

**PRELIMINARY OFFICIAL STATEMENT DATED MAY 12, 2026**

**BOOK-ENTRY ONLY  
BANK QUALIFIED**

**S&P Direct Deposit Program Rating: AA+  
See “BOND RATING” 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 are “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.*



**\$1,000,000\***  
**WHEATON R-III SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS  
(MISSOURI DIRECT DEPOSIT PROGRAM)  
SERIES 2026**

**Dated: Date of Delivery**

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

The General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “Bonds”) will be issued by the Wheaton R-III School District (the “District”) for the purpose of providing funds to (1) pay costs of the Project, as further described under the section captioned “**PLAN OF FINANCING - The Project**” herein, (2) refund certain outstanding lease obligations, and (3) 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 is payable annually on March 1, as shown on the inside cover. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing March 1, 2027, to the persons who are the registered owners of the Bonds as of the close of business on the 15<sup>th</sup> day of the month preceding the applicable interest payment date.

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

**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 June 2, 2026.*

**STIFEL**

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

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\* Preliminary; subject to change.

**\$1,000,000\***  
**WHEATON R-III SCHOOL DISTRICT**  
**GENERAL OBLIGATION BONDS**  
**(MISSOURI DIRECT DEPOSIT PROGRAM)**  
**SERIES 2026**

**MATURITY SCHEDULE\***

Base CUSIP: \_\_\_\_\_

**SERIAL BONDS**

| <u>Due<br/>(March 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Price</u> | <u>CUSIP</u> |
|--------------------------|-----------------------------|--------------------------|--------------|--------------|
| 2028                     | \$90,000                    | %                        |              |              |

**TERM BONDS**

| <u>Due<br/>(March 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Price</u> | <u>CUSIP</u> |
|--------------------------|-----------------------------|--------------------------|--------------|--------------|
| 2043                     | \$425,000                   | %                        |              |              |
| 2046                     | 485,000                     |                          |              |              |

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\* Preliminary; subject to change.

**WHEATON R-III SCHOOL DISTRICT**

116 McCall Street  
Wheaton, Missouri 64874  
(417) 652-3914

**BOARD OF EDUCATION**

Lewis Royer, *President and Member*  
Kevin Schlessman, *Vice President and Member*  
Chris Park, *Member*  
Josh Kinnaman, *Member*  
Joel Stansberry, *Member*  
Chris Ray, *Member*  
Elizabeth Goetz, *Member*

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**DISTRICT ADMINISTRATION**

Chris Paullus, *Superintendent*

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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**

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 herein has been obtained from the District and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the District. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its 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 herein is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District or the other matters described herein since the date hereof.

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**CAUTIONARY STATEMENTS REGARDING FORWARD-  
LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT**

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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 (1) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (2) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (3) 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 DESCRIBED UNDER THE SECTION CAPTIONED “CONTINUING DISCLOSURE UNDERTAKING” HEREIN.**

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## OFFICIAL STATEMENT

**\$1,000,000\***  
**WHEATON R-III SCHOOL DISTRICT**  
**GENERAL OBLIGATION BONDS**  
**(MISSOURI DIRECT DEPOSIT PROGRAM)**  
**SERIES 2026**

### INTRODUCTION

*The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices, 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 \$1,000,000\* aggregate principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”), by the Wheaton R-III School District (the “**District**”). The Bonds represent a portion of the \$2,000,000 of general obligation bonds authorized by the required majority of the qualified voters of the District at an election held in the District on April 7, 2026 (the “**Election**”). The general obligation bonds were approved by approximately 76.5% of the qualified voters of the District voting at the Election, with 212 votes for and 65 votes against the issuance of the general obligation bonds. The Bonds are further authorized by a resolution of the Board of Education of the District expected to be adopted on May 19, 2026 (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 (1) pay costs of the Project, as further described under the section captioned “**PLAN OF FINANCING - The Project**” herein, (2) refund certain outstanding lease obligations, as further described under the section captioned “**PLAN OF FINANCING - The Refunding**” herein, and (3) pay costs of issuing the Bonds. See the section captioned “**PLAN OF FINANCING**” herein.

#### **Security for the Bonds**

**General.** The Bonds will constitute general obligations of the District and will be payable as to principal or Redemption Price (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 sections captioned “**SECURITY FOR THE BONDS - Pledge of Full Faith and Credit**” and “**- Levy and Collection of Annual Tax**” herein.

**Direct Deposit Agreement.** Pursuant to a Direct Deposit Agreement among the Office of the Treasurer of the State of Missouri, the Department of Elementary and Secondary Education of the State of Missouri, the Health and Educational Facilities Authority of the State of Missouri, BOKF, N.A., as direct deposit trustee (the “**Deposit Trustee**”), and the District, the District will agree that a portion of its State Aid (as defined herein)

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\* Preliminary; subject to change.

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**” herein.

### **Continuing Disclosure**

The District will agree in a Continuing Disclosure Undertaking dated as of June 1, 2026 (the “**Continuing Disclosure Undertaking**”) to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed by the District in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the section captioned “**CONTINUING DISCLOSURE UNDERTAKING**” herein.

### **Description of Documents**

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

## **THE BONDS**

### **General**

The Bonds are being issued in the aggregate principal amount of \$1,000,000\* and are dated as of the date of original delivery of and payment for the Bonds. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, 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 hereof, computed on the basis of a 360-day year of twelve 30-day months. 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 March 1, 2027.

The interest payable on each Bond on any Interest Payment Date shall 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 such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) electronic transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, 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, together with 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 thereof, upon presentation and surrender of such Bond at the principal payment office of the Paying Agent, or at such other payment office designated by the Paying Agent.

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\* Preliminary; subject to change.

## **Book-Entry Only System**

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

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

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

**DTC and its Participants.** DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](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.

The Direct Participants holding a majority interest in the Bonds may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

## 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 or such other 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, or at such other 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 in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form 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. 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 to (1) register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (2) 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

*Optional Redemption.* 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).

*Mandatory Redemption.* The Bonds maturing on March 1, 2043\* and March 1, 2046\* (collectively, the "Term Bonds") are subject to mandatory redemption and payment prior to their Stated Maturity on March 1 in each of the years set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date:

### Term Bonds Maturing on March 1, 2043\*

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2040        | \$ 15,000               |
| 2041        | 130,000                 |
| 2042        | 135,000                 |
| 2043†       | 145,000                 |

†Final Maturity

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\* Preliminary; subject to change.

### Term Bonds Maturing on March 1, 2046\*

| <u>Year</u>       | <u>Principal Amount</u> |
|-------------------|-------------------------|
| 2044              | \$155,000               |
| 2045              | 160,000                 |
| 2046 <sup>†</sup> | 170,000                 |

<sup>†</sup>Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the District may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired, (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical, or (3) receive a credit with respect to the mandatory redemption obligation of the District under the Resolution for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this paragraph) and canceled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this paragraph. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the District to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of the Resolution shall be accordingly reduced. If the District intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the District will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.

#### **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,

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\* Preliminary; subject to change.

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 the State Auditor of Missouri and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

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.

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.

### **Defeasance**

When any or all of the principal of the Bonds or 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 principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State of Missouri (the "**State**") and having full trust powers, at or prior to the Stated Maturity or Redemption Date of

said principal of the Bonds or scheduled 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, on 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 principal of the Bonds or scheduled interest payments thereon shall be assigned, transferred and set over to the Paying Agent or other commercial 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 commercial 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.

## **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 becomes 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 becomes 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, as amended, 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 of Missouri (the "**Treasurer's Office**"), the Department of Elementary and Secondary Education of the State of Missouri ("**DESE**"), the Health and Educational Facilities Authority of the State of Missouri and the Deposit Trustee. The Deposit Agreement will provide for payment of one-fourth (1/4) of the debt service due on March 1, 2027 to be paid in each of the four (4) months of July 2026, August 2026, January 2027 and February 2027. Thereafter, beginning March 2027, (i) one tenth (1/10) of the debt service to be paid on the Bonds on September 1 and March 1 of the next bond year shall be paid in each month of the six month periods from March through August and (ii) one fifth (1/5) of the amount of such debt service shall be paid in each succeeding January and February of each year that the Bonds are outstanding. Amounts of State Aid to the District in excess of the one-tenth (1/10) or one-fifth (1/5) 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**

### **The Project**

A portion of the Bonds will be issued for the purpose of acquiring, constructing, renovating, furnishing and equipping school sites, buildings and related facilities, including infrastructure and safety improvements (collectively, the "**Project**"). The Bonds will be used to pay costs of a new roof on the north side of the high school building and HVAC improvements across the entire campus (elementary and high school buildings). In addition, the District will undertake asbestos abatement and locker room renovations beginning in 2027. The District plans to issue the remaining \$1,000,000\* of general obligation bonds authorized at the Election in 2028 to pay additional costs of the Project and refinance certain lease obligations.

### **The Refunding**

A portion of the Bonds will be issued for the purpose of refunding (a) Lease Certificates of Participation (Guaranteed Performance Contract) Series 2014 (the "**Series 2014 Certificates**") in the outstanding principal

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\* Preliminary; subject to change.

amount of \$135,000, and (b) Lease Certificates of Participation (Guaranteed Performance Contract) Series 2019 (the “**Series 2019 Certificates**” and, together with the Series 2014 Certificates, the “**Prior Certificates**”) in the outstanding principal amount of \$455,000. The Prior Certificates will be prepaid on June 19, 2026.

**Sources and Uses of Funds**

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

Sources of Funds

|                              |    |
|------------------------------|----|
| Par Amount of Bonds          | \$ |
| Plus: Original Issue Premium | —  |
| Total                        | \$ |

Uses of Funds

|  |    |
|--|----|
| Project Costs  | \$ |
| Prepay Prior Certificates                            |    |
| Costs of Issuance (including Underwriter’s Discount) | —  |
| Total  | \$ |

**RISK FACTORS**

The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. 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.

### **Missouri Property Tax Cap**

In June 2025, the Missouri General Assembly passed Senate Bill 3 (as codified in Section 137.1055 RSMo., the "**Homestead Property Tax Credit Program**"), which authorizes counties to grant property tax credits in the form of a cap on increases to residential real property tax bills. For certain counties, including Newton County, the real property tax liability on an eligible taxpayer's home may be increased by no more than 5% per year or the percent increase in the Consumer Price Index, whichever is greater. For other counties, including Barry County and McDonald County, the real property tax liability on an eligible taxpayer's home may not be increased above the liability incurred during the initial credit year. The City of St. Louis and 17 counties are exempt from the bill. The initial credit year is 2024 or, if the eligible taxpayer's real property tax liability is lower in a subsequent year, the initial credit year is that subsequent calendar year. All non-exempt counties were required to place a question of whether to enact this real property tax cap on the ballot by no later than the April 2026 general election. In each of Barry County, Newton County and McDonald County (collectively, the "**Counties**"), a majority of the votes cast on the question were in favor of the cap and the credit shall be in effect and the Counties shall grant the property tax credit to eligible taxpayers. Each county collector will note the amount of any credit on the real property tax bills sent to eligible taxpayers.

For all counties, an eligible taxpayer's real property tax liability shall be increased to reflect any increase in tax liability derived from any new property tax levy or an increase in an existing property tax levy approved by the voters subsequent to an eligible taxpayer's initial credit year; provided that, for five percent counties, such increase shall not be considered for the purposes of calculating the allowable increase in an eligible taxpayer's real property tax liability.

When the District's property tax revenues are capped as a result of the Homestead Property Tax Credit Program, there may be less property tax revenues available to pay principal of and interest on the Bonds. The District is permitted to retain in its debt service fund up to one year's debt service payments. However, as described under the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**" in this Official Statement, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal and interest on the Bonds on all taxable tangible property in the District. The potential financial impact of the Homestead Property Tax Credit Program on the District is not yet ascertainable.

No taxpayer is authorized to claim a property tax credit under the Senior Property Tax Credit Program (as such term is defined below) and the Homestead Property Tax Credit Program for the same homestead.

### **Senior Property Tax Credit Program**

The Missouri General Assembly enacted legislation in 2023 (subsequently amended in 2024) that authorizes counties to grant property tax credits to each "eligible taxpayer" equal to the difference between the real property tax liability on the eligible taxpayer's homestead in the current year minus the real property tax liability on the homestead either (1) in the year the county initially authorizes the credit or (2) when the person becomes an "eligible taxpayer" (the "**Senior Property Tax Credit Program**"). "Eligible taxpayer" means a Missouri resident who (1) is at least 62 years old, (2) owns real property used as the taxpayer's primary residence and (3) is liable for the payment of property taxes on that property. Implementation of the Senior Property Tax

Credit Program requires either adoption of an ordinance by a 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. Each County has adopted an ordinance establishing the Senior Property Tax Credit Program. For taxes levied in 2025, the Senior Property Tax Credit Program resulted in approximately \$6,000 of loss revenue to the District.

### **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**" herein, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, on all taxable tangible property in the District sufficient to pay the principal of and interest on the Bonds.

### **Rating**

S&P Global Ratings, a division of S&P Global Inc. (the "**Rating Agency**"), has assigned the Bonds the rating set forth in the section captioned "**BOND RATING**" herein. Such rating reflects only the views of the Rating Agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating 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 the Rating Agency's judgment, circumstances warrant. Any such downward revisions or withdrawal of the rating 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.

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

Approximately 48.65% of the District's revenue for the fiscal year ended June 30, 2025 was derived from moneys provided by the State as 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 the section captioned "**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 or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

## **Enrollment**

A portion of the revenue the District receives is directly affected by the District's enrollment. A significant decrease in enrollment could reduce the amount of future revenue the District receives, which may adversely affect the District's financial position and results of operations. No assurance can be given that economic, social, legislative and other factors beyond the control of the District will not negatively impact student enrollment and revenues dependent thereon. Increased competition from other educational facilities, including virtual facilities and charter schools, could adversely affect the ability of the District to maintain enrollment, or could adversely affect the ability of the District to attract faculty and other staff. Under the Missouri Course Access and Virtual School Program, eligible students may enroll in virtual courses, and the school district will have to pay for that course if certain criteria are met. Charter schools are allowed in certain limited areas of the State 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.

