

HAZELWOOD SCHOOL DISTRICT

FINANCIAL STATEMENTS

June 30, 2024

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Independent Auditors' Report

Board of Education
Hazelwood School District

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Hazelwood School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Hazelwood School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Hazelwood School District as of June 30, 2024, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; 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' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2024, on our consideration of the Hazelwood School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hazelwood School District's internal control over financial reporting and compliance.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
December 10, 2024

HAZELWOOD SCHOOL DISTRICT

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

JUNE 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and investments.....	\$ 104,357,977
Restricted cash and investments.....	<u>89,308,022</u>
TOTAL ASSETS.....	193,665,999
LIABILITIES	
Liabilities related to payroll.....	<u>11,785,848</u>
NET POSITION	
Restricted for:	
Debt service.....	29,621,648
Child Nutrition Program.....	827,849
Capital projects.....	75,737,157
Unrestricted.....	<u>75,693,497</u>
TOTAL NET POSITION.....	<u>\$ 181,880,151</u>

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2024

	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
GOVERNMENTAL ACTIVITIES:					
Instruction.....	\$ 130,009,666	\$ 1,878,548	\$ 28,653,849	\$ 212,346	\$ (99,264,923)
Attendance.....	243,878	-	-	-	(243,878)
Guidance.....	7,347,205	-	-	-	(7,347,205)
Health services.....	3,527,694	-	-	-	(3,527,694)
Improvement of instruction.....	8,169,402	-	766,166	-	(7,403,236)
Professional development.....	439,023	-	464,735	-	25,712
Media services.....	3,089,313	-	-	-	(3,089,313)
Board of Education services.....	1,962,624	-	-	-	(1,962,624)
Executive administration.....	2,618,124	-	-	-	(2,618,124)
Building level administration.....	15,047,372	-	-	-	(15,047,372)
Business, fiscal and internal services.....	1,408,209	-	-	-	(1,408,209)
Operation of plant.....	28,387,489	-	-	-	(28,387,489)
Security services.....	6,537,707	-	-	-	(6,537,707)
Pupil transportation.....	12,698,349	-	6,261,378	-	(6,436,971)
Food service.....	8,209,486	132,167	8,631,868	3,730	558,279
Central office support services.....	16,069,139	-	-	-	(16,069,139)
Community services.....	6,338,823	98,835	199,914	-	(6,040,074)
Facilities, acquisition, and construction.....	44,104,560	-	-	33,581,504	(10,523,056)
Debt service:					
Principal retirements.....	35,695,000	-	18,815,000	-	(16,880,000)
Interest.....	11,191,105	-	-	-	(11,191,105)
Other expenses.....	420,841	-	-	-	(420,841)
TOTAL GOVERNMENTAL ACTIVITIES.....	\$ 343,515,009	\$ 2,109,550	\$ 63,792,910	\$ 33,797,580	(243,814,969)
General revenues					
Taxes					
Property taxes.....					139,865,824
Sales taxes.....					21,758,693
M&M surtax.....					7,945,191
Other taxes.....					3,044,593
State aid.....					46,008,804
Grants and contributions not restricted to specific programs.....					362,386
Investment earnings.....					6,680,505
TOTAL GENERAL REVENUES.....					225,665,996
CHANGE IN NET POSITION.....					(18,148,973)
NET POSITION - BEGINNING OF YEAR.....					200,029,124
NET POSITION - END OF YEAR.....					\$ 181,880,151

