Bonds | \$ |
| Plus: [*Net*] Original Issue Premium | _____ |
| Total | |

Uses of Funds

| | |
|--|----------|
| Deposit to Capital Projects Fund | |
| Costs of Issuance (including Underwriter's Discount) | |
| Total | \$ _____ |

RISK FACTORS

The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds or a determination that the interest on the Bonds might be deemed taxable for purposes of federal income taxation. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.**

Ad Valorem Property Taxes

The Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – History of Property Valuations"** in APPENDIX A of this Official Statement. In addition, the issuance of additional general obligation bonds by the District or other indebtedness by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See **"DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness"** in APPENDIX A of this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 15% of the assessed valuation of taxable tangible property in the District. See **"DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity"** in APPENDIX A of this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities and counties, which are limited to general obligation debt of 20% and 10% of the assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. In calendar year 2025, no single property owner owned more than 2.76% of the total taxable property in the District. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Major Property Taxpayers"** in APPENDIX A of this Official Statement.

Senior Property Tax Credit Program

In 2023, the Missouri General Assembly passed Senate Bill 190, which authorizes counties to grant property tax credits to residential property owners eligible to receive social security benefits equal to the difference between the real property tax liability on the homestead in the current year minus the real property tax liability on such homestead in the year in which the taxpayer became eligible to receive the tax credit (the **"Senior Property Tax Credit Program"**). Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by the county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. In September 2023, the Jackson County Legislature passed a resolution implementing the Senior Property Tax Credit Program in Jackson County, Missouri, which became effective with the 2024 property tax cycle.

The potential financial impact of the Senior Property Tax Credit Program on the District is not yet ascertainable. If the District's property tax revenues are reduced in a given year as a result of the Senior Property Tax Credit Program, there will be less property tax revenues available to pay principal of and interest on the Bonds. In addition, the District is permitted to retain in its debt service fund up to one year's debt service payments and can increase the debt service levy for future years to address the potential decrease from implementation of the Senior Property Tax Credit Program and to ensure continued payment of the principal of and interest on the Bonds. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT"** in APPENDIX A of this Official Statement.

Missouri Property Tax Cap

In June 2025, the Missouri General Assembly passed Senate Bill 3, which authorizes counties to grant property tax credits in the form of a cap on increases to residential real property tax bills. For certain counties, the real property tax liability on an eligible taxpayer's home may be increased by no more than five percent per year or the percent increase in the Consumer Price Index, whichever is greater. For other counties, the real property tax liability on an eligible taxpayer's home may not be increased above the liability incurred during the initial credit year. The City of St. Louis and 17 counties, including Jackson County, are exempt from the bill. The initial credit year is 2024 or, if the eligible taxpayer's real property tax liability is lower in a subsequent year, the initial credit year is that subsequent calendar year. All non-exempt counties were required to place a question of whether to enact this real property tax cap on the ballot by no later than the April 2026 general election. If a majority of the votes cast on the question are in favor of the cap, the credit shall be in effect and the county shall grant the property tax credit to eligible taxpayers. The County Collector will note the amount of any credit on the real property tax bills sent to eligible taxpayers.

State Tax Commission

The State Tax Commission of Missouri (the **"STC"**) issued an Order (the **"Order"**) on August 6, 2024, finding errors in Jackson County's (the **"County"**) conduct of its biennial reassessment for 2023. The Order finds, in part, that County assessing officials failed to give proper notice to property owners and failed to perform physical inspections, as required by Section 137.115 RSMo., where the assessed valuation

of residential real property increased by more than fifteen percent since the last assessment. Additionally, the Order directs County assessing officials to correct the assessment roll for tax year 2023 for residential real property so that, excluding increases due to new construction or improvements, said valuations do not increase in excess of fifteen percent since the last assessment. The Order also directs County assessing officials that, in the creation of the 2024 assessment roll, residential real property shall remain at the same assessed valuations as in the 2023 assessment roll, excluding increases due to new construction or improvements.

As a result of the Order, the County Executive sent a letter (the “**County Letter**”) to each taxing jurisdiction within the County identifying the estimated immediate impact to each taxing jurisdiction based on the County’s preliminary analysis of the Order. The County Letter estimated the impact to the District to be \$1,300,000, however this estimate is preliminary and subject to change.

The financial impact of the Order, future orders by the STC, any corrections (retroactive or otherwise) or changes resulting from appeals of the Order, or any limitation based on or in response to the Order to assessed valuations or property taxes previously or to be levied by the District is unknown at this time and cannot be predicted.

Potential Impact of Public Health Emergencies

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus in December 2019 (“**COVID-19**”), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The District cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the District associated with operating during any public health emergencies including, but not limited to, the amount of (1) increases in required services of the District, (2) costs to clean, sanitize and maintain its facilities, (3) costs to hire additional and/or substitute employees, (4) costs to acquire supporting goods and services, or (5) costs to operate remotely and support the employees of the District. Accordingly, the District cannot predict the effect any public health emergencies will have on the finances or operations of the District or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the Bonds. The District receives the majority of its revenue from property taxes, and the District did not experience a decrease in revenues due to COVID-19. Historical revenues and expenditures for the District’s General Fund for the fiscal years ended June 30, 2021 through 2025 are set forth under the caption “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Fund Balances Summary**” in APPENDIX A of this Official Statement.

Secondary Market Prices and Liquidity

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected

to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's or the issuer's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

No Reserve Fund or Credit Enhancement

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to insure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the District to pay the Bonds. As described under the heading "**SECURITY FOR THE BONDS - General - Pledge of Full Faith and Credit**" herein, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal and interest on the Bonds on all taxable tangible property in the District.

Ratings

The Rating Agency (defined herein) has assigned the Bonds the ratings set forth in the section herein captioned "**BOND RATINGS.**" Such ratings reflect only the views of the Rating Agency, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by the Rating Agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

Pensions

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (1) The Public School Retirement System of Missouri and (2) The Public Education Employee Retirement System of Missouri. See "**GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT – Employee Retirement and Pension Plans**" in **APPENDIX A** of this Official Statement. Future required contribution increases beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the District's operations or limit the District's ability to generate additional revenues in the future.

Enrollment

Significant portions of the revenue the District receives are directly affected by the District's enrollment. A significant decrease in enrollment could reduce the amount of future revenue the District receives, which may adversely affect the District's financial position and results of operations. No assurance can be given that economic, social, legislative and other factors beyond the control of the District will not negatively impact student enrollment and revenues dependent thereon. Increased competition from other educational facilities, including virtual facilities and charter schools, could adversely affect the ability of the District to maintain enrollment, or could adversely affect the ability of the District to attract faculty and other staff. Under the Missouri Course Access and Virtual School Program, eligible students may enroll in virtual courses, and the school district will have to pay for that course if certain criteria are met. Charter schools are allowed in certain limited areas of Missouri provided certain criteria are met; there are or may be pending in the General Assembly of Missouri legislative proposals that, if enacted, could expand the prevalence of charter schools. It cannot be predicted whether or in what form any proposed legislation might be enacted or whether, if enacted, it would negatively impact the District's enrollment, financial position or operations. For information about the historical enrollment of the District, see "**GENERAL**

AND ECONOMIC INFORMATION CONCERNING THE DISTRICT – Enrollment” in APPENDIX A of this Official Statement.

State Aid and Direct Deposit Agreement

Approximately 11.94% of the District’s revenue is derived from State Aid. See “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue**” and “**– State Revenue**” in **APPENDIX A** of this Official Statement. A portion of the District’s State Aid is currently pledged to the payment of the Bonds and will be directly deposited by the State with the Deposit Trustee for payment of the Bonds. See “**SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments**” in this Official Statement. Reductions in State Aid could occur in the future if, for example, the State faces fiscal problems in the future, or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

Amendment of the Resolution

Certain amendments, effected by resolution of the District, to the Bonds and the Resolution may be made with consent of the owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds.

Loss of Premium from Redemption

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the section captioned “**THE BONDS – Redemption Provisions.**”

Tax-Exempt Status and Risk of Audit

The failure of the District to comply with certain covenants set forth in the Resolution could cause the interest on the Bonds to become included in gross income for federal and State income tax purposes retroactive to the date of issuance of the Bonds. The Resolution does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and State income tax purposes. See the section herein captioned “**TAX MATTERS.**”

The Internal Revenue Service (the “**IRS**”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the District as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Defeasance Risks

When any or all of the principal of the Bonds or scheduled interest payments thereon have been deemed paid and discharged as provided in the Resolution, then the requirements contained in the Resolution and the pledge of the District’s faith and credit thereunder and all other rights granted thereby will terminate with respect to the principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been

paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the stated maturity or redemption date of said principal of the Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the stated maturity or redemption date. There is no legal requirement in the Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Cybersecurity Risks

The District relies on its information systems to provide security for processing, transmission and storage of confidential and other credit information. It is possible that the District's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides, or the unauthorized disclosure of confidential and other credit information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations. The District's current insurance coverage includes risk of loss from cyber-attacks.

THE DISTRICT

The District is a school district and political subdivision organized and existing under the laws of the State. The District is located in the southwestern portion of the City of Kansas City, Missouri. The District encompasses approximately 12 square miles and has a current population of approximately 26,201 persons. See **"GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT – Location and Size"** in **APPENDIX A** of this Official Statement for further information regarding the District.

LEGAL MATTERS

All legal matters incident to the authorization and issuance of the Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the District. Bond Counsel has not participated in the preparation of this Official Statement and expresses no opinion as to the accuracy or sufficiency of the information contained herein, except such firm has reviewed the information under the captions **"INTRODUCTION – Purpose of the Bonds," "INTRODUCTION – Security for the Bonds," "THE BONDS"** (other than the information appearing in the subsection captioned **"Book-Entry Only System"**), **"SECURITY FOR THE BONDS," "LEGAL MATTERS," "TAX MATTERS," "CONTINUING DISCLOSURE UNDERTAKING"** (except for the information related to prior compliance) and **APPENDIX C – FORM OF CONTINUING DISCLOSURE UNDERTAKING**, insofar as such portions summarize certain provisions of the Bonds, the Resolution, the Continuing

Disclosure Undertaking and certain tax matters relating to the Bonds. Certain legal matters related to this Official Statement will be passed upon by Thompson Coburn LLP, St. Louis, Missouri, Underwriter's Counsel.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon or of the future performance of parties to such transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

BOND RATINGS

Moody's Investors Service, Inc. (the "**Rating Agency**"), has assigned a municipal bond rating of "Aa1" to the Bonds based upon the District's participation in the Missouri Direct Deposit Program, and has assigned a municipal bond rating of "A1" to the Bonds based on the underlying credit of the District.

Such ratings reflect only the views of the Rating Agency, and an explanation of the significance of each rating may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by the Rating Agency if, in its judgment, circumstances warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the ratings of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the District is required to bring to the attention of the holders of the Bonds any change to the ratings of the Bonds but has not undertaken any responsibility to oppose any such change. See the section herein captioned "**CONTINUING DISCLOSURE UNDERTAKING.**" Any revision or withdrawal of the ratings could have an adverse effect on the market price and marketability of the Bonds.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts and foreign taxpayers) and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

No Bank Qualification. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “**TAX MATTERS.**”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount, if any.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium, if any.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE UNDERTAKING

The District will enter into the Continuing Disclosure Undertaking to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**") and to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with Rule. The District is the only "obligated person" with responsibility for continuing disclosure. Included as **APPENDIX C** of this Official Statement is the proposed form of the Continuing Disclosure Undertaking.

The District has made similar undertakings with respect to its outstanding general obligation bonds to file certain financial information and operating data for each fiscal year of the District. The District covenanted to include the District's audited financial statements for the previous year in addition to updated information relating to the District and its operations. Within the past five years, the District failed to timely file certain operating data, including major taxpayer information, because that information was not available from the County at the time of filing; however, such operating data has since been filed. The District currently engages an independent third party to assist the District in complying with its continuing disclosure undertakings.

ABSENCE OF LITIGATION

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or, to the District's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the District or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the District's ability to meet its obligations to pay the Bonds.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") has agreed to purchase the Bonds from the District at a price equal to \$ _____ (which is equal to the aggregate principal amount of the Bonds, plus a [*net*] original issue premium of \$ _____, less an underwriting discount of \$ _____). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the District, has represented the Underwriter and the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing either in connection with the issuance of the Bonds.

Thompson Coburn LLP, counsel to the Underwriter, has represented the Paying Agent in transactions unrelated to the delivery of the Bonds, but is not representing it in connection with the delivery of the Bonds.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the Owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the offices of the Underwriter. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the District, the Paying Agent, or the Underwriter and the purchasers or Owners of any Bonds.

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The District has duly authorized the delivery of this Official Statement.

**CENTER SCHOOL DISTRICT NO. 58
OF JACKSON COUNTY, MISSOURI**

By: _____
President of the Board of Education

APPENDIX A

INFORMATION REGARDING THE DISTRICT

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GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT

Location and Size

Center School District No. 58 of Jackson County, Missouri (the “**District**”) is located in the southwestern portion of the City of Kansas City, Missouri. The District encompasses approximately 12 square miles and has an estimated population of 26,201.

Government and Organization

The District is governed by a seven-member Board of Education (the “**Board**”). The members of the Board are elected by the voters of the District for three-year staggered terms with two or three members being elected each year. All Board members are elected at-large and serve without compensation. The Board is responsible for all policy decisions. The President of the Board is elected by the Board from among its members for a term of one year and has no regular administrative duties. The Secretary and Treasurer are appointed by the Board and may or may not be members of the Board. Currently, the Treasurer is not a member of the Board. The District recently hired Ieshia Riley to fill the position of Secretary to the Board but she won’t start this position until July 2026. Dr. Troy S. Hogg is serving as acting Secretary until Ms. Riley begins.

| <u>Name</u> | <u>Office</u> | <u>Original Term Began</u> | <u>Current Term Expires</u> |
|------------------|---------------------------|--------------------------------|---------------------------------|
| Cecelia Ball | President and Member | 2015 ⁽¹⁾ | 2028 |
| Gayla Smith | Vice-President and Member | 2025 | 2028 |
| Marsha Brown | Member | 2026 | 2029 |
| Melissa Bellante | Member | 2026 | 2029 |
| Kristin Stokely | Member | 2026 | 2029 |
| Mariah Roady | Member | 2024 | 2027 |
| Michael Sarver | Member | 2024 | 2027 |

⁽¹⁾ Ms. Ball filled a vacancy on the Board in 2015 and then was elected to a term from 2016-2019. She was not on the Board from 2019-2024 and then was elected to another term in 2025.

Administration

The Board appoints the Superintendent who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Upon recommendation by the Superintendent, the Board appoints additional members of the administrative staff.