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

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

### **Defeasance Risks**

When any or all of the principal of the Bonds or scheduled interest payments thereon have been 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 principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said principal of the Bonds or scheduled 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, on said Bonds and interest accrued to the Stated Maturity or Redemption Date. There is no legal requirement in the Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

### **Cybersecurity Risks**

The District relies on its information systems to provide security for processing, transmission and storage of confidential 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.

## **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.

## **THE DISTRICT**

The District encompasses approximately 60.03 square miles and is located in the southwest portion of the State of Missouri (the “**State**”) in the counties of Barry (85.64% of the District’s assessed valuation) (the “**County**”), McDonald (7.73% of the District’s assessed valuation), and Newton (6.63% of the District’s assessed valuation), Missouri. The District’s schools are primarily located in Wheaton, Missouri, which is approximately 185 miles south of Kansas City, Missouri and 25 miles north of the Arkansas border. See “**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 RATING**

The Rating Agency has assigned a municipal bond rating of “AA+” to the Bonds based upon the District’s participation in the Missouri Direct Deposit Program. The rating reflects only the view of the Rating Agency at the time such rating is given, and the Underwriter and the District make no representation as to the

appropriateness of such rating. An explanation of the significance of such rating may be obtained from the Rating Agency.

There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. Neither the Underwriter nor the District has undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of the rating could have an adverse effect on the market price and marketability of the Bonds. Pursuant to the Continuing Disclosure Undertaking, the District is required to bring to the attention of the holders of the Bonds any change of the rating of the Bonds but has not undertaken any responsibility to oppose any such change. See the form of the Continuing Disclosure Undertaking attached hereto as *Appendix C*.

## **TAX MATTERS**

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

### **Opinion of Bond Counsel**

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

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

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

***Bank Qualification.*** The Bonds are “qualified tax-exempt obligations” within the meaning 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 the Continuing Disclosure Undertaking to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”) and to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with Rule. The District is the only “obligated person” with responsibility for continuing disclosure. Included in *Appendix C* of this Official Statement is the proposed form of the Continuing Disclosure Undertaking.

The District has made similar undertakings with respect to its outstanding obligations to file annually its audited financial statements and certain operating data. 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 hereof, there is no controversy, suit or other proceeding of any kind pending or, to the District’s knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the District or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the District’s ability to meet its obligations to pay the Bonds.

### **UNDERWRITING**

Stifel, Nicolaus & Company, Incorporated, 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, plus original issue premium of \$\_\_\_\_\_, less an underwriting discount of \$\_\_\_\_\_). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

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

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

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

### **CERTAIN RELATIONSHIPS**

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

### **MISCELLANEOUS**

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

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

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

**WHEATON R-III SCHOOL DISTRICT**

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

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**APPENDIX A**

**INFORMATION REGARDING THE DISTRICT**

APPENDIX A

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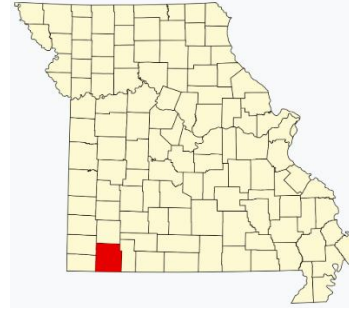
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## THE DISTRICT

### General Description

The District encompasses approximately 60.03 square miles and is located in the southwest portion of the State of Missouri (the “**State**”) in the Counties of Barry (85.64% of the District’s assessed valuation) (the “**County**”), McDonald (7.73% of the District’s assessed valuation), and Newton (6.63% of the District’s assessed valuation), Missouri. The District’s schools are located in Wheaton, Missouri (the “**City**”).



### 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> |
|------------------|-------------------------|-------------------------|-----------------------------|
| Lewis Royer      | President & Member      | 2007                    | 2029                        |
| Kevin Schlessman | Vice President & Member | 2015                    | 2027                        |
| Chris Park       | Member                  | 2016                    | 2028                        |
| Josh Kinnaman    | Member                  | 2020                    | 2029                        |
| Joel Stansberry  | Member                  | 2024                    | 2027                        |
| Chris Ray        | Member                  | 2021                    | 2027                        |
| Elizabeth Goetz  | Member                  | 2026                    | 2029                        |

Janease Linenbrink 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.

Superintendent Mr. Chris Paullus is the District’s current superintendent. Prior to serving as superintendent, Mr. Paullus served as the principal of Wheaton Elementary School and prior to that he was a high school teacher and program coordinator in the Neosho School District. Mr. Paullus has announced his resignation effective June 30, 2026. The Board has announced that the superintendent for the 2026-2027 school year will be Dr. Alyssa Kennedy.

Dr. Kennedy currently serves as the high school principal at Diamond High School, the Title IX Coordinator and safety coordinator. She holds a Doctorate of Education in Educational Leadership from Liberty University. Dr. Kennedy also holds a Specialist in Educational Leadership from Arkansas State University, a

Masters in Curriculum and Instruction from Lindenwood University and a Bachelor of Arts in Biology and Secondary Education from Drury University.

**Professional Staff**

The average teacher employed by the District has 8.6 years of teaching experience, compared to a statewide average of 12.8 years, and 29.9% of the District’s teachers hold advanced degrees compared to a statewide average of 57.8%. For the 2025-2026 school year, the average salary for all teaching staff is \$47,890 compared to a statewide average salary for teaching staff of \$59,795.

**Educational Facilities**

The District operates the following schools:

| <u>Name of School</u>             | <u>Grades Served</u> |
|-----------------------------------|----------------------|
| Wheaton Elementary School         | Pre-K-6              |
| Wheaton Junior/Senior High School | 7-12                 |

**Enrollment History**

Enrollment figures for the District for the current school year and the past four years:

| <u>Fiscal Year</u> | <u>Total Enrollment</u> |
|--------------------|-------------------------|
| 2025-26            | 436                     |
| 2024-25            | 445                     |
| 2023-24            | 434                     |
| 2022-23            | 436                     |
| 2021-22            | 464                     |

Source: The District.

**Other District Statistics**

The following table shows additional information about the District for the following 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)    | 431.13           | 404.01           | 385.76           | 386.23           | 391.21           |
| Proportional Attendance Rate   | 86.1%            | 82.0%            | 85.1%            | 83.3%            | 84.8%            |
| Current Expenditures per ADA   | \$8,158          | \$9,461          | \$10,850         | \$12,198         | \$11,722         |
| Students per Teacher           | 13               | 13               | 12               | 11               | 11               |
| Students per Classroom Teacher | 15               | 14               | 14               | 13               | 13               |

Source: Missouri Department of Elementary and Secondary Education (“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, 66.5% of students at Wheaton Elementary School qualify for FRL and 59% of students at Wheaton Junior/Senior High School qualify for FRL.

**District 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 | 2,263       | 2,375       | 2,131       |
| County   | 34,010      | 35,597      | 34,534      |
| State    | 5,595,211   | 5,988,927   | 6,154,913   |

Source: Missouri Census Data Center – 2010; U.S. Census Bureau – 2000 Census; U.S. Census Bureau - 2010 Census; U.S. Census Bureau - 2020 Census.

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

**Estimated Population Distribution by Age (2024 Estimate)**

| <u>Age</u>        | <u>District</u> | <u>County</u> | <u>State</u>     |
|-------------------|-----------------|---------------|------------------|
| Under 5 years     | 173             | 2,076         | 356,811          |
| 5-19 years        | 397             | 6,752         | 1,186,390        |
| 20-24 years       | 27              | 1,655         | 405,498          |
| 25-44 years       | 434             | 7,786         | 1,609,113        |
| 45-64 years       | 759             | 9,062         | 1,526,259        |
| 65 years and over | <u>489</u>      | <u>7,702</u>  | <u>1,107,743</u> |
| TOTAL             | <u>2,279</u>    | <u>35,033</u> | <u>6,191,814</u> |
| Median age        | 51.1            | 43.4          | 39.0             |

Source: U.S. Census Bureau, 2020-2024 American Community Survey 5-Year estimates.

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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> |
|----------------------------------|--|--------------------------------------|
| EFCO Corp.                       | Manufacturing                            | 16,929                               |
| Jack Henry & Associates, Inc.    | Computers–system designers & consultants | 7,240                                |
| Miracle Recreation Equipment Co. | Playground equipment                     | 1,358                                |
| Tyson Foods, Inc.                | Food products & manufacturer             | 900                                  |
| George’s, Inc.                   | Poultry processing plants                | 850                                  |
| Regal Rexnord Corp.              | Electric motors manufacturing            | 812                                  |
| EZ Dock, Inc.                    | Dock builders                            | 721                                  |
| Walmart Supercenter              | Department store                         | 330                                  |
| Architectural Systems, Inc.      | Ornamental metal work                    | 300                                  |
| Hydro Extrusion                  | Aluminum fabricators                     | 300                                  |

Source: Data Axle Genie.

**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</u> |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| <i>County</i>        |             |             |             |             |             |
| Total Labor Force    | 15,060      | 14,409      | 14,286      | 14,414      | 14,443      |
| Unemployed           | 633         | 392         | 484         | 599         | 524         |
| Unemployment Rate    | 4.2%        | 2.7%        | 3.4%        | 4.2%        | 3.6%        |
| <i>State</i>         |             |             |             |             |             |
| Total Labor Force    | 3,037,333   | 3,051,998   | 3,106,625   | 3,143,051   | 3,165,674   |
| Unemployed           | 125,160     | 80,557      | 96,698      | 116,149     | 103,557     |
| Unemployment Rate    | 4.1%        | 2.6%        | 3.1%        | 3.7%        | 3.3%        |
| <i>United States</i> |             |             |             |             |             |
| Total Labor Force    | 152,581,000 | 158,291,000 | 161,037,000 | 161,346,000 | 163,493,000 |
| Unemployed           | 8,623,000   | 5,996,000   | 6,080,000   | 6,761,000   | 7,314,000   |
| Unemployment Rate    | 5.3%        | 3.6%        | 3.6%        | 4.0%        | 4.3%        |

<sup>(1)</sup> Figures for the year 2025 are preliminary for the month of December, 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. Mercy Hospital (Cassville), located approximately 15 miles from the City, is a 25-bed full service critical access hospital located in Cassville, Missouri. It provides comprehensive services including emergency care, imaging, and outpatient surgery to the surrounding community. Mercy Hospital (Aurora), located approximately 32 miles from the City, is a 25-bed

critical access hospital located in Aurora, Missouri. It provides 24/7 emergency care, a childbirth center, and a swing-bed program for rehabilitation and recovery.

### **Higher Education**

Higher education options for residents of the District are primarily centered on community college access, agricultural education, and extension services.

Crowder College is a primary community college serving a nine-county region, including the District. Crowder College has 6 instructional sites, including the main campus in Neosho, Missouri, approximately 24 miles from the District and offers more than 70 certificate and training programs.

The University of Missouri Extension (the “**Extension**”) has facilities located in Cassville, Missouri, approximately 15 miles from the District. The Extension provides educational programming, agricultural science, and health education to the local community, serving as a direct link to the state’s flagship university. The Extension provides local access to University of Missouri resources, including 4-H programs, Master Gardeners, agricultural support, and community development, and serves the area with research-based information, educational workshops, and specialized training.

### **Transportation**

Airports located within the County are Cassville Municipal Airport in Cassville, Missouri, Table Rock Airport in Eagle Rock, Missouri, and Monett Regional Airport in Monett, Missouri. The Springfield-Branson National Airport is a public airport located approximately 40 miles from the County, providing service with four airlines offering 15 non-stop destinations, including five of the largest hubs throughout the United States. The airlines represented are American Airlines, Delta, United and Allegiant. The airport terminal provides complete airline ticketing facilities, automated baggage handling, travel agency, restaurant, gift shop, visitor information center, major car rental agencies, lounges, and meeting facilities for business travelers and the public. The Springfield-Branson National Airport is located on approximately 2,800 acres at the northwest edge of the City of Springfield, with a 7,003-foot runway and an 8,000-foot runway. The 293,000 square foot terminal building offers ten gates from which travelers may board their ground transportation in temperature-controlled comfort.

The County is served by the Burlington Northern Santa Fe Railway and the Missouri and Northern Arkansas Railroad. Regular motor carrier service is provided daily. There are several trucking companies within the County representing the major national carriers. Local telephone service is provided by AT&T and many other companies. There are several local television broadcast and radio broadcast stations serving the County.

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## Income and Home Values

The following table presents per capita personal income<sup>(1)</sup> for the County and the State for the years 2020 through 2024, the latest date for which such information is available:

| <u>Year</u> | <u>County<br/>Per Capita<br/>Personal Income</u> | <u>State<br/>Per Capita<br/>Personal Income</u> |
|-------------|--|---|
| 2024        | \$47,374   | \$64,920  |
| 2023        | 45,686   | 62,435  |
| 2022        | 45,003   | 58,525  |
| 2021        | 42,164   | 56,907  |
| 2020        | 38,730   | 52,206  |

<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                       | \$54,609 |
| County                         | 58,346   |
| State                          | 70,702   |

Source: U.S. Census Bureau, 2020-2024 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<br/>Owner-Occupied Units</u> | <u>Median Home<br/>Value</u> |
|----------|---|------------------------------|
| District | 1,853                                     | \$189,200                    |
| County   | 27,254                                    | 187,800                      |
| State    | 4,344,735                                 | 230,300                      |

Source: U.S. Census Bureau, 2020-2024 American Community Survey 5-Year estimates.

