

Webb City R-VII School District
Webb City, Missouri

BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2018

KPM
CPAS & ADVISORS

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INDEPENDENT AUDITORS' REPORT

Board of Education
Webb City R-VII School District
Webb City, Missouri

We have audited the basic financial statements of the governmental activities, the discretely presented component unit, and each major fund, of the Webb City R-VII School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, the discretely presented component unit, and each major fund, of Webb City R-VII School District as of June 30, 2018, and the respective changes in modified cash basis financial position thereof for the year then ended, in conformity with the basis of accounting described in Note A.

Basis of Accounting

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

Disclaimer of Opinion on 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 budgetary comparison information on pages 33-37, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Financial Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Webb City R-VII School District's basic financial statements. The data contained under Other Financial Information is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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 financial statements.

Board of Education
Webb City R-VII School District
Webb City, Missouri

The Other Financial Information and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 30, 2018

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WEBB CITY R-VII SCHOOL DISTRICT
 STATEMENT OF NET POSITION – MODIFIED CASH BASIS
 June 30, 2018

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Webb City R-VII School Foundation</u>
ASSETS		
Cash and investments	\$ 20,385,455	\$ 1,116,768
TOTAL ASSETS	<u>\$ 20,385,455</u>	<u>\$ 1,116,768</u>
NET POSITION		
Restricted for:		
Health insurance	\$ 2,194,408	\$ -
Student activities	246,011	-
Crossover refunding bond escrow	6,305,583	-
Debt service	1,675,079	-
Webb City R-VII School Foundation	-	1,116,768
Unrestricted	9,964,374	-
TOTAL NET POSITION	<u>\$ 20,385,455</u>	<u>\$ 1,116,768</u>

See accompanying notes

WEBB CITY R-VII SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
 Year Ended June 30, 2018

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position	
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Government Receipts and Changes in Net Position	Unit Webb City R-VII School Foundation
Primary Government						
Governmental Activities:						
Instruction	\$ (23,519,021)	\$ 736,832	\$ 2,703,884	\$ -	\$ (20,078,305)	
Student services	(1,194,216)	-	10,132	-	(1,184,084)	
Instructional staff support	(2,387,431)	-	196,100	-	(2,191,331)	
Building administration	(1,942,097)	-	-	-	(1,942,097)	
General administration	(1,099,645)	-	-	-	(1,099,645)	
Operation of plant	(3,428,346)	14,248	-	-	(3,414,098)	
Transportation	(1,971,276)	-	372,651	-	(1,598,625)	
Food service	(1,845,813)	373,482	1,404,967	-	(67,364)	
Community services	(464,851)	75,074	381,712	-	(8,065)	
Facilities acquisition and construction	(1,471,564)	-	-	30,000	(1,441,564)	
Debt service	(7,128,365)	-	86,850	-	(7,041,515)	
NET PROGRAM (DISBURSEMENTS) RECEIPTS	<u>\$ (46,452,625)</u>	<u>\$ 1,199,636</u>	<u>\$ 5,156,296</u>	<u>\$ 30,000</u>	(40,066,693)	
Component Unit						
Webb City R-VII School Foundation	<u>\$ (150,359)</u>	<u>\$ -</u>	<u>\$ 152,214</u>	<u>\$ -</u>		\$ 1,855
General Receipts:						
Ad valorem tax receipts					8,519,419	-
Prop C sales tax receipts					4,243,539	-
Other tax receipts					272,005	-
County receipts					773,075	-
State receipts					20,340,927	-
Interest receipts					820,942	38,122
Other receipts					29,043	-
TOTAL GENERAL RECEIPTS					<u>34,998,950</u>	<u>38,122</u>
Special Items:						
Net insurance recovery					2,625,299	-
Sale of school buses					3,350	-
Sale of other property					30,000	-
Refunding bonds					5,885,000	-
TOTAL SPECIAL ITEMS					<u>8,543,649</u>	<u>-</u>
INCREASE IN NET POSITION					3,475,906	39,977
NET POSITION - Beginning of year					<u>16,909,549</u>	<u>1,076,791</u>
NET POSITION - End of year					<u>\$ 20,385,455</u>	<u>\$ 1,116,768</u>

See accompanying notes

FUND FINANCIAL STATEMENTS

WEBB CITY R-VII SCHOOL DISTRICT
 STATEMENT OF ASSETS AND FUND BALANCES – GOVERNMENTAL FUNDS – MODIFIED CASH
 BASIS
 June 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments	\$ 6,483,172	\$ -	\$ 7,980,662	\$ 3,727,213	\$ 18,191,047
TOTAL ASSETS	<u>\$ 6,483,172</u>	<u>\$ -</u>	<u>\$ 7,980,662</u>	<u>\$ 3,727,213</u>	<u>\$ 18,191,047</u>
FUND BALANCES					
Restricted for:					
Student activities	\$ 246,011	\$ -	\$ -	\$ -	\$ 246,011
Crossover refunding bond escrow	-	-	6,305,583	-	6,305,583
Debt service	-	-	1,675,079	-	1,675,079
Assigned to:					
Capital outlay	-	-	-	1,101,915	1,101,915
Insurance proceeds	-	-	-	2,625,298	2,625,298
Unassigned	<u>6,237,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,237,161</u>
TOTAL FUND BALANCES	<u>\$ 6,483,172</u>	<u>\$ -</u>	<u>\$ 7,980,662</u>	<u>\$ 3,727,213</u>	18,191,047
RECONCILIATION TO STATEMENT OF NET POSITION					
Amounts reported for governmental activities in the Statement of Net Position are different because:					
Self insurance net position					<u>2,194,408</u>
TOTAL NET POSITION					<u>\$ 20,385,455</u>

