

BOOK-ENTRY ONLY

S&P Direct Deposit Program Rating: AA+ (Stable Outlook)  
S&P Underlying Rating: A+ (Stable Outlook)  
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) is (1) 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) 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.*

HALLSVILLE R-IV SCHOOL DISTRICT OF  
BOONE COUNTY, MISSOURI

\$13,100,000\*  
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS  
(MISSOURI DIRECT DEPOSIT PROGRAM)  
SERIES 2026

**Dated: Date of Delivery**

**Due: March 1, as shown on the inside cover**

The General Obligation Refunding and Improvement Bonds (Missouri Direct Deposit Program), Series 2026 (the “Bonds”) will be issued by the Hallsville R-IV School District of Boone County, Missouri (the “District”) for the purpose of providing funds to (1) pay certain costs of the Project (as defined herein), (2) purchase certain property leased under a lease purchase agreement, (3) refund certain of the District’s outstanding general obligation bonds, and (4) pay costs of issuing the Bonds.

The Bonds will be issued as fully-registered bonds in the denomination of \$5,000 or integral multiples thereof. Principal of the Bonds will be payable annually as set forth on the inside cover of this Official Statement. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing September 1, 2026, by check or draft mailed (or by wire transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the 15th day of the month preceding the applicable interest payment date.

The Bonds are subject to optional redemption prior to maturity as described herein under the section captioned “THE BONDS – Redemption Provisions.”

The Bonds are subject to certain risks. See the section captioned “RISK FACTORS.”

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., St. Louis, Missouri, Bond Counsel to the District, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. 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 February 4, 2026.*

STIFEL

The date of this Official Statement is January \_\_, 2026.

\* Preliminary; subject to change.

**HALLSVILLE R-IV SCHOOL DISTRICT OF  
BOONE COUNTY, MISSOURI**

**\$13,100,000\***

**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS  
(MISSOURI DIRECT DEPOSIT PROGRAM)  
SERIES 2026**

**MATURITY SCHEDULE\***

**Base CUSIP: 098860**

**SERIAL BONDS**

<b><u>Due (March 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>	<b><u>CUSIP</u></b>
2029	\$ 710,000			
2030	740,000			
2031	770,000			
2032	800,000			
2033	830,000			
2034	865,000			
2035	905,000			
2036	955,000			
2037	1,000,000			
2038	1,055,000			
2039	40,000			
2040	40,000			
2041	40,000			
2042	40,000			
2043	1,365,000			
2044	1,435,000			
2045	1,510,000			

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\* Preliminary; subject to change.

**HALLSVILLE R-IV SCHOOL DISTRICT OF  
BOONE COUNTY, MISSOURI**

411 E. Highway 124  
Hallsville, Missouri 65255  
(573) 696-5512

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**BOARD OF EDUCATION**

Mr. Craig Stevenson, President and Member  
Ms. Jessica Hassler, Vice President and Member  
Ms. Secley Kennedy, Treasurer and Member  
Ms. Torrie Vroman, Member  
Mr. Chase Bunger, Member  
Mr. Christopher McLeland, Member  
Mr. Brian Mottaz, Member

**DISTRICT ADMINISTRATION**

Mr. Tyler Walker, *Superintendent*  
Ms. Ada Tharp, *Business Manager*

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**UNDERWRITER**

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

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**BOND AND DISCLOSURE COUNSEL**

Gilmore & Bell, P.C.  
St. Louis, Missouri

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**PAYING AGENT/ESCROW AGENT**

UMB Bank, N.A.  
St. Louis, Missouri

## **REGARDING USE OF THIS OFFICIAL STATEMENT**

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**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 in this Official Statement 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 or the Underwriter. 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 responsibilities 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 in this Official Statement 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.

**IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

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**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

### HALLSVILLE R-IV SCHOOL DISTRICT OF BOONE COUNTY, MISSOURI

**\$13,100,000\***

### GENERAL OBLIGATION REFUNDING AND IMPROVEMENT 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 page and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$13,100,000\* aggregate principal amount of General Obligation Refunding and Improvement Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”) by the Hallsville R-IV School District of Boone County, Missouri (the “**District**”). The issuance and sale of the Bonds is authorized by a resolution of the Board of Education of the District expected to be adopted on January 21, 2026, as supplemented by a Final Terms Certificate (together, the “**Resolution**”). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Resolution.*

### Purpose of the Bonds

The Bonds are being issued for the purpose of providing funds to (a) pay certain costs of the Project (as defined herein), (b) purchase certain property leased under a lease purchase agreement, (c) refund all the District’s outstanding General Obligation Bonds (Missouri Direct Deposit Program), Series 2018, in the aggregate principal amount of \$7,000,000 (the “**Refunded Bonds**”) and (d) pay costs of issuing the Bonds. See the section captioned “**PLAN OF FINANCING.**”

### Security for the Bonds

**General.** The Bonds will constitute general obligations of the District and will be payable as to principal or Redemption Price (as defined herein) of and interest on the Bonds 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 captioned “**SECURITY FOR THE BONDS.**”

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

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\* Preliminary; subject to change.

## Continuing Disclosure

The District will covenant to provide certain annual financial information and operating data and notices of certain events to the Municipal Securities Rulemaking Board in accordance with Rule 15c2-12 of the Securities and Exchange Commission. See the section captioned **“CONTINUING DISCLOSURE UNDERTAKING”** and **APPENDIX C – “FORM OF CONTINUING DISCLOSURE UNDERTAKING”** attached hereto.

## Description of Documents

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

## THE BONDS

### General

The Bonds are being issued in the aggregate principal amount of \$13,100,000\* and are dated as of the date of original issue and delivery thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page, subject to redemption and payment prior to maturity upon the terms and conditions described under the section captioned **“THE BONDS – Redemption Provisions”** herein. Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 (each an **“Interest Payment Date”**), beginning September 1, 2026.

The interest payable on each Bond on any Interest Payment Date will be paid to the person in whose name such Bond is registered (the **“Registered Owner”**) as shown on the registration books (the **“Bond Register”**) at the close of business on the 15<sup>th</sup> day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the **“Record Date”**) for such interest by (1) check or draft mailed by UMB Bank, N.A., a national banking association with a principal payment office located in St. Louis, Missouri (the **“Paying Agent”**), to the address of such Registered Owner shown on the Bond Register or at such other address as is 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 payment, containing the electronic transfer instructions including the name and address of the bank, the bank’s ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed and an acknowledgement that an electronic transfer fee may be applicable.

The principal or Redemption Price of each Bond will be paid by check, electronic transfer or draft to the Registered Owner of such Bond at the maturity of such Bond or otherwise, upon presentation and surrender of such Bond at the principal payment office of the Paying Agent in St. Louis, Missouri or at such other payment office designated by the Paying Agent.

### 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

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\* Preliminary; subject to change.



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, as amended. 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](http://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.

Redemption notices will be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

**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 Money Market Instrument 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 will cause the Bond Register to be kept at the principal payment office of the Paying Agent in St. Louis, Missouri or such other payment office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Resolution.

Upon surrender of any Bond at the principal payment office of the Paying Agent in St. Louis, Missouri or at such other payment office designated by 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 interest rate and in the same aggregate or 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 and with guarantee of signature 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 the Resolution. The District shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by the 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 of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If 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.

The District and the Paying Agent shall not be required (i) 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 (ii) 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.

### **Redemption Provisions**

At the option of the District, the Bonds or portions thereof maturing on March 1, 20\_\_ and thereafter may be called for redemption and payment prior to their Stated Maturity on March 1, 20\_\_ and thereafter as a whole or in part at any time at the Redemption Price of 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date (as defined herein).

### **Selection of Bonds to be Redeemed**

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 in such order of their Stated Maturities as 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 price which such Bonds are to be redeemed (the "**Redemption Price**") and interest to the date fixed for redemption (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 shall fail 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 of 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 30 days but not more than 60 days prior to the Redemption Date to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

With respect to optional redemptions, such notice may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the District that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Resolution to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

### **Effect of Call for Redemption**

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 pursuant to 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.

### **Defeasance**

When any or all of the Bonds and scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Resolution and the pledge of the District's faith and credit thereunder and all other rights granted thereby shall terminate with respect to the Bonds, and scheduled interest payments thereon, so paid and discharged. Bonds, and 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 Bonds and the interest payments thereon, in trust for and irrevocably appropriated thereto, money 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 principal of and redemption premium, if

any, said Bonds and interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (1) the District has elected to redeem such Bonds, and (2) either notice of such redemption has been given, or the District has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Resolution.

Any money and Defeasance Obligations that at any time shall be deposited by or on behalf of the District with the Paying Agent or other commercial bank or trust company for the purpose of paying and discharging any of the Bonds or scheduled interest payments thereon shall be assigned, transferred and sent over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money shall be irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of the Resolution.

Defeasance Obligations include non-callable United States Government Obligations, defined in the Resolution as bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. Historically, United States Government Obligations have been rated in the highest rating category by the rating agencies. There is no legal requirement in the Resolution that United States Government Obligations be or remain rated in the highest rating category by any rating agency.

## SECURITY FOR THE BONDS

***Pledge of Full Faith and Credit.*** The Bonds will constitute general obligations of the District and will be 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 territorial limits of the District. The full faith, credit and resources of the District are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

***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 year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. Except as otherwise provided under the heading “**Direct Deposit of State Aid Payments**” directly below, 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 becomes 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 and related statutes (the “**Deposit Law**”), the State and the District may agree to transfer to 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 (the “**Treasurer’s Office**”), the Department of Elementary and Secondary Education of the State (“**DESE**”), the Health and Educational Facilities Authority of the State and the Deposit Trustee. The Deposit Agreement will provide for payment of one-tenth (1/10) of the debt service due on September 1, 2026 and March 1, 2027 to be paid in each of the ten (10) months of March 2026 through December 2026; and one-tenth (1/10) of the annual debt service due each succeeding bond year to be paid in each succeeding ten (10)

similar months (i.e., March through December) for each bond year thereafter as 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 the Deposit Agreement relieves the District of its obligation to make payments of principal of 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 of Bonds**

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State, including particularly Article VI, Sections 26 and 28 of the Missouri Constitution and Chapters 108 and 164 of the Revised Statutes of Missouri, as amended. A portion of the Bonds represent all \$6,500,000 of general obligation bonds approved by approximately 75% (1,077 to 358) of the qualified voters of the District voting at an election held on November 4, 2025 (the **"Election"**). The Bonds are being issued pursuant to the Resolution and Election.

### **The Project**

A portion of the Bonds are issued for the purpose of acquiring, constructing, renovating, equipping and furnishing sites, buildings and related facilities for school purposes, including parking and traffic flow improvements, construction of additional classrooms and a multipurpose sports field with an artificial surface and installation of security doors (the **"Project"**).

### **Purchase of Leased Property**

The District previously entered a Lease Purchase Agreement dated as of January 1, 2023 (the **"Lease"**), with Simmons Bank, as lessor (the **"Lessor"**) to finance the construction, furnishing and equipping of an eight-classroom addition to the District's middle school. A portion of the proceeds of the Bonds will be used to refinance the Lease by the District exercising its option to purchase the Lessor's interest in the property leased under the Lease.

## Refunding of Refunded Bonds

On the date of issuance of the Bonds, the District will transfer a portion of the proceeds of the Bonds to UMB Bank, N.A., as escrow agent, for deposit into an Escrow Fund (the “**Escrow Fund**”) to pay the principal of and interest on the Refunded Bonds. Such moneys deposited into the Escrow Fund will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “**Escrowed Securities**”). The Escrowed Securities will mature in such amounts and at such times as shall be sufficient, together with any cash deposit to the Escrow Fund, to redeem and pay the Refunded Bonds on March 1, 2026. All moneys deposited in the Escrow Fund will be irrevocably pledged to the payment of the Refunded Bonds.

Robert Thomas CPA, LLC, Shawnee Mission, Kansas, a firm of independent certified public accountants, will provide a report to the effect that the cash and Escrowed Securities held in the Escrow Fund will provide sufficient moneys to make the required payments in accordance with the District’s refunding plan as described in this Official Statement.

## Sources and Uses of Funds

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

<u>Sources of Funds:</u>	<u>Total</u>
Par Amount of Bonds	\$
Plus: [*Net*] Original Issue Premium	
Total	<u>\$</u>
 <u>Uses of Funds:</u>	
Deposit to Project Fund	\$
Purchase Leased Property	
Refund the Refunded Bonds	
Costs of Issuance <sup>(1)</sup>	
Total	<u>\$</u>

<sup>(1)</sup> Includes underwriter’s discount and other costs of issuance.

## 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. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. *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 the section captioned **"PROPERTY TAX INFORMATION – Property Valuations"** in *Appendix A* of this Official Statement. In addition, the issuance of additional general obligation bonds by the District or by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See the section captioned **"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 the section captioned **"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, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 10% and 5% of 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, ability and willingness of major taxpayers to pay property taxes. See the section captioned **"PROPERTY TAX INFORMATION – 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. On April 3, 2024, voters of the County of Boone, Missouri (the **"County"**) approved implementing the Senior Property Tax Credit Program in the County, which became effective with the 2024 property tax cycle. The year that eligible taxpayers apply and qualify for the Senior Property Tax Credit Program will be the base year for the tax credits for such taxpayers. Taxpayers must apply or renew for the tax relief program every year to continue receiving a credit on their tax bill.

Several legal concerns surrounding the implementation of the Senior Property Tax Credit Program exist making the future financial impact of the Senior Property Tax Credit Program on the District not fully ascertainable. Interpretations by a court of the Senior Property Tax Credit Program could reduce property tax revenues causing less revenues to be available to pay principal of and interest on the Bonds. For taxes levied in 2025 for debt service payments, the Senior Property Tax Credit Program resulted in approximately \$7,000 of lost revenue. See **"PROPERTY TAX INFORMATION"** in *Appendix A* of this Official Statement.

### **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"** or the **"Pandemic"**), 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 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 2024 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 (as defined herein) 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 ensure 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 section captioned **"SECURITY FOR THE BONDS,"** 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, on all taxable tangible property in the District sufficient to pay the principal of and interest on the Bonds.