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## DEBT STRUCTURE OF THE DISTRICT

### Overview

The table below 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>  | \$27,661,599  |
| 2025 Estimated Actual Valuation <sup>(2)</sup>                                | \$139,755,455 |
| Estimated Population <sup>(3)</sup>   | 2,279         |
| <br>  |               |
| Direct General Obligation Debt (“ <b>Direct Debt</b> ”) <sup>(4)</sup>        | \$1,785,000*  |
| Overlapping General Obligation Debt (“ <b>Indirect Debt</b> ”) <sup>(5)</sup> | <u>0</u>      |
| Total Direct Debt and Indirect Debt   | \$1,785,000*  |
| <br>  |               |
| Ratio of Direct Debt to Assessed Valuation                                    | 6.45%*        |
| Ratio of Direct Debt to Estimated Actual Valuation                            | 1.28%*        |
| Per Capita Direct Debt  | \$783.24*     |

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- (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.
  - (5) See “**DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness.**”

### General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the District, including the Bonds:

| <u>Issue Name</u>  | <u>Date of Indebtedness</u> | <u>Amount Originally Issued</u> | <u>Amount Outstanding</u> |
|--|-----------------------------|---------------------------------|---------------------------|
| General Obligation Bonds, Series 2022 (Missouri Direct Deposit Program) (the “ <b>Series 2022 Bonds</b> ”) | 03/03/2022                  | \$1,000,000                     | \$ 785,000                |
| The Bonds  | 06/02/2026*                 | 1,000,000*                      | <u>1,000,000*</u>         |
| Total  |                             |                                 | <u>\$1,785,000*</u>       |

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\* Preliminary; subject to change.

## History of General Obligation Indebtedness

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

| <u>As of<br/>June 30</u> | <u>Total<br/>Outstanding<br/>Debt</u> | <u>Assessed<br/>Valuation</u> <sup>(1)</sup> | <u>Debt as %<br/>of Assessed<br/>Valuation</u> <sup>(2)</sup> |
|--------------------------|---------------------------------------|--|---|
| 2025                     | \$ 870,000                            | \$26,033,705                                 | 3.35%   |
| 2024                     | 1,155,000                             | 25,869,791                                   | 4.47  |
| 2023                     | 1,305,000                             | 25,318,966                                   | 5.16  |
| 2022                     | 1,470,000                             | 23,808,292                                   | 6.18  |
| 2021                     | 510,000                               | 22,148,740                                   | 2.31  |

<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. Assessed valuation excludes state assessed railroad and utility property located within the District.

<sup>(2)</sup> 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**” herein.

Source: Audited Financial Statements of the District for fiscal years ended June 30, 2021 through June 30, 2025.

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:

### Legal Debt Limitation and Debt Margin

|  |                     |
|--|---------------------|
| Constitutional Debt Limitation under Article VI, Section 26(b)<br>(15% of 2025 assessed valuation) | \$4,149,240         |
| General Obligation Bonds Outstanding   | <u>(1,785,000)*</u> |
| Legal Debt Margin under Article VI, Sections 26(b)   | <u>\$2,364,240*</u> |

The District’s legal debt limit and debt margin would be higher if (1) the amount in the Debt Service Fund available to pay principal of the bonds and (2) the valuation of state assessed railroad and utility property that is physically located within the bounds of the District were both taken into account. Neither amount was 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.

\* 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:

| <b>Fiscal Year<br/>Ended<br/>June 30</b> | <b>Outstanding Bonds</b> |                     | <b>The Bonds</b> |                 | <b>Total</b> |
|--|--------------------------|---------------------|------------------|-----------------|--------------|
|  | <b>Principal</b>         | <b>Interest</b>     | <b>Principal</b> | <b>Interest</b> |              |
| 2027                                     | \$ 85,000.00             | \$ 36,487.50        | \$               | \$              | \$           |
| 2028                                     | 0.00                     | 35,000.00           |                  |                 |              |
| 2029                                     | 50,000.00                | 35,000.00           |                  |                 |              |
| 2030                                     | 95,000.00                | 32,500.00           |                  |                 |              |
| 2031                                     | 100,000.00               | 27,750.00           |                  |                 |              |
| 2032                                     | 105,000.00               | 22,750.00           |                  |                 |              |
| 2033                                     | 110,000.00               | 17,500.00           |                  |                 |              |
| 2034                                     | 115,000.00               | 12,000.00           |                  |                 |              |
| 2035                                     | 125,000.00               | 6,250.00            |                  |                 |              |
| 2036                                     |                          |                     |                  |                 |              |
| 2037                                     |                          |                     |                  |                 |              |
| 2038                                     |                          |                     |                  |                 |              |
| 2039                                     |                          |                     |                  |                 |              |
| 2040                                     |                          |                     |                  |                 |              |
| 2041                                     |                          |                     |                  |                 |              |
| 2042                                     |                          |                     |                  |                 |              |
| 2043                                     |                          |                     |                  |                 |              |
| 2044                                     |                          |                     |                  |                 |              |
| 2045                                     |                          |                     |                  |                 |              |
| 2046                                     |                          |                     |                  |                 |              |
| <b>Total</b>                             | <u>\$785,000.00</u>      | <u>\$225,237.50</u> | <u>\$</u>        | <u>\$</u>       | <u>\$</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” herein.

**Certificates of Participation**

The following table sets forth the outstanding certificates of participation of the District following the issuance of the Bonds:

| <b>Issue Name</b>   | <b>Date of<br/>Certificates</b> | <b>Amount<br/>Originally Issued</b> | <b>Amount<br/>Outstanding</b> |
|---|---------------------------------|-------------------------------------|-------------------------------|
| Lease Participation of Certificates, Series 2023 (the “Series 2023 Certificates”) | 07/28/2023                      | \$625,000                           | \$505,000                     |

The Series 2023 Certificates evidence a proportionate ownership interests in the right to receive rental payments (the “**Base Rentals**”) under a Project Lease Agreement dated as of July 28, 2023, between UMB Bank, N.A. and the District. The Base Rentals are subject to annual appropriation by the Board.

The table below sets forth the principal portion and interest portion of the Base Rentals:

| <u>Date</u> | <u>Principal</u>    | <u>Interest</u>    | <u>Total</u>        |
|-------------|---------------------|--------------------|---------------------|
| 09/01/2026  | \$ -                | \$10,568.75        | \$10,568.75         |
| 03/01/2027  | 65,000.00           | 10,568.75          | 75,568.75           |
| 09/01/2027  | -                   | 9,268.75           | 9,268.75            |
| 03/01/2028  | 65,000.00           | 9,268.75           | 74,268.75           |
| 09/01/2028  | -                   | 7,968.75           | 7,968.75            |
| 03/01/2029  | 70,000.00           | 7,968.75           | 77,968.75           |
| 09/01/2029  | -                   | 6,481.25           | 6,481.25            |
| 03/01/2030  | 70,000.00           | 6,481.25           | 76,481.25           |
| 09/01/2030  | -                   | 4,993.75           | 4,993.75            |
| 03/01/2031  | 75,000.00           | 4,993.75           | 79,993.75           |
| 09/03/2031  | -                   | 3,400.00           | 3,400.00            |
| 03/01/2032  | 80,000.00           | 3,400.00           | 83,400.00           |
| 09/01/2032  | -                   | 1,700.00           | 1,700.00            |
| 03/01/2033  | <u>80,000.00</u>    | <u>1,700.00</u>    | <u>81,700.00</u>    |
| Total       | <u>\$505,000.00</u> | <u>\$88,762.50</u> | <u>\$593,762.50</u> |

**Other Long-Term Obligations of the District**

For information regarding other long-term obligations of the District, see Note 10 of the audited financial statements included in *Appendix B* to this Official Statement.

**Future Borrowing Plans**

The Bonds represent the first series of \$2,000,000 of general obligation bonds authorized by the voters of the District on April 7, 2026. After the issuance of the Bonds, the District will have \$1,000,000\* of authorized but unissued bonds remaining. The District anticipates issuing the remaining bonds authorized by the voters in the next few years.

**Overlapping or Underlying Indebtedness**

While there are political subdivisions with boundaries overlapping the District, as of June 1, 2026 none of those political subdivisions have general obligation debt outstanding. 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.

**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

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\* Preliminary; subject to change.

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.

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

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
2. Prior to July, the Superintendent, who serves as the Budget Officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The budget includes estimated receipts and proposed disbursements for all District funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made

during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Board of Education. Individual amendments were not material to the original appropriations, which were amended.

6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing receipts when collected and disbursements when paid.

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 KPM CPAs, PC. 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                    | \$930,558              | 17.42%         |
| Proposition C Sales Tax           | 658,634                | 12.33          |
| Other                             | 264,367                | 4.95           |
| County Revenue:                   |                        |                |
| Railroad & Utility Property Taxes | 54,602                 | 1.02           |
| Fines, Forfeitures & Other        | 5,311                  | 0.10           |
| State Revenue                     | 2,599,241              | 48.65          |
| Federal Revenue                   | 822,427 <sup>(1)</sup> | 15.39          |
| Other Revenue                     | <u>7,487</u>           | <u>0.14</u>    |
| <b>Total Revenue</b>              | <u>\$5,342,627</u>     | <u>100.00%</u> |

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

<sup>(1)</sup> Includes approximately \$150,802 from federal COVID-19 legislation.

**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   | \$1,478,196              | \$1,741,114                    | \$1,750,705              | \$1,918,060                  | \$1,853,559            |
| County Revenue  | 56,630                   | 53,393                         | 56,802                   | 56,624                       | 59,913                 |
| State Revenue   | 2,374,164                | 2,577,439                      | 2,681,462                | 2,550,778                    | 2,599,241              |
| Federal Revenue | 1,082,595 <sup>(1)</sup> | 1,496,703 <sup>(2)</sup>       | 2,166,682 <sup>(4)</sup> | 1,042,760 <sup>(5)</sup>     | 822,427 <sup>(7)</sup> |
| Other Revenue   | <u>76,325</u>            | <u>1,000,000<sup>(3)</sup></u> | <u>151,670</u>           | <u>742,941<sup>(6)</sup></u> | <u>7,487</u>           |
| Total           | <u>\$5,067,910</u>       | <u>\$6,868,649</u>             | <u>\$6,807,321</u>       | <u>\$6,311,163</u>           | <u>\$5,342,627</u>     |

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

- (1) Includes approximately \$60,249 from federal COVID-19 legislation.
- (2) Includes approximately \$725,974 from federal COVID-19 legislation.
- (3) Includes proceeds from the sale of Series 2022 Bonds.
- (4) Includes approximately \$1,468,524 from federal COVID-19 legislation.
- (5) Includes approximately \$289,951 from federal COVID-19 legislation.
- (6) Includes proceeds of the Series 2023 Certificates.
- (7) Includes approximately \$150,802 from federal COVID-19 legislation.

### Local Revenue

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

Proposition C revenues are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district’s weighted average daily attendance (see “**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:

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

Source: DESE.

### County Revenue

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

levied by each district. County revenue also includes certain fines and forfeitures collected with respect to violations within the boundaries of the school district.

## State Revenue

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

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

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

**Weighted ADA.** Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for 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. For fiscal years 2017 and 2018, DESE revised the thresholds downward as required under Senate Bill 586, which modified the definition of State Adequacy Target to require that a future recalculation of the State Adequacy Target never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018. For fiscal years 2019 and 2020, DESE revised the thresholds downward for FRL and IEP and upward for LEP. Beginning with the 2018-2019 fiscal year, certain school districts who operate early childhood education programs, are also 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 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.

**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 subsequent to fiscal year 2018.

For the fiscal year ended June 30, 2025, the State Adequacy Target was \$6,760. The State Adequacy Target is \$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 2023-2024 was 1.0130, for 2024-2025 was 1.0100 and 1.0100 for 2025-2026.

**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<br/><u>June 30</u></b> | <b>Classroom Trust Fund<br/><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 now 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.

### **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.

### **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 (which are repaid from a Debt Service Fund levy) and lease financings; (2) revenue from the school district's local property tax levy for the Capital Projects Fund; (3) certain permitted transfers from the Incidental Fund; and (4) a portion of the funds distributed to school districts from the Classroom Trust Fund.

**Capital Projects Fund Levy.** Prior to setting tax rates for the Incidental and Teachers' Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Incidental and Teachers' Funds to an amount below \$2.75. The District does not currently levy a property tax for its Capital Projects Fund.

**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 made no transfer from the Incidental Fund to the Capital Projects Fund under this provision during the 2024-2025 fiscal year.

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

### **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 financial statements and notes set forth in **Appendix B** of this Official Statement and the other 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> <sup>(1)</sup> | <u>2023</u> <sup>(1)</sup> | <u>2024</u> <sup>(1)</sup> | <u>2025</u> <sup>(1)</sup> |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>General (Incidental) Fund</b>        |                            |                            |                            |                            |
| Balance—Beginning of Year               | \$ 1,131,077               | \$ 1,132,353               | \$ 1,053,164               | \$ 767,664                 |
| Revenues                                | 2,230,126                  | 2,494,240                  | 2,450,565                  | 2,237,751                  |
| Expenditures                            | (1,986,542)                | (2,346,416)                | (2,681,064)                | (2,643,759)                |
| Transfers In (Out)                      | <u>(242,307)</u>           | <u>(227,014)</u>           | <u>(55,000)</u>            | <u>0</u>                   |
| Balance—End of Year                     | <u>\$ 1,132,354</u>        | <u>\$ 1,053,163</u>        | <u>\$ 767,665</u>          | <u>\$ 361,657</u>          |
| <b>Special Revenue (Teachers’) Fund</b> |                            |                            |                            |                            |
| Balance—Beginning of Year               | \$ 0                       | \$ 0                       | \$ 0                       | \$ 0                       |
| Revenues                                | 2,412,009                  | 2,528,631                  | 2,907,474                  | 2,775,302                  |
| Expenditures                            | <u>(2,412,009)</u>         | <u>(2,528,631)</u>         | <u>(2,907,474)</u>         | <u>(2,775,302)</u>         |
| Balance—End of Year                     | <u>\$ 0</u>                | <u>\$ 0</u>                | <u>\$ 0</u>                | <u>\$ 0</u>                |
| <b>Debt Service Fund</b>                |                            |                            |                            |                            |
| Balance—Beginning of Year               | \$ 71,517                  | \$ 222,688                 | \$ 222,806                 | \$ 254,594                 |
| Revenues                                | 205,093                    | 221,542                    | 233,917                    | 225,553                    |
| Expenditures                            | <u>(53,922)</u>            | <u>(221,424)</u>           | <u>(202,129)</u>           | <u>(344,108)</u>           |
| Balance—End of Year                     | <u>\$ 222,688</u>          | <u>\$ 222,806</u>          | <u>\$ 254,594</u>          | <u>\$ 136,039</u>          |
| <b>Capital Projects Fund</b>            |                            |                            |                            |                            |
| Balance—Beginning of Year               | \$ 1,163,573               | \$ 2,379,789               | \$ 1,072,134               | \$ 309,889                 |
| Revenues                                | 2,021,420 <sup>(2)</sup>   | 1,562,907                  | 719,208 <sup>(3)</sup>     | 104,020                    |
| Expenditures                            | (1,047,513)                | (3,097,576)                | (1,536,453)                | (411,561)                  |
| Transfers In (Out)                      | <u>242,307</u>             | <u>227,014</u>             | <u>55,000</u>              | <u>0</u>                   |
| Balance—End of Year                     | <u>\$ 2,379,787</u>        | <u>\$ 1,072,134</u>        | <u>\$ 309,889</u>          | <u>\$ 2,347</u>            |
| <b>Total Governmental Funds</b>         |                            |                            |                            |                            |
| Balance—Beginning of Year               | \$ 2,366,167               | \$ 3,734,830               | \$ 2,348,104               | \$ 1,332,147               |
| Revenues                                | 6,868,648                  | 6,807,320                  | 6,311,164                  | 5,342,627                  |
| Expenditures                            | <u>(5,499,986)</u>         | <u>(8,194,047)</u>         | <u>(7,327,120)</u>         | <u>(6,174,730)</u>         |
| Balance—End of Year                     | <u>\$ 3,734,829</u>        | <u>\$ 2,348,103</u>        | <u>\$ 1,332,148</u>        | <u>\$ 500,043</u>          |

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

(1) The District received from COVID-19 legislation approximately \$725,974 in the fiscal year ended June 30, 2022, \$1,468,524 in the fiscal year ended June 30, 2023, \$289,951 in the fiscal year ended June 30, 2024 and \$150,802 in the fiscal year ended June 30, 2025.