See accompanying notes

WEBB CITY R-VII SCHOOL DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS – MODIFIED CASH BASIS
Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
RECEIPTS					
Local	\$ 11,083,300	\$ 1,697,705	\$ 2,319,786	\$ 59,375	\$ 15,160,166
County	608,004	98,578	66,493	-	773,075
State	1,172,354	19,455,490	-	1,434,909	22,062,753
Federal	1,890,961	1,371,559	86,850	-	3,349,370
Other	39,518	-	-	-	39,518
TOTAL RECEIPTS	14,794,137	22,623,332	2,473,129	1,494,284	41,384,882
DISBURSEMENTS					
Instruction	4,784,057	18,655,749	-	134,855	23,574,661
Student services	454,614	739,602	-	-	1,194,216
Instructional staff support	1,184,079	1,203,352	-	-	2,387,431
Building administration	383,180	1,558,917	-	-	1,942,097
General administration	713,945	385,700	-	-	1,099,645
Operation of plant	3,353,510	1,970	-	72,866	3,428,346
Transportation	1,583,276	-	-	388,000	1,971,276
Food service	1,845,813	-	-	-	1,845,813
Community services	386,809	78,042	-	-	464,851
Facilities acquisition and construction	-	-	-	1,471,564	1,471,564
Debt service	-	-	7,127,061	1,304	7,128,365
TOTAL DISBURSEMENTS	14,689,283	22,623,332	7,127,061	2,068,589	46,508,265
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	104,854	-	(4,653,932)	(574,305)	(5,123,383)
OTHER FINANCING SOURCES					
Net insurance recovery	-	-	-	2,625,299	2,625,299
Sale of school buses	-	-	-	3,350	3,350
Sale of other property	-	-	-	30,000	30,000
Refunding bonds	-	-	5,885,000	-	5,885,000
TOTAL OTHER FINANCING SOURCES	-	-	5,885,000	2,658,649	8,543,649
EXCESS OF RECEIPTS AND OTHER SOURCES OVER DISBURSEMENTS	104,854	-	1,231,068	2,084,344	3,420,266
FUND BALANCE, July 1, 2017	6,378,318	-	6,749,594	1,642,869	14,770,781
FUND BALANCE, June 30, 2018	<u>\$ 6,483,172</u>	<u>\$ -</u>	<u>\$ 7,980,662</u>	<u>\$ 3,727,213</u>	<u>\$ 18,191,047</u>
RECONCILIATION TO THE STATEMENT OF ACTIVITIES					
Net change in fund balances - total governmental funds					\$ 3,420,266
Excess of receipts over disbursements of the self insurance fund					<u>55,640</u>
Change in net position of governmental activities					<u>\$ 3,475,906</u>

See accompanying notes

WEBB CITY R-VII SCHOOL DISTRICT
 STATEMENT OF NET POSITION – PROPRIETARY FUND – MODIFIED CASH BASIS
 June 30, 2018

	<u>Internal Service Fund</u>
ASSETS	
Cash and cash equivalents	\$ 842,504
Investments	<u>1,351,904</u>
	TOTAL ASSETS
	<u><u>\$ 2,194,408</u></u>
NET POSITION	
Restricted for health insurance	<u><u>\$ 2,194,408</u></u>

See accompanying notes

WEBB CITY R-VII SCHOOL DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION – PROPRIETARY
 FUND – MODIFIED CASH BASIS
 Year Ended June 30, 2018

	Internal Service Fund
RECEIPTS	
Contributions	<u>\$ 3,721,838</u>
	TOTAL RECEIPTS
	3,721,838
DISBURSEMENTS	
Insurance claims	3,236,506
Premiums	370,043
Administration	<u>88,190</u>
	TOTAL DISBURSEMENTS
	<u>3,694,739</u>
	OPERATING INCOME
	27,099
NONOPERATING RECEIPTS	
Interest receipts	<u>28,541</u>
	TOTAL NONOPERATING RECEIPTS
	<u>28,541</u>
	NET INCOME
	55,640
NET POSITION, July 1, 2017	<u>2,138,768</u>
NET POSITION, June 30, 2018	<u><u>\$ 2,194,408</u></u>

See accompanying notes

WEBB CITY R-VII SCHOOL DISTRICT
STATEMENT OF CASH FLOWS – PROPRIETARY FUND – MODIFIED CASH BASIS
Year Ended June 30, 2018

	Internal Service Fund
	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from contributions	\$ 3,721,838
Payment of claims	(3,236,506)
Payments for insurance premiums	(370,043)
Payment of administrative costs	<u>(88,190)</u>
	NET CASH PROVIDED BY OPERATING ACTIVITIES
	27,099
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	28,541
Purchase of investments	<u>(19,041)</u>
	NET CASH PROVIDED BY INVESTING ACTIVITIES
	9,500
	NET INCREASE IN CASH
	36,599
CASH AND CASH EQUIVALENTS, July 1, 2017	<u>805,905</u>
CASH AND CASH EQUIVALENTS, June 30, 2018	<u><u>\$ 842,504</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	<u>\$ 27,099</u>
	NET CASH PROVIDED BY OPERATING ACTIVITIES
	<u><u>\$ 27,099</u></u>

See accompanying notes

NOTE A – 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 financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is accountable for the component unit and the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District is a primary government, which is governed by an elected seven-member board. As required by accounting principles generally accepted in the United States of America, the District has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The Webb City R-VII School Foundation has been included as a component unit based upon the significance of the operational and financial relationship with the District. The District is not aware of any entity for which the District would be considered as a component unit of that entity.

