

NORTH PLATTE CO R-I SCHOOL DISTRICT  
DEARBORN, MISSOURI

FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY DATA  
AND INDEPENDENT AUDITORS' REPORTS

June 30, 2019

NORTH PLATTE CO R-I SCHOOL DISTRICT  
DEARBORN, MISSOURI

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NORTH PLATTE CO R-I SCHOOL DISTRICT  
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## INDEPENDENT AUDITORS' REPORT

Board of Education  
North Platte Co R-I School District  
Dearborn, Missouri 64439

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the North Platte Co R-I School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the North Platte Co R-I School District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statement**

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

### **Auditor's Responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in Note 1; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 entity'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 entity'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.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund for the North Platte Co R-I School District as of June 30, 2019, and the changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the basis of accounting described in Note 1.

**Basis of Accounting**

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

**Disclaimer of Opinion on Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the North Platte Co. R-I School District's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison information and retirement reports on pages 17-22 and 26-29, respectively, have 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 them.

**Other Financial Information**

The supplementary information, except as noted above, 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. Such information has been subject to the auditing procedures applied in the auditing 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 Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 13, 2019, on our consideration of the North Platte Co R-I School District's internal control over financial reporting and on our tests of its compliance with certain provisions of the 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 internal control over financial reporting. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering North Platte Co R-I School District's internal control over financial reporting and compliance.

*Conrad & Higgins, LLC*

**Conrad & Higgins, LLC**

Chillicothe, Missouri

December 13, 2019

BASIC FINANCIAL STATEMENTS

North Platte Co R-I School District  
Statement of Net Position Arising From Modified  
Cash Basis Transactions-Governmental Activities  
For the Year Ended June 30, 2019

ASSETS:

Cash	\$ 53,695
Investments	3,333,246
Total Assets	\$ 3,386,941

NET POSITION:

Restricted for:	
Debt service	\$ 758,488
Capital projects	174,920
Unrestricted	2,453,533
Total Net Position	\$ 3,386,941

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Statement of Activities Arising From Modified  
Cash Basis Transactions-Governmental Activities  
For the Year Ended June 30, 2019

	Expenditures	Program Receipts			Net Expenses and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction	\$ 3,802,128	\$ 158,817	\$ 805,735	\$ -	\$ (2,837,576)
Student services	314,163	-	-	-	(314,163)
Instruction staff support	108,609	-	-	-	(108,609)
Building administration	444,177	-	-	-	(444,177)
General administration	655,350	-	-	-	(655,350)
Operation of plant	924,856	-	-	-	(924,856)
Pupil transportation	449,409	222,649	79,575	-	(147,185)
Food services	335,732	187,185	118,292	-	(30,255)
Community services	35,151	-	-	-	(35,151)
Facilities acquisition	1,713,780	-	-	-	(1,713,780)
Principal	415,651	-	-	-	(415,651)
Interest	371,514	-	-	-	(371,514)
Other	1,060	-	-	-	(1,060)
Total	<u>\$ 9,571,580</u>	<u>\$ 568,651</u>	<u>\$ 1,003,602</u>	<u>\$ -</u>	<u>(7,999,327)</u>

General Revenues:

Property and other taxes	3,278,658
Proposition C	604,646
Basic formula	2,384,236
Earnings on investments	129,018
Other	86,433
Increase/(decrease) in net position	<u>(1,516,336)</u>

Net Position, July 1, 2018	4,903,277
Net Position, June 30, 2019	<u>\$ 3,386,941</u>

The accompanying notes to financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

North Platte Co R-I School District  
 Combined Statement of Assets and Net Position  
 Arising from Modified Cash Transactions - All Fund Types  
 June 30, 2019

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
<b>ASSETS</b>					
Cash	\$ 53,695	\$ -	\$ -	\$ -	\$ 53,695
Investments	2,399,838	-	758,488	174,920	3,333,246
Total Assets	<u>\$ 2,453,533</u>	<u>\$ -</u>	<u>\$ 758,488</u>	<u>\$ 174,920</u>	<u>\$ 3,386,941</u>
<b>NET POSITION</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ 758,488	\$ -	\$ 758,488
Capital projects	-	-	-	174,920	174,920
Unassigned:	<u>2,453,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,453,533</u>
Total Net Position	<u>\$ 2,453,533</u>	<u>\$ -</u>	<u>\$ 758,488</u>	<u>\$ 174,920</u>	3,386,941
Net position of governmental activities					<u>\$ 3,386,941</u>

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
 Combined Statement of Revenues Collected, Expenditures Paid  
 and Changes in Net Position - All Governmental Fund Types  
 for the Year Ended June 30, 2019