### **Ratings**

S&P Global Ratings, a division of S&P Global Inc. (the **"Rating Agency"**), has assigned the Bonds the ratings set forth in the section 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 it 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 and Other Postemployment Benefits**

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 the section captioned **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Pension and Employee Retirement Plans"** in *Appendix A* of this Official Statement. The District also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. See the section captioned **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Other Postemployment Benefits"** 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**

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. 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 the section captioned **"THE DISTRICT – History of Enrollment"** in *Appendix A* of this Official Statement.

## **State Aid and Direct Deposit Agreement**

For the fiscal year ended June 30, 2025, approximately 45% of the District's revenue was 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"** herein. 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 ratings 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 the written consent of the Registered 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; provided that, no amendments may without the written consent of the Registered Owners of all of the Bonds at the time outstanding (1) extend the maturity of any payment of principal or interest due upon any Bond; (2) alter the optional redemption provisions of any Bond; (3) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (4) permit preference or priority of any Bond over any other Bond; or (5) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Resolution. The District may also amend or supplement the Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

## **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"** herein.

## **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 income tax purposes. See the section captioned **“TAX MATTERS.”**

The Internal Revenue Service (the **“IRS”**) has established an ongoing program to audit tax-exempt obligations to determine whether the 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**

When any or all of the principal of the Bonds or scheduled interest payments thereon are deemed paid and discharged as provided in the Resolution, 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 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 moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of and redemption premium, if any, on said Bonds and interest accrued to the stated maturity or prior 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**

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other 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 personal, health-related, credit and other 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**

The District encompasses approximately 80 square miles and is located in the central portion of the State in the County. The District’s schools are located in the City of Hallsville, Missouri, which is approximately

10 miles north of Columbia, Missouri. See the section captioned **“ECONOMIC INFORMATION CONCERNING THE DISTRICT”** in *Appendix A* of this Official Statement for further information regarding the District.

## **LEGAL MATTERS**

Legal matters with respect to the authorization, execution and delivery of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the District, whose approving opinion will be available at the time of delivery of the Bonds. Gilmore & Bell, P.C. will also pass upon certain legal matters relating to this Official Statement.

The various 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, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## **BOND RATINGS**

The Rating Agency has assigned a municipal bond rating of “AA+” to the Bonds based on the District’s participation in the Missouri Direct Deposit Program. In addition, the Rating Agency has assigned a municipal bond rating of “A+” to the Bonds based on the underlying credit of the District. The District has furnished the Rating Agency with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. Such ratings reflect only the views of the Rating Agency, and an explanation of the significance of the ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that it 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 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 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.

***Bank Qualification.*** The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (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 a Continuing Disclosure Undertaking dated as of February 1, 2026 (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 District and the Bonds. The financial information, operating data and notice of events will be filed in compliance with the Rule. The District is the only "obligated person" with responsibility for continuing disclosure. Included as **Appendix C** to this Official Statement is the proposed form of the Continuing Disclosure Undertaking.

The District has made similar undertakings with respect to certain of its outstanding obligations. The District believes it has complied in all material respects during the past five years with its prior undertakings under the Rule.

## **ABSENCE OF LITIGATION**

As of the date of this Official Statement, 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, St. Louis, Missouri (the "**Underwriter**"), has agreed to purchase the Bonds at a price of \$\_\_\_\_\_ (which is equal to the original principal amount of the Bonds, less an underwriting discount of \$\_\_\_\_\_, plus an original issue premium 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 of them in connection with the issuance of the Bonds.

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## **MISCELLANEOUS**

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the District and other sources which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Bonds, the President or Vice President of the Board of Education of the District, acting on behalf of the District, will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the District. Neither the District nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District's ability to make payments required of it; and further, neither the District nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Resolution.

### **HALLSVILLE R-IV SCHOOL DISTRICT OF BOONE COUNTY, MISSOURI**

By: \_\_\_\_\_  
President of the Board of Education



## **APPENDIX A**

### **INFORMATION REGARDING THE DISTRICT**

## APPENDIX A

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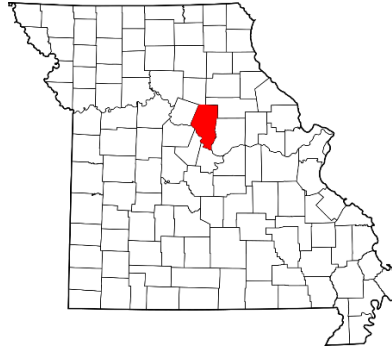
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## THE DISTRICT

### General Description

The District encompasses approximately 80 square miles and is located in the central portion of the State of Missouri (the “**State**”) in Boone County, Missouri (the “**County**”). The District’s schools are located in the City of Hallsville, Missouri (the “**City**”), which is approximately 10 miles north of Columbia, Missouri.



### Organization and Board of Education

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. 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.

The current members and officers of the Board are:

<u>Name</u>	<u>Office</u>	<u>First Term Began</u>	<u>Current Term Expires</u>
Craig Stevenson	President & Member	2017	2026
Jessica Hassler	Vice President & Member	2017 <sup>(1)</sup>	2027
Secley Kennedy	Treasurer & Member	2023	2026
Torrie Vroman	Member	2021	2027
Christopher McLeland	Member	2025	2028
Chase Bunger	Member	2011	2028
Brian Mottaz	Member	2023	2026

<sup>(1)</sup> Ms. Hassler was initially appointed to the Board in 2017 and was elected in April 2018 for a three-year term.

Ada Tharp serves as Secretary to the Board.

### Administration

The Board appoints the Superintendent of Schools, who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Additional members of the administrative staff and all other employees are appointed by the Board upon recommendation by the Superintendent.

Tyler Walker was named Superintendent in July 2024. Mr. Walker previously served as superintendent in Higbee R-VIII School District for three years prior to being hired by the District. He also previously served as a K-12 at-risk coordinator, a social studies teacher and a K-12 principal. He holds an educational doctorate degree, education leadership specialist degree and master’s degree from William Woods University and a bachelor’s degree from Missouri State University.

## Professional Staff

The average teacher employed by the District has 11.2 years of teaching experience, compared to a statewide average of 12.7 years, and 56.8% of the District's teachers hold advanced degrees. For the current school year, the average salary for all teaching staff in the District is \$48,961. This compares to a statewide average salary for teaching staff of \$57,780.

## Educational Facilities

The District operates the following schools:

<u>Name of School</u>	<u>Grades Served</u>
Hallsville Primary School	Pre-K-2
Hallsville Intermediate School	3-5
Hallsville Middle School	6-8
Hallsville High School	9-12

## History of Enrollment

Listed below are the District's fall enrollment figures for the current and previous four school years.

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Primary (K-5)	682	710	750	734	718
Middle (6-8)	347	382	347	341	346
High (9-12)	<u>453</u>	<u>462</u>	<u>447</u>	<u>464</u>	<u>440</u>
Total	<u>1,482</u>	<u>1,554</u>	<u>1,544</u>	<u>1,539</u>	<u>1,504</u>

Source: Department of Elementary and Secondary Education.

## Other District Statistics

The following table shows additional information about the District compiled by the Missouri Department of Elementary and Secondary Education ("DESE") for the following five fiscal years:

	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
Avg. Daily Attendance (ADA)	1,306	1,409	1,431	1,448	1,444
Proportional Attendance Rate	88.6%	85.0%	84.2%	85.2%	84.7%
Current Expenditures per ADA	\$8,692	\$9,055	\$9,303	\$9,845	\$10,651
Students per Teacher	14	15	15	14	14
Students per Classroom Teacher	18	18	18	18	17

Source: DESE.

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 who qualify based on household income. Currently, no District school has more than 35% of its students qualify for FRL.

## 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 Missouri. Under MSIP, the District is accredited, which is currently the highest level of accreditation under MSIP. The MSIP classification is not a bond or debt rating but is solely an evaluation made by DESE.

## ECONOMIC INFORMATION CONCERNING THE DISTRICT

### Population

The following table shows population figures for the District, the County and the State:

	<u>2000</u>	<u>2010</u>	<u>2020</u>
District	6,239	6,312	7,978
County	135,454	162,642	183,610
State	5,595,211	5,988,927	6,154,913

*Source:* U.S. Census Bureau.

The following table shows population distribution by age for the District, the County and the State:

### Estimated Population Distribution by Age

<u>Age</u>	<u>District</u>	<u>County</u>	<u>State</u>
Under 5 years	503	10,433	355,024
5-19 years	1,788	37,879	1,193,893
20-24 years	305	24,197	410,729
25-44 years	2,120	49,220	1,558,925
45-64 years	2,045	37,721	1,558,585
65 years and over	<u>1,217</u>	<u>24,160</u>	<u>1,077,757</u>
TOTAL	<u>7,978</u>	<u>183,610</u>	<u>6,154,913</u>
Median age	38.5	31.9	39.0

*Source:* U.S. Census Bureau, 2020.

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## Commerce, Industry and Employment

**Major Employers.** Listed below are the major employers located within the County and the approximate number of employees employed by each:

<u>Name</u>	<u>Product or Service</u>	<u>Number of Full-time Employees</u>
University of Missouri	Higher Education	9,732
University of Missouri Health Care	Healthcare	5,833
Columbia Public Schools	Education	2,944
Harry S. Truman Veterans Hospital	Healthcare	1,957
Boone Hospital Center	Healthcare	1,581
Shelter Insurance Companies	Insurance	1,382
City of Columbia, Missouri	Government	1,368
Hubbell Power Systems, Inc.	Power systems manufacturing	730
Joe Machens Dealerships	Auto Dealerships	704

Source: The County.

**Employment Figures.** The following table sets forth employment figures for the County, the State and the United States:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025<sup>(1)</sup></u>
<i>County</i>					
Total Labor Force	98,981	100,405	100,501	100,677	100,048
Unemployed	2,832	2,088	2,628	3,119	4,046
Unemployment Rate	2.9%	2.1%	2.6%	3.1%	4.0%
<i>State</i>					
Total Labor Force	3,031,845	3,042,699	3,095,018	3,131,182	3,185,115
Unemployed	126,113	79,757	95,951	114,296	142,560
Unemployment Rate	4.2%	2.6%	3.1%	3.7%	4.5%
<i>United States</i>					
Total Labor Force	161,204,000	164,287,000	167,116,000	168,106,000	171,035,000
Unemployed	8,623,000	5,996,000	6,080,000	6,761,000	7,747,000
Unemployment Rate	5.3%	3.6%	3.6%	4.0%	4.5%

<sup>(1)</sup> Figures for the year 2025 are preliminary for the month of August, not an annualized calculation.

Source: U.S. Bureau of Labor Statistics.

## Medical and Health Facilities

The District is served by a number of medical facilities. Boone Hospital Center is a 392-bed full service hospital located in Columbia, Missouri. It is a regional referral center and provides services to people in 26 mid-Missouri counties. The University of Missouri Health Care system is a comprehensive healthcare network, with seven hospitals, with six based in Columbia, Missouri, one based in Jefferson City, Missouri and more than 50 clinics. The hospitals and clinics offer primary, secondary and tertiary healthcare services to patients from each

of the State's 114 counties and are served by approximately 6,000 physicians, nurses and healthcare professionals.

### **Higher Education**

There are many institutions of higher education located in central Missouri. Columbia College, Stephens College and University of Missouri – Columbia are all located in the County. Columbia College is a private, nonprofit, coeducational liberal arts and sciences college which serves more than 20,000 students combined at its physical locations and online. Stephens College is the second-oldest women's college in the country and is the only four-year women's institution for higher education within the State. There are approximately 950 full-time residential students at Stephens College. The University of Missouri – Columbia is a public university with an undergraduate enrollment of approximately 24,000 students and offers more than 300 degree programs.

### **Recreational Facilities**

Recreational opportunities are abundant in the County. There are over 70 public parks that sit within the County, as well as several state parks. The Lake of the Ozarks, a popular recreational resort area, is located approximately 80 miles southwest of the District.

There are various bowling, swimming, golfing and movie facilities available in the area for residents of the District. In addition, residents have access to the recreational and cultural activities of the City of Columbia and the University of Missouri – Columbia campus.

### **Municipal Services and Utilities and Public Safety**

The City provides water, sewer and street maintenance through its Public Works Department. The City contracts trash service and offers curbside trash pick-up.

Natural gas service is provided by AmerenUE. Electric service is provided by AmerenUE and Boone Electric Cooperative.

Police protection is provided by the City's police department (the **"Police Department"**), which consists of one full-time police chief, three full-time police officers and two part-time police officers. The Police Department is also comprised of several men and women who are commissioned as reserve officers.

Fire protection services are provided primarily by the Boone County Fire Protection District (the **"Fire District"**). The Fire District operates out of 16 fire stations located in the County, which are equipped with approximately 120 emergency vehicles and other various firefighting apparatus. The Fire District staff consists of approximately 200 volunteers who serve as firefighters and support personnel and 25 full-time employees. On-duty volunteer firefighters reside in the Fire District's fire stations. In addition, the Fire District operates Missouri Task Force 1, which is one of 28 federally designated urban search and rescue task forces in the United States. As a result of the development of the task force, Missouri Task Force 1 is on call and deployable by the State of Missouri Emergency Management Agency and the Federal Emergency Management Agency for catastrophic events within the State and/or within the United States or its territories.

### **Transportation**

Residents of the District have access to Columbia Regional Airport, which provides private flying service and charter flights, and is located in the southeast portion of the District. Residents of the District also have access to several bus lines and are served by Interstate 70, U.S. Highway 63 and U.S. Highway 54.

## Income and Home Values

The following table presents per capita personal income<sup>(1)</sup> for the County and the State for the years 2019 through 2023, the latest date for which such information is available:

<u>Year</u>	<u>County Per Capita Personal Income</u>	<u>State Per Capita Personal Income</u>
2023	\$60,158	\$62,604
2022	56,622	59,007
2021	54,540	56,639
2020	50,771	52,145
2019	48,595	48,425

<sup>(1)</sup> Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. **“Personal Income”** is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. **“Net Earnings”** is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

*Source:* U.S. Department of Commerce Bureau of Economic Analysis.

The following table presents the estimated median household income for the District, the County and the State:

<u>Median Household Income</u>	
District	\$74,403
County	69,913
State	68,920

*Source:* U.S. Census Bureau, 2019-2023 American Community Survey 5-Year estimates.