Discretely Presented Component Unit

The Webb City R-VII School Foundation is a legally separate, tax-exempt organization supporting the District. The Foundation, governed by a 13-member board, is a community-based advocate of the District, which acts primarily as a fund-raising organization to support programs to enhance the educational opportunities of the District students and staff, and to respond to critical needs of the District.

Basis of Presentation

Government-Wide Financial Statements

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, fund balance, receipts and disbursements. The District has governmental funds, an internal service fund, and a fiduciary fund. 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 general obligation bonds.

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.

Internal Service Fund - Accounts for the financing of goods and services provided by one department or agency to other departments or agencies of the District. The Internal Service Fund of the District is used to account for the health self-insurance fund.

Basis of Accounting

Primary Government

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. This basis recognizes assets, net position/fund balance, receipts, and disbursements when they result from cash transactions. The modification to the cash basis relates to the presentation of investments. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 expenditures (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 utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Webb City R-VII School Foundation

The Foundation follows a modified-cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. As such, certain financial account recognition and presentation features are different from the modified-cash basis of accounting followed by the District.

Capital Outlay

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

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 termination at varying rates depending on length of service.

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Teachers' Salaries

The salary payment schedule of the District for the 2017-2018 school year requires the payment of salaries for a twelve-month period. Consequently, the July and August 2018 payroll checks are included in the financial statements as disbursements in the month of June. This practice has been consistently 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 accounts. Investments of the pooled accounts consist primarily of certificates of deposit and U.S. Treasury notes, carried at cost, which approximates market.

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

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.

NOTE B – CASH AND 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, 2018, all bank balances on deposit were entirely insured or collateralized with securities.

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE C – INVESTMENTS

Primary Government

Investments of the District as of June 30, 2018, were as follows:

Investment Type	Maturity	Amount
Pro-rata shares of investment contracts with BOK Financial	N/A	\$ 806,646
Missouri Securities Investment Program - Cash Management Funds	N/A	2,625,772
Missouri Securities Investment Program - Certificates of Deposit	7/23/2018 to 12/10/2018	1,292,000
Missouri Securities Investment Program - Term	7/24/2018 to 11/19/2018	10,500,000
U.S. Treasury Notes (SLGS) held by Security Bank of Kansas City	8/31/2018 to 2/28/2021	6,303,179
		<u>\$ 21,527,597</u>

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.

Certificates of Deposit

Certificates of deposit with maturities in excess of three months are classified as investments but are considered deposits for custodial risk determination. State statutes require that the District's deposits be 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, 2018, all certificates of deposit are entirely insured or collateralized with securities.

Missouri Securities Investment Program

District funds in the Missouri Securities Investment Program are invested in cash management funds in which the District has a pro-rata share. The funds are invested in accordance with Section 165.051 of the Missouri Revised Statutes and the cash management fund has a current rating of AAAM, and the MOSIP Term Series has a rating of AAaf.

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE C – INVESTMENTS (continued)

U.S. Treasury Notes

District funds in U.S. Treasury Notes (SLGS) are from the bond refunding dated October 31, 2017. These investments are held in irrevocable trust accounts with Security Bank of Kansas City and will be used to refund bonds on March 1, 2021. The funds are invested in accordance with Section 165.051 and Section 360 of the Missouri Revised Statutes.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District’s investment policy limits the Districts investment portfolio to maturities of approximately one year with the exception of funds held in trust for advance refundings. Investments are generally held to maturity to limit interest rate risk.

Webb City R-VII School Foundation

Investments of the Foundation as of June 30, 2018, were as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Certificates of deposits	5/6/2019 to 5/27/2019	\$ 55,430
Stocks held by Arvest Asset Management	N/A	63,790
Mutual funds held by Arvest Asset Management	N/A	4,085
Corporate bonds held by Arvest Asset Management	N/A	236,077
Government bonds held by Arvest Asset Management	N/A	200,032
Equities held by Arvest Asset Management	N/A	367,468
		<u>\$ 926,882</u>

Certificates of Deposit

Certificates of deposit with maturities in excess of three months are classified as investments but are considered deposits for custodial risk determination. The Foundation’s Certificates of deposit were fully covered by FDIC insurance at June 30, 2018.

Government Bonds

Funds held by Arvest Asset Management are U.S. Government Bonds with various maturities.

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE C – INVESTMENTS (continued)

Corporate Bonds

The Foundation has fixed income securities on deposit with Arvest Asset Management and are rated BAA2 and BAA1 by Moody’s.

Equities

Funds held by Arvest Asset Management are invested in ABG Equity Fund and are rated B2 by Moody’s.

NOTE D – TAXES

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

The District also receives sales tax collected by the State and remitted based on eligible pupils. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar 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 2017 for purposes of local taxation was:

Real estate		\$ 184,682,110
Personal property		<u>61,085,946</u>
	TOTAL ASSESSED VALUATION	<u><u>\$ 245,768,056</u></u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2017 for purposes of local taxation was:

	<u>Unadjusted</u>	<u>Adjusted</u>
General Fund	\$ 2.75	\$ 2.75
Debt Service Fund	<u>.68</u>	<u>.68</u>
	TOTAL LEVY	<u><u>\$ 3.43</u></u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2018, aggregated approximately 101 percent of the current assessment computed on the basis of the levy as shown above.