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Funds	Totals (Governmental Funds)
<b>REVENUES COLLECTED:</b>					
Local	\$ 2,946,286	\$ 546,378	\$ 663,449	\$ 6,245	\$ 4,162,358
County	206,225	36,461	39,715	-	282,401
State	102,270	2,779,282	-	-	2,881,552
Federal	165,959	220,498	119,827	-	506,284
Other	-	222,649	-	-	222,649
Total Revenues Collected	<u>3,420,740</u>	<u>3,805,268</u>	<u>822,991</u>	<u>6,245</u>	<u>8,055,244</u>
<b>EXPENDITURES PAID:</b>					
Instruction	686,424	3,107,476	-	8,230	3,802,130
Guidance	5,660	112,283	-	-	117,943
Health services	115,733	80,487	-	-	196,220
Improvement of instruction	2,755	-	-	-	2,755
Professional development	5,184	19,123	-	-	24,307
Media services	31,824	49,722	-	-	81,546
Executive administration	280,944	374,405	-	-	655,349
Building level administration	160,603	284,154	-	-	444,757
Operation of plant	772,815	2,782	-	148,679	924,276
Pupil transportation	449,409	-	-	-	449,409
Food services	335,732	-	-	-	335,732
Early childhood programs	2,361	32,790	-	-	35,151
Facilities acquisition and construction	-	-	-	1,713,780	1,713,780
Debt service:					
Principal	-	-	415,651	-	415,651
Interest and fees	-	-	371,514	-	371,514
Other	-	-	1,060	-	1,060
Total Expenditures Paid	<u>2,849,444</u>	<u>4,063,222</u>	<u>788,225</u>	<u>1,870,689</u>	<u>9,571,580</u>
REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID	<u>571,296</u>	<u>(257,954)</u>	<u>34,766</u>	<u>(1,864,444)</u>	<u>(1,516,336)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers	(257,954)	257,954	-	-	-
Total other financing sources (uses)	<u>(257,954)</u>	<u>257,954</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES	313,342	-	34,766	(1,864,444)	(1,516,336)
NET POSITION, JULY 1, 2018	<u>2,140,191</u>	<u>-</u>	<u>723,722</u>	<u>2,039,364</u>	
NET POSITION, JUNE 30, 2019	<u>\$ 2,453,533</u>	<u>\$ -</u>	<u>\$ 758,488</u>	<u>\$ 174,920</u>	
<b>CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>					<u>\$ (1,516,336)</u>

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Platte Co R-I School District was established in 1865 under the Statutes of the State of Missouri. The District operates as a "six director" district (with seven members of the Board of Education as described in RSMo Chapter 162).

The financial statements of North Platte Co R-I School District have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

\* The financial statements include:

\*\* Financial statements prepared using the modified cash basis for government-wide financial statements and for the fund financial statements for all of the District's activities.

**A. Reporting Entity**

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, no additional component units should be included in the reporting entity.

**B. Basis of Presentation - Fund Accounting**

The District's financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's General, Special Revenue, Debt Service, and Capital Projects funds are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns (a) are presented on a consolidated basis by column (b) and are reported on a modified cash basis of accounting. The District's net position are reported in two parts-restricted net position and unrestricted net position.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**B. Basis of Presentation - Fund Accounting (Continued)**

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operation and capital grants. Program revenues must be directly associated with the function (food services, instruction, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property, sales, intergovernmental revenues, interest income, etc.).

The District does not allocate indirect costs.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**C. Financial Statements-Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, reserves, fund balances, revenues collected, and expenditures paid, arising from cash transactions.

The following governmental fund types are used by the District:

**General (Incidental) Fund:** Accounts for general activities of the District, including student activities, food service, and textbooks, which are not required to be accounted for in another fund.

**Special Revenue (Teachers') Fund:** Accounts for expenditures for certified 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:** Accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt.

**Capital Projects (Building) Fund:** Accounts for the proceeds of long-term debt, taxes and other revenues restricted for acquisition or construction of major capital assets.

**D. 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. This basis recognizes assets, net position/fund equity, 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.

As a result of the use of 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 financial would be presented on the accrual basis of accounting.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**E. Use of Estimates**

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

**F. 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 of the political subdivision.

2) Prior to July, the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.

3) A public hearing is conducted to obtain taxpayer comments. Prior to 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 in relation to the original appropriations which were amended. Unused appropriations lapse at the end of each fiscal year.

The final budget amendment was made at the June 2019 board meeting.

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

**G. Pooled Cash and Temporary Investments**

Cash resources of the individual funds are combined to form a pool of cash and temporary investments, which is managed by the district treasurer. Investments of the pooled accounts may consist primarily of certificates of deposit and U.S. government securities, carried at cost, which approximates market. Interest income received is allocated to contributing funds based on cash and temporary investment balances.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**H. Compensated Absences**

Vacation time, personal business days, and sick leave are considered as expenditures in the year paid. Amounts unused and which are vested in the employee are payable upon termination. Total vested and unpaid sick leave at June 30, 2019, amounted to \$54,123.

**I. Teachers' Salaries**

Payroll checks, written and dated in June 2019 for July and August 2019 payrolls, from 2018-2019 contracts in the amount of \$476,244 are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

**J. Post Employment Benefits**

COBRA Benefits: Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium, plus a 2% administration charge, is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program, and there were two eligible participants in the program as of June 30, 2019.

**K. Inventories**

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

**L. Public School Retirement System of Missouri**

Financial reporting information pertaining to our participation in the Public School Retirement System of Missouri ("PSRS") and the Public Education Employee Retirement System of Missouri ("PEERS") is prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

The fiduciary net position, as well as additions to and deductions from the fiduciary net positions, of PSRS and PEERS have been determined on the same basis as they are reported by PSRS and PEERS. The financial statements were prepared using the modified cash basis of accounting. Members and employer contributions are recognized when paid, pursuant to formal commitments and statutory requirements. Expenses are recognized when the payment is made.