(2) Includes proceeds from the sale of Series 2022 Bonds.

(3) Includes proceeds from the sale of the Series 2023 Certificates.

**Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

## **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>PSRS</b>                                |                                      |  | <b>PEERS</b>                               |                                      |  |
|----------------------------|--|--------------------------------------|--|--|--------------------------------------|--|
|                            | <b>Actuarially Determined Contribution</b> | <b>Actual Employer Contributions</b> | <b>Contribution Excess/ (Deficiency)<sup>(1)</sup></b> | <b>Actuarially Determined Contribution</b> | <b>Actual Employer Contributions</b> | <b>Contribution Excess/ (Deficiency)<sup>(1)</sup></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  |

<sup>(1)</sup> 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

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

**Schedule of Funding Progress**

*(Dollar amounts in thousands)*

| <b>Year Ended June 30,</b> | <b>PSRS</b>                      |                                    |                     | <b>PEERS</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>Year Ended<br/>June 30,</b> | <b>PSRS</b>                     |  | <b>PEERS</b>                    |  |
|--------------------------------|---------------------------------|--|---------------------------------|--|
|                                | <b>Annual<br/>Contribution*</b> | <b>Contribution<br/>(% of Payroll)</b> | <b>Annual<br/>Contribution*</b> | <b>Contribution<br/>(% of Payroll)</b> |
| 2025                           | \$286,261                       | 14.5%                                  | \$89,988                        | 6.86%                                  |
| 2024                           | 314,618                         | 14.5                                   | 81,002                          | 6.86                                   |
| 2023                           | 302,781                         | 14.5                                   | 57,380                          | 6.86                                   |

Source: Audited financial statements of the District; Financial Statement Information Related to the Public School and Education Employee Retirement Systems of Missouri, prepared by PSRS and PEERS for the District (Unaudited).

\* The annual contributions equaled the amounts required by the PSRS Board for each year.

The District’s contributions to PSRS and PEERS during the fiscal year ended June 30, 2025 constituted approximately 6.24% 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 years 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, 2025). At June 30, 2026 (measured as of June 30, 2025), the District’s proportionate share of the net pension liability of PSRS and PEERS will be \$1,883,614 and \$364,307 respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2025, the District’s contribution to PSRS and PEERS represented 0.0338% and 0.0522%, respectively, of the overall contributions to PSRS and PEERS during the fiscal year. In addition, for the year ended June 30, 2026, the District will recognize pension expense of \$2,150 for PSRS and \$75,257 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 7.30% discount rate, which was also the assumed investment rate of return for the plans effective for the plan’s fiscal year ended June 30, 2025. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1% higher or lower discount rate would be as follows:

**Proportionate Share of Net Pension Liability Sensitivity**

|   | <b>1.0% Decrease<br/><u>(6.30%)</u></b> | <b>Current Discount Rate<br/><u>(7.30%)</u></b> | <b>1.0% Increase<br/><u>(8.30%)</u></b> |
|---|---|---|---|
| District’s proportionate share of PSRS net pension liability            | \$4,487,966                             | \$1,883,614                                     | \$(272,561)                             |
| District’s proportionate share of PEERS net pension liability / (asset) | \$892,163                               | \$364,307                                       | \$(75,194)                              |

For additional information regarding the District’s pensions and employee retirement plans, see Note 6 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 9 to the District’s financial statements included as *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 finally adjusted.

| <u>Type of Property</u>          | <u>Total Assessed Valuation</u> | <u>Assessment Rate</u> | <u>Estimated Actual Valuation</u> |
|----------------------------------|---------------------------------|------------------------|-----------------------------------|
| <b>Real:</b>                     |                                 |                        |                                   |
| Residential                      | \$12,569,272                    | 19.00%                 | \$ 66,154,063                     |
| Agricultural                     | 5,251,474                       | 12.00                  | 43,762,283                        |
| Commercial <sup>(1)</sup>        | <u>2,530,648</u>                | 32.00                  | <u>7,908,275</u>                  |
| <b>Total Real</b>                | \$20,351,394                    |                        | \$117,824,621                     |
| <b>Personal<sup>(1)</sup></b>    | <u>7,310,205</u>                | 33.33 <sup>(2)</sup>   | <u>21,930,637</u>                 |
| <b>Total Real &amp; Personal</b> | <u>\$27,661,599</u>             |                        | <u>\$139,755,258</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 Clerks of Barry County, McDonald County and Newton County.

**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 and finalized, in each of the following years has been as follows:

| <u>Calendar Year</u> | <u>Assessed Valuation</u> | <u>% Change</u> |
|----------------------|---------------------------|-----------------|
| 2025                 | \$27,661,599              | +6.24%          |
| 2024                 | 26,038,108                | +0.65           |
| 2023                 | 25,869,791                | +2.18           |
| 2022                 | 25,318,966                | +6.35           |
| 2021                 | 23,808,292                | N/A             |

Source: Barry County Clerk’s Office; McDonald County Clerk’s Office; Newton County Clerk’s Office.

### 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 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). The tax levy for debt service on a school district's general obligation bonds is exempt from these limitations upon the tax rate ceiling.

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

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

Under the provisions of an initiative petition adopted by the voters of Missouri on November 2, 1982, commonly known as "**Proposition C**," revenues generated by a 1% state sales tax are credited to a special trust fund for school districts and are deemed to be "local" revenues for school district accounting purposes. Proposition C revenues are distributed to each school district within the state on the basis of eligible pupils. Under Proposition C, after determining its budget and the levy rate needed to produce required revenues to fund the budget, a school district must reduce the operating levy by an amount sufficient to decrease the revenues it would have received therefrom by an amount equal to 50% of the revenues received through Proposition C during the prior year. School districts may submit propositions to voters to forgo all or a part of the reduction in the operating levy that would otherwise be required under terms of Proposition C. The District's voters 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><u>Fiscal Year Ended June 30</u></b> | <b><u>General Incidental Fund</u></b> | <b><u>Special Revenue Teachers’ Fund</u></b> | <b><u>Debt Service Fund</u></b> | <b><u>Capital Projects Fund</u></b> | <b><u>Total Levy</u></b> |
|---|---------------------------------------|--|---------------------------------|-------------------------------------|--------------------------|
| 2025                                    | \$2.7500                              | \$0.0000                                     | \$0.8300                        | \$0.0000                            | \$3.5800                 |
| 2024                                    | 2.7500                                | 0.0000                                       | 0.8300                          | 0.0000                              | 3.5800                   |
| 2023                                    | 2.7500                                | 0.0000                                       | 0.8300                          | 0.0000                              | 3.5800                   |
| 2022                                    | 2.7500                                | 0.0000                                       | 0.8300                          | 0.0000                              | 3.5800                   |
| 2021                                    | 2.7500                                | 0.0000                                       | 0.8300                          | 0.0000                              | 3.5800                   |

Source: District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2021 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><u>Fiscal Year</u></b> | <b><u>Total Levy per \$100 AV</u></b> | <b><u>Taxes Levied</u></b> | <b><u>Current &amp; Delinquent Collections</u></b> | <b><u>Total % Collected</u></b> |
|---------------------------|---------------------------------------|----------------------------|--|---------------------------------|
| 2025                      | \$3.5800                              | \$932,007                  | \$930,558  | 99.84%                          |
| 2024                      | 3.5800                                | 926,139                    | 930,001  | 100.42                          |
| 2023                      | 3.5800                                | 906,419                    | 910,220  | 100.42                          |
| 2022                      | 3.5800                                | 852,337                    | 845,449  | 99.19                           |
| 2021                      | 3.5800                                | 792,925                    | 819,091  | 103.30                          |

(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.

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

(3) 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, as finally equalized and adjusted. The District has not independently verified the accuracy or completeness of such information.

|     | <u>Taxpayer Name</u>          | <u>Assessed Valuation</u> | <u>% of District's<br/>Total Assessed Valuation</u> |
|-----|-------------------------------|---------------------------|---|
| 1.  | Thang, Aung & Tial Can        | \$ 283,310                | 1.02%   |
| 2.  | Yang, Kao & Akia V            | 195,900                   | 0.71  |
| 3.  | Tin, San San & Tha Khar       | 140,130                   | 0.51  |
| 4.  | Still, Gary                   | 115,110                   | 0.42  |
| 5.  | Goosetree, Douglas            | 114,860                   | 0.42  |
| 6.  | MFA Oil                       | 100,532                   | 0.36  |
| 7.  | England, Stephen              | 99,731                    | 0.36  |
| 8.  | Banks, Robert                 | 94,235                    | 0.34  |
| 9.  | Lian, Van Bawi & Par, Ngun Za | 91,020                    | 0.33  |
| 10. | Evans, Jerry D.               | 86,440                    | 0.31  |
|     |                               | <u>\$1,321,268</u>        | <u>4.78%</u>  |

Source: Barry County Assessor's Office; McDonald County Assessor's Office; Newton County Assessor's Office.

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**APPENDIX B**

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

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# Wheaton R-III School District

Basic Financial Statements  
Year Ended June 30, 2025

**KPM**  
CPAS & ADVISORS

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Board of Education  
Wheaton R-III School District  
Wheaton, Missouri

## **Report on the Audit of the Financial Statements**

### ***Opinions***

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

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

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Wheaton R-III 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.

### ***Basis of Accounting***

As described in Note 1 of the financial statements, the financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; which includes the determination that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of Wheaton R-III 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 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 Wheaton R-III School District's internal control over financial reporting and compliance.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2025

## **Government-Wide Financial Statements**

# Wheaton R-III School District

## Statement of Net Position – Modified Cash Basis

June 30, 2025

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|                           | <b>Governmental<br/>Activities</b> |
|---------------------------|------------------------------------|
| <b>Assets</b>             |                                    |
| Cash and investments      | \$ 500,043                         |
| <b>Total Assets</b>       | <u>\$ 500,043</u>                  |
| <b>Net Position</b>       |                                    |
| Restricted for            |                                    |
| Debt service              | \$ 136,039                         |
| Student activities        | 84,352                             |
| Unspent debt proceeds     | 2,347                              |
| Unrestricted              | 277,305                            |
| <b>Total Net Position</b> | <u>\$ 500,043</u>                  |

See accompanying Notes to the Financial Statements.

# Wheaton R-III School District

Statement of Activities – Modified Cash Basis

Year Ended June 30, 2025

|   | Program Cash Receipts |                         |  |  | Net<br>(Disbursements)<br>Receipts and<br>Changes in<br>Net Position |
|---|-----------------------|-------------------------|--|--|--|
|   | Cash<br>Disbursements | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |  |
| <b>Governmental Activities</b>                  |                       |                         |  |  |  |
| Instruction                                     | \$ (3,025,670)        | \$ 122,609              | \$ 634,486                               | \$ -                                   | \$ (2,268,575)   |
| Student services                                | (284,387)             | -                       | 834                                      | -                                      | (283,553)  |
| Instructional staff support                     | (148,803)             | -                       | 21,083                                   | -                                      | (127,720)  |
| Building administration                         | (245,314)             | -                       | -  | -                                      | (245,314)  |
| General administration                          | (563,368)             | -                       | 115,926                                  | -                                      | (447,442)  |
| Operation of plant                              | (568,972)             | -                       | -  | -                                      | (568,972)  |
| Transportation                                  | (214,701)             | -                       | 82,271                                   | -                                      | (132,430)  |
| Food service                                    | (368,016)             | 43,654                  | 208,186                                  | -                                      | (116,176)  |
| Community services                              | (104,203)             | -                       | 38,149                                   | -                                      | (66,054)   |
| Facilities acquisition and<br>construction      | (98,930)              | -                       | -  | -                                      | (98,930)   |
| Debt service                                    | (552,366)             | -                       | -  | -                                      | (552,366)  |
| <b>Net Program<br/>(Disbursements) Receipts</b> | <b>\$ (6,174,730)</b> | <b>\$ 166,263</b>       | <b>\$ 1,100,935</b>                      | <b>\$ -</b>                            | <b>(4,907,532)</b>   |
| <b>General Receipts</b>                         |                       |                         |  |  |  |
| Ad valorem tax receipts                         |                       |                         |  |  | 930,559  |
| Prop C sales tax receipts                       |                       |                         |  |  | 658,634  |
| Other tax receipts                              |                       |                         |  |  | 2,843  |
| County receipts                                 |                       |                         |  |  | 59,912   |
| State receipts                                  |                       |                         |  |  | 2,320,959  |
| Interest receipts                               |                       |                         |  |  | 77,474   |
| Other receipts                                  |                       |                         |  |  | 25,047   |
| <b>Total General Receipts</b>                   |                       |                         |  |  | <b>4,075,428</b>   |
| <i>Change in Net Position</i>                   |                       |                         |  |  | (832,104)  |
| Net Position - Beginning of Year                |                       |                         |  |  | 1,332,147  |
| <b>Net Position - End of Year</b>               |                       |                         |  |  | <b>\$ 500,043</b>  |

See accompanying Notes to the Financial Statements.