The following table presents the median value of owner-occupied housing units in the District, the County and the State:

	<u>Number of Owner-Occupied Units</u>	<u>Median Home Value</u>
District	5,722	\$203,600
County	109,652	254,100
State	4,303,057	215,600

*Source:* U.S. Census Bureau, 2019-2023 American Community Survey 5-Year estimates.

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## DEBT STRUCTURE OF THE DISTRICT

### Overview

The following table summarizes certain financial information concerning the District. This information should be reviewed in conjunction with the other information contained under the heading “**DEBT STRUCTURE OF THE DISTRICT**” and the financial statements of the District in *Appendix B* to this Official Statement.

2025 Assessed Valuation <sup>(1)</sup>	\$137,736,421
2025 Estimated Actual Valuation <sup>(2)</sup>	\$647,952,434
Estimated Population <sup>(3)</sup>	7,978
Direct General Obligation Debt (“ <b>Direct Debt</b> ”) <sup>(4)</sup>	\$19,720,000*
Overlapping General Obligation Debt (“ <b>Indirect Debt</b> ”) <sup>(5)</sup>	<u>2,011,497</u>
Total Direct Debt and Indirect Debt	\$21,731,497*
Ratio of Direct Debt to Assessed Valuation	14.32%*
Ratio of Direct Debt to Estimated Actual Valuation	3.04%*
Per Capita Direct Debt	\$2,472*
Ratio of Direct Debt and Indirect Debt to Assessed Valuation	15.78%*
Ratio of Direct Debt and Indirect Debt to Estimated Actual Valuation	3.35%*
Per Capita Direct Debt and Indirect Debt	\$2,724*

- 
- (1) Includes real and personal property valuations as provided by the County Clerk but excludes assessed valuations attributable to state assessed railroad and utility property. For further details, see “**PROPERTY TAX INFORMATION.**”
- (2) Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios, see “**PROPERTY TAX INFORMATION.**”
- (3) See “**ECONOMIC INFORMATION CONCERNING THE DISTRICT – Population.**”
- (4) Includes the Bonds and excludes the Refunded Bonds.
- (5) See “**DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness.**”

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\* Preliminary; subject to change.

## General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the District, including the Bonds but excluding the Refunded Bonds.

<u>Issue Name</u>	<u>Date of Indebtedness</u>	<u>Amount Originally Issued</u>	<u>Amount Outstanding</u>
General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2020	1/7/2020	\$ 1,655,000	\$ 940,000
General Obligation Bonds, Series 2022	6/2/2022	6,000,000	5,680,000
The Bonds	2/4/2026	13,100,000	<u>13,100,000*</u>
Total			<u>\$19,720,000*</u>

## History of General Obligation Indebtedness

The following table shows the outstanding debt of the District for each of the following fiscal years:

<u>As of June 30</u>	<u>Total Outstanding Debt</u>	<u>Assessed Valuation</u> <sup>(1)</sup>	<u>Debt as % of Assessed Valuation</u> <sup>(2)</sup>
2025	\$13,620,000	\$129,644,494	10.51%
2024	14,160,000	126,667,350	11.18
2023	14,685,000	116,103,663	12.65
2022	15,095,000	105,498,349	14.31
2021	9,785,000	96,986,412	10.09

(1) The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown. Assessed valuation excludes state assessed railroad and utility property located within the District.

(2) If state assessed railroad and utility property were taken into account, the debt as a percentage of total assessed valuation would be lower than the percentages shown. For more information, see “**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity.**”

Source: Audited Financial Statements of the District for fiscal years ended June 30, 2020 through June 30, 2024, District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2020 through June 30, 2024.

The District has never defaulted on the payment of any of its debt obligations.

## Legal Debt Capacity

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized school 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 held in even-numbered years or two-thirds voter approval on any other election date. The legal debt limitation and debt margin of the District are as follows:

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\* Preliminary; subject to change.

**Legal Debt Limitation and Debt Margin**

Constitutional Debt Limitation under Article VI, Section 26(b) (15% of 2025 assessed valuation)	\$20,660,463
Less General Obligation Bonds Outstanding	<u>(19,720,000*)</u>
Legal Debt Margin under Article VI, Sections 26(b)	<u>\$ 940,463*</u>

The District’s legal debt limit and debt margin would be higher if the valuation of state assessed railroad and utility property that is physically located within the bounds of the District was taken into account. Such amount was not included in the calculations of debt limit or debt margin. Because of the manner in which tax collections are distributed to school districts from assessments of state assessed railroad and utility property (see **“PROPERTY TAX INFORMATION – Property Valuations – Current Assessed Valuation”**), the cumbersome task of determining the valuation of such property physically located within a school district is not normally undertaken unless, without the value of such property included in the calculation, the district would exceed its legal debt limit.

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\* Preliminary; subject to change.

## General Obligation Bonds Debt Service Requirements

The following schedule shows the annual principal and interest requirements for all outstanding general obligation bonds of the District, including the Bonds but excluding the Refunded Bonds.

<b>Fiscal Year Ended June 30</b>	<b>Outstanding Debt Service</b>	<b><u>The Bonds</u></b>		<b><u>Total</u></b>
		<b><u>Principal</u></b>	<b><u>Interest</u></b>	
2026	\$ 1,054,087.50			
2027	997,962.50			
2028	996,612.50			
2029	243,862.50			
2030	243,862.50			
2031	243,862.50			
2032	243,862.50			
2033	243,862.50			
2034	243,862.50			
2035	243,862.50			
2036	243,862.50			
2037	243,862.50			
2038	243,862.50			
2039	1,313,862.50			
2040	1,317,687.50			
2041	1,318,362.50			
2042	<u>1,320,887.50</u>			
2043				
2044				
2045				
Total	<u>\$10,758,087.50</u>			

The principal and interest requirements on the District's general obligation bonds (including the Bonds) are payable from amounts in the District's Debt Service Fund generated by a levy on all taxable tangible property in the District. The Debt Service Fund levy may be set, without limitation as to rate or amount, at the level required to make payments on the general obligation bonds. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT."**

## Future Borrowing Plans

Within the next 6 months, the District intends to lease 5 buses in the approximate principal amount of \$550,000 with an expected term of up to five years. The lease payments are not expected to be materially more than lease payments currently paid by the District under a lease scheduled to expire in the current fiscal year.

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## Overlapping or Underlying Indebtedness

The following table sets forth the approximate overlapping and underlying general obligation indebtedness of political subdivisions with boundaries overlapping the District as of December 1, 2025 and the percent attributable (on the basis of real estate assessed valuation figures for calendar year 2025) 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 general obligation bonds, the amounts of which may be unknown to the District at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Debt</u>	<u>Approx. Percent Applicable</u>	<u>Approx. Amount Overlapping</u>
Boone County, Missouri	\$ 1,018,604	0.34%	\$ 3,463
Boone County Fire Protection District	13,935,000	14.41	<u>2,008,034</u>
Total			<u>\$2,011,497</u>

*Source:* County Clerk's Office; State Auditor of Missouri – Bond Registration Reports; most recent information available from the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

## FINANCIAL INFORMATION CONCERNING THE DISTRICT

### Accounting, Budgeting and Auditing Procedures

The District presents its governmental activities in fund financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, in conformity with the requirements of Missouri law and DESE. With this basis of accounting receipts are recognized when received rather than when earned, and disbursements and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, 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. Transactions have been recorded in the following funds for the accounting of all District funds:

- **General (Incidental) Fund:** The General Fund is the primary operating fund of the District. It is used to account for general activities of the District, including expenditures for noncertified employees, pupil transportation costs, plant operation, fringe benefits, student body activities, community services, food service and any expenditures not required or permitted to be accounted for in other funds.
- **Special Revenue (Teachers') Fund:** The Special Revenue (Teachers') Fund accounts for expenditures for certificated employees involved in administration and instruction. It includes revenues restricted by the State and the local tax levy for the payment of teacher salaries and certain employee benefits.
- **Debt Service Fund:** The Debt Service Fund accounts for the accumulation of resources for, and the payment of, principal, interest and paying agent charges on, long-term debt.

- **Capital Projects Fund:** The Capital Projects Fund accounts for resources restricted for the acquisition or construction of specific capital projects or items. It accounts for the proceeds of long-term debt, taxes and other receipts, including the proceeds from lease financings and the issuance of general obligation bonds, designated for construction of major capital assets and all other capital outlay.

The Treasurer of the District is responsible for handling all moneys of the District and administering the above funds. All moneys received by the District from whatever source are credited to the appropriate fund. Moneys may be disbursed from such funds by the Treasurer only for the purpose for which they are levied, collected or received and only upon checks drawn by the Treasurer pursuant to orders of the Board or upon orders for payment issued by the Treasurer pursuant to orders of the Board.

An annual budget of estimated receipts and disbursements for the coming fiscal year is prepared by the Superintendent and is presented to the Board prior to July 1 for approval. The District's fiscal year is July 1 through June 30. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes and includes a statement of the rate of levy per \$100 of assessed valuation required to raise each amount shown on the budget as coming from District property taxes.

The financial records of the District are audited annually by an independent public accountant according to the modified cash basis of accounting. The most recent annual audit has been performed by Gerding, Korte and Chitwood, Certified Public Accountants. The audited financial statements of the District for the fiscal year ended June 30, 2025, together with the independent auditor's report thereon, are included in this Official Statement as *Appendix B*. A summary of significant accounting policies of the District is contained in the notes accompanying the financial statements in *Appendix B*. The audited financial statements for earlier years with reports by the certified public accountants are available for examination in the District's office.

## **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 counties in which each school district 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. See ***"FINANCIAL INFORMATION CONCERNING THE DISTRICT - Certain Permitted Fund Transfers – Transfers from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund."***

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 its revenue from State and federal aid amounts rather than local taxes.

**Current.** For the 2024-2025 fiscal year, the District’s sources of revenue were as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
Local Revenue:		
Property Taxes	\$ 6,488,866	31.40%
Proposition C Sales Tax	2,191,618	10.61
Other	1,431,944	6.93
County Revenue:		
Railroad & Utility Property Taxes	125,899	0.61
Fines, Forfeitures & Other	29,126	0.14
State Revenue	9,399,248	45.49
Federal Revenue	985,113 <sup>(1)</sup>	4.77
Other Revenue	11,541	0.06
<b>Total Revenue</b>	<b><u>\$20,663,355</u></b>	<b><u>100.00%</u></b>

<sup>(1)</sup> Includes approximately \$17,517 from federal COVID-19 legislation.

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

**Historical.** The table below shows the allocation of revenues received by the District for the past five fiscal years:

<u>Source</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Local Revenue	\$ 6,838,061	\$ 7,963,988	\$ 8,888,430	\$ 9,941,028	\$10,112,428
County Revenue	133,668	136,516	148,501	159,821	155,025
State Revenue	7,231,536	7,408,763	8,178,544	8,606,145	9,399,248
Federal Revenue	2,406,403 <sup>(1)</sup>	2,133,151 <sup>(2)</sup>	1,918,540 <sup>(4)</sup>	1,865,405 <sup>(6)</sup>	985,113 <sup>(7)</sup>
Other Revenue	24,951	6,020,616 <sup>(3)</sup>	1,579,853 <sup>(5)</sup>	4,014	11,541
Total	<u>\$16,634,619</u>	<u>\$23,663,034</u>	<u>\$20,713,868</u>	<u>\$20,576,413</u>	<u>\$20,663,355</u>

<sup>(1)</sup> Includes \$943,055 from federal COVID-19 legislation.

<sup>(2)</sup> Includes \$707,277 from federal COVID-19 legislation.

<sup>(3)</sup> Includes \$6,000,000 from the sale of general obligation bonds.

<sup>(4)</sup> Includes \$789,102 from federal COVID-19 legislation.

<sup>(5)</sup> Includes \$1,545,087 from a lease purchase agreement.

<sup>(6)</sup> Includes \$765,997 from federal COVID-19 legislation.

<sup>(7)</sup> Includes \$17,517 from federal COVID-19 legislation

Source: District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2021 through 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.

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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 “**State Revenue - Weighted ADA**” 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:

<b>Fiscal Year Ended <u>June 30</u></b>	<b>Proposition C Revenue <u>Per Pupil</u></b>
2025	\$1,514
2024	1,574
2023	1,287
2022	1,214
2021	1,046

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*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 students who qualify for free and reduced-price lunch (“**FRL**”), 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 of the Revised Statutes of Missouri 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 year ended June 30, 2025, the State Adequacy Target was \$6,760. The State Adequacy Target is expected to be \$7,145 per pupil for the fiscal year ending June 30, 2026.

**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 the 2024-2025 school year was 1.0390 and for the 2025-2026 school year is 1.0350.

**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 as described above, the formula provides for the distribution of certain categorical sources of State Aid to school districts. These 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:

<b>Fiscal Year Ended <u>June 30</u></b>	<b>Classroom Trust Fund <u>(Per Pupil)</u></b>
2025	\$605
2024	472
2023	426
2022	430
2021	435

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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.

***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 Revenue" - "State Adequacy Target"** above) times the district's Weighted ADA. The District transferred \$764,903 from the Incidental Fund to the Capital Projects Fund under this provision during the fiscal year ended June 30, 2025.

***Transfers from Incidental Fund to Debt Service Fund and/or the Capital Projects Fund.*** If a school district is not using the seven percent (7%) or the \$162,326 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 of the Revised Statutes of Missouri, 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 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 Revenue - State Adequacy Target"** above) times the district's Weighted ADA. Because the District made a transfer under the provision discussed in the prior paragraph, the District was not eligible to make a transfer under this provision during the fiscal year ended June 30, 2025.

## **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. ESSA replaced the "No Child Left Behind Act." Under ESSA, each state education agency was required to 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 Summary Statement of Revenues, Expenditures and Changes in Fund Balances was prepared from the District's audited financial statements for the fiscal years ended June 30, 2022 through June 30, 2025. The statement set forth below should be read in conjunction with the other financial statements and notes set forth in ***Appendix B*** of this Official Statement and the financial statements on file at the District's office.