**M. Restricted Assets**

Restricted assets of the District consist of checking, certificates of deposit and investments which have been set aside based on 1) certain debt covenants, 2) taxing authority guidelines and 3) state statutory compliance. Debt covenants provide for the redemption of debt in future years and to service outstanding debt. Taxing authority guidelines provide for the taxes collected to be disbursed in accordance with the terms that the patrons of the District approved when they voted. State statutory compliance restricts transfers from the Special Revenue Fund, the Debt Service Fund and the Capital Projects Fund. It is the District's policy to first use restricted net position prior to the use of unrestricted net position when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

2 DEPOSITS AND INVESTMENTS

*Custodial Credit Risk* - Missouri State Statutes authorize the Board of Education, with certain restrictions, to deposit funds in open accounts, time deposits and certificates of deposits. Statutes also require that collateral pledged have a fair market value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the District or a disinterested third party and must be of the kind prescribed by the State Statutes and approved by the State. At June 30, 2019, the carrying amount of deposits and investments was \$53,695 and \$3,333,246 and the bank balance was \$840,615 and \$3,333,246. All of the bank balances were covered by federal depository insurance or by collateral held by the pledging financial institution's trust department or agent in the District's name.

Bond covenants authorize the District to invest in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States, or in other obligations in which public funds are permitted to be invested under Missouri law.

*Interest Rate Risk* - The District has no formal investment policy regarding interest rate risk.

*Credit Risk* - The District has no investment policy that limits in investments choice other than the limitation of state law as follows:

- a. District obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

A reconciliation of cash and investments as shown on the Balance Sheet was as follows:

	Carrying Amount
Cash on hand	\$ -
Carrying amount of deposits	53,695
Carrying amount of investments	3,333,246
	\$ 3,386,941
	\$ 3,386,941
Cash	\$ 53,695
Cash - restricted	-
Investments	2,574,758
Investments - restricted	758,488
	\$ 3,386,941
	\$ 3,386,941

North Platte Co R-I School District  
Notes to Financial Statements  
Year ended June 30, 2019

2 DEPOSITS AND INVESTMENTS (Continued)

The District has the following investments at June 30, 2019:

Investment Type	Maturity	Total
Certificates of Deposit (includes MOSIP)	Various	\$ 3,019,713
Pro-rata shares of investment contracts with BOK Financial through the Missouri School District Direct Deposit Program	N/A	<u>313,533</u>
		<u>\$ 3,333,246</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. 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, 2019, all certificates of deposit are entirely insured or collateralized with securities.

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.

3 TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are 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.

The assessed valuation of the tangible taxable property (excluding state assessed railroad and utilities) for the calendar year 2018 for purposes of local taxation were:

Real Estate:	
Residential	\$ 39,281,250
Agriculture	4,945,007
Commercial	3,647,802
Personal Property:	<u>15,935,094</u>
Total	<u>\$ 63,809,153</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2018 for purposes of local taxation was:

	Unadjusted	Adjusted
General Fund	\$ 3.7500	\$ 3.7500
Special Revenue Fund	-	-
Debt Service Fund	0.9900	0.9900
Capital Project Fund	-	-
Total	<u>\$ 4.7400</u>	<u>\$ 4.7400</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2019, aggregated approximately 98.87 percent of the current assessment computed on the basis of the levy as shown above.

North Platte Co R-I School District  
Notes to Financial Statements  
Year ended June 30, 2019

4 CHANGES IN LONG-TERM DEBT

Bonds payable, July 1, 2018	\$ 9,184,559
Bonds issued	-
Bonds retired	<u>(415,651)</u>
Bonds payable, June 30, 2019	<u>\$ 8,768,908</u>

On August 19, 2009, the District issued \$985,000 General Obligation Refunding Bonds, Series 2009. The proceeds from the bonds, together with other funds provided by the District, were used to purchase an escrow account of U.S. treasury securities that pay the interest on the Series 2009 bonds through March 1, 2019, when the escrow account will prepay the \$1,030,000 portion callable on March 1, 2019, of the District's Series 2006 Refunded Bonds that was called in for early redemption on March 1, 2019.

Bonds payable at June 30, 2019 consist of:

\$1,605,000 general obligation revenue bonds due in varying annual installments from September 1, 2018 through March 1, 2025; interest at 0.75 percent to 2.80 percent.

\$2,249,118 general obligation qualified school construction bonds due in interest only installments from September 1, 2018 through March 1, 2025; interest at 5.50 percent, principal due on March 31, 2025. The district pays \$160,651 on March 1st each year into a Principal Accumulation Account at Platte Valley Bank. The balance of \$1,285,210 has been applied to offset the outstanding debt balance. The net balance is \$963,908.

\$6,200,000 general obligation revenue bonds due in varying annual installments from September 1, 2018 through March 1, 2037; interest at 2.15 percent to 5.1 percent.