Dr. Troy S. Hogg was named Superintendent of the District in January 2026 and served as interim Superintendent from April 2025 to January 2026. With over 30 years of experience in public education, Dr. Hogg brings a deep commitment to student success, instructional excellence, and community collaboration to his role as Superintendent of the District. Throughout his career, he has served as a teacher, principal, and assistant superintendent in diverse settings ranging from rural to suburban districts, including an international experience in Japan. Dr. Hogg earned his Bachelor’s degree in Elementary Education from Lincoln University, his Master's degree in Educational Administration from William Woods University, and both his Educational Specialist and PhD in Educational Leadership and Policy Analysis from the University of Missouri - Columbia.

Mr. Tyson Malone began as the District’s Chief Financial Officer in June 2025. Prior to joining the District, Mr. Malone worked at Kansas City Public Schools in various roles including training, procurement and risk management. Mr. Malone earned his Bachelor’s degree in Business Administration from Missouri Western State University and his Master’s degree in Business Administration from Baker University.

Other members of the administrative staff include the Assistant Superintendent, Student and Special Services; Assistant Superintendent, Human Resources; Assistant Superintendent, Academic Services; Director, Operations and Facilities; Director of Public Engagement and Outreach; and the Director of Technology.

Professional Staff

The District has 449 full-time employees, including 28 administrative personnel, 214 teachers, librarians and counselors and 207 support staff. Approximately 49.9% of the teaching staff hold advanced degrees.

The current average student-classroom teacher ratio for the District is 14 to 1.

Educational Facilities

The District currently operates a senior high school, an alternative high school / middle school, a middle school, four elementary schools and an early childhood pre-kindergarten educational center with a total enrollment of approximately 2,229 students for the 2025-2026 school year.

| <u>Name of School</u> | <u>Grades Served</u> |
|------------------------------------|----------------------|
| Yellowjacket Early Learning Center | PK |
| Boone Elementary School | K-5 |
| Center Elementary School | K-5 |
| Indian Creek Elementary School | K-5 |
| Red Bridge Elementary School | K-5 |
| Center Middle School | 6-8 |
| Center High School | 9-12 |
| Center Academy for Success | 7-12 |

Enrollment

Listed below are the District’s fall enrollment figures for the school years shown below:

| | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-2026</u> |
|------------------|----------------|----------------|----------------|----------------|------------------|
| Elementary (K-5) | 1,109 | 1,131 | 1,118 | 1,047 | 1,059 |
| Secondary (6-12) | <u>1,301</u> | <u>1,305</u> | <u>1,219</u> | <u>1,173</u> | <u>1,170</u> |
| Total | <u>2,410</u> | <u>2,436</u> | <u>2,337</u> | <u>2,220</u> | <u>2,229</u> |

Source: Department of Elementary and Secondary Education (“DESE”).

National School Lunch Program

Certain District students are eligible to receive free or reduced price lunches (“FRL”) under the National School Lunch Program, which includes students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program) or that qualify based on household

income. The table below shows the percentage of the students in each of the District’s schools that qualify for FRL.

| <u>School</u> | January 2025 Full-Time Enrollment | January 2025 Full-Time Enrollment FRL Count | January 2025 Percentage of FRL Participation |
|-------------------------|--|--|---|
| Center Sr. High | 663.10 | 385.10 | 58.10% |
| Center Middle | 495.85 | 287.90 | 58.10% |
| Boone Elementary | 250.00 | 134.00 | 53.60% |
| Center Elementary | 326.50 | 325.50 | 99.70% |
| Indian Creek Elementary | 299.00 | 299.00 | 100.00% |
| Red Bridge Elementary | 199.76 | 101.00 | 50.60% |

Source: DESE.

School Rating and Accreditation

DESE administers the Missouri School Improvement Program (“**MSIP**”), the State’s school accountability system for reviewing and accrediting public school districts in the State. Since MSIP was established in 1990, five review cycles have been completed, each cycle lasting from five to six years. The sixth cycle, referred to as MSIP 6, began in the 2020-2021 school year and is currently being implemented.

The District is accredited. The MSIP classification is not a bond or debt rating, but is solely an evaluation made by DESE.

Risk Management

The District maintains various policies of coverage including casualties to the District’s facilities and general liability insurance, which policies are subject to certain deductible clauses. For further information, see Note E to the District’s financial statements included in **Appendix B** to this Official Statement.

Employee Retirement and Pension Plans

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri (“**PSRS**”), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts and certain other educational entities in Missouri and employees of certain related employers; and (ii) The Public Education Employee Retirement System of Missouri (“**PEERS**”), which provides retirement and disability benefits to employees of school districts and certain other educational entities in Missouri and of certain related employers who work 20 or more hours per week and do not contribute to PSRS. Benefit provisions relating to both PSRS and PEERS are set forth in Chapter 169, RSMo. The statutes assign responsibility for the administration of both plans to a seven-member Board of Trustees of PSRS (the “**PSRS Board**”). PSRS and PEERS had 534 and 531 contributing employers, respectively, during the fiscal year ended June 30, 2025.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025 (the “**2025 PSRS/PEERS ACFR**”), the comprehensive financial report for the plans, is available at www.psr-peers.org/About-Us. The link to the 2025 PSRS/PEERS ACFR is

provided for general background information only, and the information in the 2025 PSRS/PEERS ACFR is not incorporated by reference herein. The 2025 PSRS/PEERS ACFR provides detailed information about PSRS and PEERS, including their respective financial positions, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plans.

PSRS and PEERS Contributions. Employees who contribute to PSRS are not eligible to make Social Security contributions, except in limited circumstances. For the fiscal year ended June 30, 2025, PSRS contributing employees were required to contribute 14.5% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 14.5% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 1.0% in aggregate of PSRS contributing member covered pay of the previous year.

Employees who contribute to PEERS are eligible to make Social Security contributions. For the fiscal year ended June 30, 2025, PEERS contributing employees were required to contribute 6.86% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 6.86% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 0.5% in aggregate of PEERS contributing member covered pay of the previous year.

PSRS and PEERS Funded Status. PSRS and PEERS reported funded ratios of 89.1% and 89.9%, respectively, as of June 30, 2025, according to the 2025 PSRS/PEERS ACFR. Funded ratios are intended to estimate the ability of current plan assets to satisfy projected future liabilities. The PSRS and PEERS funded ratios are determined by dividing the smoothed actuarial value of plan assets by the plan's actuarial accrued liability determined under the entry age normal cost method with normal costs calculated as a level percentage of payrolls, along with certain actuarial assumptions based on an experience study conducted in 2021. PSRS and PEERS amortize unfunded actuarial liabilities using a closed 30-year method. Additional assumptions and methods used to determine the actuarial funded status of PSRS and PEERS are set forth in the Actuarial Section of the 2025 PSRS/PEERS ACFR. The funding objective of each plan, as stated in each plan's Actuarial Funding Policy, is to achieve a funded ratio of 100% over a closed 30-year period.

The following provides a historical comparison of actual employer contributions to actuarially determined contributions and the historical funded status for the plans for the years shown:

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Schedule of Employer Contributions

| Year Ended June 30, | <u>PSRS</u> | | | <u>PEERS</u> | | |
|----------------------------|--|--------------------------------------|--|--|--------------------------------------|--|
| | Actuarially Determined Contribution | Actual Employer Contributions | Contribution Excess/ (Deficiency)⁽¹⁾ | Actuarially Determined Contribution | Actual Employer Contributions | Contribution Excess/ (Deficiency)⁽¹⁾ |
| 2025 | \$835,236,887 | \$848,104,682 | \$12,867,795 | \$172,711,373 | \$173,979,445 | \$1,268,072 |
| 2024 | 832,366,273 | 819,926,016 | (12,440,257) | 163,252,197 | 162,777,627 | (474,570) |
| 2023 | 771,873,895 | 792,646,705 | 20,772,810 | 145,744,095 | 147,463,789 | 1,719,694 |
| 2022 | 756,968,491 | 764,348,407 | 7,379,916 | 134,786,669 | 135,180,782 | 394,113 |
| 2021 | 702,442,650 | 745,638,245 | 43,195,595 | 123,733,066 | 126,877,255 | 3,144,189 |

Source: "Schedules of Employer Contributions" in the Financial Section of the 2025 PSRS/PEERS ACFR.

⁽¹⁾ The annual statutory increase in the total contribution rate may not exceed 1% of pay for PSRS and 0.5% of pay for PEERS. The limitation on contribution increases resulted in a deficiency for some of the years presented. Contributions were funded to the maximum statutory limit each year.

Schedule of Funding Progress

(Dollar amounts in thousands)

| Year Ended June 30, | <u>PSRS</u> | | | <u>PEERS</u> | | |
|----------------------------|----------------------------------|------------------------------------|---------------------|----------------------------------|------------------------------------|---------------------|
| | Actuarial Value of Assets | Actuarial Accrued Liability | Funded Ratio | Actuarial Value of Assets | Actuarial Accrued Liability | Funded Ratio |
| 2025 | \$54,466,041 | \$61,144,573 | 89.1% | \$7,414,008 | \$8,250,244 | 89.9% |
| 2024 | 51,430,822 | 58,971,485 | 87.2 | 6,881,439 | 7,810,188 | 88.1 |
| 2023 | 49,122,410 | 57,193,631 | 85.9 | 6,459,684 | 7,401,637 | 87.3 |
| 2022 | 47,185,300 | 55,405,260 | 85.2 | 6,113,154 | 6,998,708 | 87.3 |
| 2021 | 45,033,548 | 52,834,297 | 85.2 | 5,756,526 | 6,560,854 | 87.7 |

Source: "Schedule of Funding Progress" in the Actuarial Section of the 2025 PSRS/PEERS ACFR.

As stated in the District's audited financial statements, which are prepared on a modified cash basis of accounting, the District's contributions to PSRS and PEERS for the years shown were as follows:

District Contributions to PSRS and PEERS

| Year Ended June 30, | <u>PSRS</u> | | <u>PEERS</u> | |
|----------------------------|--|------------------------------------|--|------------------------------------|
| | Annual Contribution⁽¹⁾ | Contribution (% of Payroll) | Annual Contribution⁽¹⁾ | Contribution (% of Payroll) |
| 2025 | \$2,509,662 | 14.50% | \$667,035 | 6.86% |
| 2024 | 2,519,922 | 14.50 | 662,885 | 6.86 |
| 2023 | 2,566,928 | 14.50 | 551,669 | 6.86 |
| 2022 | 2,786,834 | 14.50 | 534,239 | 6.86 |
| 2021 | 2,636,258 | 14.50 | 514,581 | 6.86 |

Source: Audited financial statements of the District for the fiscal years ended June 30, 2021– 2025;

⁽¹⁾ The annual contributions equaled the amounts required by the PSRS Board for each year.

The District’s contribution to PSRS and PEERS during the fiscal year ended June 30, 2025 constituted approximately 5.82% of the District’s total operating expenditures during the fiscal year. The District was required to contribute 14.5% of covered payroll for PSRS contributing employees and 6.86% of covered payroll for PEERS contributing employees during the fiscal year ended June 30, 2025, equal to the contribution percentages for the fiscal year ended June 30, 2024.

Estimated Proportionate Share of PSRS/PEERS Liability. The District has not implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, because the District’s financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. PSRS and PEERS, however, have implemented GASB Statement No. 67, *Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25*. Accordingly, PSRS and PEERS are required annually to provide each contributing Missouri school district reports estimating each district’s proportional share of the net pension liability of PSRS and PEERS as of the end of the prior fiscal year. The estimate is computed for each district by multiplying the net pension liability of a plan (calculated by determining the difference between the plan’s total pension liability and fiduciary net position) by a percentage reflecting the district’s proportionate share of contributions to the plan during the fiscal year (calculated by dividing the District’s actual contributions by the actual contributions of all participating employers for PSRS and PEERS, respectively, for the fiscal year ended June 30, 2025).

At June 30, 2025, the District’s proportionate share of the net pension liability of PSRS and PEERS was \$16,785,337 and \$2,739,281, respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2025, the District’s contribution to PSRS and PEERS represented 0.3012% and 0.3925%, respectively, of the overall contributions to PSRS and PEERS during the fiscal year. In addition, for the year ended June 30, 2025, the District recognized a pension expense of (\$331,284) for PSRS and \$327,563 for PEERS, its proportionate share of the total pension expense. Detailed information about the calculation of the net pension liability of the plans, including information about the assumptions used, is available in the Financial Section of the 2025 PSRS/PEERS ACFR.

The net pension liability of PSRS and PEERS is based on a 7.3% discount rate, which was also the assumed investment rate of return for the plans effective for the fiscal year ended June 30, 2025. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1% higher or lower discount rate at June 30, 2025 (measured as of June 30, 2024) would be as follows:

Proportionate Share of Net Pension Liability Sensitivity

| | 1.0% Decrease (6.3%) | Current Discount Rate (7.3%) | 1.0% Increase (8.3%) |
|---|---------------------------------|---|---------------------------------|
| District’s proportionate share of PSRS net pension liability | \$39,993,355 | \$16,785,337 | (\$2,428,858) |
| District’s proportionate share of PEERS net pension liability | \$6,708,311 | \$2,739,281 | (\$565,392) |

For additional information regarding the District’s pensions and employee retirement plans, see Note F to the District’s financial statements included in **Appendix B** to this Official Statement. For additional information regarding PSRS and PEERS, see the 2025 PSRS/PEERS ACFR.

Employee Relations

Teachers in the District belong to the Missouri State Teachers Association, the Missouri NEA or are not affiliated. The Board makes the final decisions on all matters of policy, salaries and working conditions without fact finding, mediation or arbitration.

DEBT STRUCTURE OF THE DISTRICT

Overview

Under State law, refunding bonds and obligations payable from annual appropriations do not require voter approval. Any general obligation bonds, other than refunding bonds, require voter approval for issuance. Pursuant to the Constitution of Missouri, the District is authorized to issue general obligation bonds payable from unlimited ad valorem taxes upon a two-thirds or, at elections held on general municipal election days or State primary or general election days, a four-sevenths majority vote of the qualified voters voting on the specific proposition.

The following table summarizes certain financial information concerning the District. This information should be reviewed in conjunction with the information contained in this section and the financial statements of the District in **Appendix B** hereto.

| | |
|--|-----------------|
| District Population | 26,201 |
| Assessed Valuation ⁽¹⁾ | \$ 707,184,794 |
| Estimated Actual Value | \$2,982,717,352 |
| Outstanding Direct Debt ⁽²⁾ | \$ 61,565,000* |
| Overlapping General Obligation Debt | \$ 45,639,090* |
| Total Direct and Overlapping General Obligation Debt ⁽²⁾ | \$ 107,204,090* |
| Per Capita Direct Debt ⁽²⁾ | \$ 2,349.72* |
| Per Capita Direct and Overlapping General Obligation Debt ⁽²⁾ | \$ 4,091.60* |
| Ratio of Direct General Obligation Debt to Assessed Valuation ⁽²⁾ | 8.71%* |
| Ratio of Direct General Obligation Debt to Estimated Actual Value ⁽²⁾ | 2.06%* |
| Ratio of Direct and Overlapping General Obligation Debt to Assessed Valuation ⁽²⁾ | 15.16%* |
| Ratio of Direct and Overlapping General Obligation Debt to Estimated Actual Value ⁽²⁾ | 3.59%* |

⁽¹⁾ Excludes State assessed railroad and utility property and the incremental increase in assessed valuation over the established assessed valuation base within a tax increment financing redevelopment area, within the District.