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**Summary Statement of Revenues, Expenditures and Changes in Fund Balances  
All Governmental Funds**

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>General (Incidental) Fund</b>				
Balance—Beginning of Year	\$ 6,258,491	\$ 6,441,424	\$ 7,030,998	\$ 8,596,330
Revenues	7,043,883	7,547,462 <sup>(3)</sup>	9,030,610 <sup>(6)</sup>	8,318,446
Expenditures	(6,191,298)	(6,221,983)	(6,771,946)	(7,424,773)
Transfers In (Out)	(669,652)	(735,905)	(693,332)	(1,065,071)
Balance—End of Year	<u>\$ 6,441,424</u>	<u>\$ 7,030,998</u>	<u>\$ 8,596,330</u>	<u>\$ 8,424,932</u>
<b>Special Revenue (Teachers') Fund</b>				
Balance—Beginning of Year	\$ 0	\$ 0	\$ 619,100	\$ 0
Revenues	8,208,182 <sup>(1)</sup>	9,370,924 <sup>(4)</sup>	8,794,437 <sup>(7)</sup>	9,842,286
Expenditures	(8,208,182)	(8,751,824)	(9,413,538)	(10,142,328)
Transfers In (Out)	0	0	0	300,168
Balance—End of Year	<u>\$ 0</u>	<u>\$ 619,100</u>	<u>\$ (1)</u>	<u>\$ 126</u>
<b>Debt Service Fund</b>				
Balance—Beginning of Year	\$ 909,853	\$ 1,000,780	\$ 1,276,933	\$ 1,523,783
Revenues	1,186,581	1,303,952	1,456,716	1,523,543
Expenditures	(1,095,654)	(1,027,780)	(1,209,867)	(1,206,805)
Transfers In (Out)	0	0	0	0
Balance—End of Year	<u>\$ 1,000,780</u>	<u>\$ 1,276,933</u>	<u>\$ 1,523,782</u>	<u>\$ 1,840,521</u>
<b>Capital Projects Fund</b>				
Balance—Beginning of Year	\$ 1,875,309	\$ 8,801,405	\$ 10,662,718	\$ 3,469,144
Revenues	7,224,388 <sup>(2)</sup>	2,491,528 <sup>(5)</sup>	1,294,649	979,079
Expenditures	(967,944)	(1,366,121)	(9,181,554)	(3,663,455)
Transfers In (Out)	669,652	735,905	693,332	764,903
Balance—End of Year	<u>\$ 8,801,405</u>	<u>\$ 10,662,717</u>	<u>\$ 3,469,145</u>	<u>\$ 1,549,671</u>
<b>Total Governmental Funds</b>				
Balance—Beginning of Year	\$ 9,043,653	\$ 16,243,609	\$ 19,589,749	\$13,589,257
Revenues	23,663,034	20,713,866	20,576,412	20,663,354
Expenditures	(16,463,078)	(17,367,725)	(26,576,905)	(22,437,361)
Transfers In (Out)	0	0	0	0
Balance—End of Year	<u>\$ 16,243,609</u>	<u>\$ 19,589,750</u>	<u>\$ 13,589,256</u>	<u>\$11,815,250</u>

*Source:* District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2022 through 2025; Difference due to rounding.

- (1) Includes \$707,277 from federal COVID-19 legislation.
- (2) Includes \$6,000,000 from the sale of general obligation bonds.
- (3) Includes \$72,083 from federal COVID-19 legislation.
- (4) Includes \$717,018 from federal COVID-19 legislation.
- (5) Includes \$1,545,087 from a lease purchase agreement.
- (6) Includes \$61,875 from federal COVID-19 legislation.
- (7) Includes \$704,122 from federal COVID-19 legislation.
- (8) Includes \$17,517 from federal COVID-19 legislation.

**Risk Management**

The District is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District is a member of the Missouri United School Insurance Council (“**MUSIC**”), a protected, self-insurance program of approximately 494 Missouri public school districts and junior college districts. The District does not pay premiums to purchase insurance policies, but it does pay an annual assessment to be a member of MUSIC. Part of the annual assessment is used to purchase excess insurance for the group as a whole. For additional information specific to the District’s participation in MUSIC, see Note 12 to the District’s financial statements included in *Appendix B* to this Official Statement.

## **Pension and Employee Retirement Plans**

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 (“**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 (2) 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 <https://www.psr-peers.org/PSRS/Resources/Publications>. 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:

**Schedule of Employer Contributions**

<b>Year Ended June 30,</b>	<b><u>PSRS</u></b>			<b><u>PEERS</u></b>		
	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/ (Deficiency)*</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/ (Deficiency)*</b>
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.

\* 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)*

<b>Year Ended June 30,</b>	<b><u>PSRS</u></b>			<b><u>PEERS</u></b>		
	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Funded Ratio</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Funded Ratio</b>
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.

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As stated in the District's audited financial statements and the GASB 68 footnote disclosure prepared by PSRS and PEERS and provided to the District, the District's contributions to PSRS and PEERS for the years shown were as follows:

**District Contributions to PSRS and PEERS**

<b><u>Year Ended June 30,</u></b>	<b><u>PSRS</u></b>		<b><u>PEERS</u></b>	
	<b><u>Annual Contribution*</u></b>	<b><u>Contribution (% of Payroll)</u></b>	<b><u>Annual Contribution*</u></b>	<b><u>Contribution (% of Payroll)</u></b>
2025	\$1,210,135	14.5%	\$188,853	6.86%
2024	1,135,258	14.5	165,811	6.86
2023	980,547	14.5	137,964	6.86

Source: Audited financial statements of the District.

\* 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 6.2% of the District's total expenditures during the fiscal year. The District will be 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 ending June 30, 2026, equal to the contribution percentages for the fiscal year ended June 30, 2025.

***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 proportionate 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, 2021). At June 30, 2025 (measured as of June 30, 2024), the District's proportionate share of the net pension liability of PSRS and PEERS was \$9,595,454 and \$893,074, respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2024, the District's contribution to PSRS and PEERS represented 0.1386% and 0.1036%, 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 pension expense of \$1,098,540 for PSRS and \$181,968 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 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, 2024. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1% higher or lower discount rate would be as follows:



**Proportionate Share of Net Pension Liability Sensitivity**

	<b>1.0% Decrease (<u>6.30%</u>)</b>	<b>Current Discount Rate (<u>7.30%</u>)</b>	<b>1.0% Increase (<u>8.30%</u>)</b>
District's proportionate share of PSRS net pension liability	\$19,910,831	\$9,595,454	\$1,054,387
District's proportionate share of PEERS net pension liability / (asset)	\$1,883,491	\$893,074	\$67,810

For additional information regarding the District's pensions and employee retirement plans, see Note 9 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.

**Other Postemployment Benefits**

In addition to pensions, many state and local governments, including the District, provide other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. For information specific to the District's OPEB obligations, including the District's past contributions relative to its required contributions, its assumptions as to future healthcare and other costs and its unfunded actuarial accrued liability, see Note 10 to the District's financial statements included in **Appendix B** to this Official Statement.

**PROPERTY TAX INFORMATION**

**Property Valuations**

**Assessment Procedure.** All taxable real and personal property within the District is assessed annually by the County Assessor. Missouri law requires that personal property be assessed at various levels up to 33-1/3% of true value and that real property be 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%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, the 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.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the County Board of Equalization. The County Board of Equalization 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 locally assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District)

according to the assessment for calendar year 2025 for property owned as of January 1, 2025, as equalized by the Board of Equalization and subject to final adjustment.

<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>
<b>Real:</b>			
Residential	\$ 96,078,941	19.00%	\$505,678,637
Agricultural	3,066,924	12.00	25,557,700
Commercial <sup>(1)</sup>	<u>7,554,686</u>	32.00	<u>23,608,394</u>
<b>Total Real</b>	\$106,700,551		\$554,844,731
<b>Personal<sup>(1)</sup></b>	<u>31,035,870</u>	33.33 <sup>(2)</sup>	<u>93,107,703</u>
<b>Total Real &amp; Personal</b>	<u>\$137,736,421</u>		<u>\$647,952,434</u>

<sup>(1)</sup> Includes locally assessed railroad and utility property.

<sup>(2)</sup> 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: County Clerk’s Office.

**History of Property Valuations.** The total assessed valuation of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District) according to the assessments of January 1, as adjusted through December 31, in each of the following years has been as follows:

<u>Calendar Year</u>	<u>Assessed Valuation</u>	<u>% Change</u>
2025	\$137,736,421	+6.25%
2024	129,644,494	+2.35
2023	126,667,350	+9.10
2022	116,103,663	+10.05
2021	105,498,349	N/A

Source: County Clerk’s Office for calendar year 2025; District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2021 through 2024.

## Property Tax Levies and Collections

**Generally.** Property taxes are levied and collected for the District by the County, for which the County receives a collection fee of approximately 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. As required under SB 711 (discussed below), the District must informally project nonbinding tax levies for the year and return such projected tax levies to the County Clerk in April. The District must fix its ad valorem property tax rates and certify them to the County Clerk no later than September 1 for entry in the tax books. Taxes are levied at the District’s tax rate per \$100 of assessed valuation. The Missouri State Auditor is responsible for reviewing the rate of tax to ensure that it does not exceed constitutional rate limits.

Real property within the District is assessed by the County Assessor. The County Assessor is responsible for preparing the tax rolls each year and for submitting tax rolls to the County Board of Equalization. The County Board of Equalization has the authority to question and determine the proper value of property and then adjust and equalize individual properties appearing on the tax rolls. After local appeal procedures have been completed, the books are finalized and sent to the County Collector. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December.

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.

***District's Rights in Event of Tax Delinquency.*** 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. Taxes on real estate become delinquent on January 1 and the County Collector is required to enforce the State's lien by offering the property for sale in August. If the offering does not produce a bid equal to the delinquent taxes plus interest, penalty, and costs, the property is offered for sale again the following year. If the second offering also does not produce a bid adequate to cover the amount due, the property is sold the following year to the highest bidder. Tax sales at the first or second offerings are subject to the owner's redemption rights. Delinquent personal property taxes constitute a debt of the person assessed with the taxes, and a personal judgment can be rendered for such taxes against the debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

### **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 ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 100, RSMo, and Article VI, Section 27(b) of the Missouri Constitution authorize real and personal property tax abatement for corporations for projects for industrial development. While currently, there are no such tax abatement projects located within the District, this could change in the future.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, 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. While currently, no portions of the District are located in tax increment financing districts, this could change in the future.

### **Tax Rates**

***Debt Service Levy.*** 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 Missouri Constitution 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.

***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. 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, more fully explained below).

Under Article X, Section 11(b) of the Missouri Constitution, 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 Missouri Constitution, 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).

Article X, Section 22(a) of the Missouri Constitution (commonly 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**.”

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 terms of Proposition C. The District’s voters previously approved a proposition to forgo all of the reduction in the operating levy which would otherwise be required under terms of Proposition C which allows the District to levy up to its tax rate ceiling.

The tax levy for debt service on the District’s general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling.

## History of Tax Levies

The following table shows the District's tax levies (per \$100 of assessed valuation) for each of the following years:

<b>Fiscal Year Ended June 30</b>	<b>General Incidental Fund</b>	<b>Special Revenue Teachers' Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Levy</b>
2026	\$3.5901	\$0.0000	\$1.1100	\$0.1600	\$4.8601
2025	3.7259	0.0000	1.1100	0.1600	4.9959
2024	3.6527	0.0000	1.1100	0.1600	4.9227
2023	3.6854	0.0000	1.1100	0.1600	4.9554
2022	3.6839	0.0000	1.1100	0.1600	4.9539

*Source:* The District for fiscal year ending June 30, 2026; District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2022 through June 30, 2025.

## Tax Collection Record

Total Taxes Levied are based on assessed valuation as of December 31 of each year. Taxes are levied based on the assessed valuation following County Board of Equalization review, which typically occurs in August. As a result of resolution of tax cases, the addition of undeclared personal property and other changes in assessment following County Board of Equalization review, tax bills may be changed following the original levy and some taxpayers may be obligated to pay additional taxes or pay less taxes. The following table sets forth tax collection information for the District in each of the following years.

<b>Fiscal Year Ended June 30,</b>	<b>Total Levy</b>	<b>Assessed Valuation<sup>(1)</sup></b>	<b>Total Taxes Levied<sup>(2)</sup></b>	<b><u>Current Taxes Collected</u></b>		<b><u>Current and Delinquent Taxes Collected<sup>(3)</sup></u></b>	
				<b><u>Amount</u></b>	<b><u>%</u></b>	<b><u>Amount</u></b>	<b><u>%</u></b>
2025	\$4.9959	\$129,644,494	\$6,476,909	\$6,476,909	93.96%	\$6,488,866	100.19%
2024	4.9227	126,667,350	6,235,454	5,853,372	93.87	6,237,194	100.02
2023	4.9554	116,103,663	5,753,401	5,400,481	93.87	5,706,892	99.19
2022	4.9539	105,498,349	5,226,283	4,929,374	94.32	5,208,083	99.65
2021	5.0274	96,986,412	4,875,895	4,614,926	94.65	4,927,144	101.06

<sup>(1)</sup> The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown.

<sup>(2)</sup> Total Taxes Levied is calculated by dividing Assessed Valuation by 100 and multiplying by the Total Levy.

<sup>(3)</sup> Delinquent taxes are shown in the year payment is actually received, which may cause the percentage of Current and Delinquent Taxes Collected to exceed 100%.

*Source:* District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2021 through June 30, 2025.

## Major Property Taxpayers

The following table sets forth the top ten property taxpayers in the District based on the 2025 valuation of property owned as of January 1, 2025. The District has not independently verified the accuracy or completeness of such information.

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of District's 2025 Assessed Valuation</u>
1. Boone Electric Coop	\$2,591,168	1.88%
2. Missouri-American Water company	1,454,276	1.06
3. Powers Enterprises LLC	1,070,856	0.78
4. Union Electric Gas Distribution System	504,960	0.37
5. Crum, Travis Allen & Stacey Dawn Crum	389,505	0.28
6. Douglas, Larry Dale & Ruth Ann Douglas	333,580	0.24
7. Central Electric Power Cooperative	269,241	0.20
8. North Hampton Village LP	266,605	0.19
9. Associated Electric Cooperative	257,216	0.19
10. Hallsville Holdings LLC	244,422	0.18
	<u>\$7,381,829</u>	<u>5.36%</u>

*Source:* County Clerk's Office.