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS					
Cash and investments.....	\$ 77,154,741	\$ -	\$ 27,203,236	\$ -	\$ 104,357,977
Restricted cash and investments.....	-	-	7,779,807	81,528,215	89,308,022
Due from other funds.....	11,152,453	-	-	-	11,152,453
TOTAL ASSETS.....	<u>\$ 88,307,194</u>	<u>\$ -</u>	<u>\$ 34,983,043</u>	<u>\$ 81,528,215</u>	<u>\$ 204,818,452</u>
LIABILITIES					
Payroll liabilities.....	\$ 11,785,848	\$ -	\$ -	\$ -	\$ 11,785,848
Due to other funds.....	-	-	5,361,395	5,791,058	11,152,453
TOTAL LIABILITIES.....	11,785,848	-	5,361,395	5,791,058	22,938,301
FUND BALANCES					
Restricted for:					
Child Nutrition Program.....	827,849	-	-	-	827,849
Retirement of long-term debt.....	-	-	29,621,648	-	29,621,648
Capital projects.....	-	-	-	75,737,157	75,737,157
Assigned for:					
Subsequent years budget.....	7,519,745	-	-	-	7,519,745
Student activities.....	577,897	-	-	-	577,897
Unassigned.....	67,595,855	-	-	-	67,595,855
TOTAL FUND BALANCES.....	<u>76,521,346</u>	<u>-</u>	<u>29,621,648</u>	<u>75,737,157</u>	<u>181,880,151</u>
TOTAL LIABILITIES AND FUND BALANCE.....	<u>\$ 88,307,194</u>	<u>\$ -</u>	<u>\$ 34,983,043</u>	<u>\$ 81,528,215</u>	<u>\$ 204,818,452</u>

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Property taxes.....	\$ 109,746,357	\$ -	\$ 30,189,764	\$ -	\$ 139,936,121
Sales taxes.....	-	21,758,693	-	-	21,758,693
Investment income.....	4,347,297	-	599,836	1,733,372	6,680,505
Student activities.....	1,759,775	-	-	-	1,759,775
Food service.....	132,167	-	-	-	132,167
M&M surtax.....	5,469,766	-	-	2,475,425	7,945,191
Other local.....	439,082	-	-	22,139	461,221
Total local.....	121,894,444	21,758,693	30,789,600	4,230,936	178,673,673
County sources:					
State assessed utilities.....	2,359,123	-	615,173	-	2,974,296
Other county.....	-	211,898	-	-	211,898
Total county.....	2,359,123	211,898	615,173	-	3,186,194
State sources:					
Basic formula.....	11,618,385	34,855,154	-	-	46,473,539
State grants and contributions.....	10,517,148	10,695,074	-	320,280	21,532,502
Total state.....	22,135,533	45,550,228	-	320,280	68,006,041
Federal sources.....	15,533,919	7,366,894	-	84,038	22,984,851
Other.....	118,773	-	-	-	118,773
Total Revenues.....	162,041,792	74,887,713	31,404,773	4,635,254	272,969,532
EXPENDITURES:					
Current:					
Instruction.....	19,261,762	110,242,935	-	-	129,504,697
Attendance.....	243,878	-	-	-	243,878
Guidance.....	1,721,287	5,625,918	-	-	7,347,205
Health services.....	3,504,730	22,964	-	-	3,527,694
Improvement of instruction.....	4,632,581	3,536,821	-	-	8,169,402
Professional development.....	319,004	120,019	-	-	439,023
Media services.....	387,218	2,702,095	-	-	3,089,313
Board of Education services.....	1,962,624	-	-	-	1,962,624
Executive administration.....	728,116	1,890,008	-	-	2,618,124
Building level administration.....	4,558,986	10,488,386	-	-	15,047,372
Business, fiscal and internal services.....	1,406,259	-	-	-	1,406,259
Operation of plant.....	27,991,079	-	-	-	27,991,079
Security services.....	6,347,832	-	-	-	6,347,832
Pupil transportation.....	12,199,658	-	-	-	12,199,658
Food services.....	8,162,920	-	-	-	8,162,920
Central office support services.....	10,738,849	509,419	-	-	11,248,268
Community services.....	2,916,206	3,422,617	-	-	6,338,823
Capital outlay.....	-	-	-	50,563,892	50,563,892
Debt service:					
Principal retirements.....	-	-	16,520,000	-	16,520,000
Interest.....	-	-	11,156,245	-	11,156,245
Other charges.....	-	-	159,620	261,221	420,841
Total Expenditures.....	107,082,989	138,561,182	27,835,865	50,825,113	324,305,149
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....	54,958,803	(63,673,469)	3,568,908	(46,189,859)	(51,335,617)
OTHER FINANCING SOURCES (USES):					
Transfers (to) from other funds.....	(63,673,469)	63,673,469	-	-	-
Issuance of bonds.....	-	-	-	30,000,000	30,000,000
Issuance of refunding bonds.....	-	-	18,815,000	-	18,815,000
Premium on sale of bonds.....	-	-	-	3,581,504	3,581,504
Payment of refunded bond escrow agent.....	-	-	(19,209,860)	-	(19,209,860)
Total Other Financing Sources (Uses).....	(63,673,469)	63,673,469	(394,860)	33,581,504	33,186,644
NET CHANGES IN FUND BALANCES.....	(8,714,666)	-	3,174,048	(12,608,355)	(18,148,973)
FUND BALANCES, BEGINNING OF YEAR.....	85,236,012	-	26,447,600	88,345,512	200,029,124
FUND BALANCES, END OF YEAR.....	\$ 76,521,346	\$ -	\$ 29,621,648	\$ 75,737,157	\$ 181,880,151