## **Fund Financial Statements**

## Wheaton R-III School District

Statement of Assets and Fund Balances - Governmental Funds – Modified Cash Basis

June 30, 2025

|                            | General<br>Fund   | Special<br>Revenue<br>Fund | Debt<br>Service<br>Fund | Capital<br>Projects<br>Fund | Total<br>Governmental<br>Funds |
|----------------------------|-------------------|----------------------------|-------------------------|-----------------------------|--------------------------------|
| <b>Assets</b>              |                   |                            |                         |                             |                                |
| Cash and investments       | \$ 361,657        | \$ -                       | \$ 136,039              | \$ 2,347                    | \$ 500,043                     |
| <b>Total Assets</b>        | <b>\$ 361,657</b> | <b>\$ -</b>                | <b>\$ 136,039</b>       | <b>\$ 2,347</b>             | <b>\$ 500,043</b>              |
| <b>Fund Balances</b>       |                   |                            |                         |                             |                                |
| Restricted for             |                   |                            |                         |                             |                                |
| Debt service               | \$ -              | \$ -                       | \$ 136,039              | \$ -                        | \$ 136,039                     |
| Student activities         | 84,352            | -                          | -                       | -                           | 84,352                         |
| Unspent debt proceeds      | -                 | -                          | -                       | 2,347                       | 2,347                          |
| Unassigned                 | 277,305           | -                          | -                       | -                           | 277,305                        |
| <b>Total Fund Balances</b> | <b>\$ 361,657</b> | <b>\$ -</b>                | <b>\$ 136,039</b>       | <b>\$ 2,347</b>             | <b>\$ 500,043</b>              |

See accompanying Notes to the Financial Statements.

## Wheaton R-III School District

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances – Governmental Funds – Modified Cash Basis

Year Ended June 30, 2025

|  | General<br>Fund | Special<br>Revenue<br>Fund | Debt<br>Service<br>Fund | Capital<br>Projects<br>Fund | Total<br>Governmental<br>Funds |
|--|-----------------|----------------------------|-------------------------|-----------------------------|--------------------------------|
| <b>Receipts</b>  |                 |                            |                         |                             |                                |
| Local  | \$ 1,094,168    | \$ 536,923                 | \$ 215,959              | \$ 6,509                    | \$ 1,853,559                   |
| County   | 45,008          | 5,310                      | 9,594                   | -                           | 59,912                         |
| State  | 567,637         | 1,941,354                  | -                       | 90,250                      | 2,599,241                      |
| Federal  | 530,712         | 291,715                    | -                       | -                           | 822,427                        |
| Other  | 226             | -                          | -                       | -                           | 226                            |
| <b>Total Receipts</b>                                      | 2,237,751       | 2,775,302                  | 225,553                 | 96,759                      | 5,335,365                      |
| <b>Disbursements</b>                                       |                 |                            |                         |                             |                                |
| Instruction  | 785,352         | 2,240,318                  | -                       | -                           | 3,025,670                      |
| Student services   | 206,088         | 78,299                     | -                       | -                           | 284,387                        |
| Instructional staff support                                | 63,994          | 84,809                     | -                       | -                           | 148,803                        |
| Building administration                                    | 80,345          | 164,969                    | -                       | -                           | 245,314                        |
| General administration                                     | 443,621         | 119,747                    | -                       | -                           | 563,368                        |
| Operation of plant   | 479,853         | -                          | -                       | 89,119                      | 568,972                        |
| Transportation   | 179,584         | 19,862                     | -                       | 15,255                      | 214,701                        |
| Food service   | 368,016         | -                          | -                       | -                           | 368,016                        |
| Community services   | 36,905          | 67,298                     | -                       | -                           | 104,203                        |
| Facilities acquisition and<br>construction                 | -               | -                          | -                       | 98,930                      | 98,930                         |
| Debt service   | -               | -                          | 344,108                 | 208,258                     | 552,366                        |
| <b>Total Disbursements</b>                                 | 2,643,758       | 2,775,302                  | 344,108                 | 411,562                     | 6,174,730                      |
| <i>Excess (Deficit) of Receipts Over<br/>Disbursements</i> | (406,007)       | -                          | (118,555)               | (314,803)                   | (839,365)                      |
| <b>Other Financing Sources (Uses)</b>                      |                 |                            |                         |                             |                                |
| Net insurance recovery                                     | -               | -                          | -                       | 7,261                       | 7,261                          |
| <i>Net Change in Fund Balances</i>                         | (406,007)       | -                          | (118,555)               | (307,542)                   | (832,104)                      |
| Fund Balance, Beginning of Year                            | 767,664         | -                          | 254,594                 | 309,889                     | 1,332,147                      |
| <b>Fund Balance, End of Year</b>                           | \$ 361,657      | \$ -                       | \$ 136,039              | \$ 2,347                    | \$ 500,043                     |

See accompanying Notes to the Financial Statements.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

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### 1. Summary of Significant Accounting Policies

The District's accounting policies conform to the modified cash basis of accounting, which is characteristic of local governmental units of this type.

#### Financial Reporting Entity

The District is organized under the laws of the State of Missouri and is a primary government governed by an elected seven-member board. The District is not financially accountable for any other organization, nor is it a component unit of any other primary governmental entity.

#### Basis of Presentation

##### *Government-Wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements present governmental activities generally financed through taxes, intergovernmental receipts, and other non-exchange transactions.

##### *Fund Financial Statements*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, fund equity, receipts and disbursements. The District has only governmental funds. The funds of the District are all considered major funds.

The funds presented in the accompanying basic financial statements include all funds established under Missouri Revised Statutes and controlled by the Board of Education. The purpose of each fund is:

*General Fund:* Accounts for disbursements for non-certified employees, school transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any disbursements not accounted for in other funds.

*Special Revenue Fund:* Accounts for receipts for certified employees involved in administration and instruction, and includes receipts restricted by the State for the payment of teacher salaries and taxes allocated to this fund based on the District's tax levy.

*Debt Service Fund:* Accounts for receipts restricted, committed, or assigned for the retirement of principal and interest on the District's long-term debt.

*Capital Projects Fund:* Accounts for taxes and other receipts restricted, committed, or assigned for acquisition or construction of major capital assets and other capital outlay as defined by State of Missouri statutes.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

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### **Basis of Accounting**

The government-wide Statement of Net Position and Statement of Activities and the fund financial statements are presented using the modified cash basis of accounting. The modification to the cash basis relates to the presentation of investments. This basis recognizes assets, net position/fund equity, receipts, and disbursements when they result from cash transactions. This is a basis of accounting other than accounting principles generally accepted in the United States of America; and as a result, these financial statements may not be suitable for another purpose.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

If the District used the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting and the government-wide financial statements would be presented on the accrual basis of accounting.

### **Capital Outlay**

General fixed assets are recorded as disbursements in the Capital Projects Fund at the time the goods received are purchased.

### **Compensated Absences**

Vacation time, personal business days, and sick leave are considered as disbursements in the year paid. Such amounts unused that are vested in the employee are payable upon retirement.

### **Long-Term Debt**

Long-term debt arising from cash transactions of the governmental funds is not reported in the government-wide financial statements or the fund financial statements, which is consistent with the modified cash basis of accounting. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as disbursements.

### **Teachers' Salaries**

The salary payment schedule of the District for the 2024-2025 school year requires the payment of salaries for a twelve-month period. Consequently, the July and August 2025 payroll checks are included in the financial statements as disbursements in the month of June. This practice has been followed in previous years.

### **Pooled Cash and Investments**

Cash and investments of the individual funds are combined to form a pool of cash and investments, with the exception of the Debt Service Fund which is kept in separate bank accounts. Investments of the pooled accounts are carried at cost.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

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### Inventories

Inventories are valued at cost and consist of food and educational materials. The cost is recorded as a disbursement at the time inventory is purchased.

### Equity Classification

In 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 (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or 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 position prior to the use of unrestricted net position when disbursements are made for purposes for which both restricted and unrestricted net position are available.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources as follows:

*Nonspendable fund balance:* This 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:* This classification reflects the constraints imposed on resources either a) externally by creditors, grantors, contributors, or laws and regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance:* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Board of Education – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action imposing the commitment.

*Assigned fund balance:* This classification reflects the amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

In circumstances when a disbursement is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

### Program Receipts

Amounts reported as program receipts include 1) charges to students or others for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental receipts are reported as general receipts. All taxes are classified as general receipts even if restricted for a specific purpose.

## 2. Cash & Cash Equivalents

State statutes require that the District's deposits be insured or collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2025, bank balances on deposit were entirely insured or collateralized with securities.

## 3. Investments

Investments of the District at June 30, 2025, are as follows:

| Investment Type  | Maturity | Amount            |
|--|----------|-------------------|
| MOCAAT - Liquid Series                                     | N/A      | \$ 426,217        |
| Pro-rata shares of investment contracts with BOK Financial | N/A      | 51,803            |
|  |          | <u>\$ 478,020</u> |

### Missouri Capital Asset Advantage Treasury (MOCAAT)

District funds in MOCAAT are invested in the Fund's local government investment pool, liquid series accounts. The District has a pro-rata share which has a current rating of AAAM by S&P. Investments in MOCAAT are in accordance with section 165.051 of the Revised Missouri Statutes.

### Investment Contracts with BOK Financial

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 and Section 360 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. The District has a pro-rata share of the investment.

### Interest Rate Risk

The District does not have an investment policy for interest rate risk.

## 4. 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 counties collect the property taxes and remit them 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 calendar

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

year unless the voters have approved a waiver of the rollback provision. The District has voted a full waiver of the rollback provision.

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

|                                 |                      |
|---------------------------------|----------------------|
| Real estate                     | \$ 19,067,018        |
| Personal property               | 6,966,687            |
| <b>Total Assessed Valuation</b> | <b>\$ 26,033,705</b> |

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

|                   | Unadjusted       | Adjusted         |
|-------------------|------------------|------------------|
| General Fund      | \$ 2.7500        | \$ 2.7500        |
| Debt Service Fund | .8300            | .8300            |
| <b>Total Levy</b> | <b>\$ 3.5800</b> | <b>\$ 3.5800</b> |

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 100 percent of the current assessment computed on the basis of the levy as shown above.

### 5. General Obligation Bonds Payable

Bonds payable at June 30, 2025, consist of:

|   |                   |
|---|-------------------|
| \$1,000,000 general obligation bond issue dated March 3, 2022,<br>due in varying annual installments through March 1, 2035, with interest rates<br>from 1.75% to 5.00%. | <b>\$ 870,000</b> |
|---|-------------------|

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

|                                   | Total             |
|-----------------------------------|-------------------|
| Bonds Payable, Beginning of Year  | \$ 1,155,000      |
| Bonds Issued                      | -                 |
| Bonds Retired                     | (285,000)         |
| <b>Bonds Payable, End of Year</b> | <b>\$ 870,000</b> |

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

Debt service requirements are:

| Year Ending June 30, | Principal  | Interest   | Total        |
|----------------------|------------|------------|--------------|
| 2026                 | \$ 85,000  | \$ 37,975  | \$ 122,975   |
| 2027                 | 85,000     | 36,488     | 121,488      |
| 2028                 | -          | 35,000     | 35,000       |
| 2029                 | 50,000     | 35,000     | 85,000       |
| 2030                 | 95,000     | 32,500     | 127,500      |
| 2031-2035            | 555,000    | 86,250     | 641,250      |
|                      | \$ 870,000 | \$ 263,213 | \$ 1,133,213 |

On June 30, 2025, the District established an irrevocable trust in order to advance refund \$130,000 of outstanding principal, together with accumulated interest, of the Series 2022 General Obligation Bonds maturing on March 1, 2028 and 2029. The advance refunding will occur on March 1, 2027. These bonds are considered defeased as of June 30, 2025. At June 30, 2025, the amount held in the irrevocable trust was \$138,776.

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of the district. The legal debt margin (excluding state assessed railroad and utility) of the District at June 30, 2025, was:

|                                       |                     |
|---------------------------------------|---------------------|
| Constitutional debt limit             | \$ 3,905,056        |
| General obligation bonds payable      | (870,000)           |
| Amount available in Debt Service Fund | 136,039             |
| <b>Legal Debt Margin</b>              | <b>\$ 3,171,095</b> |

## 6. Retirement Plans

### Public School Retirement System of Missouri and Public Education Employee Retirement System of Missouri

#### *Summary of Significant Accounting Policies*

The 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.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

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

*Plan Description.* PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of the PSRS must contribute to PEERS. Employees of the Systems 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 PSRS.

*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. Members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

*Benefits Provided.* PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62) which is calculated using an 0.8% benefit calculator. Actuarially age-reduced retirement benefits are available with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

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*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 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 \$286,261 and \$89,988, respectively, for the year ended June 30, 2025.

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.psr-peers.org](http://www.psr-peers.org).

## 7. Claims & Adjustments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulation, the District may be required to reimburse the grantor government. As of June 30, 2025, disbursements have not been audited by grantor governments, but the District believes that disallowed disbursements, if any, based on subsequent audits, will not have a material effect on any of the individual government funds or the overall financial position of the District.

## 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

### 9. Post-Employment Benefits

In addition to the pension benefits described in Note 6, the District makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subjected to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

### 10. Financed Purchases

During the year ended June 30, 2023, the District entered into a 6-year direct borrowing financed purchase agreement with L.J. Hart & Company for the purchase of one bus. The cost of the bus was \$99,424 with an interest rate of 2.85%. In the event of default, the lender shall have the right to terminate the finance purchase and declare all payments with respect to the bus due immediately. Although the agreement provides for cancellation of the financed purchase at the District’s option at the renewal dates, the District does not foresee exercising its option to cancel.