\* \* \*

**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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**FINANCIAL REPORT OF**  
**HALLSVILLE R-IV SCHOOL DISTRICT**  
**HALLSVILLE, MISSOURI**  
**JUNE 30, 2025**



HALLSVILLE R-IV SCHOOL DISTRICT

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GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

Certified Public Accountants

20 South Fifth Street

Columbia, MO 65201

(573) 449-1599

Fax: (573) 443-8603

www.gkccpas.com

PARTNERS

Joseph E. Chitwood

Travis W. Hundley

Jeffrey A. Chitwood

Amy L. Watson

Benjamin E. Carrier

Kaitlin M. Carrier

PARTNERS EMERITI

Robert A. Gerding

Fred W. Korte, Jr.

## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Hallsville R-IV School District  
Hallsville, Missouri

### Opinions

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

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

### Basis for Opinions

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

### Emphasis of Matter—Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our 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 1, and for 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 Hallsville R-IV School 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.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hallsville R-IV School District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information and accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 supplementary information and schedule of expenditures of federal awards have 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents and the Schedule of Expenditures of Federal Awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Financial Information

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, on our consideration of the Hallsville R-IV School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hallsville R-IV School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hallsville R-IV School District's internal control over financial reporting and compliance.

November 17, 2025

*Gerding, Korte & Chitwood*  
Gerding, Korte and Chitwood  
Certified Public Accountants  
Columbia, Missouri

BASIC FINANCIAL  
STATEMENTS



HALLSVILLE R-IV SCHOOL DISTRICT  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
AS OF  
June 30, 2025

	<u>Primary Government</u>
<b>ASSETS:</b>	
Cash and investments	\$ 11,531,881
Restricted deposits held by MMEBG	23,540
Restricted - held with escrow agent	259,746
Capital assets, net of accumulated depreciation	<u>33,289,054</u>
Total Assets	<u>45,104,221</u>
<b>LIABILITIES:</b>	
Current maturities:	
Bonds payable	565,000
Lease payable	184,117
Long-term maturities:	
Bonds payable	13,055,000
Lease payable	<u>1,379,283</u>
Total Liabilities	<u>15,183,400</u>
<b>NET POSITION:</b>	
Net investment in capital assets	18,105,654
Restricted for:	
Health insurance benefits	23,540
Bond retirement	1,840,521
Unrestricted	<u>9,951,106</u>
Total Net Position	<u>\$ 29,920,821</u>

See Notes to Financial Statements

HALLSVILLE R-IV SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED  
June 30, 2025

	Expenditures	Program Revenues			Net Expenditures and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Regular instruction	\$ 6,794,947	\$ 11,541	\$ 266,151	\$ -	\$ (6,517,255)
Special instruction	1,958,339	100,553	716,923	-	(1,140,863)
Student activities	853,507	368,623	-	-	(484,884)
Tuition to other districts	205,878	-	-	-	(205,878)
Pupil support services	1,118,721	-	-	-	(1,118,721)
Instructional support services	552,215	-	132,909	-	(419,306)
Administration - building level and business support services	2,429,843	-	-	-	(2,429,843)
Operation of plant	2,783,552	-	-	-	(2,783,552)
Pupil transportation	790,061	-	516,163	-	(273,898)
Food services	651,265	355,219	271,088	-	(24,958)
Central office support services	90,987	-	-	-	(90,987)
Community services	206,097	7,440	200	-	(198,457)
Interest and fees	745,941	-	-	-	(745,941)
Total	<u>\$ 19,263,254</u>	<u>\$ 843,376</u>	<u>\$ 1,903,434</u>	<u>\$ -</u>	
General Revenues:					
Property and other taxes					8,895,574
General State/Federal aid					8,252,310
Earnings on investments					583,906
Other					<u>184,675</u>
Increase/(decrease) in net position					1,400,021
Net Position, June 30, 2024					<u>28,520,800</u>
Net Position, June 30, 2025					<u>\$ 29,920,821</u>

See Notes to Financial Statements

HALLSVILLE R-IV SCHOOL DISTRICT  
STATEMENT OF ASSETS AND FUND BALANCES  
MODIFIED CASH BASIS  
AS OF  
June 30, 2025

	Governmental Fund Types				
	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund	Total
<b>ASSETS:</b>					
Cash and investments	\$ 8,401,311	\$ 125	\$ 1,580,775	\$ 1,549,670	\$ 11,531,881
Restricted - held with escrow agent	-	-	259,746	-	259,746
Restricted - bond proceeds & lease purchase proceeds	-	-	-	-	-
Restricted - lease purchase proceeds	-	-	-	-	-
Restricted deposits, held by MMEBG Consortium	23,540	-	-	-	23,540
<b>TOTAL ASSETS</b>	<u>\$ 8,424,851</u>	<u>\$ 125</u>	<u>\$ 1,840,521</u>	<u>\$ 1,549,670</u>	<u>\$ 11,815,167</u>
<b>FUND BALANCES:</b>					
Fund Balances					
Restricted for:					
Health insurance benefits	\$ 23,540	\$ -	\$ -	\$ -	\$ 23,540
Bond retirement	-	-	1,840,521	-	1,840,521
Committed (none)	-	-	-	-	-
Assigned to:					
Capital projects	-	-	-	1,549,670	1,549,670
Subsequent year's budget appropriations of fund balance	143,938	-	-	-	143,938
Unassigned	8,257,373	125	-	-	8,257,498
<b>TOTAL FUND BALANCES</b>	<u>\$ 8,424,851</u>	<u>\$ 125</u>	<u>\$ 1,840,521</u>	<u>\$ 1,549,670</u>	<u>\$ 11,815,167</u>
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>					
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore are not reported in the funds.					33,289,054
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds.					(15,183,400)
Net position of governmental activities					<u>\$ 29,920,821</u>

See Notes to Financial Statements

HALLSVILLE R-IV SCHOOL DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
MODIFIED CASH BASIS  
FOR THE YEAR ENDED  
June 30, 2025

	Governmental Fund Types				
	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund	Total
<b>RECEIPTS:</b>					
Local	\$ 5,900,640	\$ 2,192,893	\$ 1,506,252	\$ 512,564	\$ 10,112,349
County	96,798	38,392	17,291	2,543	155,024
State	1,324,276	7,611,000	-	463,972	9,399,248
Federal	985,113	-	-	-	985,113
Other	11,541	-	-	-	11,541
Total Receipts	<u>8,318,368</u>	<u>9,842,285</u>	<u>1,523,543</u>	<u>979,079</u>	<u>20,663,275</u>
<b>DISBURSEMENTS:</b>					
Regular instruction	548,492	6,201,711	-	227,869	6,978,072
Special instruction	608,020	1,350,319	-	-	1,958,339
Student activities	609,915	243,592	-	298,322	1,151,829
Tuition to other districts	56,660	149,218	-	-	205,878
Student support services	635,341	465,492	-	17,888	1,118,721
Instructional support services	281,176	271,039	-	-	552,215
Administration - building level and business support services	1,130,515	1,299,328	-	35,213	2,465,056
Operation and maintenance of plant	1,956,350	-	-	75,019	2,031,369
Pupil transportation	811,587	-	-	193,365	1,004,952
Food services	651,265	-	-	8,147	659,412
Central office support services	15,121	75,866	-	-	90,987
Community services	120,334	85,763	-	-	206,097
Facilities acquisition and construction	-	-	-	2,726,777	2,726,777
Debt service:					
Principal repayment	-	-	540,008	-	540,008
Interest and other charges	-	-	666,797	80,855	747,652
Total Disbursements	<u>7,424,776</u>	<u>10,142,328</u>	<u>1,206,805</u>	<u>3,663,455</u>	<u>22,437,364</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	<u>893,592</u>	<u>(300,043)</u>	<u>316,738</u>	<u>(2,684,376)</u>	<u>(1,774,089)</u>
OTHER FINANCING SOURCES (USES):					
Transfers	(1,065,071)	300,168	-	764,903	-
Total Other Financing Sources (Uses)	<u>(1,065,071)</u>	<u>300,168</u>	<u>-</u>	<u>764,903</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS AND OTHER FINANCING SOURCES OVER DISBURSEMENTS AND OTHER FINANCING USES	<u>(171,479)</u>	<u>125</u>	<u>316,738</u>	<u>(1,919,473)</u>	<u>(1,774,089)</u>
FUND BALANCES, BEGINNING OF YEAR	<u>8,596,330</u>	<u>-</u>	<u>1,523,783</u>	<u>3,469,143</u>	
FUND BALANCES, END OF YEAR	<u>\$ 8,424,851</u>	<u>\$ 125</u>	<u>\$ 1,840,521</u>	<u>\$ 1,549,670</u>	

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities capital costs are allocated over their estimated useful lives through depreciation expense.

This is the amount by which capital outlays exceeded depreciation.

2,466,809

Repayment of the principal long-term debt consumes current financial resources but has no effect on net position of governmental funds.

707,301

Changes in net position of governmental activities

\$ 1,400,021

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Hallsville R-IV School District (the “District”) have been prepared in conformity with the modified cash basis of accounting. As such, these financial statements reflect the cash and investment position of the District and the receipts and disbursements arising from its modified cash activities. The modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting. The significant accounting policies of the District are described below.

**A. Reporting Entity**

**Primary Government:**

The District is governed by an elected seven-member board. The Hallsville R-IV School District’s Board of Education (the “Board”) is the basic level of government that has financial accountability and control over all activities related to public school education in the District. The accompanying financial statements present the activities of the District.

**Component Unit:**

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (a) the District is able to significantly influence the programs or services performed or provided by the organization; or (b) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. The District is not a component unit of another reporting entity and the District has no material component units.

Excluded from the reporting entity: Public School Retirement System of Missouri, Non-Teacher School Employee Retirement System and Missouri United School Insurance Council (MUSIC). These potential component units have been appointed jointly by the participating school district’s governing bodies. These are independent units that select management staff, set user charges, establish budgets and control all aspects of its daily activity.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

**B. Basis of Presentation**

**District-Wide Financial Statements:**

The Statement of Net Position and the Statement of Activities display information about the primary government (the District) as a whole within the limitations of the modified cash basis of accounting. These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines and charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements:**

Fund financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position or fund balance, revenues, and expenditures or expenses. The District's funds are organized into three fund categories: governmental, proprietary and fiduciary. The District presently has no proprietary or fiduciary funds. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures or expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures or expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

All of the governmental funds are listed as major funds.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

**Governmental Funds:**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may, or must, be used. Current liabilities (if any) are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

*General Fund* -The General Fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue (Teachers) Fund* -The Special Revenue (Teachers) Fund is required to be established by state law and may be used for the payment of salaries and insurance benefits for certificated personnel. The fund's revenues include property taxes, investment income, and county, state, and federal aid. The fund is also used to account for certain tuition payments made between school districts.

*Debt Service Fund* -The Debt Service Fund accounts for the revenue collected from local taxation restricted for the payment of principal and interest on bonded indebtedness.

*Capital Projects Fund* -The Capital Projects Fund accounts for expenditures from the proceeds of bond issues, investment income earned on the proceeds and other revenues designated for acquisition or construction of capital assets. The expenditures include capital outlay projects and equipment purchases for instructional and support programs.

**C. Measurement Focus and Basis of Accounting**

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

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

**Measurement Focus:**

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and net financial position. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent or financial or nonfinancial) associated with their activities are generally reported within the limitations of the modified cash basis of accounting.

In the fund financial statements, all governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measurement of available spendable financial resources at the end of the period.

**Basis of Accounting:**

The financial statements are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

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

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



HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

**D. Use of Estimates**

The preparation of financial statements in accordance with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**E. Cash and Investments**

For the purpose of financial reporting, cash and investments include all demand and savings accounts and certificates of deposit or short-term investments. Cash resources of the individual funds are combined to form a pool of cash and temporary investments, which is managed by the District Treasurer. Investments of the pooled accounts consist primarily of certificates of deposit and money market checking accounts. Interest income earned is allocated to contributing funds based on cash and temporary investment balances. All funds except the Debt Service Fund participate in the pooled cash and investments. State law requires the Debt Service Fund's cash to be maintained separately.

**F. Capital Assets**

The District's modified cash basis of accounting reports capital assets resulting from cash transactions or events and reports depreciation, when appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

**District-Wide Statements:**

In the district-wide financial statements, capital assets arising from cash transactions or events are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to July 1, 2003. Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. Depreciation of all exhaustible capital assets arising from cash transactions or events is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings	75 years
Improvements other than buildings	10-30 years
Machinery, furniture, and equipment	5-10 years

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

Fund Financial Statements:

In the fund financial statements, capital assets arising from cash transactions or events acquired for use in governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

G. Long-Term Debt

All long-term bonds, notes, and other debt arising from cash transactions or events to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long-term debt arising from cash transactions or events of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest is reported as expenditures.

H. Net Position

The government-wide financial statements, net position is classified in two components as follows:

*Restricted net position:* consists of net position with constraints placed on the use either by external groups (1) such as creditors, grantors, contributors, or laws and regulations of other governments; of (2) law through constitutional provisions of enabling legislation.

*Unrestricted net position:* All other net position that does not meet the definition of "restricted".

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

I. Fund Balance Reporting

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

The classifications are as follows:

- *Nonspendable Fund Balance*-The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted Fund Balance*-Fund balance should be reported as restricted when constraints placed on the use of resources are either:
  - a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - b. Imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance*-Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority should be reported as committed fund balance. Missouri law establishes that the Board of Education is the highest level of decision making authority.
- *Assigned Fund Balance*-Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance, except for stabilization arrangements. Typically, assigned fund balances are the residual balance of governmental funds, other than the general fund.
- *Unassigned Fund Balance*-Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The District currently does not have a policy regarding the order of spending funds when an expense is incurred for the purposes for which both restricted and unrestricted funds are available. Therefore, in accordance with GASB Statement No. 54, the flow of funds uses the default assumption that prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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

**J. Internal and Interfund Activities**

In the process of aggregating the financial information for the district-wide Statement of Net Position and Statement of Activities, amounts reported as interfund activity in the fund financial statements have been eliminated.