Debt service requirements to maturity are:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 415,652	\$ 244,369	\$ 660,021
2021	420,651	240,035	660,686
2022	425,651	234,835	660,486
2023	435,651	228,873	664,524
2024	435,652	221,997	657,649
2025-2029	2,275,651	981,865	3,257,516
2030-2034	2,605,000	676,500	3,281,500
2035-2037	<u>1,755,000</u>	<u>177,000</u>	<u>1,932,000</u>
	<u>\$ 8,768,908</u>	<u>\$ 3,005,474</u>	<u>\$ 11,774,382</u>

5 CONTINGENCIES

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

6 INTERFUND TRANSFERS

During the year ended June 30, 2019, the district transferred \$257,954 from the General Fund to the Special Revenue Fund for teachers' salaries.

North Platte Co R-I School District  
Notes to Financial Statements  
Year ended June 30, 2019

7 GASB STATEMENT NO. 54 - FUND BALANCE REPORTING

The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The initial distinction that is made in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with scholarships.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation such as taxes levied by a vote of the public.

*Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted.

8 POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 10, 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.

9 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.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

10 PENSION 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.

*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 Section 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-certified 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 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 have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

*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 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 lifelong 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.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

10 PENSION PLANS (Continued)

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 increase 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 2017, 2018, and 2019. Employers were required to match the contributions made by the employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

Contributions PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2017, 2018, and 2019. 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 \$450,345 and \$59,359, respectively, for the year ended June 30, 2019.

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).

SUPPLEMENTARY INFORMATION

North Platte Co R-I School District  
 General (Incidental) Fund  
 Statement of Revenues Collected, Expenditures Paid  
 and Changes in Net Position - Budget and Actual  
 For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 2,681,837	\$ 2,946,286	\$ 2,946,286	\$ 264,449
County	200,000	206,225	206,225	6,225
State	102,216	102,270	102,270	54
Federal	159,000	165,959	165,959	6,959
Total Revenues Collected	3,143,053	3,420,740	3,420,740	277,687
<b>EXPENDITURES PAID:</b>				
Instruction	621,326	686,424	686,424	(65,098)
Guidance	1,300	5,660	5,660	(4,360)
Health services	50,922	115,733	115,733	(64,811)
Improvement of instruction	-	2,755	2,755	(2,755)
Professional development	10,000	5,184	5,184	4,816
Media services	43,257	31,824	31,824	11,433
Executive administration	227,812	280,944	280,944	(53,132)
Building level administration	167,153	160,603	160,603	6,550
Operation of plant	791,083	772,815	772,815	18,268
Pupil transportation	449,989	449,409	449,409	580
Food services	365,300	335,732	335,732	29,568
Early childhood programs/instruction	3,760	2,361	2,361	1,399
Total Expenditures Paid	2,731,902	2,849,444	2,849,444	(117,542)
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ 411,151	\$ 571,296	571,296	\$ 160,145
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			(257,954)	
Total other financing sources (uses)			(257,954)	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			313,342	
<b>NET POSITION, JULY 1, 2018</b>				
			2,140,191	
<b>NET POSITION, JUNE 30, 2019</b>				
			\$ 2,453,533	

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Special Revenue (Teachers') Fund  
Statement of Revenues Collected, Expenditures Paid  
and Changes in Net Position - Budget and Actual  
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 594,000	\$ 546,378	\$ 546,378	\$ (47,622)
County	35,000	36,461	36,461	1,461
State	2,769,630	2,779,282	2,779,282	9,652
Federal	250,011	220,498	220,498	(29,513)
From other districts	230,525	222,649	222,649	(7,876)
Total Revenues Collected	3,879,166	3,805,268	3,805,268	(73,898)
<b>EXPENDITURES PAID:</b>				
Instruction	3,583,917	3,107,476	3,107,476	476,441
Guidance	117,559	112,283	112,283	5,276
Health services	-	80,487	80,487	(80,487)
Professional development	16,057	19,123	19,123	(3,066)
Media services	50,904	49,722	49,722	1,182
Executive administration	143,652	374,405	374,405	(230,753)
Building level administration	264,385	284,154	284,154	(19,769)
Operation of plant	-	2,782	2,782	(2,782)
Early childhood programs/instruction	22,148	32,790	32,790	(10,642)
Total Expenditures Paid	4,198,622	4,063,222	4,063,222	135,400
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>				
	\$ (319,456)	\$ (257,954)	(257,954)	\$ 61,502
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			257,954	
Total other financing sources (uses)			257,954	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>				
			-	
<b>NET POSITION, JULY 1, 2018</b>				
			-	
<b>NET POSITION, JUNE 30, 2019</b>				
			\$ -	

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Debt Service Fund  
Statement of Revenues Collected, Expenditures Paid  
and Changes in Net Position - Budget and Actual  
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 614,307	\$ 663,449	\$ 663,449	\$ 49,142
County	37,000	39,715	39,715	2,715
Federal	114,733	119,827	119,827	5,094
Total Revenues Collected	766,040	822,991	822,991	56,951
<b>EXPENDITURES PAID:</b>				
Debt service:				
Principal	415,651	415,651	415,651	-
Interest and fees	371,514	371,514	371,514	-
Other	1,060	1,060	1,060	-
Total Expenditures Paid	788,225	788,225	788,225	-
<b>REVENUES COLLECTED OVER (UNDER)</b>				
EXPENDITURES PAID	\$ (22,185)	\$ 34,766	34,766	\$ 56,951
NET POSITION, JULY 1, 2018			723,722	
NET POSITION, JUNE 30, 2019			\$ 758,488	