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Hazelwood School District (the "District") operates under the regulations pursuant to Section 162.092 RSMo of the Public School Laws of Missouri, which designates a Board of Education to act as the governing authority. The District provides educational services.

As discussed further in Note 1, these financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB).

Principles Determining the Scope of Reporting Entity

The financial statements of the District consist only of the funds of the District. The District has no financial accountability for any other governmental entity, since no other entities are considered to be controlled or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective Board. In addition, the District is not aware of any entity which would exercise such oversight which would result in the District being considered a component unit of the entity.

In addition, the District is associated with other organizations which may include various Parent Teacher Associations (PTA's), booster clubs, etc. Under governmental standards for defining the financial reporting entity, these organizations may be considered to be part of the reporting entity of the District. However, the balances and activities of such organizations have not been included in these financial statements due to the overall immateriality to the District.

Fund Accounting

The accounts of the District are organized on the basis of legally established funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. District resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District's policy is to close all encumbrances at the end of each fiscal year. The following fund types are used by the District:

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

Governmental Funds are those through which most functions of the District are financed. The District's expendable financial resources are accounted for through Governmental Funds. The measurement focus is upon determination of changes in the financial position rather than upon net income determination. The following are the District's governmental funds, each of which the District considers to be a major fund:

General Fund

This fund is the general operating fund of the District and accounts for expenditures for noncertified employees, pupil transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any expenditures not required or permitted to be accounted for in other funds.

Special Revenue Fund

A special revenue fund accounts for restricted sales tax and revenue sources assigned for the payment of salaries and certain benefits of certified teachers involved in administration and instruction.

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt.

Capital Projects Fund

This fund is used to account for the proceeds of long-term debt, taxes and other revenues assigned for acquisition or construction of major capital assets.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

Government-wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* include (a) charges paid by the students for tuition, fees, or goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as *program revenues* are presented as general revenues and include all property taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

The fund financial statements provide information about the District's funds. A balance sheet and statement of revenues, expenditures, and changes in fund balances are presented. The emphasis of fund financial statements is on *major* governmental funds, each displayed in a separate column. The District considers each of its funds to be major.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus and Basis of Accounting

Measurement Focus:

The government-wide financial statements are prepared using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives under this measurement focus are the determination of changes in net position, financial position and cash flows. All assets and liabilities, whether current or noncurrent, are reported.

The governmental fund financial statements are prepared using the current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included in the balance sheets. The operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and fund financial statements are prepared using a modified cash basis of accounting. This basis of accounting recognizes assets, liabilities, net position/fund balances, revenues, and expenditures/expenses when they result from cash transactions except that the purchases of investments are recorded as assets and payroll withholdings are reported as liabilities. 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 this modified cash basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, general and leasehold revenue bonds and obligations under capital leases) and certain expenses (such as expenses for goods or services received but not yet paid) 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 statements would be presented on the accrual basis of accounting.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property 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 assessed valuation of the tangible taxable property for the calendar years 2023 and 2024 for purposes of local taxation was \$2,147,110,910 and \$2,548,532,300 respectively.