WEBB CITY R-VII SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE E – GENERAL OBLIGATION BONDS PAYABLE

General Obligation Bonds payable at June 30, 2018, consist of:

\$582,000 Build America Recovery Zone Economic Development Bond issue dated June 30, 2010, due in varying annual installments through March 1, 2010; interest at 6.0%.	\$ 582,000
\$1,418,000 qualified school construction bond (QSCB) issue dated June 30, 2010, due in varying annual installments through March 1, 2027; interest at 5.9%.	1,418,000
\$5,200,000 general obligation school refunding bond issue dated March 1, 2012, due in varying annual installments through March 1, 2023; interest at 1.15% to 2.0%.	3,750,000
\$6,000,000 general obligation bond issued dated September 10, 2013, due in varying annual installments through March 1, 2033; interest at 4.25% to 4.50%.	6,000,000
\$7,625,000 general obligation refunding bond issue dated September 24, 2014, due in varying annual installments through March 1, 2034; interest at 2.0% to 4.0%.	5,590,000
\$4,815,000 general obligation refunding bond issue dated April 12, 2016, due in varying annual installments through March 1, 2028; interest at 3.0%.	4,815,000
\$5,885,000 general obligation refunding bond issue dated October 31, 2017, due in varying annual installments through March 1, 2033; interest at 3.0% to 4.0%.	5,885,000
	<u>\$ 28,040,000</u>

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE E – GENERAL OBLIGATION BONDS PAYABLE (continued)

The following is a summary of bond transactions for the year ended June 30, 2018:

Bonds Payable, July 1, 2017	\$ 28,105,000
Bonds issued	5,885,000
Bonds retired	<u>(5,950,000)</u>
Bonds Payable, June 30, 2018	<u><u>\$ 28,040,000</u></u>

Debt service requirements are:

Year Ended June 30,	Principal	Interest	Interest Rebate	Principal Intercepts	Total
2019	\$ 1,090,000	\$ 1,010,232	\$ (93,137)	\$ -	\$ 2,007,095
2020	910,000	991,982	(93,137)	100,000	1,908,845
2021	6,975,000	974,432	(93,137)	100,000	7,956,295
2022	1,060,000	693,282	(93,137)	100,000	1,760,145
2023	1,150,000	666,632	(93,137)	100,000	1,823,495
2024	1,240,000	636,632	(93,137)	150,000	1,933,495
2025	1,365,000	595,932	(93,137)	100,000	1,967,795
2026	1,390,000	551,082	(93,137)	200,000	2,047,945
2027	950,000	509,382	(93,137)	568,000	1,934,245
2028	1,107,000	397,220	(15,714)	-	1,488,506
2029	1,450,000	361,550	(13,500)	-	1,798,050
2030	1,435,000	310,550	(6,750)	-	1,738,800
2031	1,670,000	260,000	-	-	1,930,000
2032	1,670,000	193,200	-	-	1,863,200
2033	1,660,000	126,400	-	-	1,786,400
2034	1,500,000	60,000	-	-	1,560,000
	<u><u>\$ 26,622,000</u></u>	<u><u>\$ 8,338,508</u></u>	<u><u>\$ (874,197)</u></u>	<u><u>\$ 1,418,000</u></u>	<u><u>\$ 35,504,311</u></u>

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE E – GENERAL OBLIGATION BONDS PAYABLE (continued)

The interest and principal accumulation deposits on the Series QSCB issue will be intercepted under the Missouri Direct Deposit Program guidelines. The District will be partially reimbursed for the interest payments by the U.S. Treasury. The principal accumulation intercepts of various amounts per year beginning on March 1, 2020, are intercepted by DESE over a ten month period. On March 1 of each year those funds are to be transferred to First Bank of Missouri and deposited in the principal account of the bond fund. On March 1, 2027, the principal accumulation deposits will pay off \$1,418,000 Series 2010 QSCB issue in full.

The escrow account created by the Series 2017 crossover refunding pays \$6,000,000 of principal callable March 1, 2021, on the Series 2013 general obligation bond issue, and interest due on the Series 2017 refunding bonds through March 1, 2021.

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, 2018, was:

Constitutional debt limit	\$ 36,865,208
General obligation bonds payable	(28,040,000)
Amount available in Debt Service Fund	<u>7,980,662</u>
LEGAL DEBT MARGIN	<u><u>\$ 16,805,870</u></u>

NOTE F – 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.

NOTE F – RETIREMENT PLANS (continued)

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 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. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor was used to calculate benefits for members who had 31 or more years of service at retirement. Actuarially age-reduced benefits are available for members with 5 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.

NOTE F – RETIREMENT PLANS (continued)

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 a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 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.

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 years 2016, 2017, and 2018. 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 years 2016, 2017, and 2018. 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 \$2,677,777 and \$488,236, respectively, for the year ended June 30, 2018.

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.

WEBB CITY R-VII SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE G – CLAIMS AND 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, 2018, 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.

NOTE H – RISK MANAGEMENT

The District is exposed to various risks of losses 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.

NOTE I – SELF INSURANCE FUND

The District has established a partially self-funded health benefit plan for District employees and their covered dependents to minimize the total cost of medical health insurance to the District. This program is for the benefit of all District employees covered under the Webb City R-VII Schools Employee Health Care Plan. Medical claims exceeding an individual participant limit of \$120,000 are covered through a private insurance carrier. The program is administered by Benefit Management, Inc. which provides claims review, processing and payment of claims from the health insurance fund. The District established an Internal Service Fund to account for these activities.