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
 Capital Projects (Building) Fund  
 Statements of Revenues Collected, Expenditures Paid  
 and Changes in Net Position - Budget and Actual  
 For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 11,002	\$ 6,245	\$ 6,245	\$ (4,757)
Total Revenues Collected	11,002	6,245	6,245	(4,757)
<b>EXPENDITURES PAID:</b>				
Instruction	1,000	8,230	8,230	(7,230)
Operation of plant	14,000	148,679	148,679	(134,679)
Food service	2,500	-	-	2,500
Facility acquisition and construction	1,900,000	1,713,780	1,713,780	186,220
Total Expenditures Paid	1,917,500	1,870,689	1,870,689	46,811
<b>REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID</b>	<b>\$ (1,906,498)</b>	<b>\$ (1,864,444)</b>	<b>(1,864,444)</b>	<b>\$ 42,054</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers			-	
Total other financing sources (uses)			-	
<b>REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES</b>			<b>(1,864,444)</b>	
NET POSITION, JULY 1, 2018			2,039,364	
NET POSITION, JUNE 30, 2019			\$ 174,920	

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
 Combined Funds  
 Statement of Revenues Collected, Expenditures Paid  
 and Changes in Net Position - Budget and Actual  
 For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Original Budget Actual Expenditures Variance
<b>REVENUES COLLECTED:</b>				
Local	\$ 3,901,146	\$ 4,162,358	\$ 4,162,358	\$ 261,212
County	272,000	282,401	282,401	10,401
State	2,871,846	2,881,552	2,881,552	9,706
Federal	523,744	506,284	506,284	(17,460)
Other	230,525	222,649	222,649	(7,876)
Total Revenues Collected	<u>7,799,261</u>	<u>8,055,244</u>	<u>8,055,244</u>	<u>255,983</u>
<b>EXPENDITURES PAID:</b>				
Instruction	4,206,243	3,802,130	3,802,130	404,113
Guidance	118,859	117,943	117,943	916
Health services	50,922	196,220	196,220	(145,298)
Improvement of instruction	-	2,755	2,755	(2,755)
Media services	94,161	81,546	81,546	12,615
Professional development	26,057	24,307	24,307	1,750
Executive administration	371,464	655,349	655,349	(283,885)
Building level administration	431,538	444,757	444,757	(13,219)
Operation of plant	805,083	924,276	924,276	(119,193)
Pupil transportation	449,989	449,409	449,409	580
Food services	367,800	335,732	335,732	32,068
Early childhood programs/instruction	25,908	35,151	35,151	(9,243)
Facilities acquisition and construction	1,900,000	1,713,780	1,713,780	186,220
Debt service:				
Principal	415,651	415,651	415,651	-
Interest and fees	371,514	371,514	371,514	-
Other fees	1,060	1,060	1,060	-
Total Expenditures Paid	<u>9,636,249</u>	<u>9,571,580</u>	<u>9,571,580</u>	<u>64,669</u>
REVENUES COLLECTED OVER (UNDER)				
EXPENDITURES PAID	<u>\$ (1,836,988)</u>	<u>\$ (1,516,336)</u>	<u>(1,516,336)</u>	<u>\$ 320,652</u>
NET POSITION, JULY 1, 2018			<u>4,903,277</u>	
NET POSITION, JUNE 30, 2019			<u>\$ 3,386,941</u>	

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Notes to Financial Statements  
Year Ended June 30, 2019

1 SUMMARY OF SIGNIFICANT BUDGETARY ACCOUNTING POLICIES

**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 of the political subdivision.
- 2) Prior to July the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
- 3) A public hearing is conducted to obtain taxpayer comments. Prior to 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 in relation to the original appropriations which were amended. Unused appropriations lapse at the end of each fiscal year.

The final budget amendment was made at the June 2019 board meeting.

- 6) Budgets for District funds are prepared and adopted on the cash basis (budget basis), recognizing revenues when collected and expenditures when paid.

North Platte Co R-I School District  
Schedule of Revenues Collected by Source  
Year Ended June 30, 2019

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
<u>Local</u>					
Current property taxes	\$ 2,195,763	\$ -	\$ 579,682	\$ -	\$ 2,775,445
Delinquent property taxes	170,125	-	44,922	-	215,047
Sales tax	58,269	546,378	-	-	604,647
M & M in lieu and city sales taxes	1,911	-	505	3,348	5,764
Earnings on investments	90,678	-	38,340	1	129,019
Food service - program	120,798	-	-	-	120,798
Food service - non-program	66,387	-	-	-	66,387
Student activities	173,942	-	-	-	173,942
Miscellaneous	68,413	-	-	2,896	71,309
Total Local	<u>2,946,286</u>	<u>546,378</u>	<u>663,449</u>	<u>6,245</u>	<u>4,162,358</u>
<u>County</u>					
Fines and escheats	-	36,461	-	-	36,461
State assessed utility taxes	206,225	-	39,715	-	245,940
Total County	<u>206,225</u>	<u>36,461</u>	<u>39,715</u>	<u>-</u>	<u>282,401</u>
<u>State</u>					
Basic formula	-	2,384,236	-	-	2,384,236
Transportation	79,575	-	-	-	79,575
Basic formula - classroom trust fund	20,523	228,254	-	-	248,777
Food service	2,172	-	-	-	2,172
Educational screening program	-	28,350	-	-	28,350
Other	-	138,442	-	-	138,442
Total State	<u>102,270</u>	<u>2,779,282</u>	<u>-</u>	<u>-</u>	<u>2,881,552</u>
<u>Federal</u>					
Individuals with disabilities	6,141	133,810	-	-	139,951
Food service	116,120	-	-	-	116,120
Title I, ESEA	-	64,056	-	-	64,056
Title II, ESEA	-	9,963	-	-	9,963
Other restricted federal revenue	43,698	12,669	119,827	-	176,194
Total Federal	<u>165,959</u>	<u>220,498</u>	<u>119,827</u>	<u>-</u>	<u>506,284</u>
Other	-	222,649	-	-	222,649
Total Revenues	<u>\$ 3,420,740</u>	<u>\$ 3,805,268</u>	<u>\$ 822,991</u>	<u>\$ 6,245</u>	<u>\$ 8,055,244</u>