The blended tax levy per \$100 of the assessed valuations of tangible taxable property for the calendar year 2023 for purposes of local taxation was:

General Fund.....	\$ 4.4604
Debt Service Fund.....	<u>1.2400</u>
Total	<u>\$ 5.7004</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2024, aggregated approximately 96.25% of the current assessment computed on the basis of the levy as shown above.

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which is managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained.

The District may invest in United States Treasury bills, United States Treasury notes, bonds, government agency and instrumentality obligations, repurchase agreements collateralized by government securities, time certificates of deposit, bankers' acceptances issued by domestic commercial banks, and commercial paper issued by domestic corporations.

Interest income earned is allocated to contributing funds based on each funds' proportionate share of funds invested.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Cash and Investments

Restricted cash and investments represent amounts whose use is limited by legal requirements and consist of amounts escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program as discussed in Note 2 and Note 3 and unexpended bond proceeds.

Fund Balance

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes determined by a resolution of the Board of Education. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's adopted policy, amounts may be assigned by the Chief Financial Officer.

Unassigned – includes all amounts not included in other spendable classifications. The District's policy requires a minimum unassigned fund balance of 15% of the prior year General Fund and Special Revenue Fund expenditures in order to cover unexpected expenditures and revenue shortfalls.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance (continued)

The details of the fund balances are included in the Governmental Funds Balance Sheet.

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. A transfer of \$63,673,469 was made from the General Fund to the Special Revenue Fund to cover the Special Revenue Fund expenditures in excess of revenues.

Interfund balances are due to timing and are expected to be repaid in the next fiscal year. All interfund activity and balances have been eliminated in the government-wide financial statements.

Payroll Liabilities

The District incurred certain payroll obligations for the 2023-24 fiscal year that were paid after the end of the fiscal year, creating payroll liabilities totaling \$11,785,848 at June 30, 2024.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

2. CASH AND INVESTMENTS

The District is governed by the deposit and investment limitations of state law. The depository bank is to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes.

The District may invest the funds in bonds or any instrument permitted by law for the investment of state money's in accordance with section 165.051 of the Missouri Revised Statutes. The District participates in the Missouri School District Direct Deposit Program which is a mechanism for public school bond repayments through the MOHEFA Bond Program. It authorizes the direct deposit of a portion of the school district's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds. The direct deposits occur monthly and the balance is withdrawn every six months to pay the debt service requirement of the related bond issues. At June 30, 2024, the District had \$7,779,807 in this program, which has been included in investments.

The District also participates in the Missouri Securities Investment Program (MOSIP) and the Missouri Capital Asset Advantage Treasury (MOCAAT). MOSIP and MOCAAT are external investment pools in which a District's monies are pooled with other Districts' monies to purchase investments that are permitted by state statutes. The District's monies purchase a pro-rata share of the pool. A board of directors comprised of Missouri school administrators, school board members, and school business officials provides governance and oversight of both MOSIP's and MOCAAT's operations. The board seeks to maintain a stable net asset value of \$1 per share.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

2. CASH AND INVESTMENTS (continued)

The deposits and investments held at June 30, 2024 and reported at cost, are as follows:

Type	Maturities	Carrying Value
Deposits:		
Demand deposits	N/A	\$ 96,983,612
MOCAAT - Savings Deposit Accounts		34,816,762
Investments:		
External investment pool		
MOHEFA	N/A	7,779,807
MOSIP - Liquid Series	N/A	3,137,405
MOCAAT - Liquid Series	N/A	50,948,413
Total Deposits and Investments		\$ 193,665,999
Type		Carrying Value
Reconciliation to financial statements:		
Cash and investments		\$ 104,357,977
Cash and investments - restricted		89,308,022
		\$ 193,665,999

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. As of June 30, 2024, none of the District's deposits were exposed to custodial credit risk.