NOTE J – COMPENSATED ABSENCES PAYABLE

Employees earn ten sick days annually and the unused portion is accumulated and carried forward to a maximum of 150 days. Upon retirement, eligible employees are reimbursed 15 percent of the final daily salary rate times the number of unused sick days accumulated. The liability for accumulated sick leave payable at June 30, 2018, amounted to \$712,008.

WEBB CITY R-VII SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

NOTE K – POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note F, 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.

NOTE L – CROSSOVER BOND REFUNDING

On October 31, 2017, the District issued \$5,885,000 in Series 2017 general obligation refunding bonds with interest rates ranging from 3.00% to 4.00%. The District used the bonds to create crossover refunding on March 1, 2021, of \$6,000,000 of outstanding Series 2013 bonds with interest rates ranging from 4.25% to 5.00%. The District used the net proceeds to purchase U.S. Government Securities. These securities were deposited in an irrevocable trust to refund the bonds. The Series 2013 bonds are not considered defeased at June 30, 2018.

As a result of the refunding, the District reduced its total debt service requirements by \$586,450, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$449,472.

NOTE M – OPERATING LEASE

As of June 30, 2018, the District was committed to a lease for copiers. The following is a schedule of future minimum payments for the leases:

Year Ended June 30,	Copier Operating Lease
2019	\$ 76,800
2020	64,000
	<u>\$ 140,800</u>

WEBB CITY R-VII SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE N – COMMITMENTS

At June 30, 2018, the District was committed to Central States Bus Sales, Inc. in the amount of \$273,840 for the purchase of three buses. The District will receive a \$60,000 rebate from the U.S. EPA through the National Clean Diesel Rebate Program.

NOTE O – SUBSEQUENT EVENTS

On July 10, 2018, the District approved a contract with Crossland Construction Company for the Heritage Preschool addition project in the amount of \$542,000.

SUPPLEMENTARY INFORMATION

WEBB CITY R-VII SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
 Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
RECEIPTS				
Local	\$ 9,930,701	\$ 10,729,843	\$ 11,083,300	\$ 353,457
County	550,000	600,000	608,004	8,004
State	562,956	740,000	1,172,354	432,354
Federal	1,240,215	1,725,000	1,890,961	165,961
Other	-	-	39,518	39,518
TOTAL RECEIPTS	12,283,872	13,794,843	14,794,137	999,294
DISBURSEMENTS				
Instruction	4,408,220	4,955,221	4,784,057	171,164
Student services	446,327	463,827	454,614	9,213
Instructional staff support	1,222,372	1,182,372	1,184,079	(1,707)
Building administration	380,213	380,213	383,180	(2,967)
General administration	838,644	784,644	713,945	70,699
Operation of plant	3,289,822	3,377,322	3,353,510	23,812
Transportation	1,590,173	1,610,173	1,583,276	26,897
Food service	1,581,783	1,863,783	1,845,813	17,970
Community services	321,593	346,592	386,809	(40,217)
TOTAL DISBURSEMENTS	14,079,147	14,964,147	14,689,283	274,864
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	(1,795,275)	(1,169,304)	104,854	1,274,158
FUND BALANCE, July 1, 2017	6,500,000	6,500,000	6,378,318	(121,682)
FUND BALANCE, June 30, 2018	\$ 4,704,725	\$ 5,330,696	\$ 6,483,172	\$ 1,152,476

WEBB CITY R-VII SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE FUND
 Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
RECEIPTS				
Local	\$ 2,411,288	\$ 1,815,157	\$ 1,697,705	\$ (117,452)
County	100,000	100,000	98,578	(1,422)
State	19,138,142	19,750,000	19,455,490	(294,510)
Federal	1,472,727	1,210,000	1,371,559	161,559
Other	25,000	25,000	-	(25,000)
TOTAL RECEIPTS	23,147,157	22,900,157	22,623,332	(276,825)
DISBURSEMENTS				
Instruction	19,452,348	19,095,848	18,655,749	440,099
Student services	742,220	742,220	739,602	2,618
Instructional staff support	1,049,191	1,208,690	1,203,352	5,338
Building administration	1,563,955	1,563,955	1,558,917	5,038
General administration	339,443	289,444	385,700	(96,256)
Operation of plant	-	-	1,970	(1,970)
Community services	-	-	78,042	(78,042)
TOTAL DISBURSEMENTS	23,147,157	22,900,157	22,623,332	276,825
EXCESS OF RECEIPTS OVER DISBURSEMENTS	-	-	-	-
FUND BALANCE, July 1, 2017	-	-	-	-
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ -	\$ -

WEBB CITY R-VII SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – DEBT SERVICE FUND
 Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Local	\$ 1,799,536	\$ 2,305,000	\$ 2,319,786	\$ 14,786
County	50,000	50,000	66,493	16,493
Federal	-	85,000	86,850	1,850
TOTAL RECEIPTS	1,849,536	2,440,000	2,473,129	33,129
DISBURSEMENTS				
Debt service	6,980,000	7,130,000	7,127,061	2,939
TOTAL DISBURSEMENTS	6,980,000	7,130,000	7,127,061	2,939
(DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	(5,130,464)	(4,690,000)	(4,653,932)	36,068
OTHER FINANCING SOURCES				
Refunding bonds	-	5,885,000	5,885,000	-
EXCESS (DEFICIT) OF RECEIPTS AND OTHER SOURCES OVER DISBURSEMENTS	(5,130,464)	1,195,000	1,231,068	36,068
FUND BALANCE, July 1, 2017	6,825,000	6,825,000	6,749,594	(75,406)
FUND BALANCE, June 30, 2018	<u>\$ 1,694,536</u>	<u>\$ 8,020,000</u>	<u>\$ 7,980,662</u>	<u>\$ (39,338)</u>