⁽²⁾ Includes the Bonds.

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* Preliminary, subject to change

Long-Term General Obligation Indebtedness

The following table shows the outstanding general obligation bonded indebtedness of the District after the issuance of the Bonds:

| <u>Series</u> | <u>Final Maturity</u> | <u>Currently Outstanding</u> |
|---|-----------------------|------------------------------|
| Taxable General Obligation Qualified School Construction Bonds (Missouri Direct Deposit Program) (Direct Pay Bonds), Series 2010B | 3/1/2027 | \$ 2,805,000 |
| General Obligation School Building and Refunding Bonds (Missouri Direct Deposit Program), Series 2019A | 3/1/2038 | 26,315,000 |
| General Obligation School Building Bonds, Series 2019B | 3/1/2030 | 8,445,000 |
| General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 | 3/1/2046* | <u>24,000,000*</u> |
| Total | | <u>\$61,565,000*</u> |

Lease Obligations

Obligations secured by annually appropriated funds do not constitute an indebtedness for purposes of any State statutory or constitutional debt limit. Such obligations are payable solely from annually appropriated funds of a governmental body available therefor and neither taxes nor a specific source of revenues can be pledged to make payments on such obligations. Any increase in taxes required to generate sufficient funds with which to make payments on such obligations are subject to voter approval.

The District previously issued its Certificates of Participation, Series 2019 (the “**Series 2019 Certificates**”), on May 7, 2019 in the aggregate principal amount of \$5,395,000 for the purpose of providing funds to pay the costs of acquiring and installing energy conservation improvements. The Series 2019 Certificates bear interest at a rate of 3.0 - 4.0% and are payable (subject to annual appropriation), as to principal, annually in varying amounts on each April 15, which commenced April 15, 2020. The Series 2019 Certificates are currently outstanding in the principal amount \$3,660,000 and have a final maturity of April 15, 2034.

The District has entered into other leases for vehicles, technology equipment and capital improvements. For more information on these leases, see Notes J and K to the to the District’s financial statements included in **Appendix B** to this Official Statement.

General Obligation Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for all outstanding general obligation indebtedness of the District, including the Bonds:

* Preliminary, subject to change

| Fiscal Year Ended June 30 | Outstanding Bonds Total Net Debt Service | The Bonds | | | Total Debt Service |
|---------------------------|--|----------------------|-----------|-----------|--------------------|
| | | Principal* | Interest | Total | |
| 2026 | \$ 3,787,949 | - | - | - | - |
| 2027 | 4,174,149 | - | - | - | - |
| 2028 | 4,226,575 | - | - | - | - |
| 2029 | 4,226,975 | - | - | - | - |
| 2030 | 4,227,775 | - | - | - | - |
| 2031 | 4,233,775 | - | - | - | - |
| 2032 | 4,234,975 | - | - | - | - |
| 2033 | 4,235,975 | - | - | - | - |
| 2034 | 4,241,575 | - | - | - | - |
| 2035 | 4,231,375 | - | - | - | - |
| 2036 | 4,244,600 | - | - | - | - |
| 2037 | 4,248,200 | - | - | - | - |
| 2038 | 400,400 | - | - | - | - |
| 2039 | - | - | - | - | - |
| 2040 | - | \$ 1,485,000 | - | - | - |
| 2041 | - | 2,850,000 | - | - | - |
| 2042 | - | 3,210,000 | - | - | - |
| 2043 | - | 3,520,000 | - | - | - |
| 2044 | - | 3,925,000 | - | - | - |
| 2045 | - | 4,280,000 | - | - | - |
| 2046 | - | 4,730,000 | - | - | - |
| Total | <u>\$50,714,298</u> | <u>\$24,000,000*</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

Overlapping or Underlying Indebtedness

The following table sets forth the approximate overlapping indebtedness of political subdivisions with boundaries overlapping the District as of June 1, 2026 and the percentage attributable (on the basis of assessed valuation) to the District. The table was compiled from information furnished by the jurisdictions responsible for the debt, and the District has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

| Taxing Body | General Obligation Debt | Approx. Percent Applicable | Amount of Overlapping Debt |
|------------------------------------|-------------------------|----------------------------|----------------------------|
| City of Kansas City | \$497,700,000 | 9.17% | \$45,639,090 |
| Mid-Continent Public Library | \$0 | 5.93% | \$0.00 |
| The Metropolitan Community College | \$0 | 4.03% | \$0.00 |

Legal Debt Capacity

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized school district purposes not to exceed 15% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date. The current legal debt limit of the District is approximately

* Preliminary, subject to change

\$106,077,719 (the limit would be higher if the valuation of State assessed railroad and utility property were included, as explained below). The total outstanding indebtedness of the District is \$61,565,000*, resulting in a legal debt margin of the District of approximately \$44,512,719*.

Because of the manner in which tax collections are distributed to school districts from assessments of State assessed railroad and utility property (see the caption “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – County Revenue**”), the valuation of such property physically located within a school district is not normally determined unless, without the value of such property included in the calculation, the school district would exceed its legal debt limit. If the value of State assessed railroad and utility property physically located within the District were determined, the District’s legal debt limit and its legal debt margin shown in the previous paragraph would be increased by 15% of the assessed value of such State assessed railroad and utility property.

Future Plans

In April 2026, the voters of the District approved the issuance of \$29,000,000 of the District’s general obligation bonds for the purpose of improving, repairing, renovating, furnishing and equipping school sites, including, but not limited to, classroom and building improvements, athletic facilities and playground and security updates (collectively, the “**Project**”). Also in April 2026, voters in the District approved a tax levy transfer that decreases the debt service tax levy by \$0.17 and increases the operating tax levy by \$0.17.

The District plans to abandon \$5,000,000 of the \$29,000,000 voter-approved bonding authority from the April 2026 election. The District plans to go back to the voters at the August 4, 2026 election to request authorization to issue its general obligation bonds in an amount up to \$5,000,000 for the purpose of refinancing lease purchase obligations of the District previously issued to finance improvements and equipment. If such question is approved, the District’s debt service tax levy is estimated to decrease from \$0.90 to \$0.73 per \$100 of assessed valuation of real and personal property in connection with the increase to the District’s operating tax levy authorized at the April 2026 election, in part because the District is abandoning \$5,000,000 of the \$29,000,000 voter-approved bonding authority from the April 2026 election.

The District will issue \$24,000,000 of the \$29,000,000 voted authorization from the April 2026 election with the Bonds to finance a portion of the Project. The District expects to go out for construction bids in the next several months and to award contracts shortly thereafter. The District expects all portions of the Project to be completed by 2028.

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FINANCIAL INFORMATION CONCERNING THE DISTRICT

Accounting, Budgeting and Auditing Procedures

The District follows a modified cash basis method of accounting in conformity with the requirements of State law and DESE. Under this system, revenues are recorded when received and expenses are recorded when paid. Cash transactions have been recorded in the following funds for the accounting of all District funds:

General (Incidental) Fund
Special Revenue (Teachers) Fund
Debt Service Fund
Capital Projects Fund

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

1. In accordance with Chapter 67 of the Revised Statutes of Missouri, as amended, the District adopts a budget for each fund.
2. Prior to July, the Chief Financial Officer, who serves as the budget officer, submits to the Board a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to approval by the Board, the budget documents are available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board.
5. Subsequent to its formal approval of the budget, the Board 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 of accounting, which recognizes revenues when collected and expenditures when paid.

The financial records of the District are audited annually by a firm of independent certified public accountants in accordance with the modified cash basis of accounting. The audit for the fiscal year ended June 30, 2025 was performed by Westbrook & Co., P.C., Richmond, Missouri, a copy of which is included in this Official Statement in **Appendix B**. A summary of significant accounting policies of the District is contained in the Notes accompanying the financial statements in **Appendix B**. *The District neither requested nor received the consent of Westbrook & Co., P.C to the inclusion of its audit report in this Official Statement. Neither the firm of Westbrook & Co., P.C, nor any other independent accountants, has examined the District's records, or performed any procedures with respect to the District since the date of the District's audit for the fiscal year ended June 30, 2025.*

Sources of Revenue

The District finances its operations through the local property tax levy, State sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including without limitation State Aid for transportation, a State sales tax on cigarettes and a pro rata share of interest income from the county in which it operates. Debt service on general obligation bonds is paid from amounts in the District's Debt

Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board.

State and federal revenue, as well as “Proposition C” sales tax revenue (included in the “**Local Revenue**” category below), are received on a continuous monthly basis throughout the fiscal year. Local taxes, however, are received primarily in December and January, approximately six months into a district’s fiscal year. Districts that receive a smaller percentage of revenue from State and federal aid and depend more on local revenues will typically carry a larger fund balance than other districts that may be receiving a larger percent of their revenue from State and federal aid amounts rather than local taxes.

The following table shows the allocation of the District’s revenue from the various sources for the fiscal year ended June 30, 2025:

| Revenue Source | Amount | % of Total |
|-----------------------|---------------------|-------------------|
| Local Revenue | \$40,287,105 | 75.00% |
| State Revenue | 6,415,638 | 11.94 |
| Federal Revenue | 5,302,693 | 9.87 |
| County Revenue | 1,439,540 | 2.68 |
| Other Revenue | <u>270,058</u> | <u>0.50</u> |
| Total | <u>\$53,715,034</u> | <u>100.00%</u> |

Source: Annual Secretary of the Board Report for fiscal year ended June 30, 2025.

Local Revenue

The primary sources of “local revenue” are (1) taxes upon real and personal property within a district, excluding railroad and utility property taxes, which are more fully described below, and (2) receipts from a 1% state sales tax (commonly referred to as “**Proposition C revenues**”) approved by the voters in 1982.

Proposition C revenues are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district’s weighted average daily attendance (see “**Weighted ADA**” under “**State Revenue**” below). Proposition C payments vary each month due to cash availability, which is based on sales taxes paid during the second preceding month. The table below shows the approximate amount each school district received per pupil from Proposition C revenues for the following fiscal years:

| Fiscal Year Ended June 30 | Proposition C Revenue Per Pupil |
|----------------------------------|--|
| 2025 | \$1,514 |
| 2024 | 1,574 |
| 2023 | 1,287 |
| 2022 | 1,214 |
| 2021 | 1,046 |

Source: DESE

County Revenue

For school taxation purposes, all state assessed railroad and utility property within a county is taxed uniformly at a rate determined by averaging the tax rates of all school districts in the county. No determination is made of the assessed value of the railroad and utility property that is physically located within the boundaries of each school district. Such tax collections for each county are distributed to the school districts within that county according to a formula based in part on total student enrollments in each district and in part on the taxes levied by each district. County revenue also includes certain fines and forfeitures collected with respect to violations within the boundaries of the school district.

State Revenue

The primary source of state revenue or “**State Aid**” is provided under a formula enacted under Chapter 163, RSMo that is primarily student-needs-based.

Property Tax Levy Requirements. The sum of a district’s local property tax levies in its Incidental and Teachers’ Funds must be at least \$2.75 per \$100 of assessed valuation in order for the district to receive increases in State Aid above the level of State Aid it received in the 2005-2006 fiscal year. Levy reductions required as a result of a “Hancock rollback” (see “**PROPERTY TAX INFORMATION – Tax Rates – Operating Levy**” below) will not affect a district’s eligibility for State Aid increases.

The Formula. A district’s State Aid is determined by first multiplying the district’s weighted average daily attendance (“**Weighted ADA**”) by the state adequacy target (“**State Adequacy Target**”). This figure may be adjusted upward by a dollar value modifier (“**DVM**”). The product of the Weighted ADA multiplied by the State Adequacy Target multiplied by the DVM is then reduced by a district’s local effort (“**Local Effort**”) to calculate a district’s final State Aid amount. The State Aid amount is distributed to school districts on a monthly basis.

Weighted ADA. Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for FRL students who qualify for free and reduced-price lunch, receive special education services (“**IEP**”), or possess limited English language proficiency (“**LEP**”). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds based on the percentage of students in each of the categories in certain high performing districts (“**Performance Districts**”), which thresholds can change every two years. Certain school districts who operate early childhood education programs will also be able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the total number of FRL students between the ages of 5 and 18 who are included in the school district’s calculation of ADA. The District’s State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District’s Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the District’s Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

Section 163.021, RSMo provides that “whenever there has existed within the school district an infectious disease, contagion, epidemic, plague or similar condition” (like COVID-19), the apportionment of school funds and all other distribution of school moneys, such as Proposition C revenues, shall be made on the basis of the school district’s ADA (or Weighted ADA) for the next preceding fiscal year in which such condition existed. Therefore, if the District’s ADA (or Weighted ADA) for any future fiscal year is substantially reduced as a result of an infectious disease, contagion, epidemic, plague or similar condition, the District will be allowed to base its revenue distributions on its ADA (or Weighted ADA) for the fiscal year immediately preceding the fiscal year in which the condition existed.

State Adequacy Target. The State Aid formula requires DESE to calculate a “**State Adequacy Target,**” which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE’s calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated thereafter. For the fiscal years ended June 30, 2021 through June 30, 2024, the State Adequacy Target was \$6,375 per pupil. For the fiscal year ending June 30, 2025, the State Adequacy Target was \$6,760 per pupil. For the fiscal year ending June 30, 2026, the State Adequacy Target is \$7,145 per pupil.

Dollar Value Modifier. The DVM is an index of the relative purchasing power of a dollar in different areas of the state. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the state median wage per job) minus one. The law provides that the DVM can never be less than 1.000. DESE revises the DVM for each district on an annual basis. The DVM for the District for 2024-2025 was 1.0760 and for 2025-2026 is 1.0750.

Local Effort. For the 2006-2007 fiscal year, the Local Effort figure utilized in a district’s State Aid calculation was the amount of locally generated revenue that the district would have received in the 2004-2005 fiscal year if its operating levy was set at \$3.43. The \$3.43 amount is called the “**performance levy.**” For all years subsequent to the 2006-2007 fiscal year, a district’s Local Effort amount has been frozen at the 2006-2007 amount, except for adjustments due to increased locally collected fines or decreased assessed valuation in the district. Growth in assessed valuation and operating levy increases will result in additional local revenue to the district, without affecting State Aid payments.