Custodial Credit Risk - Investments - Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the district or its agent but not in the government's name. All investments, evidenced by individual securities, are registered in the name of the District or of a type that are not exposed to custodial credit risk.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

2. CASH AND INVESTMENTS (continued)

Investment Interest Rate Risk – The District minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities. Investments in banker’s acceptances and commercial paper shall mature in no more than 180 days from purchase date and all other investments shall mature and become payable in no more than five (5) years from purchase date. Maturities of investments held at June 30, 2024, are provided in the schedule above.

Investment Credit Risk – The District has policies in place to minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by pre-qualifying the institution with which the District will do business and by diversifying the portfolio so that potential losses on individual securities will be minimized. At June 30, 2024, the District’s investments were rated as follows:

<u>Rating</u>	<u>Amount</u>
AAAM (S&P)	\$ 54,085,818
N/A	\$ 7,779,807

Concentration of Investment Credit Risk – As a means of limiting its exposure to losses arising from concentration of investments, the District’s investment policy mandates that the portfolio not have a concentration of assets in specific maturity, specific issuer or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: (a) U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. Government, 100%; (b) collateralized time and demand deposits, 100%; (c) U.S. Government agencies, instrumentalities, and government sponsored enterprises, no more than 70%; (d) collateralized repurchase agreements, no more than 75%; (e) U.S. Government agency callable securities, no more than 50%; (f) commercial paper and bankers’ acceptances, no more than 75% combined.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

3. LONG-TERM DEBT

The following is a summary of changes occurring in long-term debt for the year ended June 30, 2024.

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation bonds	\$ 243,647,846	\$ 48,815,000	\$ 35,524,896	\$ 256,937,950	\$ 20,641,888

Payments on the general obligation bonds are made by the debt service fund. The certificates of participation are paid by the capital projects fund.

Bonds Payable

Bonds payable at June 30, 2024, consist of:

\$39,520,000 2021 general obligation refunding bonds, due in varying installments through 2031, average interest rate of 4.00%.....	\$10,505,000
\$39,999,121 2013A general obligation bonds, due in varying installments through 2031, average interest rate of 4.85%.....	6,584,367
\$29,638,583 2017 general obligation refunding bonds, due in varying installments through 2027, average interest rate of 2.33%.....	9,523,583
\$55,945,000 2017A general obligation refunding bonds, due in varying installments through 2030, average interest rate of 3.90%.....	55,945,000
\$112,630,000 2023A general obligation bonds, due in varying installments through 2042, average interest rate of 4.93%.....	112,630,000

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

3. LONG-TERM DEBT (continued)

\$13,475,000 2023B general obligation bonds, due in varying installments through 2034, average interest rate of 4.78%.....	12,935,000
\$48,815,000 2024 general obligation refunding bonds, due in varying installments through 2032, average interest rate of 5.00%.....	<u>48,815,000</u>
	<u>\$256,937,950</u>

On March 19, 2024, the District issued \$48,815,000 of general obligation and refunding bonds with the net proceeds of \$52,396,504 to be used to fund capital projects and costs of the debt issuance, and refund the District's Series 2014 general obligation bonds issued December 9, 2014 (scheduled to mature in 2025 and 2026) on the call date of May 3, 2024. The District deposited net proceeds of \$19,209,860 into an irrevocable escrow account for the purchase of U.S. Treasury obligations which will provide resources to refund the 2014 general obligation bonds. The refunding was undertaken to reduce the District's obligation under long-term debt by \$360,000, which resulted in cash flow savings of \$415,920 and an economic gain of \$434,287. Net proceeds of \$418,075 were used to fund cost of issuance, and the remaining net proceeds of \$32,768,569 will be used fund capital projects, relating but not limited to, safety and security improvements; updates and renovations to athletic/activity facilities; classroom technology and network upgrades; purchase new school buses, and improve the energy efficiency of facilities.

The District also defeased certificates of participation and lease obligations in prior years by placing the proceeds of new bonds and the District's own resources in irrevocable trust accounts to provide for all future debt service payments on the defeased obligations. Accordingly, those trusts assets and the liability for the defeased obligations are not included in the District's financial statements. As of June 30, 2024, the following defeased obligations remain outstanding:

- Series 2020 Certificates of Participation in the amount of \$4,435,000 (prepayment date of April 1, 2028).
- Series 2022 Certificates of Participation in the amount of \$6,030,000 (prepayment date of April 1, 2029).
- Lease obligations in the amount of \$3,185,084 (purchased option date of April 30, 2026.)