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Schedule of Expenditures Paid by Object  
Year Ended June 30, 2019

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
Salaries	\$ 798,683	\$ 3,135,858	\$ -	\$ -	\$ 3,934,541
Employee benefits	223,971	788,281	-	-	1,012,252
Purchased services	1,100,897	139,083	-	-	1,239,980
Supplies	725,893	-	-	-	725,893
Capital outlay	-	-	-	1,870,689	1,870,689
Debt service	-	-	788,225	-	788,225
	<u>\$ 2,849,444</u>	<u>\$ 4,063,222</u>	<u>\$ 788,225</u>	<u>\$ 1,870,689</u>	<u>\$ 9,571,580</u>

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Summary Schedule of Revenues Collected, Expenditures Paid and  
Changes in Net Position  
Year Ended June 30, 2019

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Totals (Governmental Funds)
REVENUES COLLECTED	\$ 3,420,740	\$ 3,805,268	\$ 822,991	\$ 6,245	\$ 8,055,244
EXPENDITURES PAID	2,849,444	4,063,222	788,225	1,870,689	9,571,580
EXCESS OF REVENUES COLLECTED OVER (UNDER) EXPENDITURES PAID	571,296	(257,954)	34,766	(1,864,444)	(1,516,336)
OTHER FINANCING SOURCES (USES)					
Transfers	(257,954)	257,954	-	-	-
Total other financing sources (uses)	(257,954)	257,954	-	-	-
EXCESS OF REVENUES COLLECTED AND OTHER SOURCES OVER (UNDER) EXPENDITURES PAID AND OTHER USES	313,342	-	34,766	(1,864,444)	(1,516,336)
NET POSITION, JULY 1, 2018	2,140,191	-	723,722	2,039,364	4,903,277
NET POSITION, JUNE 30, 2019	<u>\$ 2,453,533</u>	<u>\$ -</u>	<u>\$ 758,488</u>	<u>\$ 174,920</u>	<u>\$ 3,386,941</u>

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
 Public School Retirement System of Missouri  
 Schedule of Proportionate Share of the Net Pension Liability and Related Ratios  
 Year Ended June 30, 2019

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2015	0.0738%	\$ 3,027,701	\$ 3,300,461	91.74%	89.34%
6/30/2016	0.0740%	\$ 4,271,916	\$ 3,367,488	126.86%	85.78%
6/30/2017	0.0660%	\$ 4,910,828	\$ 3,061,162	160.42%	82.18%
6/30/2018	0.0640%	\$ 4,621,776	\$ 3,030,264	152.52%	83.77%
6/30/2019	0.0653%	\$ 4,859,924	\$ 3,173,914	153.12%	84.06%

*Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.*

*\* The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the district's fiscal year.*

North Platte Co R-I School District  
Public School Retirement System of Missouri  
Schedule of Employer Contributions  
Year Ended June 30, 2019

<u>Year Ended*</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency) (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2014	\$ 453,910	\$ 453,910	\$ -	\$ 3,144,295	14.44%
6/30/2015	\$ 475,272	\$ 475,272	\$ -	\$ 3,300,461	14.40%
6/30/2016	\$ 485,717	\$ 485,717	\$ -	\$ 3,367,488	14.42%
6/30/2017	\$ 442,037	\$ 442,037	\$ -	\$ 3,061,162	14.44%
6/30/2018	\$ 437,529	\$ 437,529	\$ -	\$ 3,030,264	14.44%
6/30/2019	\$ 455,157	\$ 455,157	\$ -	\$ 3,173,914	14.34%

*Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.*

North Platte Co R-I School District  
 Public Education Employee Retirement System of Missouri  
 Schedule of Proportionate Share of the Net Pension Liability and Related Ratios  
 Year Ended June 30, 2019

<u>Year Ended*</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2015	0.0538%	\$ 196,459	\$ 785,103	25.02%	91.33%
6/30/2016	0.0520%	\$ 275,031	\$ 779,068	35.30%	88.28%
6/30/2017	0.0504%	\$ 404,377	\$ 777,728	51.99%	83.32%
6/30/2018	0.0521%	\$ 397,497	\$ 836,674	47.51%	85.35%
6/30/2019	0.0503%	\$ 388,674	\$ 837,009	46.44%	86.06%

*Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.*

*\* The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the district's fiscal year.*