Categorical-Source Add-Ons. In addition to State Aid distributed pursuant to the formula described above, the formula provides for the distribution of certain categorical sources of State Aid to school districts. These sources include (1) 75% of allowable transportation costs, (2) the career ladder entitlement, (3) the vocational education entitlement and (4) educational and screening program entitlements.

Classroom Trust Fund (Gambling Revenue) Distributions. A portion of the State Aid received under the formula will be in the form of a distribution from the “Classroom Trust Fund,” a fund in the state treasury containing a portion of the state’s gambling revenues. This money is distributed to school districts on the basis of ADA (versus *Weighted* ADA, which applies to the basic formula distribution). The funds deposited into the Classroom Trust Fund are not earmarked for a particular fund or expense and may be spent at the discretion of the local school district except that all proceeds of the Classroom Trust Fund in excess of amounts received in the 2009-2010 fiscal year must be placed in the Teachers’ or Incidental Funds. The table below shows the approximate amount each school district received per pupil from the Classroom Trust Fund for the following fiscal years:

| Fiscal Year Ended June 30 | Classroom Trust Fund (Per Pupil) |
|--|---|
| 2025 | \$605 |
| 2024 | 472 |
| 2023 | 426 |
| 2022 | 430 |
| 2021 | 435 |

Source: DESE.

Classroom Trust Fund dollars do not increase the amount of State Aid.

Mandatory Deposit and Expenditures of Certain Amounts in the Teachers' Fund. The following State and local revenues must be deposited in the Teachers' Fund: (1) 75% of basic formula State Aid, excluding State Aid distributed from the Classroom Trust Fund (gambling revenues); (2) 75% of one-half of the district's local share of Proposition C revenues; (3) 100% of the career ladder state matching payments; and (4) 100% of local revenue from fines and escheats based on violations or abandoned property within the district's boundaries.

In addition to these mandatory deposits, school districts are also required to spend for certificated staff compensation and tuition expenditures each year the amounts described in clauses (1) and (2) of the preceding paragraph. School districts are further required to spend for certificated staff compensation and tuition expenditures each year, per the second preceding year's Weighted ADA, as much as was spent in the previous year from local and county tax revenues deposited in the Teachers' Fund, plus the amount of any transfers from the Incidental Fund to the Teachers' Fund that are calculated to be local and county tax sources. This amount is to be determined by dividing local and county tax sources in the Incidental Fund by total revenue in the Incidental Fund. The formula provides that certificated staff compensation includes the costs of public school retirement and Medicare for those staff members.

Failure to satisfy the deposit and expenditure requirements applicable to the Teachers' Fund will result in a deduction of the amount of the expenditure shortfall from a district's basic formula State Aid for the following year, unless the district receives an exemption from the State Board of Education.

A school board may transfer any portion of the unrestricted balance remaining in the Incidental Fund to the Teachers' Fund. Any district that uses a transfer from the Incidental Fund to pay for more than 25% of the annual certificated compensation obligation of the district, and has an Incidental Fund balance on June 30 in any year in excess of 50% of the combined Incidental and Teachers' Fund expenditures for the fiscal year just ended, will be required to transfer the excess from the Incidental Fund to the Teachers' Fund.

Certain Permitted Fund Transfers

Limited Sources of Funds for Capital Expenditures. School districts may only pay for capital outlays from the Capital Projects Fund. Sources of revenues in the Capital Projects Fund are limited to: (1) proceeds of general obligation bonds such as the Bonds (which are repaid from a Debt Service Fund levy) and lease financings; (2) revenue from the school district's local property tax levy for the Capital Projects Fund; (3) certain permitted transfers from the Incidental Fund; and (4) a portion of the funds distributed to school districts from the Classroom Trust Fund.

Capital Projects Fund Levy. Prior to setting tax rates for the Incidental and Teachers' Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Incidental and Teachers' Funds to an amount below \$2.75. The District's Capital Projects Fund levy is \$0.0400 for the current fiscal year ending June 30, 2026.

Transfers from the Incidental Fund to the Capital Projects Fund. In addition to money generated from the Capital Projects Fund levy, each school district may transfer money from the Incidental Fund to the Capital Projects Fund for certain purposes, including: (1) the amount to be expended for transportation equipment that is considered an allowable cost under the State Board of Education rules for transportation reimbursements during the current year; (2) the amount necessary to satisfy obligations of the Capital Projects Fund for state-approved area vocational-technical schools; (3) current year obligations for lease-

purchase obligations entered into prior to January 1, 1997; (4) the amount necessary to repay costs of one or more guaranteed energy savings performance contracts to renovate buildings in the school district, provided that the contract specified that no payment or total of payments shall be required from the school district until at least an equal total amount of energy and energy-related operating savings and payments from the vendor pursuant to the contract have been realized; and (5) to satisfy current year capital project expenditures, an amount not to exceed the greater of (a) \$162,326 or (b) seven percent (7%) of the State Adequacy Target (see “*State Adequacy Target*” under “**State Revenue**” above) times the district’s Weighted ADA. The District made a transfer from the Incidental Fund to the Capital Projects Fund in the amount of \$1,000,000.00 under this provision during the 2024-2025 fiscal year.

Transfers from Incidental Fund to Debt Service Fund and/or the Capital Projects Fund. If a school district is not using the \$162,326 or seven percent (7%) transfer discussed in parts (5)(a) and (5)(b) of the prior paragraph and is not making payments on lease purchases pursuant to Section 177.088, RSMo, then the school district may transfer from the Incidental Fund to the Debt Service and/or the Capital Projects Fund the greater of (1) the State Aid received in the 2005-2006 school year as a result of no more than eighteen (18) cents of the sum of the Debt Service Fund levy and Capital Projects Fund levy used in the foundation formula and placed in the Capital Projects Fund or Debt Service Fund, or (2) five percent (5%) of the State Adequacy Target (see “*State Adequacy Target*” under “**State Revenue**” above) times the district’s Weighted ADA. The District made no transfer from the Incidental Fund to the Debt Service Fund or the Capital Projects Fund under this provision during the 2024-2025 fiscal year.

Federal Revenue

School districts receive certain grants and other revenue from the federal government that are required to be used for the specified purposes of the grant or funding program.

The federal “Every Student Succeeds Act” (“**ESSA**”) was signed into law on December 10, 2015, replacing the “No Child Left Behind Act.” Each state education agency must develop a state accountability plan (“**ESSA Plan**”) that incorporates testing based on challenging academic standards. The ESSA Plans were required to be submitted to the United States Department of Education (the “**DOE**”) in 2017. Under ESSA, states can decide how much weight to give standardized tests in their accountability systems and determine what consequences, if any, should attach to poor performance. However, at least 95% of eligible students are required to take the state-chosen standardized tests, and federal funding can be withheld if states fall below the 95% threshold.

The State submitted its plan to the DOE on September 13, 2017 in order to meet the September 18, 2017 deadline. The DOE approved the State’s plan on January 16, 2018. Under ESSA, the State will continue to test students through the Missouri Assessment Program.

Fund Balances Summary

The following Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances was prepared from the District’s Annual Secretary of the Board Reports for the fiscal years ended June 30, 2021 – 2025. The information set forth below should be read in conjunction with the other financial statements and notes appertaining hereto set forth in **Appendix B** of this Official Statement and the financial statements on file at the District’s office.

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Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances

| General (Incidental) Fund | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Balance—Beginning of Year | \$ 7,822,326 | \$ 11,823,622 | \$ 16,070,895 | \$ 18,518,010 | \$ 19,165,809 |
| Revenue Collected | 37,868,179 | 42,232,292 | 40,890,838 | 39,840,424 | 38,384,094 |
| Expenditures Paid | (17,773,571) | (20,511,193) | (21,405,021) | (23,506,385) | (23,269,903) |
| Transfers To (From) | <u>(16,093,312)</u> | <u>(17,473,827)</u> | <u>(17,038,702)</u> | <u>(15,686,240)</u> | <u>(15,495,051)</u> |
| Balance—End of Year | <u>\$ 11,823,622</u> | <u>\$ 16,070,894</u> | <u>\$ 18,518,010</u> | <u>\$ 19,165,809</u> | <u>\$ 18,784,949</u> |
| Special Revenue | | | | | |
| (Teachers) Fund | | | | | |
| Balance—Beginning of Year | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Revenue Collected | 5,835,683 | 6,319,730 | 6,013,915 | 7,247,292 | 8,188,919 |
| Expenditures Paid | (21,605,880) | (23,176,957) | (22,052,617) | (21,990,184) | (22,683,970) |
| Transfers to (From) | <u>15,770,197</u> | <u>16,857,227</u> | <u>16,038,702</u> | <u>14,742,892</u> | <u>14,495,051</u> |
| Balance—End of Year | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Debt Service Fund | | | | | |
| Balance—Beginning of Year | \$ 6,456,114 | \$ 5,487,051 | \$ 5,075,500 | \$ 4,564,696 | \$ 5,857,839 |
| Revenue Collected | 4,695,311 | 5,321,018 | 5,709,660 | 6,844,691 | 6,786,207 |
| Expenditures Paid | (5,664,374) | (5,732,569) | (6,220,464) | (5,551,548) | (7,453,088) |
| Transfers to (From) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Balance—End of Year | <u>\$ 5,487,051</u> | <u>\$ 5,075,500</u> | <u>\$ 4,564,696</u> | <u>\$ 5,857,839</u> | <u>\$ 5,190,958</u> |
| Capital Projects Fund | | | | | |
| Balance—Beginning of Year | \$ 36,376,096 | \$ 6,531,965 | \$ 777,428 | \$ 176,055 | \$ 53,118 |
| Revenue Collected | 837,075 | 438,624 | 1,708,704 | 364,259 | 355,815 |
| Expenditures Paid | (31,004,321) | (6,809,761) | (3,310,077) | (1,430,544) | (1,160,689) |
| Transfers To (From) | <u>323,115</u> | <u>616,600</u> | <u>1,000,000</u> | <u>943,348</u> | <u>1,000,000</u> |
| Balance—End of Year | <u>\$ 6,531,965</u> | <u>\$ 777,428</u> | <u>\$ 176,055</u> | <u>\$ 53,118</u> | <u>\$ 248,244</u> |
| Total Funds | | | | | |
| Balance—Beginning of Year | \$ 50,654,536 | \$ 23,842,638 | \$ 21,923,822 | \$ 23,258,760 | \$ 25,076,766 |
| Revenue Collected | 49,236,249 | 54,311,664 | 54,323,117 | 54,296,667 | 53,715,034 |
| Expenditures Paid | (76,048,147) | (56,230,480) | (52,988,179) | (52,478,661) | (54,567,650) |
| Transfers To (From) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Balance—End of Year | <u>\$ 23,842,638</u> | <u>\$ 21,923,822</u> | <u>\$ 23,258,760</u> | <u>\$ 25,076,766</u> | <u>\$ 24,224,150</u> |

Source: Annual Secretary of the Board Reports for the fiscal years ended June 30, 2021 – 2025.

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PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

Property Valuations

Assessment Procedure. All taxable real and personal property within the District is assessed annually by the county assessors of the County. State law requires that personal property be assessed at up to 33-1/3% of true value with certain subclasses of tangible personal property assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 0.5%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%. Real property is assessed at the following percentages of true value:

| | |
|---|-----|
| Residential real property | 19% |
| Agricultural and horticultural real property | 12% |
| Utility, industrial, commercial, railroad and all other real property | 32% |

On January 1 in every odd-numbered year, each county assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

Each County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The Board of Equalization of each County has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation. The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District, excluding State assessed railroad and utility property and amounts for tax increment financing, according to the assessment as of January 1, 2025, as finalized by the Board of Equalization, as described below:

| | <u>Assessed Valuation⁽¹⁾</u> | <u>Assessment Rate</u> | <u>Estimated Actual Valuation</u> |
|-------------------|---|----------------------------|---------------------------------------|
| Real Estate: | | | |
| Residential | \$367,396,427 | 19% | \$1,933,665,405 |
| Commercial | 237,123,128 | 32 | 741,009,775 |
| Agricultural | <u>2,935</u> | 12 | <u>24,458</u> |
| Sub-Total | \$604,522,490 | | \$2,674,699,639 |
| Personal Property | <u>102,662,304</u> | 33 1/3% ⁽²⁾ | <u>308,017,714</u> |
| Total | <u>\$707,184,794</u> | | <u>\$2,982,717,352</u> |

⁽¹⁾ Excludes State assessed railroad and utility property and the incremental increase in assessed valuation over the established assessed valuation base within a tax increment financing redevelopment area, within the District.

⁽²⁾ Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above.

See “**Assessment Procedure**” discussed above.

Source: Jackson County Assessor’s Office.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the District, excluding State assessed railroad and utility property and amounts for tax increment financing, according to the assessments as of January 1, as finally equalized by the Board of Equalization in each of the following years is as follows:

| Year | Assessed Valuation | % Change |
|------|-----------------------|-------------|
| 2025 | \$707,184,794 | +3.95% |
| 2024 | 680,306,986 | -2.03 |
| 2023 | 694,408,501 | +21.92 |
| 2022 | 569,570,467 | +3.92 |
| 2021 | 548,082,600 | N/A |

Source: Annual Secretary of the Board Reports for the fiscal years ended June 30, 2021 – 2024; Jackson County Assessor’s Office for the fiscal year ended June 30, 2025.

Property Tax Levies and Collections

Property taxes are levied and collected for the District by the Jackson County, for which the County receive a collection fee prescribed by State law of approximately 1.0% to 1.5% of the gross tax collections made.

The District is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the District’s debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerk. The District must fix its ad valorem property tax rates and certify them to the County Clerk not later than September 1 for entry in the tax books.

The County Clerk receives the county assessment books from the County Assessor, which sets forth the assessments of real and personal property. The County Clerk enters the tax rates certified by the local taxing bodies in the tax books and assesses such rates against all taxable property in the District as shown in such books. The County Clerk forwards the tax books by October 31 to the County Collector, who is charged with levying and collecting taxes as shown therein. The County Collector extends the taxes on the tax rolls and issues the tax statements in early November. Taxes are due by December 31 and become delinquent if not paid to the County Collector by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of 18% of each year’s delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

The County Collector is required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

Tax Rates

Debt Service Levy. The District’s debt service levy for the 2025-2026 fiscal year is \$0.9000 per \$100 of assessed valuation. Once indebtedness has been approved by the requisite number of voters voting therefor and bonds are issued, the District is required under Article VI, Section 26(f) of the Constitution of Missouri to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments. On April 7, 2026, voters in the District approved a tax levy transfer that decreases the debt service tax levy by \$0.17 and increases the operating levy by \$0.17. See “**DEBT STRUCTURE OF THE DISTRICT - Future Plans**” discussed above.

Operating Levy. The operating tax levy of a school district (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the “**tax rate ceiling**” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy that, when charged against the district’s assessed valuation for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index.