WEBB CITY R-VII SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE – CAPITAL PROJECTS FUND
 Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
RECEIPTS				
Local	\$ 22,000	\$ 52,000	\$ 59,375	\$ 7,375
State	1,412,909	1,412,909	1,434,909	22,000
Other	-	10,000	-	(10,000)
TOTAL RECEIPTS	1,434,909	1,474,909	1,494,284	19,375
DISBURSEMENTS				
Instruction	40,000	110,000	134,855	(24,855)
Instructional staff support	150,000	150,000	-	150,000
General administration	3,000	3,000	-	3,000
Operation of plant	15,000	85,000	72,866	12,134
Transportation	400,000	400,000	388,000	12,000
Food service	25,000	25,000	-	25,000
Facilities acquisition and construction	800,000	1,500,000	1,471,564	28,436
Debt service	-	-	1,304	(1,304)
TOTAL DISBURSEMENTS	1,433,000	2,273,000	2,068,589	204,411
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	1,909	(798,091)	(574,305)	223,786
OTHER FINANCING SOURCES				
Net insurance recovery	-	2,600,000	2,625,299	25,299
Sale of schools buses	-	-	3,350	3,350
Sale of other property	-	-	30,000	30,000
TOTAL OTHER FINANCING SOURCES	-	2,600,000	2,658,649	58,649
EXCESS OF RECEIPTS AND OTHER SOURCES OVER DISBURSEMENTS	1,909	1,801,909	2,084,344	282,435
FUND BALANCE, July 1, 2017	1,650,000	1,650,000	1,642,869	(7,131)
FUND BALANCE, June 30, 2018	<u>\$ 1,651,909</u>	<u>\$ 3,451,909</u>	<u>\$ 3,727,213</u>	<u>\$ 275,304</u>

WEBB CITY R-VII SCHOOL DISTRICT
NOTE TO BUDGETARY COMPARISON SCHEDULES
June 30, 2018

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.

OTHER FINANCIAL INFORMATION

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF RECEIPTS BY SOURCE
Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
LOCAL					
Current taxes	\$ 6,621,131	\$ -	\$ 1,637,225	\$ -	\$ 8,258,356
Delinquent taxes	209,307	-	51,756	-	261,063
School district trust fund (Prop C)	2,602,207	1,641,332	-	-	4,243,539
Financial institution tax	42,676	-	-	-	42,676
M & M surtax	228,181	-	-	-	228,181
In lieu of tax	920	-	228	-	1,148
Earnings on investments	88,865	56,373	630,577	45,127	820,942
Food service - programs	349,607	-	-	-	349,607
Food service non-program	23,875	-	-	-	23,875
Student activities	697,314	-	-	-	697,314
Community services	75,074	-	-	-	75,074
Rentals	-	-	-	14,248	14,248
Gifts	115,100	-	-	-	115,100
Prior period adjustment	16,076	-	-	-	16,076
Miscellaneous local revenue	12,967	-	-	-	12,967
TOTAL LOCAL	11,083,300	1,697,705	2,319,786	59,375	15,160,166
COUNTY					
Fines, escheats, etc.	-	98,578	-	-	98,578
State assessed utilities	608,004	-	66,493	-	674,497
TOTAL COUNTY	608,004	98,578	66,493	-	773,075
STATE					
Basic formula - state monies	-	18,795,376	-	-	18,795,376
Transportation	234,708	-	-	-	234,708
Early childhood special education	250,785	660,114	-	-	910,899
Basic formula - classroom trust fund	328,596	-	-	1,404,909	1,733,505
Educational screening program/PAT	156,894	-	-	-	156,894
Career education	18,057	-	-	-	18,057
Food service - state	13,317	-	-	-	13,317
High need fund - special education	159,865	-	-	-	159,865
DNR grant	-	-	-	30,000	30,000
Social worker grant	9,859	-	-	-	9,859
Disability determinations	273	-	-	-	273
TOTAL STATE	1,172,354	19,455,490	-	1,434,909	22,062,753

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF RECEIPTS BY SOURCE (continued)
Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
FEDERAL					
Medicaid	103,811	-	-	-	103,811
Reservice Officer Training Corps (ROTC)	-	60,036	-	-	60,036
Perkins basic grant, career education	6,533	57,556	-	-	64,089
IDEA grants	3,401	-	-	-	3,401
IDEA entitlement funds, Part B IDEA	-	711,239	-	-	711,239
Early childhood special education - federal	-	127,088	-	-	127,088
School lunch program	800,261	-	-	-	800,261
School breakfast program	473,461	-	-	-	473,461
Special milk program	2,828	-	-	-	2,828
Title I	374,375	293,140	-	-	667,515
Title IV.A student support and academic enrichment	11,080	-	-	-	11,080
Title III	32,849	-	-	-	32,849
Title II.A	-	122,500	-	-	122,500
Dept. of health food service program	82,362	-	-	-	82,362
Interest subsidy - federal	-	-	86,850	-	86,850
TOTAL FEDERAL	1,890,961	1,371,559	86,850	-	3,349,370
OTHER SOURCES					
Net insurance recovery	-	-	-	2,625,299	2,625,299
Sale of school buses	-	-	-	3,350	3,350
Sale of other property	-	-	-	30,000	30,000
Refunding bonds	-	-	5,885,000	-	5,885,000
Tuition from other districts	39,518	-	-	-	39,518
TOTAL OTHER SOURCES	39,518	-	5,885,000	2,658,649	8,583,167
TOTAL RECEIPTS	<u>\$ 14,794,137</u>	<u>\$ 22,623,332</u>	<u>\$ 8,358,129</u>	<u>\$ 4,152,933</u>	<u>\$ 49,928,531</u>