North Platte Co R-I School District  
 Public Education Employee Retirement System of Missouri  
 Schedule of Employer Contributions  
 Year Ended June 30, 2019

<u>Year Ended*</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency) (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2014	\$ 56,233	\$ 56,233	\$ -	\$ 819,726	6.86%
6/30/2015	\$ 53,858	\$ 53,858	\$ -	\$ 785,103	6.86%
6/30/2016	\$ 53,444	\$ 53,444	\$ -	\$ 779,068	6.86%
6/30/2017	\$ 53,352	\$ 53,352	\$ -	\$ 777,728	6.86%
6/30/2018	\$ 57,396	\$ 57,396	\$ -	\$ 836,674	6.86%
6/30/2019	\$ 57,419	\$ 57,419	\$ -	\$ 837,009	6.86%

*Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.*

STATE COMPLIANCE SECTION

# CONRAD & HIGGINS, LLC

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
North Platte Co R-I School District  
Dearborn, Missouri 64439

We have audited the financial statements of the North Platte Co R-I School District as of and for the year ended June 30, 2019 and have issued our report thereon dated December 13, 2019. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the financial statements of the North Platte Co R-I School District, taken as a whole. The accompanying Schedules of Transportation Costs Eligible for State Aid and State Financial Assistance are presented for purposes of additional analysis and are not a required part of the financial statements. The information in those schedules has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly presented in all material respects in relation to the financial statements taken as a whole.

*Conrad & Higgins, LLC*

**Conrad & Higgins, LLC**  
Chillicothe, Missouri  
December 13, 2019

# CONRAD & HIGGINS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Education  
North Platte Co R-I School District  
Dearborn, Missouri 64439

We have examined management of North Platte Co R-I School District's assertions that North Platte Co R-I School District complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of attendance, resident membership on the last Wednesday of September and the free and reduced lunch count on the last Wednesday of January; and accurate disclosure by the District's pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2019. North Platte Co R-I School District's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion 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 assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. 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 assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, management's assertion that North Platte Co R-I School District complied with the aforementioned requirements for the year ended June 30, 2019 is fairly stated, in all material respects.

*Conrad & Higgins, LLC*

**Conrad & Higgins, LLC**  
Chillicothe, Missouri  
December 13, 2019

North Platte Co R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2019

Type of Audit Performed:

Yellow Book:   X  

Single Audit:       

**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
	6	12		6.5667	169	1,090.5547
4020	K	2		6.3330	169	1,052.7446
4030	3	5		6.4167	169	1,066.2554

Notes:

**2 Average Daily Attendance (ADA)**

Report the total number of PK-12 student ADA allowed to be claimed for the calculation of Average Daily Attendance. Include only PK students allowed to be claimed for state aid in the calculation.

School Code	Grade Level	Full Time	Part Time	Remedial Hours	Other	Summer School	Total
4020	K	38.2995	-	0.1909	-	2.0925	40.5829
4020	1	47.8461	-	0.4692	0.0096	3.3609	51.6858
4020	2	41.5944	-	0.4104	-	2.8689	44.8737
4030	3	53.8872	-	0.0534	-	3.0127	56.9533
4030	4	47.0676	-	0.0685	-	2.2211	49.3572
4030	5	45.7603	-	-	-	1.8205	47.5808
2050	6	49.3645	-	-	0.0105	1.0045	50.3795
2050	7	44.3399	-	-	0.0067	0.4224	44.7690
2050	8	53.7181	-	-	0.0058	0.3516	54.0755
1050	9	37.3287	-	-	-	-	37.3287
1050	10	36.3856	-	-	-	-	36.3856
1050	11	35.5361	-	-	-	-	35.5361
1050	12	43.7728	-	-	-	-	43.7728
Grand Total		574.9008	-	1.1924	0.0326	17.1551	593.2809

Notes:



North Platte Co R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2019

**5 Finance**

**Fill in the blank with the appropriate response of true, false, or N/A unless otherwise noted.**

- |   |  |                 |
|---|--|-----------------|
| 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.  | <u>TRUE</u>     |
| 2 | The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance 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   | <u>N/A</u>      |
|   | Career Exploration Program - Off Campus  | <u>N/A</u>      |
|   | Cooperative Occupational Education (COE) or Supervised Occupational Experience   | <u>N/A</u>      |
|   | Dual Enrollment  | <u>N/A</u>      |
|   | Homebound instruction  | <u>N/A</u>      |
|   | Missouri Options   | <u>N/A</u>      |
|   | Prekindergarten eligible to be claimed for state aid   | <u>N/A</u>      |
|   | Remediation  | <u>N/A</u>      |
|   | Sheltered Workshop participation   | <u>N/A</u>      |
|   | Students participating in the school flex program  | <u>N/A</u>      |
|   | Traditional instruction (full and part-time students)  | <u>TRUE</u>     |
|   | Virtual instruction (MOCAP or other option)  | <u>N/A</u>      |
|   | Work Experience for Students with Disabilities   | <u>N/A</u>      |
| 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.  | <u>TRUE</u>     |
| 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.   | <u>TRUE</u>     |
| 5 | As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:   | <u>\$50,000</u> |
| 6 | The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.   | <u>TRUE</u>     |
| 7 | The district maintained a separate bank account for the Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools).  | <u>TRUE</u>     |
| 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.  | <u>TRUE</u>     |