The escrowed securities and interest to accrue thereon will be sufficient for the payment of principal and interest on the refunded obligations.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

3. LONG-TERM DEBT (continued)

The annual requirements to amortize bonded debt outstanding as of June 30, 2024, are as follows:

<u>Year Ending June, 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 20,641,888	\$ 11,515,394	\$ 32,157,282
2026	21,555,191	10,744,549	32,299,740
2027	21,841,673	10,412,968	32,254,641
2028	17,077,530	8,901,670	25,979,200
2029	17,640,972	8,272,028	25,913,000
2030-2034	75,110,696	34,693,254	109,803,950
2035-2039	48,260,000	15,067,000	63,327,000
2040-2043	34,810,000	3,301,350	38,111,350
	<u>\$ 256,937,950</u>	<u>\$ 102,908,213</u>	<u>\$ 359,846,163</u>

Repayment of the bond issues are made through the Missouri School District Direct Deposit Program which is a mechanism for public school bond payments. It authorizes the direct deposit of a portion of the school district's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds.

The District has \$7,779,807 on deposit with BOK Financial in conjunction with this program, as discussed in Note 2.

Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen (15%) percent of the assessed valuation of the District (including State assessed railroad and utility). The legal debt margin, computed excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2024, was:

Constitutional debt limit	\$ 382,279,845
General obligation bonds payable	(256,937,950)
Amount available in Debt Service Fund	<u>29,621,648</u>
Legal debt margin	<u>\$ 154,963,543</u>

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

4. RETIREMENT PLAN

The District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan. PSRS provides retirement and disability benefits to full-time (and certain part-time) certified employees and death benefits to members and beneficiaries. Positions covered by PSRS are not covered by Social Security. PSRS benefit provisions are set forth in Chapter 169.010-.141 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to a seven member Board of Trustees. PSRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public School Retirement System of Missouri, P.O. Box 268, Jefferson City, Missouri, 65102, or by calling 1-800-392-6848.

PSRS members are required to contribute 14.50% of their annual covered salary and certain benefits and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the PSRS Board of Trustees. The District's contributions to PSRS for the years ended June 30, 2022 through June 30, 2024 were equal to the required contributions as listed in the table below.

The District also contributes to The Public Education Employee Retirement System of Missouri (PEERS), a cost-sharing multiple-employer defined benefit pension plan. PEERS provides retirement and disability benefits to employees of the district who work 20 or more hours per week and who do not contribute to PSRS. Positions covered by PEERS are also covered by Social Security. Benefit provisions are set forth in Chapter 169.600-.715 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to the Board of Trustees of PSRS. PEERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public Education Employee Retirement System of Missouri, P. O. Box 268, Jefferson City, Missouri, 65102 or by calling 1-800-392-6848.

PEERS members are required to contribute 6.86% of their annual covered salary and certain benefits and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the Board of Trustees. The District's contributions to PEERS for the years ended June 30, 2022 through June 30, 2024 were equal to the required contributions as listed in the table below.

<u>Year Ended June 30,</u>	<u>PSRS</u>	<u>PEERS</u>
2024	\$15,982,946	\$3,204,863
2023	\$15,243,647	\$2,992,835
2022	\$15,991,865	\$2,832,714

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

5. EMPLOYEE BENEFIT PLANS

The District offers its employees tax-sheltered annuity programs created in accordance with Internal Revenue Code Section 403(b). The plans, available to all District employees, permit them to defer a portion of their salary for investment purposes. The District offers a Section 125 cafeteria plan to all employees. Under this plan, the deferred portion can be used to purchase health insurance benefits.

6. DEFERRED COMPENSATION PLAN

Employees of the District may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code ("IRC") Section 457. The deferred compensation plan is available to all employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency.