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

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF DISBURSEMENTS BY OBJECT
Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Salaries	\$ 6,398,675	\$ 17,777,439	\$ -	\$ -	\$ 24,176,114
Teacher's retirement	4,836	2,691,434	-	-	2,696,270
Non-teacher retirement	488,546	-	-	-	488,546
Old age survivor and disability (OASDI)	385,790	9,834	-	-	395,624
Medicare	86,486	243,056	-	-	329,542
Employee insurance	1,110,718	1,317,246	-	-	2,427,964
Purchased instructional services - tuition	-	584,323	-	-	584,323
Professional services	262,263	-	-	-	262,263
Audit services	16,125	-	-	-	16,125
Legal services	11,122	-	-	-	11,122
Other professional services	96,136	-	-	-	96,136
Repairs and maintenance	446,487	-	-	-	446,487
Rentals - equipment	85,872	-	-	-	85,872
Water and sewer	67,827	-	-	-	67,827
Trash removal	56,768	-	-	-	56,768
Travel	80,436	-	-	-	80,436
Property insurance	118,369	-	-	-	118,369
Liability insurance	80,701	-	-	-	80,701
Communication	95,835	-	-	-	95,835
Advertising, printing, dues and other purchased services	48,925	-	-	-	48,925
General supplies	2,469,949	-	-	-	2,469,949
Supplies - technology - related	600,792	-	-	-	600,792
Library books	158,317	-	-	-	158,317
Food supplies - exclude non-food supplies	735,261	-	-	-	735,261
Energy	783,047	-	-	-	783,047
Buildings	-	-	-	1,198,326	1,198,326
Improvements other than buildings	-	-	-	252,576	252,576
Regular equipment	-	-	-	189,367	189,367
Technology - related hardware	-	-	-	20,663	20,663
Vehicles - except school buses	-	-	-	18,353	18,353
Pupil transportation vehicles - school buses	-	-	-	388,000	388,000
Principal	-	-	5,950,000	-	5,950,000
Interest	-	-	1,095,911	1,304	1,097,215
Other (fin. fees, etc.)	-	-	81,150	-	81,150
TOTAL DISBURSEMENTS	\$ 14,689,283	\$ 22,623,332	\$ 7,127,061	\$ 2,068,589	\$ 46,508,265

WEBB CITY R-VII SCHOOL DISTRICT
 SCHEDULE OF TRANSPORTATION COSTS ELIGIBLE FOR STATE AID
 Year Ended June 30, 2018

	<u>District Owned</u>
Non-certified salaries	\$ 870,778
Employee benefits	331,141
Purchased services	48,392
Supplies	195,022
Depreciation, net of adjustment	<u>151,145</u>
	<u>\$ 1,596,478</u>
School bus lease	
Principal	<u>\$ 57,000</u>
Interest	<u>\$ 1,304</u>
School buses purchased	<u>\$ 331,000</u>

OTHER REPORTING REQUIREMENTS



**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
Webb City R-VII School District
Webb City, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the discretely presented component unit of Webb City R-VII School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Webb City R-VII School District's basic financial statements and have issued our report thereon dated November 30, 2018.

Internal Control over Financial Reporting

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

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

Board of Education
Webb City R-VII School District
Webb City, Missouri

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Webb City R-VII 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of 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

KPM CPAs, PC
Springfield, Missouri
November 30, 2018



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

Board of Education
Webb City R-VII School District
Webb City, Missouri

Report on Compliance for Each Major Federal Program

We have audited the Webb City R-VII School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Webb City R-VII School District's major federal program for the year ended June 30, 2018. The Webb City R-VII School District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Webb City R-VII School District's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Webb City R-VII School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on the Webb City R-VII School District's compliance.

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Member of The Leading Edge Alliance

Opinion on Each Major Federal Program

In our opinion, the Webb City R-VII School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the Webb City R-VII School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Webb City R-VII School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 30, 2018

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Passed-through to Subrecipients	Federal Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Missouri Department of Elementary and Secondary Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	20177N109943	\$ -	\$ 80,401
		20188N109943	-	393,060
			-	473,461
Special Milk Program	10.556	20177N109943	-	468
		20188N109943	-	2,360
			-	2,828
National School Lunch - Cash	10.555	20177N109943	-	141,661
		20188N109943	-	658,600
			-	800,261
- Commodities	10.555	049-144	-	159,370
Missouri Department of Health and Senior Services				
Child Nutrition Cluster				
Summer School Food Service Program	10.559	ERS0462044S	-	88,342
Total Child Nutrition Cluster			-	1,524,262
Child and Adult Care Food Program	10.558	ERS46111440	-	4,557
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	1,528,819
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Missouri Department of Elementary and Secondary Education				
Title I Grants to LEAs	84.010	S010A170025	-	676,212
Student Support and Academic Enrichment Program	84.424	S424A170026	-	11,168
Supporting Effective Instruction State Grant	84.367	S367A170024	-	123,643
English Language Acquisition State Grants	84.365	S365A170025	-	15,010
Career and Technical Education - Basic Grants to States	84.048	V048A170025	-	57,556
Special Education Grants Cluster				
Special Education Grants to States	84.027	H027A160040	-	600,000
		H027A170040	-	213,440
			-	813,440
Special Education Preschool Grants	84.173	H173A170103	-	28,288
Total Special Education Cluster			-	841,728
TOTAL U.S. DEPARTMENT OF EDUCATION			-	1,725,317
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct				
Junior Reserve Officers Training Corp Unit	12.000	N/A	-	60,414
TOTAL U.S. DEPARTMENT OF DEFENSE			-	60,414
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 3,314,550