North Platte Co R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2019

**5 Finance (continued)**

**Fill in the blank with the appropriate response of true, false, or N/A unless otherwise noted.**

- |   |                        |
|---|------------------------|
| <p>9 If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools).</p>   | <p><u>N/A</u></p>      |
| <p>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.</p>  | <p><u>TRUE</u></p>     |
| <p>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. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools).</p> | <p><u>TRUE</u></p>     |
| <p>12 The amount spent for approved professional development committee plan activities was:</p>   | <p><u>\$24,307</u></p> |

Notes: \_\_\_\_\_  
 \_\_\_\_\_

Finding #: \_\_\_\_\_  
 Management Letter Comment #: \_\_\_\_\_

**6 Transportation (Section 163.161, RSMo)**

**Fill in the blank with the appropriate response of true, false, or N/A unless otherwise noted.**

- |  |                      |
|--|----------------------|
| <p>1 The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.</p>  | <p><u>TRUE</u></p>   |
| <p>2 The district's school transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.</p> | <p><u>TRUE</u></p>   |
| <p>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:</p>  |                      |
| <p>• Eligible ADT</p>  | <p><u>400.50</u></p> |
| <p>• Ineligible ADT</p>  | <p><u>57.00</u></p>  |

North Platte Co R-I School District  
 Schedule of Selected Statistics  
 Year Ended June 30, 2019

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

**Fill in the blank with the appropriate response of true, false, or N/A unless otherwise noted.**

4	The district's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	<u>TRUE</u>
5	Actual odometer records show the total district-operated <u>and</u> contracted mileage for the year was:	<u>124,373</u>
6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route <u>and</u> disapproved miles (combined) was:	
	• <b>Eligible Miles</b>	<u>106,715</u>
	• <b>Ineligible Miles (Non-Route/Disapproved)</b>	<u>17,658</u>
7	Number of days the district operated the school transportation system during the regular school year:	<u>171</u>

Notes:

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

Finding #:

---

Management Letter Comment #:

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North Platte Co R-I School District  
 Schedule of Transportation Costs Eligible for State Aid  
 Year Ended June 30, 2019

	Contracted	District Operated	Total
Purchased services	\$ 392,066	\$ -	\$ 392,066
Supplies	41,955	2,981	44,936
Total	\$ 434,021	\$ 2,981	\$ 437,002
 Nonroute contracted transportation	 \$ 27,422		
 School buses purchased	 \$ -		
 School buses leased/purchased:			
Principal	\$ -		
Interest	\$ -		
 Transportation revenues from other districts	 \$ -		

The accompanying notes to financial statements are an integral part of this statement.

North Platte Co R-I School District  
Schedule of State Financial Assistance  
Year Ended June 30, 2019

State Grantor/Program Title	Balance June 30, 2018	Receipts	Disbursements	Balance June 30, 2019
Department of Elementary and Secondary Education:				
Basic Formula	\$ -	\$ 2,384,236	\$ 2,384,236	\$ -
Transportation	-	79,575	79,575	-
Food Service	-	2,172	2,172	-
Basic Formula - Classroom Trust Fund	-	248,777	248,777	-
Educational Screening	-	28,350	28,350	-
Early Childhood Special Ed	-	138,442	138,442	-
Total State Financial Assistance	<u>\$ -</u>	<u>\$ 2,881,552</u>	<u>\$ 2,881,552</u>	<u>\$ -</u>

The accompanying notes to financial statements are an integral part of this statement.

FEDERAL COMPLIANCE SECTION

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

To the Board of Education  
North Platte Co R-I School District  
Dearborn, MO 64439

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 government activities, each major fund, and the aggregate remaining fund information of the North Platte Co R-I School District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the North Platte Co R-I School District's basic financial statements, and have issued our report thereon dated December 13, 2019.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the North Platte Co R-I 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 North Platte Co R-I School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the North Platte Co R-I School District's internal control.

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

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

- 1 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 related accounting records, or all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected. Our audit did not reveal any significant errors or irregularities resulting from this lack of segregation of employee duties and responsibilities.

**Management Response**

The size and budget of the North Platte Co R-I School District limits the application of adequate segregation of duties.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the North Platte Co R-I 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.

**Management's Response to Findings**

The North Platte Co R-I School District's response to the findings identified in our audit is described previously. The North Platte Co R-I School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing on 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.

*Conrad & Higgins, LLC*

**Conrad & Higgins, LLC**

Chillicothe, Missouri

December 13, 2019

# CONRAD & HIGGINS, LLC

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## Communication with Those Charged with Governance at Conclusion of the Audit

December 13, 2019

To the Board of Education and Superintendent  
North Platte Co R-I School District  
Dearborn, Missouri 64439

We have audited the financial statements of the governmental activities and each major fund, and the aggregate remaining fund information of North Platte Co R-I School District for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 9, 2019. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Platte Co R-I School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the North Platte Co R-I School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 13, 2019.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the North Platte Co R-I School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the North Platte Co R-I School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We were engaged to report on budgetary comparison information, schedules of revenues and expenditures, and retirement reports, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with modified cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the school board and management of North Platte Co R-I School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Conrad + Higgins, LLC*

**CONRAD & HIGGINS, LLC**

Chillicothe, MO