Under Article X, Section 11(b) of the Constitution of Missouri, a school district may increase its operating levy up to \$2.75 per \$100 of assessed valuation without voter approval. Any increase above \$2.75, however, must be approved by a majority of the voters voting on the proposition. Further, pursuant to Article X, Section 11(c) of the Constitution of Missouri, any increase above \$6.00 must be approved by two-thirds of the voters voting on the proposition. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment and SB 711, more fully explained below). The tax levy for debt service on a school district’s general obligation bonds is exempt from these limitations upon the tax rate ceiling.

Article X, Section 22(a) of the Constitution of Missouri (popularly known as the “**Hancock Amendment**”), approved in 1980, places limitations on total State revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of “total State revenues” to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a “**Hancock rollback**.” The limitation on local governmental units does not apply to taxes levied in the Debt Service Fund for the payment of principal and interest on general obligation bonds.

In 2008, through the enactment of Senate Bill 711 (“**SB 711**”), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a district’s *actual* operating tax levy if its current tax levy was less than its current tax levy *ceiling*, due to the district’s voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a district’s *actual* operating tax levy, regardless of whether that levy is at the district’s tax levy *ceiling*. This further reduction is sometimes referred to as an “**SB 711 rollback**.” In non-reassessment years (even-numbered years), the operating levy may be increased to the district’s tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

Under the provisions of an initiative petition adopted by the voters of Missouri on November 2, 1982, commonly known as “**Proposition C**,” revenues generated by a 1% State sales tax are credited to a special trust fund for school districts and are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district within the State on the basis of eligible pupils. Under Proposition C, after determining its budget and the levy rate needed to produce required revenues to fund the budget, a school district must reduce the operating levy by an amount sufficient to decrease the revenues it would have received therefrom by an amount equal to 50% of the revenues received through Proposition C during the prior year. School districts may submit propositions to voters to forgo all or a part of the reduction in the operating levy that would otherwise be required under the terms of Proposition C. The voters in the District have not approved a proposition to waive all of the reduction in the operating levy required under Proposition C.

For fiscal year 2025-2026, the District’s operating levy (all funds except the debt service fund levy) is \$4.0825 per \$100 of assessed valuation. On April 7, 2026, voters in the District approved an increase to the operating tax levy ceiling from \$4.0825 to \$4.2525. See “**DEBT STRUCTURE OF THE DISTRICT - Future Plans**” discussed above.

History of Tax Levies. The following table shows the District’s adjusted tax levies per \$100 of assessed valuation for each of the following fiscal years:

| Fiscal Year Ended June 30 | General (Incidental) Fund | Special Revenue (Teachers) Fund | Debt Service Fund | Capital Projects Fund | Total Levy |
|--|--|--|----------------------------------|--------------------------------------|-----------------------|
| 2026 | \$4.0425 | \$0.0000 | \$0.9000 | \$0.0400 | \$4.9825 |
| 2025 | 4.0492 | 0.0000 | 0.9000 | 0.0400 | 4.9892 |
| 2024 | 3.9523 | 0.0000 | 0.9000 | 0.0400 | 4.8923 |
| 2023 | 4.7415 | 0.0000 | 0.9000 | 0.0400 | 5.6815 |
| 2022 | 4.7157 | 0.0000 | 0.9000 | 0.0400 | 5.6557 |

Source: Annual Secretary of the Board Reports for the fiscal years ended June 30, 2022-2025; District for the fiscal year ended June 30, 2026.

Tax Collection Record

The following table sets forth tax collection information for the District for each of the following fiscal years:

| Fiscal Year Ended June 30⁽¹⁾ | Total Adjusted Levy (per \$100 of Assessed Value) | Total Taxes Levied | Current and Delinquent Taxes Collected | |
|--|--|-------------------------------|---|----------|
| | | | Amount | % |
| 2025 | \$4.9892 | \$33,941,876 | \$32,518,053 | 95.81% |
| 2024 | 4.8923 | 33,972,547 | 33,309,318 | 98.05 |
| 2023 | 5.6815 | 32,360,146 | 31,526,379 | 97.42 |
| 2022 | 5.6557 | 30,997,908 | 30,396,649 | 98.06 |
| 2021 | 6.1501 | 30,877,219 | 29,327,614 | 94.98 |

⁽¹⁾ Taxes are levied and collected on a calendar year basis. Numbers shown reflect taxes levied and collected in the District’s fiscal year, as indicated.

⁽²⁾ Excludes State assessed railroad and utility property and the incremental increase in assessed valuation over the established assessed valuation base within a tax increment financing redevelopment area, within the District.

Source: Annual Secretary of the Board Reports for the fiscal years ended June 30, 2021 – 2025.

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Major Property Taxpayers

The ten largest real property taxpayers within the District according to their 2025 assessed valuations are listed below. These taxpayers represent approximately 16.9% of the District’s 2025 assessed valuation of \$707,184,794.

| Taxpayer | Assessed Valuation | % of District’s Total Assessed Valuation |
|--------------------------------|-----------------------|--|
| Ward Pkwy Center Associates | \$ 19,503,008 | 2.76% |
| MPT of Missouri LLC | 19,340,829 | 2.73 |
| KC Engineering Property HQ LLC | 17,781,562 | 2.51 |
| Burns & McDonnell Eng Co Inc. | 14,436,444 | 2.04 |
| KC Willow Creek | 11,360,148 | 1.61 |
| KC Coach House LLC | 11,062,263 | 1.56 |
| WC2 Holmes LLC | 7,360,960 | 1.04 |
| LHRET Ascension SJ LLC | 6,597,056 | 0.93 |
| Nazareth Stateline LLC | 6,397,440 | 0.90 |
| EHD DC Holdings LLC | <u>5,668,928</u> | <u>0.80</u> |
| | <u>\$119,508,638</u> | 16.90% |

Source: Jackson County Assessor’s Office.

Tax Abatement and Tax Increment Financing

Under State law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be “blighted.” The Land Clearance for Redevelopment Authority Law authorizes 10-year tax abatement pursuant to Sections 99.700 to 99.715 of the Revised Statutes of Missouri, as amended. In lieu of 10-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353 of the Revised Statutes of Missouri, as amended, may seek real property tax abatement for a total period of 25 years. In addition, the Industrial Development Law, Chapter 100 of the Revised Statutes of Missouri, as amended, authorizes real and personal property tax abatement for corporations for projects for industrial development.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a “blighted area,” “conservation area,” or “economic development area,” each as defined in such statute.

Neither tax abatement nor tax increment financing will diminish the amount of property tax revenues currently collected by the District in the affected areas, but instead will act to freeze such revenues at current levels and will deprive the District of future increases in ad valorem property tax revenues which would otherwise have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid and the tax abatement period terminates. According to the Jackson County Assessor’s Office, the tax increment financing increment attributable to property in the District is \$0 for the 2025 tax year, which is the most recent tax year information available.

* * *

APPENDIX B

**AUDITED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT OF THE
DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**CENTER SCHOOL DISTRICT #58
KANSAS CITY, MISSOURI**

**FINANCIAL STATEMENTS TOGETHER
WITH INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2025

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**CENTER SCHOOL DISTRICT #58
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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Center School District #58

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Center School District #58 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.

Qualified Opinions on the Governmental Activities and the General Fund

In our opinion, except for the effects of the matter discussed in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of Center School District #58, as of June 30, 2025, and the changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note A.

Unmodified Opinions on Special Revenue Fund, Debt Service Fund and Capital Projects Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the Special Revenue Fund, Debt Service Fund and Capital Projects Fund of Center School District #58 as of June 30, 2025, and the respective changes in modified cash basis financial position for the year then ended in conformity with the basis of accounting described in Note A.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' 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 qualified and unmodified opinions.

"Consistently Exceeding Expectations"

Matter Giving Rise to Qualified Opinions on the Governmental Activities and the General Fund

The District did not maintain sufficient supporting documentation for certain revenues reported in the governmental activities and the General Fund. As a result, we were unable to obtain sufficient appropriate audit evidence to support \$664,370 of revenues reported for the fiscal year ended June 30, 2025. Accordingly, we were unable to determine whether any adjustments might have been necessary to revenues, change in net position, fund balance, or related financial statement disclosures for the governmental activities and the General Fund.

Emphasis of Matter - Basis of Accounting

We draw attention to Note A of the financial statements that 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 qualified and unmodified 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 modified cash basis of accounting described in Note A; 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 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, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Westbrook & Co., P.C.

Richmond, Missouri
December 11, 2025

CENTER SCHOOL DISTRICT #58
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

| | <u>GOVERNMENTAL ACTIVITIES</u> |
|---------------------------|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ <u>24,224,152</u> |
| NET POSITION | |
| Restricted for: | |
| Capital outlay | \$ 248,244 |
| Professional development | 1,131 |
| Debt service | 5,190,958 |
| Unrestricted | <u>18,783,819</u> |
| Total net position | <u>\$ 24,224,152</u> |

See accompanying notes to the basic financial statements.

CENTER SCHOOL DISTRICT #58
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

| | Expenses | PROGRAM REVENUES | | | Net (Expense) |
|---|----------------------|----------------------|------------------------------------|----------------------------------|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Change in Net Position Governmental |
| GOVERNMENTAL ACTIVITIES | | | | | |
| Instruction | \$ 21,883,245 | \$ 265,896 | \$ 3,814,018 | \$ - | \$ (17,803,331) |
| Student activities | 1,054,196 | 165,088 | - | - | (889,108) |
| Student services | 3,153,241 | - | 496,145 | - | (2,657,096) |
| Instructional staff support | 1,637,090 | - | 604,530 | - | (1,032,560) |
| Building administration | 3,009,693 | - | 30,542 | - | (2,979,151) |
| General administration & central services | 5,650,752 | - | 126,638 | - | (5,524,114) |
| Operation of plant | 4,385,241 | 20,400 | 8,139 | 71,733 | (4,284,969) |
| Pupil transportation | 2,608,912 | 3,000 | 1,261,208 | - | (1,344,704) |
| Food service | 1,488,342 | 126,432 | 1,412,126 | - | 50,216 |
| Community services | 1,416,666 | 11,115 | 1,034,257 | - | (371,294) |
| Facility acquisition and construction | - | - | - | - | - |
| Debt service: | | | | | |
| Principal retirement | 6,071,227 | - | - | - | (6,071,227) |
| Interest and fees | 2,209,044 | - | - | - | (2,209,044) |
| Total Governmental Activities | <u>\$ 54,567,649</u> | <u>\$ 591,931</u> | <u>\$ 8,787,603</u> | <u>\$ 71,733</u> | <u>(45,116,382)</u> |

| | |
|--------------------------------|----------------------|
| General Revenues: | |
| Property taxes | 32,339,786 |
| Basic formula | 2,989,566 |
| Sales tax | 3,686,226 |
| M&M surtax | 817,989 |
| State assessed utilities | 747,036 |
| Earnings on investments | 1,006,010 |
| County stock insurance fund | 679,030 |
| In lieu of tax | 492,288 |
| Fines and escheats | 13,475 |
| Other revenue | 1,492,361 |
| Total General Revenues | <u>44,263,767</u> |
| Change in net position | (852,615) |
| Net Position Beginning of Year | 25,076,767 |
| Net Position End of Year | <u>\$ 24,224,152</u> |

See accompanying notes to the basic financial statements.

CENTER SCHOOL DISTRICT #58
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2025

| | <u>GENERAL FUND</u> | <u>SPECIAL REVENUE FUND</u> | <u>DEBT SERVICE FUND</u> | <u>CAPITAL PROJECTS FUND</u> | <u>TOTAL GOVERNMENTAL FUNDS</u> |
|--------------------------------------|-------------------------|-------------------------------------|----------------------------------|--------------------------------------|---|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 17,852,589 | \$ - | \$ 6,123,319 | \$ 248,244 | \$ 24,224,152 |
| Due from other funds | <u>932,361</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>932,361</u> |
| Total assets | <u>\$ 18,784,950</u> | <u>\$ -</u> | <u>\$ 6,123,319</u> | <u>\$ 248,244</u> | <u>\$ 25,156,513</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Due to other funds | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 932,361</u> | <u>\$ -</u> | <u>\$ 932,361</u> |
| Fund Balances: | | | | | |
| Restricted | 1,131 | - | 5,190,958 | - | 5,192,089 |
| Assigned | 2,095,887 | - | - | 248,244 | 2,344,131 |
| Unassigned | <u>16,687,932</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,687,932</u> |
| Total fund balances | <u>18,784,950</u> | <u>-</u> | <u>5,190,958</u> | <u>248,244</u> | <u>24,224,152</u> |
| Total liabilities and fund balances | <u>\$ 18,784,950</u> | <u>\$ -</u> | <u>\$ 6,123,319</u> | <u>\$ 248,244</u> | <u>\$ 25,156,513</u> |

See accompanying notes to the basic financial statements.

CENTER SCHOOL DISTRICT #58
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES -
MODIFIED 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 |
|---|----------------------|----------------------------|-------------------------|-----------------------------|--------------------------------|
| REVENUES: | | | | | |
| Local | \$ 29,871,516 | \$ 3,823,022 | \$ 6,244,712 | \$ 347,857 | \$ 40,287,107 |
| County | 1,019,146 | 13,475 | 398,962 | 7,958 | 1,439,541 |
| State | 3,827,464 | 2,588,174 | - | - | 6,415,638 |
| Federal | 3,661,806 | 1,498,352 | 142,532 | - | 5,302,690 |
| Other | 4,162 | 265,896 | - | - | 270,058 |
| Total Revenues | 38,384,094 | 8,188,919 | 6,786,206 | 355,815 | 53,715,034 |
| EXPENDITURES: | | | | | |
| Instruction | 5,969,515 | 15,822,664 | - | 91,066 | 21,883,245 |
| Student activities | 655,126 | 399,070 | - | - | 1,054,196 |
| Student services | 1,839,612 | 1,313,629 | - | - | 3,153,241 |
| Instructional staff support | 740,928 | 896,162 | - | - | 1,637,090 |
| Building administration | 1,243,751 | 1,765,942 | - | - | 3,009,693 |
| General administration & central services | 3,495,518 | 1,963,320 | - | 191,914 | 5,650,752 |
| Operation of plant | 4,334,715 | - | - | 50,526 | 4,385,241 |
| Pupil transportation | 2,517,976 | 90,936 | - | - | 2,608,912 |
| Food service | 1,488,342 | - | - | - | 1,488,342 |
| Community services | 984,419 | 432,247 | - | - | 1,416,666 |
| Facility acquisition and construction | - | - | - | - | - |
| Debt service: | | | | | |
| Principal retirement | - | - | 5,480,000 | 591,227 | 6,071,227 |
| Interest and fees | - | - | 1,973,088 | 235,956 | 2,209,044 |
| Total Expenditures | 23,269,902 | 22,683,970 | 7,453,088 | 1,160,689 | 54,567,649 |
| Revenues Over (Under) Expenditures | 15,114,192 | (14,495,051) | (666,882) | (804,874) | (852,615) |
| Other Financing Sources (Uses): | | | | | |
| Transfers | (15,495,051) | 14,495,051 | - | 1,000,000 | - |
| Net change in fund balance | (380,859) | - | (666,882) | 195,126 | (852,615) |
| Fund balance, beginning | 19,165,809 | - | 5,857,840 | 53,118 | 25,076,767 |
| Fund balance, ending | <u>\$ 18,784,950</u> | <u>\$ -</u> | <u>\$ 5,190,958</u> | <u>\$ 248,244</u> | <u>\$ 24,224,152</u> |

See accompanying notes to the basic financial statements.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles Used to Determine Scope of Entity: The District's reporting entity includes the District's governing board and all related organizations.