7. INSURANCE PROGRAM

The District, along with various other local school districts, participates in the Missouri United School Insurance Council (MUSIC), an insurance association for workers' compensation, general liability and property and casualty insurance. The District, along with various other local school districts, also participates in the CSD Insurance Trust, an insurance association for employee medical, dental, life, vision, long term care, and short and long term disability insurance. The purpose of these associations is to distribute the cost of self-insurance over similar entities. These associations require an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of these associations have no legal interest in the assets, liabilities or fund balances of the insurance association. However, the District retains a contingent liability to fund its pro rata share of any deficit incurred by these associations should it cease operations at some future date.

8. COMMITMENTS AND CONTINGENCIES

The District is involved in various lawsuits at June 30, 2024. In the District's opinion these items will be resolved with no material adverse effect on the District.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

8. COMMITMENTS AND CONTINGENCIES (continued)

The District has entered into leases for office equipment, print shop services network upgrades, chromebooks, and other equipment. Future minimum lease payments are as follows:

<u>Year Ended June, 30</u>	<u>Principal</u>
2025	\$2,733,268
2026	2,207,699
2027	1,718,713
2028	1,718,713
2029	738,987
	<u>\$9,117,380</u>

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 request for reimbursement or to withholding of future funding for disallowed expenditures or other noncompliance with the terms of grants and funding. The District is not aware of any noncompliance with the Federal or State provisions that might require the District to provide reimbursement.

Each year, the County remits certain unresolved tax payments to the District. When County refunds tax payments to those who are successful in their protests, it withholds the refunded amount from future distributions to taxing districts. Normal withholdings by the County are not material in relation to the District's financial position and results of operations.

9. POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 4, the District allows employees who retire from the District to participate in the District's health, dental and life insurance plans. Upon meeting the retirement requirements per PSRS or PEERS, the employees can elect to participate in the District's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single blended rate used for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the District is considered to be a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay as you go basis. A stand alone financial report is not available for the plan. During the current year, 877 retirees participated in the District's insurance plans and paid premiums totaling \$2,813,490.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

10. TAX ABATEMENT DISCLOSURES

The District is subject to tax abatement agreements granted by St. Louis County and municipalities within the District. District property tax revenues were reduced by \$11,626,870 as a result of these abatements for year ended June 30, 2024.

SUPPLEMENTARY INFORMATION

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL - GENERAL FUND - UNAUDITED
 YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES :				
Local.....	\$ 115,872,454	\$ 123,197,454	\$ 121,894,444	\$ (1,303,010)
County.....	2,510,000	3,110,000	2,359,123	(750,877)
State.....	21,637,575	23,487,575	22,135,533	(1,352,042)
Federal.....	16,408,189	17,208,189	15,533,919	(1,674,270)
Other.....	815,000	815,000	118,773	(696,227)
Total Revenues	157,243,218	167,818,218	162,041,792	(5,776,426)
EXPENDITURES:				
Instruction.....	16,077,496	19,458,746	19,261,762	196,984
Attendance.....	211,927	211,927	243,878	(31,951)
Guidance.....	3,414,598	1,814,598	1,721,287	93,311
Health services.....	3,184,856	3,534,856	3,504,730	30,126
Other Support Services.....	61,934	61,934	-	61,934
Improvement of instruction.....	4,548,907	4,698,907	4,632,581	66,326
Professional development.....	250,000	250,000	319,004	(69,004)
Media services.....	527,671	402,671	387,218	15,453
Board of Education services.....	1,501,480	1,901,480	1,962,624	(61,144)
Executive administration.....	925,288	775,288	728,116	47,172
Building level administration.....	4,436,884	4,536,884	4,558,986	(22,102)
Business, fiscal and internal services	2,382,673	1,463,923	1,406,259	57,664
Operation of plant.....	22,162,989	27,600,489	27,991,079	(390,590)
Security services.....	5,125,541	6,375,541	6,347,832	27,709
Pupil transportation.....	9,936,215	12,186,215	12,199,658	(13,443)
Food services.....	8,411,133	8,461,133	8,162,920	298,213
Central office support services.....	6,859,923	10,709,923	10,738,849	(28,926)
Adult continuing education.....	500	500	-	500
Community services.....	3,301,095	3,301,095	2,916,206	384,889
Total Expenditures.....	93,321,110	107,746,110	107,082,989	663,121
EXCESS OF REVENUES OVER EXPENDITURES.....	63,922,108	60,072,108	54,958,803	(5,113,305)
OTHER FINANCING USES:				
Transfers out.....	(70,283,896)	(66,880,866)	(63,673,469)	3,207,397
NET CHANGE IN FUND BALANCE.....	(6,361,788)	(6,808,758)	(8,714,666)	(1,905,908)
FUND BALANCE, BEGINNING OF YEAR.....	85,236,012	85,236,012	85,236,012	-
FUND BALANCE, END OF YEAR.....	\$ 78,874,224	\$ 78,427,254	\$ 76,521,346	\$ (1,905,908)