**K. Teacher Salaries**

The contractual teacher salary payment schedule of the District requires the payment of salaries for a twelve-month period beginning in August of each year. Consequently, the July and August 2025 payroll checks, written and dated in June 2025, are included in the financial statements as an expenditure in the 2024-2025 year. This practice is consistent with prior years.

**NOTE 2: DEPOSITS AND INVESTMENTS**

*Deposits:*

At June 30, 2025, the carrying value of the District's unrestricted deposits was \$4,834,833 and the bank balance was \$22,707. Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral. Acceptable collateral includes certain U. S. Government or Government Agency securities, certain State or political subdivision debt obligations, surety bonds, or certain letters of credit. At June 30, 2025, all of the District's deposits were adequately secured in accordance with State law.

The District's deposits with MMEBG (see note 3) are held with the consortium's fiscal agent. The fiscal agent is also a Missouri School District with the responsibility of obtaining collateralization of the consortium's deposits.

The District also has deposits escrowed under the Missouri Direct Deposit Program that are legally restricted as to their use.

The District has two lease purchase agreements. The funds received are restricted to construct, furnish and equip an eight-classroom addition to the middle school and purchase buses.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 2: DEPOSITS AND INVESTMENTS (Continued)**

*Investments:*

The District may legally invest in direct obligations of and other obligations guaranteed as to principal by the U. S. Treasury and U. S. agencies and instrumentalities; obligations guaranteed by the full faith and credit of the state of Missouri; repurchase agreements; certificates of deposit; bankers acceptances; and commercial paper. The Missouri School District Direct Deposit Program also operates under state law and is restricted to the above investments.

*Interest rate risk-* The District manages its exposure to declines in fair values by investing in bank certificates, U. S. Treasury and Agency Securities, and managed external investment pools. District policy mandates liquidity and safety as the primary objectives regarding interest rate risk. Accordingly, all investments are short-term. The investments in the Missouri Direct Deposit Program external investment pool are presented with a maturity of less than 1 year because they are redeemable at six-month intervals to coincide with the District's general obligation bond principal and interest debt service requirements. The District structures its investment portfolio so that securities mature to meet cash requirements, and the District invests operating funds primarily in shorter-term investments.

*Credit risk-* Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2025, the District's overnight repurchase agreement was backed by debt securities of the U.S. government and its agencies. The District's investment in the Missouri School District Direct Deposit Program is not rated.

*Concentration of credit risk-* As a means of limiting its exposure to losses arising from concentration of investments, the District's investment policy mandates that the portfolio not have a concentration of assets in specific maturity, specific issuer, or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: a) U.S. treasuries and securities having principal and/or interest guaranteed by the U. S. Government - 100%; b) collateralized time and demand deposits - 100%; c) U. S. Government agencies, and government sponsored enterprises-100%; d) collateralized repurchase agreements, no more than 50%; e) U. S. Government callable securities, no more than 30%; f) commercial paper, no more than 50%; g) bankers' acceptances, no more than 50%.

*Custodial credit risk – investments-* For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investments are held by financial institutions and are contractually obligated to the District through a repurchase agreement.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 2: DEPOSITS AND INVESTMENTS (Continued)**

The District categorizes its fair value measurements in accordance with Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2025, the District had the following deposits and investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Maturity Less Than One Year</u>
U.S agency security collateralized repurchase agreement (Level 1)	\$ 5,262,331	\$ 5,262,331
MOCAAT Liquid Series (restricted) (Level 1)	26,367	26,367
Missouri School District deposit external investment pool (restricted - held with escrow agent) (Level 1)	259,746	259,746
Total Investments	\$ 5,548,444	\$ 5,548,444
Deposits		
Held at MMEBG	23,540	
Held by District	6,243,183	
Total Deposits and Investments	\$ 11,815,167	
Financial Statements:		
Governmental Funds	\$ 11,815,167	

**NOTE 3: RESTRICTED DEPOSITS**

To help control the cost of health insurance, the District is a member of the Mid-Missouri Educational Benefits Group (MMEBG). As a condition of membership, the District has deposited funds and allowed plan refunds to be held by the MMEBG's fiscal agent. The amounts held are as follows:

Initial deposit	\$ 14,800
Interest Earned	8,740
Total Deposit	<u>\$ 23,540</u>

The deposits held are restricted by an operating agreement for future payments of health insurance benefits.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 3: RESTRICTED DEPOSITS (continued)**

Funds on deposit with BOK Financial are invested in investment contracts in which the District has a pro-rata share of the investment contract. The investment contracts are in accordance with Section 165.051 of the Missouri Revised Statutes through the Missouri School District Direct Deposit Program. The investment contracts are with credit providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service.

**NOTE 4: CAPITAL ASSETS**

Capital asset activity resulting from modified cash basis transactions or events for the fiscal year ended June 30, 2025, was as follows:

	<u>Balance</u> <u>June 30, 2024</u>	<u>Additions</u>	<u>Adjustments</u> <u>and</u> <u>Retirements</u>	<u>Depreciation</u>	<u>Balance</u> <u>June 30, 2025</u>
Land	\$ 1,514,597	\$ -	\$ -	\$ -	\$ 1,514,597
Construction in progress	5,611,098	2,556,841	(7,205,247)	-	962,692
Buildings and improvements	29,385,424	7,252,540	329,564	-	36,967,528
Equipment	4,135,581	607,367	(69,661)	-	4,673,287
Accum. Depreciation	(9,824,454)	-	(95,120)	(909,476)	(10,829,050)
Total	<u>\$ 30,822,246</u>	<u>\$ 10,416,748</u>	<u>\$ (7,040,464)</u>	<u>\$ (909,476)</u>	<u>\$ 33,289,054</u>

In the statement of activities, depreciation is primarily allocated to operation of plant and transportation as follows:

Operation of plant	\$ 933,622
Transportation	70,974
	<u>\$ 1,004,596</u>

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 5: TAXES**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and payable by December 31. The County collects the property tax and remits it to the District. The District also receives sales tax collected by the State and remitted based on eligible pupils. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent year.

The assessed valuation of the tangible taxable property for the calendar year 2024 for purposes of local taxation was \$129,644,494. 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 (Incidental) Fund	\$ 3.7259	\$3.7259
Special Revenue (Teachers) Fund	0.0000	0.0000
Debt Service Fund	1.1100	1.1100
Capital Projects Fund	0.1600	0.1600
Total	<u>\$ 4.9959</u>	<u>\$4.9959</u>

**NOTE 6: BONDS PAYABLE AND LEASES**

General Obligation Bonds: The following is a summary of bond transactions for the year ended June 30, 2025:

Bonds payable, July 1, 2024	\$ 14,160,000
Bonds issued	-
Bonds retired	(540,000)
Bonds payable, June 30, 2025	<u>\$ 13,620,000</u>



HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 6: BONDS PAYABLE AND LEASES (Continued)**

Bonds payable at June 30, 2025 consist of:

\$6,000,000 general obligation bonds dated June 1, 2022, due in varying installments through March 1, 2042; interest 5.00% to 5.25%, proceeds used for purpose of acquiring, construction, renovating, equipping and furnishing sites, buildings and related facilities for school purposes. \$ 5,680,000

\$7,000,000 general obligation bonds dated June 18, 2018, due in varying installments through March 1, 2038; interest 4.00% to 5.00%, proceeds used for purpose of acquiring, construction, renovating, equipping and furnishing sites, buildings and related facilities for school purposes. 7,000,000

\$1,655,000 general obligation refunding bonds dated January 7, 2020, due in varying installments through March 1, 2028; interest 3.00% to 4.00%, proceeds issued for the purpose of providing funds to refund Series 2013A bonds and pay the costs of issuance of the bonds. 940,000

\$ 13,620,000

Bonds payable debt service requirements are:

Years Ending

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 565,000	\$ 638,963	\$ 1,203,963
2027	690,000	613,413	1,303,413
2028	720,000	581,863	1,301,863
2029	575,000	555,613	1,130,613
2030	600,000	532,612	1,132,612
2031-2035	3,375,000	2,283,062	5,658,062
2036-2040	4,650,000	1,411,887	6,061,887
2041-2042	2,445,000	194,250	2,639,250
Total	<u>\$ 13,620,000</u>	<u>\$ 6,811,663</u>	<u>\$ 20,431,663</u>

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 6: BONDS PAYABLE AND LEASES (Continued)**

Article VI, Section 26(b), of the Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen percent of the assessed valuation of the District. The approximate legal debt margin (excluding state-assessed railroad and utility) of the District at June 30, 2025, was:

Constitutional debt limit	\$ 19,446,674
General obligation bonds payable	(13,620,000)
Amount in Debt Service Fund available for payment of principal	1,840,521
Total	<u>\$ 7,667,195</u>

Leases: The District has entered into a lease agreement to finance school buses. Lease future minimum obligations are as follows:

Years Ending				
<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2026	\$ 270,400	\$ 59,409	\$ 329,809	
2027	95,000	54,047	149,047	
2028	99,000	50,076	149,076	
2029	103,000	45,938	148,938	
2030	107,000	41,633	148,633	
2031-2035	609,000	136,979	745,979	
2036-2037	280,000	17,681	297,681	
Total	<u>\$ 1,563,400</u>	<u>\$ 405,763</u>	<u>\$ 1,969,163</u>	

**NOTE 7: FUND BALANCES**

*Restricted Fund Balances:* The restricted balances in the Debt Service Fund represent amounts accumulated from the collection of property taxes which are legally restricted based upon bond issuance covenants.

The amount restricted for health insurance benefits relates to the amounts the District holds on deposit with the MMEBG insurance consortium (see note 3).

*Unassigned Fund Balances:* The unassigned fund balance represents the residual classification of amounts held in the General Fund.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 8: INTERFUND TRANSFERS**

The District routinely transfers amounts from the General Fund to the Teachers Fund and the Capital Projects Fund in accordance with regulations of the State of Missouri.

The amounts transferred to the Teachers Fund are required to balance the fund's cash receipts and disbursements.

The transfers to the Capital Projects Fund are for bus costs, food service equipment and other amounts allowed by State regulation.

<u>Type of Transfers</u>	<u>General (Incidental) Fund</u>	<u>Special Revenue (Teachers) Fund</u>	<u>Capital Projects Fund</u>
Teachers Fund	\$ (300,168)	\$ 300,168	\$ -
Transportation Calc Cost	(80,855)	-	80,855
\$162,326 or 7% X SAT X WADA	(684,048)	-	684,048
Total net transfers	<u>\$ (1,065,071)</u>	<u>\$ 300,168</u>	<u>\$ 764,903</u>

**NOTE 9: RETIREMENT PLANS**

The Hallsville R-IV School District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the Systems). The financial statements of the District were prepared using the modified cash basis of accounting. Therefore, member and employer contributions are recognized when paid and the District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

*Plan Description.* PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public-school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of 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 Sections 169.070 (9) RSMo, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 9: RETIREMENT PLANS (Continued)**

*Plan Description.* PEERS is a mandatory cost-sharing multiple employer retirement system for all public-school 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.

*Benefits Provided.* PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 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 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 years or more 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.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 9: RETIREMENT PLANS (Continued)**

*Benefits Provided.* PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. 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 0.8% benefit multiplier until reaching minimum Social Security age (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 lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

*Cost-of-Living Adjustments (“COLA”).* The Board of Trustees has established a policy of providing a 0.00% COLA for years in which the CPI increases between 0.00% and 2.00%, a 2.00% COLA for years in which CPI increases between 2.00% and 5.00%, and a COLA of 5.00% if the CPI is greater than 5.00%. If the CPI decreases, no COLA is provided. For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

*Contributions.* 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.* 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 the 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 PSRS and PEERS were \$1,210,135 and \$188,853, respectively, for the year ended June 30, 2025.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 9: RETIREMENT PLANS (Continued)**

Summary plan descriptions detailing the provisions of the plans as well as additional information regarding the District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at [www.psrs-peers.org](http://www.psrs-peers.org).

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 9, the District provides healthcare benefits to its retirees on a reimbursable basis. The cost of the insurance premium is charged to the retirees at the same cost as active employees. This situation causes an implicit premium subsidy for the difference the retirees would have to pay for similar insurance coverage and the actual amount of their premiums. This implicit premium subsidy represents an unfunded obligation to the District. This obligation has not been valued or reported because the District reports its financial activity using the modified cash basis of accounting.

**NOTE 11: CONTINGENCIES**

Grant Program Involvement

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

Litigation

The District may periodically be the defendant in a lawsuit arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material effect on the accompanying financial statements and accordingly, no provision for losses has been recorded.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 12: RISK MANAGEMENT - MISSOURI UNITED SCHOOL INSURANCE COUNCIL**

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters.

Participation in Public Entity Risk Pools

The District is a member of the Missouri United School Insurance Council (MUSIC), a not-for-profit corporation consisting of school districts and junior colleges. MUSIC was incorporated in 1985 to acquire insurance for its members. MUSIC operates as a purchasing pool and is not a joint venture activity of the District. The District has no control over budgeting, financing, management selection, or the governing body. MUSIC provides both conventional and self-insurance coverage for its members including property, casualty, general liability, workers' compensation, and fleet insurance. The District participates in all of the above coverages and there were no significant reductions in coverage during the year ended June 30, 2025. In addition, over the past three fiscal years, settled claims have not exceeded insurance coverages.

MUSIC manages the cash and investment pool, funded by insurance premiums, on behalf of its members. MUSIC's investment pool consists of U.S. Treasury strips.

In the event that a deficit occurs with respect to any fiscal year of MUSIC for which the District was a participant at any time during such year; and in the event that MUSIC determines that an assessment is required in order to provide additional funds for the obligations of MUSIC for such year; and further, in the event that the District was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the District is obligated to pay its pro rata share of any such assessment, irrespective of whether or not the District is a member of MUSIC at the time of such assessment. Management of the District is not aware of any deficit situation in MUSIC which would require any accrual of liability as of June 30, 2025. MUSIC's financial statements are presented in its Comprehensive Annual Financial Report for the year ended December 31, 2024.

**NOTE 13: COMMITMENTS**

Compensated Absences

As a result of the District's use of the modified cash basis of accounting, accrued liabilities related to compensated absences (vacation and personal days, and sick leave) and any employer-related costs earned and unpaid, are not reflected in the financial statements.

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**NOTE 13: COMMITMENTS (continued)**

The amount of this liability has not been calculated and no funds or reservation of the net assets has been made for this commitment.