The following is a schedule of the future minimum payments under the financed purchase (assuming noncancellation):

| Year Ending June 30, | Direct Borrowing |          |           |
|----------------------|------------------|----------|-----------|
|                      | Principal        | Interest | Total     |
| 2026                 | \$ 15,693        | \$ 1,031 | \$ 16,724 |
| 2027                 | 16,144           | 580      | 16,724    |
| 2028                 | 8,244            | 118      | 8,362     |
|                      | \$ 40,081        | \$ 1,729 | \$ 41,810 |

The following represents the changes in the financed purchase transactions for the year ended June 30, 2025:

|  |                  |
|--|------------------|
| Financed Purchases Outstanding, Beginning of Year  | \$ 55,336        |
| Additional Financed Purchase Obligations           | -                |
| Financed Purchase Retirements                      | (15,255)         |
| <b>Financed Purchases Outstanding, End of Year</b> | <b>\$ 40,081</b> |

### 11. Certificates of Participation

During the year ended June 30, 2014, the District issued \$527,000 in Certificates of Participation (COP) for capital improvements. The Certificates provide for interest rates from 2.25% to 4.25%. In the event of default on the agreement, after 60 days, the lender may require the District to vacate the building, take possession of the project site, or other legal action deemed necessary or desirable to enforce its rights.

During the year ended June 30, 2020, the District issued \$760,000 in Certificates of Participation (COP) for capital improvements. The Certificates provide for interest rates from 2.75% to 3.50%. In the event of default on the agreement after 60 days, the lender may require the District to vacate the building, take possession of the project site, or other legal action deemed necessary or desirable to enforce its rights.

# Wheaton R-III School District

## Notes to the Financial Statements

June 30, 2025

During the year ended June 30, 2024, the District issued \$625,000 in Certificates of Participation (COP) for capital improvements. The Certificates provide for interest rates from 4.00% to 4.25%. In the event of default on the agreement after 60 days, the lender may require the District to vacate the building, take possession of the project site, or other legal action deemed necessary or desirable to enforce its rights.

Although the agreements provide for cancellation of the Certificates at the District’s option at the renewal dates, the District does not foresee exercising its option to cancel.

The following is a schedule of the future minimum payments under the Certificates (assuming noncancellation):

| <u>Year Ending June 30,</u> | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|-----------------------------|---------------------|-------------------|---------------------|
| 2026                        | \$ 155,000          | \$ 47,676         | \$ 202,676          |
| 2027                        | 165,000             | 41,926            | 206,926             |
| 2028                        | 150,000             | 35,764            | 185,764             |
| 2029                        | 165,000             | 30,050            | 195,050             |
| 2030                        | 120,000             | 23,537            | 143,537             |
| 2031                        | 135,000             | 18,938            | 153,938             |
| 2032                        | 140,000             | 13,800            | 153,800             |
| 2033                        | 150,000             | 8,300             | 158,300             |
| 2034                        | 70,000              | 2,450             | 72,450              |
|                             | <u>\$ 1,250,000</u> | <u>\$ 222,441</u> | <u>\$ 1,472,441</u> |

The following represents the changes in the net payments for the year ended June 30, 2025:

|  |                            |
|--|----------------------------|
| Certificates Outstanding, Beginning of Year  | \$ 1,400,000               |
| Certificates Issued                          | -                          |
| Certificates Retirements                     | (150,000)                  |
| <b>Certificates Outstanding, End of Year</b> | <u><u>\$ 1,250,000</u></u> |

## 12. Commitment

As of June 30, 2025, the District was committed to Lakeland Office Systems in the amount of \$106,950 for the lease of copiers. The lease calls for monthly payments of \$1,725 through September 2030.

## Supplementary Information

# Wheaton R-III School District

## Schedule of Receipts by Source

Year Ended June 30, 2025

|   | General<br>Fund | Special<br>Revenue<br>Fund | Debt<br>Service<br>Fund | Capital<br>Projects<br>Fund | Total      |
|---|-----------------|----------------------------|-------------------------|-----------------------------|------------|
| <b>Local</b>                                  |                 |                            |                         |                             |            |
| Current taxes                                 | \$ 698,905      | \$ -                       | \$ 210,881              | \$ -                        | \$ 909,786 |
| Delinquent taxes                              | 20,773          | -                          | -                       | -                           | 20,773     |
| School district trust fund (prop C)           | 124,284         | 534,350                    | -                       | -                           | 658,634    |
| Financial institution tax                     | -               | -                          | -                       | 2                           | 2          |
| M&M surtax                                    | -               | -                          | -                       | 2,841                       | 2,841      |
| Earnings from temporary deposits              | 67,471          | 1,491                      | 5,078                   | 3,434                       | 77,474     |
| Sales to pupils - reimbursable school meals   | 43,214          | -                          | -                       | -                           | 43,214     |
| Nonreimbursable meal sales - non-program food | 440             | -                          | -                       | -                           | 440        |
| Admissions - student activities               | 9,445           | -                          | -                       | -                           | 9,445      |
| Other pupil activity income                   | 113,164         | -                          | -                       | -                           | 113,164    |
| Gifts   | 50              | -                          | -                       | -                           | 50         |
| Miscellaneous local revenue                   | 16,422          | 1,082                      | -                       | 232                         | 17,736     |
| <b>Total Local</b>                            | 1,094,168       | 536,923                    | 215,959                 | 6,509                       | 1,853,559  |
| <b>County</b>                                 |                 |                            |                         |                             |            |
| Fines, escheats, etc.                         | -               | 5,310                      | -                       | -                           | 5,310      |
| State assessed utilities                      | 45,008          | -                          | 9,594                   | -                           | 54,602     |
| <b>Total County</b>                           | 45,008          | 5,310                      | 9,594                   | -                           | 59,912     |
| <b>State</b>                                  |                 |                            |                         |                             |            |
| Basic formula - state monies                  | 257,634         | 1,850,690                  | -                       | -                           | 2,108,324  |
| Transportation                                | 82,271          | -                          | -                       | -                           | 82,271     |
| Early childhood special education             | -               | 47,213                     | -                       | -                           | 47,213     |
| Basic formula - classroom trust fund          | 141,143         | 2,325                      | -                       | 90,250                      | 233,718    |
| Educational screening program                 | 10,149          | -                          | -                       | -                           | 10,149     |
| Career education                              | 1,899           | -                          | -                       | -                           | 1,899      |
| Food service - state                          | 1,352           | -                          | -                       | -                           | 1,352      |
| Teacher baseline grant                        | -               | 41,126                     | -                       | -                           | 41,126     |
| Evidence-based reading grant                  | 2,700           | -                          | -                       | -                           | 2,700      |
| High need fund - special education            | 69,655          | -                          | -                       | -                           | 69,655     |
| Other - state                                 | 834             | -                          | -                       | -                           | 834        |
| <b>Total State</b>                            | 567,637         | 1,941,354                  | -                       | 90,250                      | 2,599,241  |

The above presentation agrees to the Annual Secretary of the Board Report.

# Wheaton R-III School District

## Schedule of Receipts by Source

Year Ended June 30, 2025

|  | General<br>Fund | Special<br>Revenue<br>Fund | Debt<br>Service<br>Fund | Capital<br>Projects<br>Fund | Total        |
|--|-----------------|----------------------------|-------------------------|-----------------------------|--------------|
| <b>Federal</b>   |                 |                            |                         |                             |              |
| Medicaid   | 24,896          | -                          | -                       | -                           | 24,896       |
| ARP - ESSER III  | 150,802         | -                          | -                       | -                           | 150,802      |
| IDEA grants  | 5,189           | -                          | -                       | -                           | 5,189        |
| IDEA entitlement funds, part B<br>IDEA                       | -               | 93,226                     | -                       | -                           | 93,226       |
| Early childhood special<br>education - federal               | -               | 9,714                      | -                       | -                           | 9,714        |
| National school lunch program                                | 130,467         | -                          | -                       | -                           | 130,467      |
| School breakfast program                                     | 57,124          | -                          | -                       | -                           | 57,124       |
| Fresh fruits and vegetable<br>program                        | 11,895          | -                          | -                       | -                           | 11,895       |
| Title I - ESEA   | 80,903          | 188,775                    | -                       | -                           | 269,678      |
| Title IV.A student support and<br>academic enrichment        | 21,789          | -                          | -                       | -                           | 21,789       |
| Title II, part A&B, ESEA - teacher<br>and principal training | 28,628          | -                          | -                       | -                           | 28,628       |
| Dept of Health food service<br>program                       | 7,348           | -                          | -                       | -                           | 7,348        |
| Title V, part B rural education<br>initiative                | 11,671          | -                          | -                       | -                           | 11,671       |
| <b>Total Federal</b>   | 530,712         | 291,715                    | -                       | -                           | 822,427      |
| <b>Other Sources</b>   |                 |                            |                         |                             |              |
| Net insurance recovery                                       | -               | -                          | -                       | 7,261                       | 7,261        |
| Tuition from other LEAs -<br>regular term                    | 226             | -                          | -                       | -                           | 226          |
| <b>Total Other Sources</b>                                   | 226             | -                          | -                       | 7,261                       | 7,487        |
| <b>Total Receipts</b>  | \$ 2,237,751    | \$ 2,775,302               | \$ 225,553              | \$ 104,020                  | \$ 5,342,626 |

The above presentation agrees to the Annual Secretary of the Board Report.

# Wheaton R-III School District

## Schedule of Disbursements by Object

Year Ended June 30, 2025

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|                            | <b>General<br/>Fund</b> | <b>Special<br/>Revenue<br/>Fund</b> | <b>Debt<br/>Service<br/>Fund</b> | <b>Capital<br/>Projects<br/>Fund</b> | <b>Totals</b>       |
|----------------------------|-------------------------|-------------------------------------|----------------------------------|--------------------------------------|---------------------|
| Salaries                   | \$ 803,235              | \$ 2,171,337                        | \$ -                             | \$ -                                 | \$ 2,974,572        |
| Employee benefits          | 310,216                 | 599,013                             | -                                | -                                    | 909,229             |
| Purchased services         | 1,132,117               | 4,952                               | -                                | -                                    | 1,137,069           |
| Supplies                   | 398,190                 | -                                   | -                                | -                                    | 398,190             |
| Capital outlay             | -                       | -                                   | -                                | 203,304                              | 203,304             |
| Other objects              | -                       | -                                   | 344,108                          | 208,258                              | 552,366             |
| <b>Total Disbursements</b> | <b>\$ 2,643,758</b>     | <b>\$ 2,775,302</b>                 | <b>\$ 344,108</b>                | <b>\$ 411,562</b>                    | <b>\$ 6,174,730</b> |

The above presentation agrees to the Annual Secretary of the Board Report.

## Wheaton R-III School District

### Schedule of Transportation Costs Eligible for State Aid

Year Ended June 30, 2025

|                                | <b>District Operated</b> | <b>Contracted<br/>Disabled</b> | <b>District Operated<br/>Disabled</b> | <b>Total</b> |
|--------------------------------|--------------------------|--------------------------------|---------------------------------------|--------------|
| Certificated salaries          | \$ 33,237                | \$ -                           | \$ -                                  | \$ 33,237    |
| Non-certificated salaries      | 54,780                   | -                              | 21,695                                | 76,475       |
| Employee benefits              | 28,119                   | -                              | 1,126                                 | 29,245       |
| Purchased services             | 21,376                   | 3,154                          | 2,103                                 | 26,633       |
| Supplies                       | 30,079                   | -                              | 3,777                                 | 33,856       |
| Depreciation                   | 19,074                   | -                              | -                                     | 19,074       |
|                                | \$ 186,665               | \$ 3,154                       | \$ 28,701                             | \$ 218,520   |
| School bus - financed purchase |                          |                                |                                       |              |
| Principal                      |                          |                                |                                       | \$ 15,255    |
| Interest                       |                          |                                |                                       | 1,469        |
|                                |                          |                                |                                       | \$ 16,724    |

The above presentation agrees to the Annual Secretary of the Board Report.

## Other Information

## Wheaton R-III School District

Budgetary Comparison Schedule – General Fund– Modified Cash Basis

Year Ended June 30, 2025

|  | Budgeted Amounts         |                          | Actual                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|--------------------------|--------------------------|--------------------------|---|
|  | Original                 | Final                    |                          |   |
| <b>Receipts</b>  |                          |                          |                          |   |
| Local  | \$ 1,033,949             | \$ 1,094,168             | \$ 1,094,168             | \$ -  |
| County   | 41,231                   | 45,008                   | 45,008                   | -   |
| State  | 961,640                  | 567,637                  | 567,637                  | -   |
| Federal  | 622,404                  | 530,712                  | 530,712                  | -   |
| Other  | 10,782                   | 226                      | 226                      | -   |
| <b>Total Receipts</b>                                      | <u>2,670,006</u>         | <u>2,237,751</u>         | <u>2,237,751</u>         | <u>-</u>  |
| <b>Disbursements</b>                                       |                          |                          |                          |   |
| Instruction  | 935,874                  | 785,352                  | 785,352                  | -   |
| Student services   | 111,260                  | 206,088                  | 206,088                  | -   |
| Instructional staff support                                | 31,500                   | 63,994                   | 63,994                   | -   |
| Building administration                                    | 83,041                   | 80,345                   | 80,345                   | -   |
| General administration                                     | 275,341                  | 443,621                  | 443,621                  | -   |
| Operation of plant   | 611,873                  | 479,853                  | 479,853                  | -   |
| Transportation   | 107,975                  | 179,584                  | 179,584                  | -   |
| Food service   | 287,500                  | 368,016                  | 368,016                  | -   |
| Community services   | 2,250                    | 36,905                   | 36,905                   | -   |
| <b>Total Disbursements</b>                                 | <u>2,446,614</u>         | <u>2,643,758</u>         | <u>2,643,758</u>         | <u>-</u>  |
| <i>Excess (Deficit) of Receipts Over<br/>Disbursements</i> | 223,392                  | (406,007)                | (406,007)                | -   |
| <b>Other Financing Sources (Uses)</b>                      |                          |                          |                          |   |
| Operating transfers (out)                                  | (33,104)                 | -                        | -                        | -   |
| <i>Net Change in Fund Balances</i>                         | 190,288                  | (406,007)                | (406,007)                | -   |
| Fund Balance, Beginning of Year                            | 767,664                  | 767,664                  | 767,664                  | -   |
| <b>Fund Balance, End of Year</b>                           | <u><u>\$ 957,952</u></u> | <u><u>\$ 361,657</u></u> | <u><u>\$ 361,657</u></u> | <u><u>\$ -</u></u>                                      |

See accompanying Notes to the Budgetary Comparison Schedules.