The combined financial statements of the District include all organizations that raise and hold economic resources for the direct benefit of the District. The District has implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASB Statement No. 61 amended GASB Statement No. 14. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity.

The District has determined that no other outside agency meets the criteria set forth in GASB Statement No. 61 and, therefore, no other agency has been included as a component unit in the District's financial statements.

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

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

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

Fund Accounting: The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds are used by the District:

Major Governmental Funds:

General Fund: Accounts for and reports all financial resources not accounted for and reported in another fund.

Special Revenue Fund: Accounts for and reports the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Debt Service Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Measurement Focus

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the District as a whole. The government-wide financial statements are prepared using the total economic resources measurement focus within the limitations of the modified cash basis of accounting as defined below.

Fund Financial Statements: All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach does not differ from the manner in which the governmental activities of the district-wide financial statements are prepared.

Basis of Accounting: In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues and expenditures when they result from cash transactions. Salaries for teachers are recorded as expenditures paid in the fiscal year in which the obligations under the salary contracts are fulfilled by the teachers, even though a portion of such salaries are not paid until July of the following fiscal year. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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's Treasurer. Interest income received is allocated to contributing funds based on cash and temporary investment balances. The investment pool 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).

Teachers' Salaries: Payroll checks written and held in June 2025, for July payrolls from 2024-2025 contracts in the amount of \$2,602,405 are included in the financial statements as an expenditure paid in the month of June.

Short-Term Leave: Sick, leave, vacation and personal leave are considered as expenditures in the year paid. Employees with more than 100 accrued days of combined sick leave and personal leave shall be entitled to payment for all days in excess of 100. The payout rate is \$75 or \$100 per day for professional staff and \$67.50 or \$90 per day for support staff, based on years of service. Upon separation or retirement employees who have been employed by the District for at least one full year shall be paid for any unused, accrued days of sick and personal leave, up to a maximum of 100 days, at a rate of \$75 or \$100 per day, for professional staff and \$67.50 or \$90 per day for support staff, based on years of service.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

OPEB Liabilities: As the District uses the modified cash basis of accounting, OPEB liabilities are not reported in these financial statements. The District has not provided for an estimate of this liability to be performed.

NOTE B - DEPOSITS AND INVESTMENTS

Custodial credit risk: For deposits, custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. At June 30, 2025, the District's total deposits were \$6,012,339 of which \$250,000 were covered by FDIC insurance and \$5,762,339 was covered by securities held by the bank in the District's name.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District has a formal investment policy that minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities.

Credit risk: Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation. The District does not have a formal policy that limits its investment choices other than the limitations of state law.

The District is participating in the program created by Senate Bill 301 administered by the Missouri Health and Educational Authority (MOHEFA). The program intercepts a portion of state aid and places those funds in escrow to pay the current debt service requirement of the District's outstanding bonds. The District's investments in MOHEFA are not rated by any of the nationally recognized statistical rating organizations. The District had \$435,122 invested with MOHEFA at June 30, 2025.

The District also has an escrow account to fund the debt service for the Series 2010B Qualified School Construction Bonds. A portion of state aid is intercepted and placed in this fund to pay the current debt service requirement of the Series 2010B bonds. The District had \$62,615 invested in this account at June 30, 2025.

MOSIP is professionally managed by PFM Asset Management LLC, a registered investment adviser, who is one of the nations' largest administrators of local government investment programs. All investments in the MOSIP pool are rated AAAM by Standard and Poor's and meet the permitted investments statutes for Missouri Schools. The District had \$19,462,536 invested with MOSIP at June 30, 2025.

Concentration of credit risk: Concentration of credit risk is the risk loss attributed to the magnitude of a government's investment in a single user. The District's investment policy places no limit on the amount the District may invest in any one issuer.

NOTE C - TAX ABATEMENT

The City of Kansas City has entered into agreements with various developers for real property tax abatements. The District's 2024 property tax revenue was reduced by \$5,969,000 under these agreements. The District also received \$351,000 associated with the abated taxes from the City of Kansas City in fiscal year ended June 30, 2025.

**CENTER SCHOOL DISTRICT #58
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025**

NOTE D - 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. Jackson County collects the property tax and remits it to the District. The District also receives sales tax collected by the state and remitted based on weighted average daily attendance. 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's voters have approved a waiver of the rollback and, therefore, the District was not required to reduce its levy for the calendar year 2024.

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

| | |
|-------------------|-----------------------|
| Real Estate: | |
| Residential | \$ 378,147,933 |
| Agricultural | 6,585 |
| Commercial | 197,473,019 |
| Personal Property | <u>104,679,449</u> |
| | <u>\$ 680,306,986</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 | \$ 4.0492 | \$ 4.0492 |
| Special Revenue Fund | - | - |
| Debt Service Fund | 0.9000 | 0.9000 |
| Capital Projects Fund | <u>0.0400</u> | <u>0.0400</u> |
| | <u>\$ 4.9892</u> | <u>\$ 4.9892</u> |

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 95 percent of the current assessment computed on the basis of the levy as shown above.

NOTE E - INSURANCE

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District maintains commercial insurance to protect itself from such risks. The District maintains excess liability insurance coverage in the amount of \$4,000,000.

NOTE F - RETIREMENT PLAN

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 "2/3's statute." PSRS members required to

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE F - RETIREMENT PLAN(continued)

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. An Annual Comprehensive Financial Report ("ACFR") can be obtained at www.psr-peers.org.

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. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psr-peers.org. Since the prior valuation date, the benefit provisions were amended to make permanent an early retirement benefit allowing members to retire at any age after 25 years of service.

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2025. 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. Contributions for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.

The District's contributions to PSRS for the year ended June 30, 2025, were \$2,509,662. The District's contributions to S-PSRS, the "2/3's statute", for the year ended June 30, 2025, were \$27,314.

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 PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600-169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri. An Annual Comprehensive Financial Report ("ACFR") can be obtained at www.psr-peers.org.

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. 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 .8% benefit multiplier until reaching minimum Social Security age

**CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE F - RETIREMENT PLAN (continued)

(currently age 62). Actuarially age-reduced retirement benefits are available with five years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psr-s-peers.org.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2025. 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 for the year ended June 30, 2025, were \$667,035.

NOTE G - LONG-TERM DEBT

Changes in long-term debt during the fiscal year were as follows:

| | Beginning Balance July 1, 2024 | Additions | Retirements | Ending Balance June 30, 2025 | Amount Due Within One Year |
|-------------------------------|--------------------------------------|-------------------|---------------------|------------------------------------|----------------------------------|
| Bonds payable | \$ 46,940,000 | \$ - | \$ 5,480,000 | \$ 41,460,000 | \$ 2,295,000 |
| Certificates of participation | 4,360,000 | - | 390,000 | 3,970,000 | 310,000 |
| Direct borrowings | 1,153,531 | 162,312 | 201,227 | 1,114,616 | 213,426 |
| Total | <u>\$ 52,453,531</u> | <u>\$ 162,312</u> | <u>\$ 6,071,227</u> | <u>\$ 46,544,616</u> | <u>\$ 2,818,426</u> |

NOTE H - BONDS PAYABLE

Bonds payable at June 30, 2025, consist of:

| | |
|---|----------------------|
| Series 2010B general obligation qualified school construction bonds due in varying annual installments through March 1, 2027; interest at 5.58% | \$ 2,805,000 |
| Series 2019A general obligation building/refunding bonds due in varying annual installments through March 1, 2039; interest at 2.00% to 4.00% | 27,915,000 |
| Series 2019B general obligation building bonds due in varying annual installments through March 1, 2030; interest at 2.00% to 4.00% | <u>10,740,000</u> |
| | <u>\$ 41,460,000</u> |

**CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE H - BONDS PAYABLE (continued)

Debt service requirements to maturity are:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|----------------------|----------------------|----------------------|
| 2026 | \$ 2,295,000 | \$ 1,524,949 | \$ 3,819,949 |
| 2027 | 2,805,000 | 1,433,149 | 4,238,149 |
| 2028 | 2,865,000 | 1,425,575 | 4,290,575 |
| 2029 | 2,980,000 | 1,310,975 | 4,290,975 |
| 2030 | 3,100,000 | 1,191,775 | 4,291,775 |
| 2031 | 3,220,000 | 1,077,775 | 4,297,775 |
| 2032 | 3,350,000 | 948,975 | 4,298,975 |
| 2033 | 3,485,000 | 814,975 | 4,299,975 |
| 2034 | 3,630,000 | 675,575 | 4,305,575 |
| 2035 | 3,765,000 | 530,375 | 4,295,375 |
| 2036 | 3,910,000 | 398,600 | 4,308,600 |
| 2037 | 4,070,000 | 242,200 | 4,312,200 |
| 2038 | 1,985,000 | 79,400 | 2,064,400 |
| Total | <u>\$ 41,460,000</u> | <u>\$ 11,654,298</u> | <u>\$ 53,114,298</u> |

On October 28, 2024, the District approved a resolution for the defeasance and redemption of \$3,250,000 Series 2019A bonds maturing March 1, 2038 and 2039, on redemption date of March 1, 2027. The District transferred \$3,380,104 of surplus funds available in its Debt Service Fund to the escrow paying agent to complete this defeasance on November 5, 2024.

At June 30, 2025, the District has \$6,640,000 Series 2019A bonds which have been defeased and are still outstanding.

NOTE I - CERTIFICATES OF PARTICIPATION

On April 7, 2015, the District issued \$920,000 Series 2015 Refunding Certificates of Participation to refund the District's outstanding Series 2009 Certificates of Participation which were issued to pay the cost of acquiring and installing energy conservation improvements in various District buildings. The lease obligation is for ten years, requiring varying annual installments through April 2025; interest ranging from 1.00% to 2.75%. At June 30, 2025, the balance was paid in full.

On May 1, 2019, the District issued \$5,395,000 Series 2019 Certificates of Participation to acquire and install energy conservation improvements. The lease obligation is for fifteen years, requiring varying annual installments through April 2034; interest ranging from 3.00% to 4.00%. The balance at June 30, 2025, was \$3,970,000.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE I - CERTIFICATES OF PARTICIPATION (continued)

Debt service requirements to maturity are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|--------------|------------|--------------|
| 2026 | \$ 310,000 | \$ 144,350 | \$ 454,350 |
| 2027 | 340,000 | 135,050 | 475,050 |
| 2028 | 370,000 | 121,450 | 491,450 |
| 2029 | 400,000 | 106,650 | 506,650 |
| 2030 | 435,000 | 90,650 | 525,650 |
| 2031 | 470,000 | 73,250 | 543,250 |
| 2032 | 510,000 | 54,450 | 564,450 |
| 2033 | 550,000 | 34,050 | 584,050 |
| 2034 | 585,000 | 17,550 | 602,550 |
| Total | \$ 3,970,000 | \$ 777,450 | \$ 4,747,450 |

NOTE J - LEASE COMMITMENTS

In June 2020, the District entered into a non-cancelable 60-month lease agreement for a 2020 Ford F-550 Chassis. The lease requires monthly payments of \$1,192 beginning July 2020 through June 2025.

In September 2020, the District entered into a non-cancelable 60-month lease agreement for a 2021 Ford F-250. The lease requires monthly payments of \$490 beginning October 2020 through September 2025.

In May 2021, the District entered into a non-cancelable 60-month lease agreement for a 2021 Toyota Sienna. The lease requires monthly payments of \$661 beginning June 2021 through May 2026.

In May 2021, the District entered into a non-cancelable 60-month lease agreement for a 2021 Toyota Sienna. The lease requires monthly payments of \$721 beginning June 2021 through May 2026.

The future lease payments are as follows:

| | |
|-------------------------|-----------|
| Year Ending June 30, | |
| 2026 | \$ 16,675 |

Lease expense for the year ended June 30, 2025, was \$36,773.

**CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE K - DIRECT BORROWINGS

On August 1, 2022 the District entered into a lease purchase agreement in the amount of \$476,918 with a third party to finance the cost of technology equipment. The lease requires 4 annual installments of \$135,460 beginning August 1, 2022 through August 1, 2025; interest at 7.760%.

On November 3, 2022 the District entered into a lease purchase agreement in the amount of \$1,041,000 with a third party to finance the cost of capital improvements. The lease requires 29 monthly installments of varying amounts beginning April 1, 2023 through April 1, 2037; interest at 5.07%.

On July 3, 2024 the District entered into a lease purchase agreement in the amount of \$162,312 with a third party to finance the cost of technology equipment. The lease requires 48 monthly installments of \$3,984 beginning August 1, 2024 through July 1, 2028; interest at 5.90%.

The above leases contain an event of default clause that changes the timing of repayment of outstanding amounts to become immediately due if the District is unable to make payment.

Debt service requirements on the above leases are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|---------------------|-------------------|---------------------|
| 2026 | \$ 213,426 | \$ 63,660 | \$ 277,086 |
| 2027 | 98,819 | 47,053 | 145,872 |
| 2028 | 105,415 | 40,567 | 145,982 |
| 2029 | 66,956 | 35,162 | 102,118 |
| 2030 | 66,000 | 31,941 | 97,941 |
| 2031 | 69,000 | 28,595 | 97,595 |
| 2032 | 73,000 | 25,097 | 98,097 |
| 2033 | 76,000 | 21,395 | 97,395 |
| 2034 | 80,000 | 17,542 | 97,542 |
| 2035 | 84,000 | 13,486 | 97,486 |
| 2036 | 89,000 | 9,227 | 98,227 |
| 2037 | 93,000 | 4,715 | 97,715 |
| | <u>\$ 1,114,616</u> | <u>\$ 338,440</u> | <u>\$ 1,453,056</u> |

NOTE L - INTERFUND TRANSFERS

During the year, the District transferred \$14,495,051 from the General Fund to the Special Revenue Fund to avoid deficit spending in the Special Revenue Fund.

Also, during the year, the District made a \$1,000,000 transfer from the General Fund to the Capital Projects Fund for necessary capital outlay expenditures. This revenue transfer is capped by an amount calculated annually by the Missouri Department of Elementary and Secondary Education (DESE).