Other Commitments

As of June 30, 2025, the District has ongoing commitments totaling \$570,496.

On August 5, 2025, the District purchased land to be used for a school operated daycare facility. The purchase price was \$352,500.

**NOTE 14: PLEDGED REVENUES**

The District has pledged future revenues, net of specified operating expenses, to repay bonds and capital leases payable that were issued for the purpose of operations, improvements, buses and equipment. The bonds and capital leases are payable from debt service and capital projects fund net revenues and are payable through 2042. Annual principal and interest payments in fiscal year 2025 on the bonds and capital leases required 79% of debt service and 100% of capital projects net revenues. The total interest and principal remaining to be paid on the bonds and capital leases is \$22,400,826. Principal and interest paid for the current year and total net revenues for the current year were \$1,205,471 and \$1,522,209, respectively for the debt service fund. Principal and interest paid for the current year and total net revenues for the current year were \$66,960 and \$(1,770,612), respectively for the capital projects fund.

**NOTE 15: CONSIDERATION OF SUBSEQUENT EVENTS**

Subsequent events have been evaluated through November 17, 2025, which is the date the financial statements are available to be issued. No events requiring disclosure were identified as a result of this review.



OTHER FINANCIAL  
INFORMATION

HALLSVILLE R-IV SCHOOL DISTRICT  
GENERAL (INCIDENTAL) FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
BUDGET AND ACTUAL - UNAUDITED  
FOR THE YEAR ENDED  
June 30, 2025

	Original Budget	Final Budget	Actual	Variance to Final Budget
<b>RECEIPTS:</b>				
Local	\$ 5,921,714	\$ 5,900,640	\$ 5,900,640	\$ -
County	98,205	96,798	96,798	-
State	1,167,037	1,324,276	1,324,276	-
Federal	1,021,855	985,113	985,113	-
Other	34,866	11,541	11,541	-
Total Receipts	<u>8,243,677</u>	<u>8,318,368</u>	<u>8,318,368</u>	<u>-</u>
<b>DISBURSEMENTS:</b>				
Regular instruction	554,355	548,492	548,492	-
Special instruction	664,913	608,020	608,020	-
Student activities	303,125	609,915	609,915	-
Tuition to other districts	60,000	56,660	56,660	-
Student support services	658,703	635,341	635,341	-
Instructional support services	280,366	281,176	281,176	-
Administration - building level and business support services	1,180,681	1,130,515	1,130,515	-
Operation and maintenance of plant	1,803,298	1,956,350	1,956,350	-
Pupil transportation	796,388	811,587	811,587	-
Food services	667,490	651,265	651,265	-
Central office support services	84,178	15,121	15,121	-
Community services	33,343	120,334	120,334	-
Total Disbursements	<u>7,086,840</u>	<u>7,424,776</u>	<u>7,424,776</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	1,156,837	893,592	893,592	-
OTHER FINANCING SOURCES (USES):				
Transfers	<u>-</u>	<u>(1,065,071)</u>	<u>(1,065,071)</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS AND OTHER FINANCING SOURCES OVER DISBURSEMENTS AND OTHER FINANCING USES	1,156,837	(171,479)	(171,479)	-
FUND BALANCE, BEGINNING OF YEAR	<u>8,596,330</u>	<u>8,596,330</u>	<u>8,596,330</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,753,167</u>	<u>\$ 8,424,851</u>	<u>\$ 8,424,851</u>	<u>\$ -</u>

See accompanying Note to Other Financial Information

HALLSVILLE R-IV SCHOOL DISTRICT  
SPECIAL REVENUE (TEACHERS) FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
BUDGET AND ACTUAL - UNAUDITED  
FOR THE YEAR ENDED  
June 30, 2025

	Original Budget	Final Budget	Actual	Variance to Final Budget
<b>RECEIPTS:</b>				
Local	\$ 2,170,000	\$ 2,192,893	\$ 2,192,893	\$ -
County	45,686	38,392	38,392	-
State	7,781,161	7,611,000	7,611,000	-
Federal	-	-	-	-
Total Receipts	<u>9,996,847</u>	<u>9,842,285</u>	<u>9,842,285</u>	<u>-</u>
<b>DISBURSEMENTS:</b>				
Regular instruction	6,367,972	6,201,711	6,201,711	-
Special instruction	1,387,113	1,350,319	1,350,319	-
Student activities	235,478	243,592	243,592	-
Tuition to other districts	105,500	149,218	149,218	-
Student support services	447,856	465,492	465,492	-
Instructional support services	201,481	271,039	271,039	-
Administration - building level and business support services	1,324,807	1,299,328	1,299,328	-
Central office support services	81,385	75,866	75,866	-
Community services	53,000	85,763	85,763	-
Total Disbursements	<u>10,204,592</u>	<u>10,142,328</u>	<u>10,142,328</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	(207,745)	(300,043)	(300,043)	-
OTHER FINANCING SOURCES (USES):				
Transfers	<u>-</u>	<u>300,168</u>	<u>300,168</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS AND OTHER FINANCING SOURCES OVER DISBURSEMENTS AND OTHER FINANCING USES	(207,745)	125	125	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ (207,745)</u>	<u>\$ 125</u>	<u>\$ 125</u>	<u>\$ -</u>

See accompanying Note to Other Financial Information

HALLSVILLE R-IV SCHOOL DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
BUDGET AND ACTUAL - UNAUDITED  
FOR THE YEAR ENDED  
June 30, 2025

	Original Budget	Final Budget	Actual	Variance to Final Budget
<b>RECEIPTS:</b>				
Local	\$ 1,418,488	\$ 1,506,252	\$ 1,506,252	\$ -
County	13,844	17,291	17,291	-
Total Receipts	<u>1,432,332</u>	<u>1,523,543</u>	<u>1,523,543</u>	<u>-</u>
<b>DISBURSEMENTS:</b>				
Principal repayment	540,000	540,008	540,008	-
Interest and other charges	656,463	666,797	666,797	-
Total Disbursements	<u>1,196,463</u>	<u>1,206,805</u>	<u>1,206,805</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	235,869	316,738	316,738	-
FUND BALANCE, BEGINNING OF YEAR	<u>1,523,783</u>	<u>1,523,783</u>	<u>1,523,783</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,759,652</u>	<u>\$ 1,840,521</u>	<u>\$ 1,840,521</u>	<u>\$ -</u>

See accompanying Note to Other Financial Information

HALLSVILLE R-IV SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
BUDGET AND ACTUAL - UNAUDITED  
FOR THE YEAR ENDED  
June 30, 2025

	Original Budget	Final Budget	Actual	Variance to Final Budget
<b>RECEIPTS:</b>				
Local	\$ 402,227	\$ 512,564	\$ 512,564	\$ -
County	844	2,543	2,543	-
State	564,427	463,972	463,972	-
Total Receipts	<u>967,498</u>	<u>979,079</u>	<u>979,079</u>	<u>-</u>
<b>DISBURSEMENTS:</b>				
Regular instruction	261,798	227,869	227,869	-
Student activities	100,000	298,322	298,322	-
Student support services	17,200	17,888	17,888	-
Administration - building level and business support services	44,760	35,213	35,213	-
Operation and maintenance of plant	102,500	75,019	75,019	-
Pupil transportation	90,065	193,365	193,365	-
Food services	50,000	8,147	8,147	-
Facilities acquisition and construction	2,486,234	2,726,777	2,726,777	-
Debt service:				
Principal repayment	74,000	-	-	-
Interest and other charges	80,182	80,855	80,855	-
Total Disbursements	<u>3,306,739</u>	<u>3,663,455</u>	<u>3,663,455</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	(2,339,241)	(2,684,376)	(2,684,376)	-
OTHER FINANCING SOURCES (USES):				
Transfers	-	764,903	764,903	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>764,903</u>	<u>764,903</u>	<u>-</u>
EXCESS (DEFICIT) OF RECEIPTS AND OTHER FINANCING SOURCES OVER DISBURSEMENTS AND OTHER FINANCING USES	(2,339,241)	(1,919,473)	(1,919,473)	-
FUND BALANCE, BEGINNING OF YEAR	<u>3,469,143</u>	<u>3,469,143</u>	<u>3,469,143</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,129,902</u>	<u>\$ 1,549,670</u>	<u>\$ 1,549,670</u>	<u>\$ -</u>

See accompanying Note to Other Financial Information

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTE TO OTHER FINANCIAL INFORMATION

**NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING**

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

- In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
- 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 expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
- 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.
- Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
- Subsequent to formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements. The budget was amended multiple times throughout the school year. The amendments were approved to reflect the correct placement of revenues, the allocation of expenses, and interfund transfers. The final budget amendment approved the budget to equal actual receipts and expenditures.
- Budgets for District funds are prepared and adopted on the modified cash basis of accounting (budget basis), which recognizes revenues when collected and expenditures when paid.

SUPPLEMENTARY  
INFORMATION

HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF RECEIPTS BY SOURCE  
ARISING FROM MODIFIED CASH BASIS TRANSACTIONS  
FOR THE YEAR ENDED  
June 30, 2025

	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund	Total
<b>LOCAL:</b>					
Property taxes	\$ 4,839,125	\$ -	\$ 1,442,061	\$ 207,678	\$ 6,488,864
School District Trust Fund (Prop C)	-	2,191,617	-	-	2,191,617
Other taxes	16,781	-	5,000	721	22,502
Earnings on investments	220,550	-	59,191	304,165	583,906
Food service	355,219	-	-	-	355,219
Student body activities	368,623	-	-	-	368,623
School Tuition from Individuals	37,565	-	-	-	37,565
Other local	62,776	1,275	-	-	64,051
Total Local	<u>5,900,639</u>	<u>2,192,892</u>	<u>1,506,252</u>	<u>512,564</u>	<u>10,112,347</u>
<b>COUNTY:</b>					
Fines, escheats, and etc.	-	29,126	-	-	29,126
State assessed utility taxes	96,798	9,267	17,291	2,543	125,899
Total County	<u>96,798</u>	<u>38,393</u>	<u>17,291</u>	<u>2,543</u>	<u>155,025</u>
<b>STATE:</b>					
Basic formula - state monies	-	7,450,756	-	-	7,450,756
Transportation	516,163	-	-	-	516,163
Early Childhood Special Education	133,095	-	-	-	133,095
Basic formula - Classroom trust fund	412,091	-	-	463,972	876,063
Educational Screening Program/PAT	42,827	-	-	-	42,827
Career Ladder/Excellence in Education Act	-	113,400	-	-	113,400
Career education	73,523	6,650	-	-	80,173
Food service	3,647	-	-	-	3,647
Missouri Quality Pre-K (MOQPK) - LEA	13,154	-	-	-	13,154
Teacher Baseline Grant	-	40,194	-	-	40,194
Residential Placement/Excess Cost	1,713	-	-	-	1,713
Other state	128,064	-	-	-	128,064
Total State	<u>1,324,277</u>	<u>7,611,000</u>	<u>-</u>	<u>463,972</u>	<u>9,399,249</u>
<b>FEDERAL:</b>					
Medicaid	100,553	-	-	-	100,553
ARP - ESSER III	17,517	-	-	-	17,517
IDEA Entitlement Funds, Part B IDEA	298,394	-	-	-	298,394
Early Childhood Special Education - Federal	30,991	-	-	-	30,991
Food service	267,441	-	-	-	267,441
Title I, ESEA	211,616	-	-	-	211,616
Title IV.A Student Support and Academic Enrichment	17,076	-	-	-	17,076
Title II, Part A, ESEA	40,522	-	-	-	40,522
ARP - Homeless Children and Youth II	803	-	-	-	803
Other	200	-	-	-	200
Total Federal	<u>985,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>985,113</u>
<b>OTHER:</b>					
Tuition from other districts	11,541	-	-	-	11,541
Total Other	<u>11,541</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,541</u>
<b>TOTAL RECEIPTS</b>	<u>\$ 8,318,368</u>	<u>\$ 9,842,285</u>	<u>\$ 1,523,543</u>	<u>\$ 979,079</u>	<u>\$ 20,663,275</u>



HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES BY OBJECT  
ARISING FROM MODIFIED CASH TRANSACTIONS  
FOR THE YEAR ENDED  
June 30, 2025

	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund	Total
<b>SALARIES</b>	\$ 2,467,100	\$ 7,587,906	\$ -	\$ -	\$ 10,055,006
<b>EMPLOYEE BENEFITS</b>	914,545	2,252,471	-	-	3,167,016
<b>PURCHASED SERVICES</b>	2,118,835	301,951	-	-	2,420,786
<b>SUPPLIES</b>	1,924,296	-	-	-	1,924,296
<b>CAPITAL OUTLAY</b>	-	-	-	3,582,600	3,582,600
<b>DEBT SERVICE</b>	-	-	1,206,805	80,855	1,287,660
<b>TOTAL DISBURSEMENTS</b>	<u>\$ 7,424,776</u>	<u>\$ 10,142,328</u>	<u>\$ 1,206,805</u>	<u>\$ 3,663,455</u>	<u>\$ 22,437,364</u>

HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF TRANSPORTATION COSTS ELIGIBLE FOR STATE AID  
YEAR ENDED  
June 30, 2025

**DISTRICT OPERATED TRANSPORTATION:**

Salaries	\$	329,028
Fringe benefits		112,444
Purchased services		92,025
Supplies		141,650
Capital outlay		101,810
Total	\$	<u>776,957</u>

**HANDICAPPED:**

Salaries	\$	50,244
Benefits		34,592
Supplies		2,251
Purchased services		16,729
Total	\$	<u>103,816</u>

**TRANSPORTATION, NOT ELIGIBLE FOR STATE AID:**

Early Childhood Special Education Transportation	\$	32,624
Total	\$	<u>32,624</u>

OTHER REPORTING  
REQUIREMENTS

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

To the Board of Education  
Hallsville R-IV School District  
Hallsville, Missouri

20 South Fifth Street  
Columbia, MO 65201  
(573) 449-1599  
Fax: (573) 443-8603  
[www.gkccpas.com](http://www.gkccpas.com)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Hallsville R-IV School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Hallsville R-IV School District's basic financial statements and have issued our report thereon dated November 17, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

PARTNERS

Joseph E. Chitwood  
Travis W. Hundley  
Jeffrey A. Chitwood  
Amy L. Watson  
Benjamin E. Carrier  
Kaitlin M. Carrier

PARTNERS EMERITI

Robert A. Gerding  
Fred W. Korte, Jr.