N/A – not applicable

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
Year Ended June 30, 2018

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. The Schedule of Expenditures of Federal Awards is presented using the modified cash basis of accounting, which is described in Note A to the District's financial statements.
2. Commodities, non-cash assistance of \$159,370, received and expended are valued by the Food Service Section of the Department of Elementary and Secondary Education.
3. The District did not provide funds to subrecipients in the current year.
4. The District elected not to use the 10% de minimis indirect cost rate.

WEBB CITY R-VII SCHOOL DISTRICT
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2018

Section I – Summary of Audit 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 X no
- Significant deficiency(ies) identified: _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified: _____ yes X none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a) _____ yes X no

Identification of major federal program:

CFDA Number(s)
10.553, 10.555, 10.556 & 10.559

Name of Federal Program or Cluster
Child Nutrition Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee? _____ yes X no

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

WEBB CITY R-VII SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2018

There were no prior audit findings.

SUPPLEMENTARY STATE INFORMATION



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

Board of Education
Webb City R-VII School District
Webb City, Missouri

We have examined management's assertions that the Webb City R-VII School District complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the schedule of selected statistics during the year ended June 30, 2018. Webb City R-VII School District's management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions based on our examination.

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

In our opinion, management's assertions referred to above are fairly stated, in all material respects.

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
November 30, 2018

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WEBB CITY R-VII SCHOOL DISTRICT 049-144
 SCHEDULE OF SELECTED STATISTICS
 Year Ended June 30, 2018

1. Calendar (Sections 160.041 and 171.031, RSMo)

A. Standard Day Length (SDL) – The total number of hours between the starting time of the first class and the dismissal time of the last class, minus the time allowed for lunch and one passing time, and minus Channel One time were as follows:

Kindergarten – Grade 12	6.1000
-------------------------	--------

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

Kindergarten – Grade 12	1,054.40
-------------------------	----------

C. The number of days classes were in session and pupils were under the direction of the teachers during this school year was 175.

2. Average Daily Attendance (ADA)

Average Daily Attendance:

Regular term:

Full-time kindergarten – Grade 12	4,061.47
-----------------------------------	----------

Part-time kindergarten – Grade 12	.61
-----------------------------------	-----

Remedial	<u>6.05</u>
----------	-------------

Total regular term	4,068.13
--------------------	----------

Summer school average daily attendance	<u>163.87</u>
--	---------------

Total Average Daily Attendance	<u><u>4,232.00</u></u>
--------------------------------	------------------------

3. September Membership

September Membership FTE Count	<u><u>4,247.33</u></u>
--------------------------------	------------------------

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

State FTE Total	Free	1,507.38
	Reduced	<u>411.00</u>
	Total	<u><u>1,918.38</u></u>

WEBB CITY R-VII SCHOOL DISTRICT 049-144
SCHEDULE OF SELECTED STATISTICS (continued)
Year Ended June 30, 2018

5. Finance

- A. A bond, as required by Section 162.401, RSMo, has been purchased for the District treasurer in the amount of \$100,000.
- B. The District's deposits were adequately secured during the year as required by Sections 110.010 and 110.020 RSMo.
- C. The District maintained a separate bank account for its Debt Service Fund in accordance with Section 165.011 RSMo.
- D. Salaries reported for educators in the October core data cycle are supported by payroll/contract records.
- E. The District did not make a 7% x SAT x WADA transfer.
- F. The District published a summary of the 2016-2017 audit report within thirty days of receipt of the audit, pursuant to Section 165.121, RSMo.
- G. 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.
- H. The amount spent for approved professional development committee plan activities was \$204,301.

There were no findings noted above.

6. Transportation (Section 163.161, RSMo)

- A. The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.
- B. The District's school transportation ridership records are so maintained as to accurately disclose in all material respects the average number of regular riders transported.
- C. Based on the ridership records, the average number of students (non-disabled K-12, career education, and K-12 students with disabilities) transported on a regular basis (ADT) eligible for state transportation aid was 2,156.00 and the average number of students transported on a regular basis (ADT) ineligible to be counted for state transportation aid was -0-.
- D. The District's transportation odometer mileage records are so maintained as to accurately disclose in all material respects the eligible and ineligible mileage for the year.

WEBB CITY R-VII SCHOOL DISTRICT 049-144
SCHEDULE OF SELECTED STATISTICS (continued)
Year Ended June 30, 2018

6. Transportation (Section 163.161, RSMo) (continued)

E. Actual odometer records show the total District operated and contracted mileage for the year was 346,047. Of this total, the eligible non-disabled and students with disabilities route miles were 258,344 and the ineligible non-route and disapproved miles combined were 87,703.

F. The District operated the school transportation system for 175 days during this school year.

There were no findings noted above.