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE M - FUND BALANCES - GOVERNMENTAL FUNDS

Statement No. 54 of the Governmental Accounting Standards Board (GASB 54) establishes accounting and financial reporting standards for all governments that report governmental funds. GASB 54 establishes criteria for classifying fund balances and clarifies definitions for governmental fund types.

For committed fund balances (as defined in GASB 54), the District's highest level of decision-making authority is the Board of Education. Restrictions are authorized by the Board based on recommended fund placement in the original adopted and later revised budget, as well as by Board resolution. Further, the Board delegates the authority to assign amounts for specific purpose(s) to the superintendent or designee.

Nonspendable fund balance - Represents amounts that cannot be spent due to form or are required to be maintained intact.

Committed fund balance - Represents amounts designated for a special purpose by a government using its highest level of decision-making authority - formal action by the Board would make the commitment and only the Board can remove such commitment.

Assigned fund balance - Represents amounts constrained by the Board or official designated by the Board to be used for a specific purpose. For all governmental funds other than the General Fund - the amount reported as assigned should not result in a deficit in unassigned fund balance.

Unassigned fund balance - Residual classification for the General Fund. In other funds there will be no unassigned fund balance, unless a negative fund balance exists.

For all funds except the Debt Service Fund, the Board may consider the order of spending as restricted, committed, assigned, and then unassigned amounts as available. For the Debt Service Fund, the Board may approve unrestricted or assigned balances to be spent prior to restricted balances, allowing the spending of interest prior to principal. The yearend audit process will establish the fund balance restriction recommendations for classifying remaining fund balances as required by GASB 54.

State rules for public school finance require the Teachers' Fund (Special Revenue Fund) be used to account for revenue sources legally restricted to expenditures for the purpose of teachers' salaries and benefits as outlined by the Annual Secretary of the Board Report (ASBR). Substantial sources of revenue for the Teachers' Fund will be through transfers from General Fund balances and the required state basic formula and Proposition C sales tax allocations. The Board establishes the Teachers' Fund as a Special Revenue Fund and a major fund in the financial statements.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE M - FUND BALANCES - GOVERNMENTAL FUNDS (continued)

The District shall maintain sufficient financial reserves to provide for prudent financial management and for adequacy of cash flow to support operations. The operating fund balance is the combined fund balances for the General and Special Revenue Funds. These reserves include elements for an operating reserve and a financial stabilization reserve. The appropriate amount for the operating reserve fund should be reviewed periodically.

As fund balances approach 15 percent Board-established minimum reserve balance, the Board may determine necessary action to include, but not be limited to, a levy election or significant budget reduction measures.

As of June 30, 2025, fund balances are composed of the following:

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Debt Service Fund</u> | <u>Capital Projects Fund</u> |
|--------------------------|-------------------------|-------------------------------------|----------------------------------|--------------------------------------|
| Restricted: | | | | |
| Debt service | \$ - | \$ - | \$ 5,190,958 | \$ - |
| Professional development | <u>1,131</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Restricted | <u>1,131</u> | <u>-</u> | <u>5,190,958</u> | <u>-</u> |
| Assigned: | | | | |
| Student activities | 474,315 | - | - | - |
| Food service | 1,621,572 | - | - | - |
| Capital projects | <u>-</u> | <u>-</u> | <u>-</u> | <u>248,244</u> |
| Total Assigned | <u>2,095,887</u> | <u>-</u> | <u>-</u> | <u>248,244</u> |
| Unassigned | <u>16,687,932</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total fund balances | <u>\$ 18,784,950</u> | <u>\$ -</u> | <u>\$ 5,190,958</u> | <u>\$ 248,244</u> |

NOTE N - LITIGATION

As of June 30, 2025, the District had unsettled claims at various stages of litigation. At this time, the outcomes cannot be predicted, however, the District is vigorously defending against each claim.

SUPPLEMENTARY INFORMATION

CENTER SCHOOL DISTRICT #58
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | BUDGET | | ACTUAL | VARIANCE |
|---|----------------------|----------------------|----------------------|---------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local | \$ 29,780,223 | \$ 29,809,859 | \$ 29,871,516 | \$ 61,657 |
| County | 1,039,348 | 1,518,652 | 1,019,146 | (499,506) |
| State | 4,080,542 | 3,616,059 | 3,827,464 | 211,405 |
| Federal | 3,421,959 | 2,858,560 | 3,661,806 | 803,246 |
| Other | - | - | 4,162 | 4,162 |
| Total Revenues | <u>38,322,072</u> | <u>37,803,130</u> | <u>38,384,094</u> | <u>580,964</u> |
| EXPENDITURES: | | | | |
| Instruction | 5,910,233 | 5,961,272 | 5,969,515 | (8,243) |
| Student activities | 648,158 | 682,043 | 655,126 | 26,917 |
| Student services | 1,923,404 | 1,830,978 | 1,839,612 | (8,634) |
| Instruction staff support | 581,848 | 641,061 | 740,928 | (99,867) |
| Building administration | 1,118,396 | 1,504,596 | 1,243,751 | 260,845 |
| General administration & central services | 4,589,671 | 3,614,244 | 3,495,518 | 118,726 |
| Operation of plant | 4,661,811 | 4,763,671 | 4,334,715 | 428,956 |
| Pupil transportation | 2,120,325 | 2,359,992 | 2,517,976 | (157,984) |
| Food service | 1,859,892 | 1,302,802 | 1,488,342 | (185,540) |
| Community services | 968,636 | 1,087,366 | 984,419 | 102,947 |
| Facility acquisition and construction | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fees | - | - | - | - |
| Total Expenditures | <u>24,382,374</u> | <u>23,748,025</u> | <u>23,269,902</u> | <u>478,123</u> |
| Revenues Over (Under) Expenditures | 13,939,698 | 14,055,105 | 15,114,192 | 1,059,087 |
| Other Financing Sources (Uses): | | | | |
| Transfers | <u>(16,993,315)</u> | <u>(16,934,815)</u> | <u>(15,495,051)</u> | <u>1,439,764</u> |
| Net change in fund balance | (3,053,617) | (2,879,710) | (380,859) | 2,498,851 |
| Fund balance, beginning | <u>16,047,611</u> | <u>19,236,201</u> | <u>19,165,809</u> | <u>70,392</u> |
| Fund balance, ending | <u>\$ 12,993,994</u> | <u>\$ 16,356,491</u> | <u>\$ 18,784,950</u> | <u>\$ 2,569,243</u> |

See accompanying notes to the budgetary comparison schedule.

CENTER SCHOOL DISTRICT #58
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | BUDGET | | ACTUAL | VARIANCE |
|---|-------------------|-------------------|-------------------|--------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local | \$ 3,550,600 | \$ 3,650,000 | \$ 3,823,022 | \$ 173,022 |
| County | 10,000 | 10,000 | 13,475 | 3,475 |
| State | 2,103,500 | 2,162,000 | 2,588,174 | 426,174 |
| Federal | 1,628,358 | 1,528,958 | 1,498,352 | (30,606) |
| Other | 70,000 | 70,000 | 265,896 | 195,896 |
| Total Revenues | <u>7,362,458</u> | <u>7,420,958</u> | <u>8,188,919</u> | <u>767,961</u> |
| EXPENDITURES: | | | | |
| Instruction | 16,461,323 | 16,461,323 | 15,822,664 | 638,659 |
| Student activities | 228,434 | 228,434 | 399,070 | (170,636) |
| Student services | 1,351,232 | 1,351,232 | 1,313,629 | 37,603 |
| Instruction staff support | 812,681 | 812,681 | 896,162 | (83,481) |
| Building administration | 1,881,809 | 1,881,809 | 1,765,942 | 115,867 |
| General administration & central services | 2,031,097 | 2,031,097 | 1,963,320 | 67,777 |
| Operation of plant | - | - | - | - |
| Pupil transportation | - | - | 90,936 | (90,936) |
| Food service | - | - | - | - |
| Community services | 475,116 | 475,116 | 432,247 | 42,869 |
| Facility acquisition and construction | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fees | - | - | - | - |
| Total Expenditures | <u>23,241,692</u> | <u>23,241,692</u> | <u>22,683,970</u> | <u>557,722</u> |
| Revenues Over (Under) Expenditures | (15,879,234) | (15,820,734) | (14,495,051) | 1,325,683 |
| Other Financing Sources (Uses): | | | | |
| Transfers | <u>15,879,234</u> | <u>15,820,734</u> | <u>14,495,051</u> | <u>(1,325,683)</u> |
| Net change in fund balance | - | - | - | - |
| Fund balance, beginning | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See accompanying notes to the budgetary comparison schedule.

CENTER SCHOOL DISTRICT #58
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | BUDGET | | ACTUAL | VARIANCE |
|---|---------------------|---------------------|---------------------|-----------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local | \$ 6,351,090 | \$ 6,351,090 | \$ 6,244,712 | \$ (106,378) |
| County | 349,905 | 349,905 | 398,962 | 49,057 |
| State | - | - | - | - |
| Federal | - | - | 142,532 | 142,532 |
| Other | - | - | - | - |
| Total Revenues | <u>6,700,995</u> | <u>6,700,995</u> | <u>6,786,206</u> | <u>85,211</u> |
| EXPENDITURES: | | | | |
| Instruction | - | - | - | - |
| Student activities | - | - | - | - |
| Student services | - | - | - | - |
| Instruction staff support | - | - | - | - |
| Building administration | - | - | - | - |
| General administration & central services | - | - | - | - |
| Operation of plant | - | - | - | - |
| Pupil transportation | - | - | - | - |
| Food service | - | - | - | - |
| Community services | - | - | - | - |
| Facility acquisition and construction | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | 3,592,178 | 3,592,178 | 5,480,000 | (1,887,822) |
| Interest and fees | <u>2,040,524</u> | <u>2,040,524</u> | <u>1,973,088</u> | <u>67,436</u> |
| Total Expenditures | <u>5,632,702</u> | <u>5,632,702</u> | <u>7,453,088</u> | <u>(1,820,386)</u> |
| Revenues Over (Under) Expenditures | 1,068,293 | 1,068,293 | (666,882) | (1,735,175) |
| Fund balance, beginning | <u>5,857,840</u> | <u>5,857,840</u> | <u>5,857,840</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 6,926,133</u> | <u>\$ 6,926,133</u> | <u>\$ 5,190,958</u> | <u>\$ (1,735,175)</u> |

See accompanying notes to the budgetary comparison schedule.

CENTER SCHOOL DISTRICT #58
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | BUDGET | | ACTUAL | VARIANCE |
|---|------------------|------------------|-------------------|-------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local | \$ 391,326 | \$ 391,326 | \$ 347,857 | \$ (43,469) |
| County | 13,272 | 13,272 | 7,958 | (5,314) |
| State | - | - | - | - |
| Federal | - | - | - | - |
| Other | - | - | - | - |
| Total Revenues | <u>404,598</u> | <u>404,598</u> | <u>355,815</u> | <u>(48,783)</u> |
| EXPENDITURES: | | | | |
| Instruction | 377,850 | 377,850 | 91,066 | 286,784 |
| Student activities | - | - | - | - |
| Student services | 4,000 | 4,000 | - | 4,000 |
| Instruction staff support | - | - | - | - |
| Building administration | - | - | - | - |
| General administration & central services | 294,873 | 294,873 | 191,914 | 102,959 |
| Operation of plant | 35,000 | 35,000 | 50,526 | (15,526) |
| Pupil transportation | - | - | - | - |
| Food service | - | - | - | - |
| Community services | - | - | - | - |
| Facility acquisition and construction | 5,000 | 5,000 | - | 5,000 |
| Debt service: | | | | |
| Principal retirement | 613,758 | 613,758 | 591,227 | 22,531 |
| Interest and fees | 188,198 | 188,198 | 235,956 | (47,758) |
| Total Expenditures | <u>1,518,679</u> | <u>1,518,679</u> | <u>1,160,689</u> | <u>357,990</u> |
| Revenues Over (Under) Expenditures | (1,114,081) | (1,114,081) | (804,874) | 309,207 |
| Other Financing Sources (Uses): | | | | |
| Transfers | 1,114,081 | 1,114,081 | 1,000,000 | (114,081) |
| Net change in fund balance | - | - | 195,126 | 195,126 |
| Fund balance, beginning | 53,118 | 53,118 | 53,118 | - |
| Fund balance, ending | <u>\$ 53,118</u> | <u>\$ 53,118</u> | <u>\$ 248,244</u> | <u>\$ 195,126</u> |

See accompanying notes to the budgetary comparison schedule.

CENTER SCHOOL DISTRICT #58
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2025

Budgetary Process

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.
2. Prior to July, the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the final budget information included in the financial statements.
6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid, except for teachers' salaries as discussed in Note A.