## Wheaton R-III School District

Budgetary Comparison Schedule – Special Revenue Fund– Modified Cash Basis

Year Ended June 30, 2025

|  | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|--------------------|--------------------|--------------------|---|
|  | Original           | Final              |                    |   |
| <b>Receipts</b>  |                    |                    |                    |   |
| Local  | \$ 512,074         | \$ 536,923         | \$ 536,923         | \$ -  |
| County   | 8,334              | 5,310              | 5,310              | -   |
| State  | 1,988,690          | 1,941,354          | 1,941,354          | -   |
| Federal  | 187,000            | 291,715            | 291,715            | -   |
| <b>Total Receipts</b>                                      | <u>2,696,098</u>   | <u>2,775,302</u>   | <u>2,775,302</u>   | <u>-</u>  |
| <b>Disbursements</b>                                       |                    |                    |                    |   |
| Instruction  | 2,288,998          | 2,240,318          | 2,240,318          | -   |
| Student services   | 79,242             | 78,299             | 78,299             | -   |
| Instructional staff support                                | 77,469             | 84,809             | 84,809             | -   |
| Building administration                                    | 175,449            | 164,969            | 164,969            | -   |
| General administration                                     | 108,044            | 119,747            | 119,747            | -   |
| Transportation   | -                  | 19,862             | 19,862             | -   |
| Community services   | -                  | 67,298             | 67,298             | -   |
| <b>Total Disbursements</b>                                 | <u>2,729,202</u>   | <u>2,775,302</u>   | <u>2,775,302</u>   | <u>-</u>  |
| <i>Excess (Deficit) of Receipts Over<br/>Disbursements</i> | (33,104)           | -                  | -                  | -   |
| <b>Other Financing Sources</b>                             |                    |                    |                    |   |
| Operating transfers in                                     | <u>33,104</u>      | <u>-</u>           | <u>-</u>           | <u>-</u>  |
| <i>Net Change in Fund Balances</i>                         | -                  | -                  | -                  | -   |
| Fund Balance, Beginning of Year                            | <u>-</u>           | <u>-</u>           | <u>-</u>           | <u>-</u>  |
| <b>Fund Balance, End of Year</b>                           | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u>                                      |

See accompanying Notes to the Budgetary Comparison Schedules.

## Wheaton R-III School District

Budgetary Comparison Schedule – Debt Service Fund– Modified Cash Basis

Year Ended June 30, 2025

|  | Budgeted Amounts |            | Actual     | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|------------|------------|---|
|  | Original         | Final      |            |   |
| <b>Receipts</b>  |                  |            |            |   |
| Local  | \$ 214,398       | \$ 215,959 | \$ 215,959 | \$ -  |
| County   | 11,237           | 9,594      | 9,594      | -   |
| <b>Total Receipts</b>                                      | 225,635          | 225,553    | 225,553    | -   |
| <b>Disbursements</b>                                       |                  |            |            |   |
| Debt service   | 207,000          | 344,108    | 344,108    | -   |
| <b>Total Disbursements</b>                                 | 207,000          | 344,108    | 344,108    | -   |
| <i>Excess (Deficit) of Receipts Over<br/>Disbursements</i> | 18,635           | (118,555)  | (118,555)  | -   |
| Fund Balance, Beginning of Year                            | 254,594          | 254,594    | 254,594    | -   |
| <b>Fund Balance, End of Year</b>                           | \$ 273,229       | \$ 136,039 | \$ 136,039 | \$ -  |

See accompanying Notes to the Budgetary Comparison Schedules.

## Wheaton R-III School District

Budgetary Comparison Schedule – Capital Projects Fund– Modified Cash Basis

Year Ended June 30, 2025

|  | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-----------|-----------|---|
|  | Original         | Final     |           |   |
| <b>Receipts</b>  |                  |           |           |   |
| Local  | \$ 10,852        | \$ 6,509  | \$ 6,509  | \$ -  |
| State  | 22,500           | 90,250    | 90,250    | -   |
| <b>Total Receipts</b>                                      | 33,352           | 96,759    | 96,759    | -   |
| <b>Disbursements</b>                                       |                  |           |           |   |
| Instruction  | 18,000           | -         | -         | -   |
| Instructional staff support                                | 1,000            | -         | -         | -   |
| General administration                                     | 15,000           | -         | -         | -   |
| Operation of plant   | 50,000           | 89,119    | 89,119    | -   |
| Transportation   | 15,000           | 15,255    | 15,255    | -   |
| Food service   | 4,500            | -         | -         | -   |
| Facilities acquisition and<br>construction                 | -                | 98,930    | 98,930    | -   |
| Debt service   | 50,000           | 208,258   | 208,258   | -   |
| <b>Total Disbursements</b>                                 | 153,500          | 411,562   | 411,562   | -   |
| <i>Excess (Deficit) of Receipts Over<br/>Disbursements</i> | (120,148)        | (314,803) | (314,803) | -   |
| <b>Other Financing Sources</b>                             |                  |           |           |   |
| Net insurance recovery                                     | -                | 7,261     | 7,261     | -   |
| <i>Net Change in Fund Balances</i>                         | (120,148)        | (307,542) | (307,542) | -   |
| Fund Balance, Beginning of Year                            | 309,889          | 309,889   | 309,889   | -   |
| <b>Fund Balance, End of Year</b>                           | \$ 189,741       | \$ 2,347  | \$ 2,347  | \$ -  |

See accompanying Notes to the Budgetary Comparison Schedules.

# Wheaton R-III School District

Notes to the Budgetary Comparison Schedules

Year Ended June 30, 2025

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## Budgets and Budgetary Accounting

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

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
2. Prior to July, the Superintendent, who serves as the Budget Officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The budget includes estimated receipts and proposed disbursements for all District funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Board of Education. Individual amendments were not material to the original appropriations, which were amended.
6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing receipts when collected and disbursements when paid.

## Supplementary State Information

# KPM

## CPAS & ADVISORS

### Independent Accountants' Report

Board of Education  
Wheaton R-III School District  
Wheaton, Missouri

We have examined Wheaton R-III School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures, accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September and January, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics during the year ended June 30, 2025. Management of Wheaton R-III School District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on Wheaton R-III School District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA, and those standards require that we plan and perform the examination to obtain reasonable assurance about whether Wheaton R-III School District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Wheaton R-III School District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

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

Our examination engagement does not provide a legal determination on Wheaton R-III School District's compliance with the specified requirements.

In our opinion, the Wheaton R-III 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.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2025

# Wheaton R-III School District

Schedule of Selected Statistics

Year Ended June 30, 2025

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

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

| School Code | Begin Grade | End Grade | Half Day Indicator | Standard Day Length | Days | Hours in Session |
|-------------|-------------|-----------|--------------------|---------------------|------|------------------|
| 4020        | PK          | PK        | A                  | 3.25                | 165  | 534.75           |
| 4020        | PK          | PK        | P                  | 3.25                | 166  | 538.00           |
|             | K           | 12        | N/A                | 6.46                | 169  | 1,088.51         |

## 2. Attendance Hours

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

| School Code        | Grade Level  | Full-Time Hours   | Part-Time Hours | Remedial Hours | Other Hours | Summer School Hours | Total Hours       |
|--------------------|--------------|-------------------|-----------------|----------------|-------------|---------------------|-------------------|
| 4020               | PK-6         | 219,264.15        | -               | -              | -           | 7,726.66            | 226,990.81        |
| 1050               | 7-12         | 190,716.97        | -               | -              | -           | 7,372.00            | 198,088.97        |
| <b>Grand Total</b> | <b>PK-12</b> | <b>409,981.12</b> | -               | -              | -           | <b>15,098.66</b>    | <b>425,079.78</b> |

## 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 include all PK students. If possible, note the number of PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File (example: 102 (20 claimed for SA)).

| School Code        | Grade Level    | Full-Time     | Part-Time | Other | Total         |
|--------------------|----------------|---------------|-----------|-------|---------------|
| 4020               | PK – 6         | 241.00        | -         | -     | 241.00        |
| 1050               | 7 – 12         | 197.00        | -         | -     | 197.00        |
| <b>Grand Total</b> | <b>PK – 12</b> | <b>438.00</b> | -         | -     | <b>438.00</b> |

|        |  |
|--------|--|
| Notes: | PK in the table above includes all PK students. The District identified 15 PK students as being eligible to be claimed for state aid in the October MOSIS Student Core Files |
|        |  |
|        |  |

# Wheaton R-III School District

## Schedule of Selected Statistics

Year Ended June 30, 2025

### 4. January Membership

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in January who are enrolled on the count day and in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should include all PK students. If possible, note the number of PK students marked as being eligible to be claimed for state aid in the February MOSIS Student Core File (example: 102(20 claimed for SA)).

| School Code        | Grade Level    | Full-Time     | Part-Time | Other | Total         |
|--------------------|----------------|---------------|-----------|-------|---------------|
| 4020               | PK – 6         | 235.00        | -         | -     | 235.00        |
| 1050               | 7 – 12         | 183.00        | -         | -     | 183.00        |
| <b>Grand Total</b> | <b>PK – 12</b> | <b>418.00</b> | -         | -     | <b>418.00</b> |

|        |   |
|--------|---|
| Notes: | PK in the table above includes all PK students. The District identified 14 PK students as being eligible to be claimed for state aid in the February MOSIS Student Core Files |
|        |   |
|        |   |

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

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

| School Code        | Free Lunch    | Reduced Lunch | DESEG In Free | DESEG In Reduced | Total         |
|--------------------|---------------|---------------|---------------|------------------|---------------|
| 4020               | 114.00        | 19.00         | -             | -                | 133.00        |
| 1050               | 90.00         | 18.00         | -             | -                | 108.00        |
| <b>Grand Total</b> | <b>204.00</b> | <b>37.00</b>  | -             | -                | <b>241.00</b> |

### 6. Finance

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

| Section | Question   | Answer |
|---------|--|--------|
| 6.1     | The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.  | True   |
| 6.2     | The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories: |        |
|         | Academic Programs Off-Campus   | True   |
|         | Career Exploration Program – Off Campus  | True   |
|         | Cooperative Occupational Education (COE) or Supervised Occupational Experience Program   | True   |

## Wheaton R-III School District

### Schedule of Selected Statistics

Year Ended June 30, 2025

|      |   |          |
|------|---|----------|
|      | Dual enrollment   | True     |
|      | Homebound instruction   | True     |
|      | Missouri Options  | True     |
|      | Prekindergarten eligible to be claimed for state aid  | True     |
|      | Remediation   | N/A      |
|      | Sheltered Workshop participation  | N/A      |
|      | Students participating in the school flex program   | True     |
|      | Traditional instruction (full and part-time students)   | True     |
|      | Virtual instruction (MOCAP or other option)   | True     |
|      | Work Experience for Students with Disabilities  | N/A      |
| 6.3  | The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.   | True     |
| 6.4  | The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.  | True     |
| 6.5  | As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:  | \$50,000 |
| 6.6  | The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.   | True     |
| 6.7  | The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)  | True     |
| 6.8  | Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.  | True     |
| 6.9  | If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)  | N/A      |
| 6.10 | The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.  | True     |
| 6.11 | The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.) | True     |

# Wheaton R-III School District

## Schedule of Selected Statistics

Year Ended June 30, 2025

|      |   |          |
|------|---|----------|
| 6.12 | The amount spent for approved professional development committee plan activities was:   | \$61,505 |
| 6.13 | The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo. | True     |

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

|                            |      |
|----------------------------|------|
| Finding:                   | None |
|                            |      |
|                            |      |
| Management Letter Comment: | N/A  |

### 7. Transportation (Section 163.161, RSMo)

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

| Section | Question   | Answer |
|---------|--|--------|
| 7.1     | The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.   | True   |
| 7.2     | The district’s/charter school’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.  | True   |
| 7.3     | Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:                   |        |
|         | Eligible ADT   | 152.0  |
|         | Ineligible ADT   | 6.0    |
| 7.4     | The district’s/charter school’s transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year. | True   |
| 7.5     | Actual odometer records show the total district/charter-operated and contracted mileage for the year was:  | 80,973 |
| 7.6     | Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:   |        |
|         | Eligible Miles   | 54,273 |
|         | Ineligible Miles (Non-Route/Disapproved)   | 26,700 |
| 7.7     | Number of days the district/charter school operated the school transportation system during the regular school year:   | 163    |

# Wheaton R-III School District

Schedule of Selected Statistics

Year Ended June 30, 2025

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

|                            |      |
|----------------------------|------|
| Finding:                   | None |
|                            |      |
|                            |      |
| Management Letter Comment: | N/A  |

# Wheaton R-III School District

Single Audit Reports  
Year Ended June 30, 2025

**KPM**  
CPAS & ADVISORS

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

Board of Education  
Wheaton R-III School District  
Wheaton, Missouri

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities and each major fund of the Wheaton R-III School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Wheaton R-III School District's basic financial statements, and have issued our report thereon dated December 2, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Wheaton R-III 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*.