### Report on Compliance and Other Matters

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

### 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.

November 17, 2025

*Gerding, Korte & Chitwood*

Gerding, Korte and Chitwood  
Certified Public Accountants  
Columbia, Missouri

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

To the Board of Education  
Hallsville R-IV School District  
Hallsville, Missouri

20 South Fifth Street  
Columbia, MO 65201

(573) 449-1599

Fax: (573) 443-8603

www.gkccpas.com

**Report on Compliance for Each Major Federal Program**

Opinion on Each Major Federal Program

We have audited Hallsville R-IV School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on Hallsville R-IV School District's major federal programs for the year ended June 30, 2025. Hallsville R-IV School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Hallsville R-IV School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

PARTNERS

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### Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

### Report on Internal Control Over Compliance

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

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

November 17, 2025

*Gerding, Korte & Chitwood*

Gerding, Korte and Chitwood  
Certified Public Accountants  
Columbia, Missouri



HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED  
June 30, 2025

Federal Grantor: Pass-through Grantor:	Program Title	Federal CFDA Number	Subrecipient Identifying Number	Federal Award Identification Number	Disbursements
<b>U. S. Department of Agriculture:</b>					
Passed-through MO DESE:					
Child Nutrition Cluster:					
	National School Lunch Program	10.555	010-089	20252N119943	\$ 177,123
	National School Lunch Program	10.555	010-089	20242N109943	40,450
	National School Lunch Program - Food Distribution (noncash)	10.555	010-089		48,633
	School Breakfast Program	10.553	010-089	20242N109943	8,539
	School Breakfast Program	10.553	010-089	20252N119943	41,329
	Total Child Nutrition Cluster				<u>316,074</u>
	Total U. S. Department of Agriculture				<u>316,074</u>
<b>U. S. Department of Education:</b>					
Passed-through MO DESE:					
Special Education Cluster:					
Special Education Grants to States:					
	Special Education - Grants to States (IDEA, Part B)	84.027A	010-089	H027A210040	282,302
	Special Education - Preschool Grants (IDEA, Preschool) (611)	84.027A	010-089	H027A220040	26,339
	Total Special Education Grants to States				<u>308,641</u>
Special Education - Preschool Grants:					
	Special Education - Preschool Grants (IDEA, Preschool) (619)	84.173A	010-089	H173A220103	9,417
	Total Special Education - Preschool Grants				<u>9,417</u>
	Total Special Education Cluster				<u>318,058</u>
Other Programs:					
	Title I Grants to Local Educational Agencies	84.010A	010-089	S010A220025	286,037
	Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act				
	Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act - ARP HCY II	84.425	010-089	S425W210026	819
	Total Education Stabilization Fund Under the Coronavirus Aid, Relief & Economic Security Act				<u>819</u>
	Total U. S. Department of Education				<u>604,914</u>
<b>U.S. Department of Health and Human Services:</b>					
Passed-through MO DESE:					
	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	010-089	NU87PS004326	200
	Total U.S. Department of Health and Human Services				<u>200</u>
	TOTAL FEDERAL FINANCIAL ASSISTANCE				<u>\$ 921,188</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

HALLSVILLE R-IV SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The accounting of the District is maintained, and the accompanying financial statements have been prepared, on the modified cash basis of accounting. Therefore, revenues and expenditures are recognized only when collected or paid, and receivables and accrued liabilities are not reflected in the financial statements.

Nonmonetary Assistance

The District receives commodities under the Food Distribution Program. The amount of expenditures presented on the Schedule of Expenditures of Federal Awards represent donated commodities used, which totaled \$48,633, valued at the cost assigned to those commodities by the Food Service Section of the Department of Elementary and Secondary Education.

Subrecipients

The District did not provide funds to subrecipients in the current year.

**NOTE 2: FEDERAL INDIRECT COST RATE**

The District elected not to use the 10% de minimis federal indirect cost rate.

The Missouri Department of Elementary and Secondary Education has approved the following indirect cost rates for the District:

Non-restricted	18.85%
Restricted	1.29%

The indirect cost rates are calculated annually by the Missouri Department of Elementary and Secondary Education according to agreements between the Missouri Department of Elementary and Secondary Education and the U.S. Department of Education.

HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AND SUMMARY OF AUDITOR'S RESULTS - FEDERAL REQUIREMENTS

Section I: Summary of Auditor's Results

*Financial Statements*

Type of auditor's report issued: unmodified, modified cash basis

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses ☐ Yes ☒ None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies
84.027	<u>Special Education Cluster</u>
84.173	Special Education Grants to States – IDEA, Part B
	Special Education Grants to States – Preschool Grants (ECSE)



HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AND SUMMARY OF AUDITOR'S RESULTS - FEDERAL REQUIREMENTS

Section III: Federal Award Findings and Questioned Costs

None Reported

HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF PRIOR AUDIT FINDINGS

There were no reported prior audit findings.

SUPPLEMENTARY  
STATE  
INFORMATION

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

To the Board of Education  
Hallsville R-IV School District  
Hallsville, Missouri

We have examined management's assertions that Hallsville R-IV School District, Hallsville, Missouri, 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, standard day length, resident membership on the last Wednesday of September and the number of students eligible to receive free or reduced price lunches on the last Wednesday of January; and accurate disclosure by pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2025. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

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

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

November 17, 2025

*Gerding, Korte & Chitwood*  
Gerding, Korte and Chitwood  
Certified Public Accountants  
Columbia, Missouri

20 South Fifth Street  
Columbia, MO 65201  
(573) 449-1599  
Fax: (573) 443-8603  
[www.gkccpas.com](http://www.gkccpas.com)

PARTNERS

*Joseph E. Chitwood*  
*Travis W. Hundley*  
*Jeffrey A. Chitwood*  
*Amy L. Watson*  
*Benjamin E. Carrier*  
*Kaitlin M. Carrier*

PARTNERS EMERITI

*Robert A. Gerding*  
*Fred W. Korte, Jr.*



HALLSVILLE R-IV SCHOOL DISTRICT  
SCHEDULE OF STATE FINDINGS

**SECTION 1: STATE COMPLIANCE REQUIREMENTS**

Budget

None Reported

Attendance

None Reported

Transportation

None Reported

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

Type of audit performed:                      Yellow Book:     X        Single Audit:   X  

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

Report each unique calendar the district 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
4040	PK	K	-	7.2500	145	1,048.25
	1	12	-	7.2500	147	1,062.75

2. Attendance Hours

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4040	PK-2	376,975.9989	5,562.8333	-	-	13,126.4500	395,665.2822
4020	3-5	364,435.4666	1,001.9500	421.9900	-	10,897.7001	376,757.1067
3000	6-8	332,560.5465	1,703.0414	126.6500	-	7,812.9168	342,203.1547
1050	9-12	427,774.2684	2,833.2354	-	-	18,496.9967	449,104.5005
<b>Grand Total</b>		<b>1,501,746.2804</b>	<b>11,101.0601</b>	<b>548.6400</b>	<b>-</b>	<b>50,334.0636</b>	<b>1,563,730.0441</b>

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

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
4040	PK-2	382.00	2.42	-	384.42
4020	3-5	360.00	0.5	-	360.50
3000	6-8	339.00	0.13	-	339.13
1050	9-12	456.00	2.29	-	458.29
<b>Grand Total</b>		<b>1,537.00</b>	<b>5.34</b>	-	<b>1,542.34</b>

4. January 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
4040	PK-2	406.00	7.85	-	413.85
4020	3-5	364.00	0.50	-	364.50
3000	6-8	333.00	1.26	-	334.26
1050	9-12	436.00	2.72	-	438.72
<b>Grand Total</b>		<b>1,539.00</b>	<b>12.33</b>	-	<b>1,551.33</b>

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

4. Free and Reduced Priced Lunch FTE Count (Section 163.011(6), RSMo)

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

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
4040	96.26	16.00	-	-	112.26
4020	84.00	12.00	-	-	96.00
3000	72.57	15.00	-	-	87.57
1050	72.49	30.00	-	-	102.49
<b>Grand Total</b>	325.32	73.00	-	-	398.32

5. Finance

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

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

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

	Remediation	True
	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
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the 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:	\$ 50,000
5.6	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
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools.)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder, if applicable.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools.)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	True

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

5.12	The amount spent for approved professional development committee plan activities was:	<b>\$ 149,418</b>
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	<b>True</b>

HALLSVILLE R-IV SCHOOL DISTRICT  
COUNTY DISTRICT NO. 010-089  
SCHEDULE OF SELECTED STATISTICS  
(UNAUDITED)

6. 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
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<b>True</b>
6.2	The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	<b>True</b>
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	<b>655.00</b>
	Ineligible ADT	<b>71.50</b>
6.4	The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	<b>True</b>
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	<b>205,928</b>
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	<b>128,885</b>
	Ineligible Miles (Non-Route/Disapproved)	<b>39,474</b>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<b>147</b>

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## **APPENDIX C**

### **FORM OF CONTINUING DISCLOSURE UNDERTAKING**

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**CONTINUING DISCLOSURE UNDERTAKING**

**Dated as of February 1, 2026**

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**By**

**HALLSVILLE R-IV SCHOOL DISTRICT OF BOONE COUNTY, MISSOURI**

---

**\$ \_\_\_\_\_**  
**General Obligation Refunding and Improvement Bonds**  
**(Missouri Direct Deposit Program)**  
**Series 2026**

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## CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of February 1, 2026 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by **HALLSVILLE R-IV SCHOOL DISTRICT OF BOONE COUNTY, MISSOURI** (the “**Issuer**”).

### RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$\_\_\_\_\_ **General Obligation Refunding and Improvement Bonds (Missouri Direct Deposit Program), Series 2026** (the “**Bonds**”), pursuant to a resolution adopted by the governing body of the Issuer on January 21, 2026 (the “**Resolution**”).

2. The Issuer is entering into this Continuing Disclosure Undertaking 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 under the Securities Exchange Act of 1934 (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

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 Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** hereof.

“**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.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

“**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](http://www.emma.msrb.org).

“**Financial Obligation**” means (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** hereof.

**“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 underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

## **Section 2. Provision of Annual Reports.**

- (a) The Issuer shall, not later than 210 days after the end of the Issuer’s Fiscal Year, commencing with the fiscal year ending June 30, 2026, file with 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, prepared in accordance with the accounting principles described in the notes to the financial statements contained in the final Official Statement related to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided 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 provided 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 related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

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 provided to the MSRB and are available through EMMA or 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 submitted 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 submitted 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** hereof.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

**Section 3. Reporting of Material Events.** Not 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**"):

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) 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 security, or other material events affecting the tax status of the security;
- (g) modifications to rights of security holders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the securities, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (m) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, 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;
- (n) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (o) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (9) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the Material Events identified above, the term "security" or "securities" means the Bond or Bonds, respectively, and "obligated person" means the Issuer.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)** hereof, the Issuer shall, in a timely manner, send a notice to the MSRB, in substantially the form attached hereto as **Exhibit B**, 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.

**Section 4. Termination of Reporting Obligation.** The Issuer's obligations under this Continuing Disclosure Undertaking 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 Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking 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** hereof.

**Section 5. Dissemination 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 Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. 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 Undertaking.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking 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 Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, 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, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3** hereof, and (b) 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 Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking 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 required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking 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 Undertaking, 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 Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the

Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the 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 Undertaking, 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 sent, received, or stored 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 Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

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**IN WITNESS WHEREOF**, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the \_\_\_\_\_ day of February 2026.

**HALLSVILLE R-IV SCHOOL DISTRICT OF  
BOONE COUNTY, MISSOURI**

By: \_\_\_\_\_  
Title: President of the Board of Education

**EXHIBIT A**  
**TO CONTINUING DISCLOSURE UNDERTAKING**

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

The financial information and operating data contained in the tables in the following sections contained in **APPENDIX A** of the final Official Statement relating to the Bonds:

1. **“THE DISTRICT – History of Enrollment.”**
2. **“DEBT STRUCTURE OF THE DISTRICT – Overview”** (excluding information related to overlapping general obligation debt).
3. **“PROPERTY TAX INFORMATION – Property Valuations – *History of Property Valuations.*”**
4. **“PROPERTY TAX INFORMATION – History of Tax Levies.”**
5. **“PROPERTY TAX INFORMATION – Tax Collection Record.”**

**EXHIBIT B**  
**TO CONTINUING DISCLOSURE UNDERTAKING**

**FORM OF FAILURE TO FILE NOTICE**

**Event Notice Pursuant to SEC Rule 15c2-12(b)(5)(C)**

**Issuer/Obligated Person:** Hallsville R-IV School District of Boone County, Missouri

**Issue to which this Notice relates:** \$\_\_\_\_\_ General Obligation Refunding and Improvement Bonds (Missouri Direct Deposit Program), Series 2026

**CUSIP Numbers for Issue to which this Notice relates:**

<u><b>Maturity Date</b></u>	<u><b>CUSIP Number</b></u>
-----------------------------	----------------------------

**Event Reported:** Failure to Timely File Annual Operating Data/Audited Financial Statements

The Obligated Person did not timely file its operating data for the fiscal year ended June 30, 20\_\_\_\_. Such operating data [\*will be\*] [\*was\*] filed with the MSRB through EMMA on \_\_\_\_\_, 20\_\_\_\_.

The Obligated Person did not timely file its audited financial statements for the fiscal year ended June 30, 20\_\_\_\_. Such audited financial statements [\*will be\*] [\*were\*] filed with the MSRB through EMMA on \_\_\_\_\_, 20\_\_\_\_.

**The information contained in this Notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Notice is, or should be construed as, a representation by the Obligated Person that the information included in this Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.**

**For additional information, contact:**

Mr./Ms. \_\_\_\_\_  
Superintendent  
Hallsville R-IV School District of Boone County, Missouri  
421 East Highway 124  
Hallsville, Missouri 65255  
(573) 696-5512

**Date Submitted:** [Date]

**HALLSVILLE R-IV SCHOOL DISTRICT  
OF BOONE COUNTY, MISSOURI**