CENTER SCHOOL DISTRICT #58
SCHEDULE OF REVENUES COLLECTED BY SOURCE
FOR THE YEAR ENDED JUNE 30, 2025

| | GENERAL FUND | SPECIAL REVENUE FUND | DEBT SERVICE FUND | CAPITAL PROJECTS FUND | TOTAL |
|--------------------------------------|----------------------|----------------------------|-------------------------|-----------------------------|----------------------|
| LOCAL: | | | | | |
| Property tax | \$ 26,221,053 | \$ - | \$ 5,858,263 | \$ 260,470 | \$ 32,339,786 |
| Sales tax | - | 3,686,226 | - | - | 3,686,226 |
| Financial institution tax | 4,089 | - | 776 | 35 | 4,900 |
| M&M surtax | 679,592 | - | 132,520 | 5,877 | 817,989 |
| In lieu of tax | 410,839 | - | 77,983 | 3,466 | 492,288 |
| Earnings on investments | 836,203 | - | 163,531 | 6,276 | 1,006,010 |
| Food service | 124,430 | - | - | - | 124,430 |
| Student activities | 104,838 | - | - | - | 104,838 |
| Community services | 11,115 | - | - | - | 11,115 |
| Other local revenue | 1,479,357 | 136,796 | 11,639 | 71,733 | 1,699,525 |
| Total Local | <u>29,871,516</u> | <u>3,823,022</u> | <u>6,244,712</u> | <u>347,857</u> | <u>40,287,107</u> |
| COUNTY: | | | | | |
| Fines and escheats | - | 13,475 | - | - | 13,475 |
| State assessed utilities | 468,050 | - | 276,472 | 2,514 | 747,036 |
| County stock insurance fund | 551,096 | - | 122,490 | 5,444 | 679,030 |
| Total County | <u>1,019,146</u> | <u>13,475</u> | <u>398,962</u> | <u>7,958</u> | <u>1,439,541</u> |
| STATE: | | | | | |
| Basic formula | 742,133 | 2,277,631 | - | - | 3,019,764 |
| Transportation | 1,106,616 | - | - | - | 1,106,616 |
| Early Childhood Special Education | 448,448 | 310,543 | - | - | 758,991 |
| Basic formula - Classroom Trust Fund | 1,263,466 | - | - | - | 1,263,466 |
| Food service | 8,115 | - | - | - | 8,115 |
| Educational Screening Program | 54,262 | - | - | - | 54,262 |
| Residential placement/Excess cost | 57,104 | - | - | - | 57,104 |
| High Need Fund | 87,490 | - | - | - | 87,490 |
| Evidence Based Reading Grant | 6,240 | - | - | - | 6,240 |
| Other state revenue | 53,590 | - | - | - | 53,590 |
| Total State | <u>3,827,464</u> | <u>2,588,174</u> | <u>-</u> | <u>-</u> | <u>6,415,638</u> |
| FEDERAL: | | | | | |
| Title I | 740,108 | 446,172 | - | - | 1,186,280 |
| Title II A | 205,124 | - | - | - | 205,124 |
| Title III | 7,372 | - | - | - | 7,372 |
| Title IV A | 34,114 | - | - | - | 34,114 |
| Medicaid | 301,901 | - | - | - | 301,901 |
| Perkins Career Education | 78,962 | - | - | - | 78,962 |
| Individuals with Disabilities | 796,164 | - | - | - | 796,164 |
| IDEA grants | 18,312 | - | - | - | 18,312 |
| Early Childhood Special Education | - | 127,513 | - | - | 127,513 |
| Head Start | 2,000 | 924,667 | - | - | 926,667 |
| Child Nutrition Program | 1,404,011 | - | - | - | 1,404,011 |
| Education Stabilization Fund | 17,413 | - | - | - | 17,413 |
| Homeless Children and Youth I | 38,261 | - | - | - | 38,261 |
| Homeless Children and Youth II | 17,450 | - | - | - | 17,450 |
| Other federal revenue | 614 | - | 142,532 | - | 143,146 |
| Total Federal | <u>3,661,806</u> | <u>1,498,352</u> | <u>142,532</u> | <u>-</u> | <u>5,302,690</u> |
| OTHER: | | | | | |
| Net insurance recovery | 4,162 | - | - | - | 4,162 |
| Contracted educational services | - | 265,896 | - | - | 265,896 |
| Total Other | <u>4,162</u> | <u>265,896</u> | <u>-</u> | <u>-</u> | <u>270,058</u> |
| Total Revenues Collected | <u>\$ 38,384,094</u> | <u>\$ 8,188,919</u> | <u>\$ 6,786,206</u> | <u>\$ 355,815</u> | <u>\$ 53,715,034</u> |

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL ASSISTANCE LISTING | PASS-THROUGH GRANTOR NUMBER | EXPENDITURES |
|--|----------------------------------|--------------------------------|---------------------|
| <u>U.S. Department of Agriculture</u> | | | |
| Passed-through Missouri Department of Elementary and Secondary Education: | | | |
| Child Nutrition Cluster: | | | |
| School Breakfast Program | 10.553 | 048-080 | \$ 465,201 |
| National School Lunch Program | 10.555 | 048-080 | 938,810 |
| Non Cash: Food Distribution | 10.555 | 048-080 | 85,007 |
| Total Child Nutrition Cluster | | | <u>1,489,018</u> |
| <u>U.S. Department of Education</u> | | | |
| Passed-through Missouri Department of Elementary and Secondary Education: | | | |
| Special Education Cluster (IDEA): | | | |
| Special Education - Grants to States | 84.027 | 048-080 | 920,556 |
| Special Education - Preschool Grants | 84.173 | 048-080 | 21,433 |
| Total Special Education Cluster | | | <u>941,989</u> |
| Title I - Grants to Local Educational Agencies | 84.010 | 048-080 | 1,272,138 |
| Passed-through Raytown School District: | | | |
| Career and Technical Education Grants | 84.048 | | 78,962 |
| English Language Acquisition Grants | 84.365 | 048-080 | 18,435 |
| Supporting Effective Instruction State Grants | 84.367 | 048-080 | 186,218 |
| Comprehensive Literacy State Development Program | 84.371C | 048-080 | 264 |
| Student Support and Academic Enrichment Program | 84.424 | 048-080 | 47,342 |
| COVID-19 - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund | 84.425U | 048-080 | 26,684 |
| Total U.S. Department of Education | | | <u>2,572,032</u> |
| <u>U.S. Department of Health and Human Services</u> | | | |
| Passed-through Mid-America Regional Council: | | | |
| Head Start Cluster: | | | |
| Head Start | 93.600 | | 926,667 |
| Total U.S. Department of Health and Human Services | | | <u>926,667</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 4,987,717</u> |

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Center School District #58 has elected not to use the 15-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Center School District #58 under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Center School District #58, it is not intended to and does not present the financial position, change in net position or cash flows of Center School District #58.

INTERNAL CONTROL AND COMPLIANCE



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INDEPENDENT ACCOUNTANTS' REPORT ON THE ADMINISTRATION'S ASSERTION ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS

To the Board of Education
Center School District #58

We have examined the administration's assertion, included in its representation letter dated December 11, 2025, that Center School District #58 complied with the requirements of Missouri Laws and Regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of average daily attendance, resident membership on the last Wednesday of September 2024 and the number of students eligible to receive free or reduced price lunches on the last Wednesday of January 2025; and accurate disclosure by the District's pupil transportation records of the average students scheduled to be transported eligible and ineligible for state aid, the number of actual odometer miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2025. As discussed in that representation letter, the administration is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the administration's assertion about the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the administration's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether the administration's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of administration'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 examination engagement.

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

In our opinion, the administration's assertion that the District complied with the aforementioned requirements for the year ended June 30, 2025, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Board of Education, administration 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.

Westbrook & Co., P.C.

Richmond, Missouri
December 11, 2025

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

County District Number 048-080

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

| School Code | Begin Grade | End Grade | Half Day Indicator | Standard Day Length | Days | Hours in Session |
|-------------|-------------|-----------|--------------------|---------------------|------|------------------|
| | K | 5 | | 6.5000 | 169 | 1,090.5000 |
| 2100 | 6 | 8 | | 6.5000 | 169 | 1,090.5000 |
| 1050 | 9 | 12 | | 6.5000 | 169 | 1,090.5000 |

2. ATTENDANCE HOURS

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

| School Code | Grade Level | Full-Time | Part-Time | Remedial Hours | Other | Summer School | Total |
|--------------------|-------------|---------------------|-----------------|----------------|-------|------------------|---------------------|
| | K-5 | 1,037,735.47 | 1,016.55 | | | 6,346.83 | 1,045,098.85 |
| 2100 | 6-8 | 478,351.11 | 340.35 | | | 4,300.58 | 482,992.04 |
| 1050 | 9-12 | 603,038.25 | 4,142.05 | | | 2,777.32 | 609,957.62 |
| RH | | 5,705.44 | | | | | 5,705.44 |
| Grand Total | | 2,124,830.27 | 5,498.95 | | | 13,424.73 | 2,143,753.95 |

3. SEPTEMBER MEMBERSHIP

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

| School Code | Grade Level | Full-Time | Part-Time | Other | Total |
|--------------------|-------------|-----------------|-------------|-------|-----------------|
| | K-5 | 1,047.00 | 1.76 | | 1,048.76 |
| 2100 | 6-8 | 496.00 | | | 496.00 |
| 1050 | 9-12 | 673.00 | 3.23 | | 676.23 |
| Grand Total | | 2,216.00 | 4.99 | | 2,220.99 |

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

County District Number 048-080

4. JANUARY MEMBERSHIP

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

| School Code | Grade Level | Full-Time | Part-Time | Other | Total |
|--------------------|-------------|-----------------|-------------|-------|-----------------|
| | K-5 | 1,074.00 | 1.26 | | 1,075.26 |
| 2100 | 6-8 | 495.00 | 0.85 | | 495.85 |
| 1050 | 9-12 | 659.00 | 4.10 | | 663.10 |
| Grand Total | | 2,228.00 | 6.21 | | 2,234.21 |

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

Report the FTE count taken the last Wednesday in January of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

| School Code | Free Lunch | Reduced Lunch | Deseg In Free | Deseg In Reduced | Total |
|--------------------|-----------------|---------------|---------------|------------------|-----------------|
| 4080 | 89.00 | 12.00 | | | 101.00 |
| 4070 | 299.00 | | | | 299.00 |
| 4060 | 324.50 | | | | 324.50 |
| 4020 | 113.00 | 20.00 | | | 133.00 |
| 2100 | 263.85 | 24.00 | | | 287.85 |
| 1050 | 354.13 | 29.00 | | | 383.13 |
| RII | 4.00 | | | | 4.00 |
| Grand Total | 1,447.48 | 85.00 | | | 1,532.48 |

6. FINANCE

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

| Section | Question | Answer |
|------------|---|--------|
| 6.1 | The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported. | True |

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

County District Number 048-080

| | | |
|------------|--|-------|
| 6.2 | The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories: | 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 |
| | Prekindergarten eligible to be claimed for state aid | N/A |
| | Remediation | N/A |
| | Sheltered Workshop participation | N/A |
| | 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/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations. | True |
| 6.4 | The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations. | True |
| 6.5 | As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of: | False |
| 6.6 | The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual. | True |
| 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) | True |
| 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. | True |

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

County District Number 048-080

| | | |
|-------------|---|----------|
| 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. (Not applicable to charter schools) | N/A |
| 6.10 | The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo. | True |
| 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. (Not applicable to charter schools.) | True |
| 6.12 | The amount spent for approved professional development committee plan activities was: | \$28,633 |
| 6.13 | The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo. | False |

7. TRANSPORTATION (SECTION 163.161, RSMO)

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

| Section | Question | Answer |
|------------|--|---------|
| 7.1 | The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid. | True |
| 7.2 | The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported. | True |
| 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 | 1,434.0 |
| | Ineligible ADT | 0.0 |
| 7.4 | The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year. | True |
| 7.5 | Actual odometer records show the total district/charter-operated and contracted mileage for the year was: | 216,090 |

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF SELECTED STATISTICS - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

County District Number 048-080

| | | |
|------------|--|---------|
| 7.6 | 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 | 179,397 |
| | Ineligible Miles (Non-Route/Disapproved) | 36,693 |
| 7.7 | Number of days the district/charter school operated the school transportation system during the regular school year: | 163 |

Management Letter Comments: See “Bond Surety Coverage” and “Required Reports” comments in the Required Communications Letter.



WESTBROOK & CO., P.C.

Certified Public Accountants

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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
Center School District #58

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the modified cash basis financial statements of the governmental activities and each major fund of Center School District #58 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 December 11, 2025, which expressed a qualified opinion on the financial statements.

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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

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 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 questioned costs. The District's response was not subjected to the other auditing procedures applied in 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.

Westbrook & Co., P.C.

Richmond, Missouri
December 11, 2025



WESTBROOK & CO., P.C.

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

To the Board of Education
Center School District #58

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Westbrook & Co., P.C.

Richmond, Missouri
December 11, 2025

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with the modified cash basis:

Qualified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 Yes X No

Identification of major federal programs:

- Special Education Cluster AL Nos. 84.027 and 84.173
- Title I - Grants to Local Educational Agencies AL No. 84.010

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 Yes X No

**CENTER SCHOOL DISTRICT #58
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

B. FINDINGS - FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS
2025-001 GENERAL LEDGER

Condition: We noted that the District does not perform monthly accounting procedures to review the detail postings in the general ledger to supporting documentation. We noted a substantial number of posting errors that occurred in the general ledger for the year ended June 30, 2025.

Criteria: The general ledger posting detail should be reviewed for proper account coding. Uncleared transactions on the bank reconciliations should be reviewed and balances reported on the bank reconciliation should be traced back to the general ledger.

Cause: The District has not adopted policies and procedures to review the detail postings to the general ledger on a monthly basis.

Effect: Inadequate controls could allow for errors or fraud to occur.

Recommendation: We recommend monthly procedures be implemented to review the general ledger posting detail.

Auditee's Response: The Business Office will continue to evaluate our internal processes, review our accounting codes in accordance with the DESE Accounting Manual when recording transactions, and develop a monthly reconciliation process to ensure proper posting to the general ledger per the auditor's recommendation.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE CERTIFICATE

Dated as of July 7, 2026

By

CENTER SCHOOL DISTRICT NO. 58 OF JACKSON COUNTY, MISSOURI

relating to

\$24,000,000

**CENTER SCHOOL DISTRICT NO. 58 OF JACKSON COUNTY, MISSOURI
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026**

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated as of July 7, 2026 (the “**Continuing Disclosure Certificate**”), is executed and delivered by **CENTER SCHOOL DISTRICT NO. 58 OF JACKSON COUNTY, MISSOURI** (the “**Issuer**”).

RECITALS

1. This Continuing Disclosure Certificate is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$24,000,000 original principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”), pursuant to a resolution adopted by the governing body of the Issuer on June 22, 2026 (the “**Resolution**”).

2. The Issuer is entering into this Continuing Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). The Issuer is the only “**obligated person**” (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the covenants and agreements herein and in the Bond Purchase Agreement, the Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Continuing Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Certificate.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided, however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3(a)** of this Continuing Disclosure Certificate.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall, not later than **six months** after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2026, provide to the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):
- (1) The audited financial statements of the Issuer for the prior Fiscal Year. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “**obligated person**” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be filed as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be filed separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

Section 3. Reporting of Material Events. No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (“**Material Events**”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

If the Issuer has not filed the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Certificate are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Certificate in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Designated Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Certificate, and may discharge any such agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or

report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Certificate. If the Issuer shall ever fail to comply with its obligations to file an Annual Report or to report the occurrence of a Material Event, the Issuer shall appoint and retain a Dissemination Agent.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Certificate, the Issuer may amend this Continuing Disclosure Certificate and any provision of this Continuing Disclosure Certificate may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Certificate.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Certificate, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Certificate, the Issuer shall have no obligation under this Continuing Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Continuing Disclosure Certificate, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Certificate. A default under this Continuing Disclosure Certificate shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Certificate in the event of any failure of the Issuer to comply with this Continuing Disclosure Certificate shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Certificate, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored, received or delivered by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 13. Counterparts. This Continuing Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**CENTER SCHOOL DISTRICT NO. 58 OF
JACKSON COUNTY, MISSOURI**

By: _____
Title: President of the Board of Education

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The tables located under the following sections of Appendix A to the final Official Statement:

GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT

Enrollment

DEBT STRUCTURE OF THE DISTRICT

Long-Term General Obligation Indebtedness

Legal Debt Capacity

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Accounting, Budgeting and Auditing Process

Sources of Revenue table

PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

Property Valuations

Current Assessed Valuation

History of Property Valuations

Tax Rates

History of Tax Levies

Tax Collection Record

Major Property Taxpayers