### **Wheaton R-III School District's Response to Finding**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



KPM CPAs, PC  
Springfield, Missouri  
December 2, 2025



## **Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Board of Education  
Wheaton R-III School District  
Wheaton, Missouri

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

#### ***Opinion on Each Major Federal Program***

We have audited the Wheaton R-III School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Wheaton R-III School District's major federal programs for the year ended June 30, 2025. The Wheaton R-III School District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Wheaton R-III School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

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

#### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Wheaton R-III 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 substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Wheaton R-III School District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Wheaton R-III School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Wheaton R-III School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the modified cash basis financial statements of the governmental activities and each major fund as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Wheaton R-III School District's basic financial statements. We have issued our report thereon dated December 2, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
December 2, 2025

# Wheaton R-III School District

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

| Federal Grantor/Pass-through Grantor/Program Title        | Assistance<br>Listing<br>Number | Pass-through<br>Grantor's Number | Federal<br>Expenditures |
|---|---------------------------------|----------------------------------|-------------------------|
| <b>U.S. Department of Agriculture</b>                     |                                 |                                  |                         |
| Missouri Department of Elementary and Secondary Education |                                 |                                  |                         |
| Child Nutrition Cluster                                   |                                 |                                  |                         |
| School Breakfast Program                                  | 10.553                          | 20242N109943                     | \$ 7,689                |
|   |                                 | 20252N109943                     | 49,435                  |
|   |                                 |                                  | 57,124                  |
| National School Lunch Program - Cash                      | 10.555                          | 20242N109943                     | 17,637                  |
|   |                                 | 20252N109943                     | 112,830                 |
| National School Lunch Program - Commodities               | 10.555                          | 005-120                          | 22,348                  |
|   |                                 |                                  | 152,815                 |
| Fresh Fruit and Vegetable Program                         | 10.582                          | 20242L160343                     | 1,468                   |
|   |                                 | 202524L16034                     | 10,427                  |
|   |                                 |                                  | 11,895                  |
| Missouri Department of Health and Senior Services         |                                 |                                  |                         |
| Child Nutrition Cluster                                   |                                 |                                  |                         |
| Summer Food Service Program for Children                  | 10.559                          | 253MO305N1199                    | 11,645                  |
|   |                                 |                                  | 233,479                 |
|   |                                 |                                  | 233,479                 |
| <b>U.S. Department of Education</b>                       |                                 |                                  |                         |
| Missouri Department of Elementary and Secondary Education |                                 |                                  |                         |
| Special Education Cluster (IDEA)                          |                                 |                                  |                         |
| Special Education Grants to States                        | 84.027A                         | H027A230040                      | 101,415                 |
|   |                                 | H027A240040                      | 5,178                   |
|   |                                 |                                  | 106,593                 |
| Special Education Preschool Grants                        | 84.173A                         | H173A240103                      | 1,536                   |
|   |                                 |                                  | 108,129                 |
| <b>Total Special Education Cluster (IDEA)</b>             |                                 |                                  |                         |
|   |                                 |                                  | 108,129                 |
| Title I Grants to Local Educational Agencies              | 84.010A                         | S010A230025                      | 279,589                 |
|   |                                 | S367A230024                      | 12,343                  |
|   |                                 | S367A240024                      | 14,611                  |
|   |                                 | S424A230026                      | 9,338                   |
|   |                                 | S424A240026                      | 10,948                  |
|   |                                 |                                  | 326,829                 |
| COVID-19 - Education Stabilization Fund                   | 84.425U                         | S425U210021                      | 115,802                 |
| Direct  |                                 |                                  |                         |
| Rural Education   | 84.358A                         | N/A                              | 11,671                  |
|   |                                 |                                  | 562,431                 |
| <b>Total U.S. Department of Education</b>                 |                                 |                                  |                         |
|   |                                 |                                  | 562,431                 |
| <b>Total Expenditures of Federal Awards</b>               |                                 |                                  |                         |
|   |                                 |                                  | \$ 795,910              |

See accompanying notes to the Schedule of Expenditures of Federal Awards.

# Wheaton R-III School District

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

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## 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District for the year ended June 30, 2025, and is presented on the modified cash basis of accounting as described below. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

## 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting, which is described in Note 1 to the District's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

## 3. Indirect Cost Rate

The District elected not to use the 10-percent or 15-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

## 4. Noncash Assistance

Commodities received and expended through the Food Distribution Program were valued by the Food Service Section of the Department of Elementary and Secondary Education.

# Wheaton R-III School District

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

### Section I: Summary of Auditors' Results

| Financial Statements  |  |
|---|--|
| Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis of accounting: | Unmodified                                   |
| Internal Control over Financial Reporting:  |  |
| Material weakness(es) identified?   | Yes  |
| Significant deficiency(ies) identified?   | None Reported                                |
| Noncompliance material to financial statements noted?   | No   |
| Federal Awards  |  |
| Internal control over major federal programs:   |  |
| Material weakness(es) identified?   | No   |
| Significant deficiency(ies) identified?   | None Reported                                |
| Type of auditors' report issued on compliance for the major federal program:  | Unmodified                                   |
| Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?   | No   |
| Identification of major federal programs:   |  |
| <b>Assistance Listing Number(s)</b>   | <b>Name of Federal Program or Cluster</b>    |
| 84.010A   | Title I Grants to Local Educational Agencies |
| Dollar threshold used to distinguish between type A and type B programs:  | \$750,000                                    |
| Auditee qualified as low-risk auditee?  | No   |

# Wheaton R-III School District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

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## Section II – Financial Statement Findings

### Material Weakness

2025-001      *Segregation of Duties*

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

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

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

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

*Response:* The limited number of available personnel prohibits segregation of incompatible duties and the District does not have the resources to hire additional accounting personnel. The District does have some mitigating controls in place to offset some of the risks of the lack of segregation of duties.

This is a repeat finding of 2024-001.

## Section III – Federal Award Findings and Questioned Costs

None

# Wheaton R-III School District

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2025

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## Financial Statement Finding

### Material Weakness

2024-001      *Segregation of Duties*

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

*Status:* Uncorrected.



# Wheaton R-III School District

Student success today for effective citizens tomorrow.

PO Box 249, 116 McCall Ave., Wheaton, MO 64874 417.652.3914 www.wheatonschools.org 417.652.7355 fax

**Mr. Chris Paullus**  
Superintendent  
[cpaullus@wheatonschools.org](mailto:cpaullus@wheatonschools.org)

**Mr. Skyler Rawlins**  
High School Principal  
[srawlins@wheatonschools.org](mailto:srawlins@wheatonschools.org)

**Mrs. Kayla Haynes**  
Elementary Principal  
[khaynes@wheatonschools.org](mailto:khaynes@wheatonschools.org)

**Mr. Robert Creekmore**  
Director of Student Services  
[rcreekmore@wheatonschools.org](mailto:rcreekmore@wheatonschools.org)

December 2, 2025

U.S. Department of Education

Wheaton R-III School District respectfully submits the following corrective action plan for the year ended June 30, 2025. Contact information for the individual responsible for the corrective action:

Mr. Chris Paullus, Superintendent  
Wheaton R-III School District  
116 McCall, Box 249  
Wheaton, MO 64874  
(417) 652-3914

Independent Public Accounting Firm: KPM CPAs, PC, 1445 E. Republic Road, Springfield, MO 65804

Audit Period: Year ended June 30, 2025

The findings from the June 30, 2025, Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

## Findings – Financial Statement Audit

### Material Weakness

2025-001 *Segregation of duties*

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

*Action Taken:* The limited number of available personnel prohibits segregation of incompatible duties and the District does not have the resources to hire additional accounting personnel.

*Completion Date:* Not applicable

Sincerely,

Mr. Chris Paullus, Superintendent  
Wheaton R-III School District



Board of Education  
Wheaton R-III School District  
Wheaton, Missouri

In planning and performing our audit of the modified cash basis financial statements of the governmental activities and each major fund of the Wheaton R-III School District, for the year ended June 30, 2025, we considered the District's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed in the 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*, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

In addition to the material weakness discussed in the 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*, we became aware of an additional matter to bring to your attention. The following paragraphs summarize our comments and recommendations regarding these matters.

### **1. Cybersecurity Program**

To enhance the District's security posture against evolving cyber threats, the District should continue to monitor and evaluate its cybersecurity program. Staff training and continuous monitoring and review of internal controls are key elements of a successful program.

Actionable steps for cybersecurity awareness could include mandatory annual training, regular phishing simulations, and regular distribution of security communications informing staff about new and emerging cyber threats. The National Institute of Standards and Technology (NIST) has a Cybersecurity Framework available that is designed to help organizations manage and reduce cybersecurity risks through a flexible, risk-based approach that is structured around six core functions: govern, identify, protect, detect, respond, and recover.

Actionable steps for continual review of internal controls is also needed. These actionable steps include continuous monitoring and vulnerability scanning, regular access control reviews, third-party vendor assessments, network segmentation, and testing incident response and disaster recovery plans on a continual basis.

## **2. New Accounting Standards**

The Governmental Accounting Standards Board (GASB) has issued a new accounting standard that may affect the District in future years.

GASB Statement No. 103 – *Financial Reporting Model Improvements* – changes and improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. Improvements and notable changes are made to the unusual or infrequent items, presentation of proprietary fund statements, presentation of major component units, and budgetary comparison information. This statement is effective for fiscal year ending June 30, 2026.

*We Recommend:*

Management review the above accounting standard prior to their effective date to determine best practices needed for successful implementation.

## **3. Unused Vacation Policy**

During our audit, we noted that the District had to pay out a significant amount of unused vacation pay due to employees leaving the District. There was not a written policy for guidance on unused vacation pay out, which can put the District at risk for unreasonable, frequent pay outs or potential issues with inequitable pay outs.

*We Recommend:*

The District evaluate and create a policy for guidance on paying out unused vacation upon employment termination or retirement. A policy should include how vacation carryover is calculated and who has the ability to receive certain pay outs.

## **4. Federal Grant Accounting**

During our audit, we noted that the District is not always coding federal grant disbursements in accordance with the Department of Elementary and Secondary Education (DESE) accounting manual. DESE assigns project codes to all federal grants and the District’s general ledger should reflect these project codes in their federal disbursements to ensure that all disbursements are properly identified by federal program. This is necessary for audit purposes and DESE requirements as DESE passes most grant awards through to the District and must verify the spending, however, the District should also use internal project codes for federal spending for programs not passed through DESE. In addition, the District should not request federal funds for reimbursement until the general ledger reflects actual spending to ensure funds are not requested in advance of spending in accordance with grant requirements. Last, the District should ensure spending aligns with the final expenditure reports and with the budgets prepared in ePeGS. DESE requires the District to budget based on estimated disbursements in various object codes, however amendments to the budget are allowed if estimated spending by object needs to be changed.



*We Recommend:*

Management review the DESE accounting manual to ensure all federal grant disbursements are recorded properly in the general ledger by project code and before request for reimbursement is made. We further recommend the District monitor spending by comparing the general ledger activity to the ePeGS budget to ensure the District is spending in accordance with the DESE approved budget categories; if changes need to be made, the District should amend the budget with DESE approval. At year end, the District should ensure the general ledger agrees to the final expenditure reports submitted to DESE.

**5. Declining Fund Balance**

During our audit, we noted that the District has continued to experience a declining fund balance in the General Fund. The General Fund balance of \$361,657 was a decrease of \$406,007 from the prior year. This left the District with an unrestricted ending fund balance percentage (General and Teachers Funds expenditures divided by the ending General Fund balance) of 6.67%. The 2024 General Fund balance had a decrease of \$285,500 and an ending unrestricted fund balance percentage of 13.74%. The District would not be able to sustain another year with such decline. DESE considers a District as financially stressed if the combined ending balance percentage in the Teachers and General Funds is less than 3%. Additionally, the fund balance in the Capital Projects Fund has decreased from \$309,889 at June 30, 2024 to \$2,347 at June 30, 2025. There are known debt payments due out of the Capital Projects Fund in fiscal year 2026 of, approximately, \$219,400. The District will be required to identify revenue that could be placed in the Capital Projects Fund (Basic Formula – Classroom Trust Fund, etc...) or transfer funds to the Capital Projects Fund to cover these expenditures.

*We Recommend:*

The District review the 2025-2026 budget to ensure that the operating funds (General Fund and Teachers' Fund) maintain a healthy balance and continually monitor the budget throughout the year to ensure that actual receipts and disbursements are in line with the budget and over-spending does not occur. Additionally, the District will also need to ensure that adequate sources are allocated to and recorded in the Capital Projects Fund in order to make required debt payments as they come due without putting the operating fund balance in a stressed position.

We will review the status of these comments during our next audit engagement. We will be pleased to perform any additional studies or to assist you in implementing the recommendations.

This information is intended solely for the information and use of the Board of Education and management of the Wheaton R-III School District and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate this opportunity to serve as Wheaton R-III School District's independent auditor and the courtesies and assistance extended to us by the District's employees.

Respectfully submitted,



KPM CPAs, PC  
Springfield, Missouri  
December 2, 2025



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**APPENDIX C**

**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

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**CONTINUING DISCLOSURE UNDERTAKING**

**Dated as of June 1, 2026**

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**By the**

**WHEATON R-III SCHOOL DISTRICT**

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

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## CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING dated as of June 1, 2026 (this “Continuing Disclosure Undertaking”), is executed and delivered by the WHEATON R-III SCHOOL DISTRICT (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 Bonds (Missouri Direct Deposit Program), Series 2026** (the “Bonds”), pursuant to a resolution adopted by the governing body of the Issuer on May 19, 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 (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 file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):

- (1) Not later than 210 days after the end of the Issuer’s Fiscal Year, commencing with the fiscal year ending June 30, 2026, 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) Not later than 210 days after the end of the Issuer’s Fiscal Year, commencing with the fiscal year ending June 30, 2027, 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
- (p) 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.

*[Remainder of Page Intentionally Left Blank.]*

**IN WITNESS WHEREOF**, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the 2<sup>nd</sup> day of June 2026.

**WHEATON R-III SCHOOL DISTRICT**

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 – Enrollment History.”**
2. **“DEBT STRUCTURE OF THE DISTRICT – Overview” (excluding any information related to Overlapping General Obligation Debt).**
3. **“FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue.”**
4. **“PROPERTY TAX INFORMATION – Property Valuations - *History of Property Valuations.*”**
5. **“PROPERTY TAX INFORMATION – History of Tax Levies.”**
6. **“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:** Wheaton R-III School District

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

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

**Maturity Date**                      **CUSIP Number**

**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  
Wheaton R-III School District  
116 McCall Street  
Wheaton, Missouri 64874  
(417) 652-7240

**Date Submitted:** [Date]

**WHEATON R-III SCHOOL DISTRICT**