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - UNAUDITED
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES :				
Local.....	\$ 21,733,950	\$ 21,733,950	\$ 21,758,693	\$ 24,743
County.....	180,000	180,000	211,898	31,898
State.....	44,245,718	44,245,718	45,550,228	1,304,510
Federal.....	6,248,829	6,248,829	7,366,894	1,118,065
Total Revenues	72,408,497	72,408,497	74,887,713	2,479,216
EXPENDITURES:				
Instruction.....	110,771,343	108,771,343	110,242,935	(1,471,592)
Guidance.....	5,859,430	5,859,430	5,625,918	233,512
Health Services.....	-	-	22,964	(22,964)
Improvement of instruction.....	4,218,072	4,218,072	3,536,821	681,251
Professional development.....	128,407	128,407	120,019	8,388
Media services.....	3,006,907	3,006,907	2,702,095	304,812
Executive administration.....	2,060,896	2,060,896	1,890,008	170,888
Building level administration.....	11,212,063	11,212,063	10,488,386	723,677
Central office support services.....	688,480	688,480	509,419	179,061
Community services.....	3,343,765	3,343,765	3,422,617	(78,852)
Total Expenditures.....	141,289,363	139,289,363	138,561,182	728,181
EXCESS OF REVENUES UNDER EXPENDITURES.....	(68,880,866)	(66,880,866)	(63,673,469)	3,207,397
OTHER FINANCING SOURCES:				
Transfers in.....	68,880,866	66,880,866	63,673,469	(3,207,397)
NET CHANGE IN FUND BALANCE.....	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR.....	-	-	-	-
FUND BALANCE, END OF YEAR.....	\$ -	\$ -	\$ -	\$ -

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL - DEBT SERVICE FUND - UNAUDITED
 YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES :				
Local.....	\$ 29,403,264	\$ 29,403,264	\$ 30,789,600	\$ 1,386,336
County.....	500,000	500,000	615,173	115,173
Total Revenues	29,903,264	29,903,264	31,404,773	1,501,509
EXPENDITURES:				
Debt service:				
Principal retirements.....	16,349,896	16,874,896	16,520,000	354,896
Interest.....	11,361,349	11,326,489	11,156,245	170,244
Other charges.....	-	-	159,620	(159,620)
Total Expenditures.....	27,711,245	28,201,385	27,835,865	365,520
EXCESS OF REVENUES OVER EXPENDITURES.....	2,192,019	1,701,879	3,568,908	1,867,029
OTHER FINANCING SOURCES (USES):				
Issuance of refunding bonds.....	-	19,362,397	18,815,000	(547,397)
Payment to refunded bond escrow agent.....	-	(19,209,860)	(19,209,860)	-
	-	152,537	(394,860)	(547,397)
NET CHANGE IN FUND BALANCE.....	2,192,019	1,854,416	3,174,048	1,319,632
FUND BALANCE, BEGINNING OF YEAR.....	24,631,186	26,447,600	26,447,600	-
FUND BALANCE, END OF YEAR.....	\$ 26,823,205	\$ 28,302,016	\$ 29,621,648	\$ 1,319,632

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - UNAUDITED
 YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES :				
Local.....	\$ 4,978,575	\$ 3,478,575	\$ 4,230,936	\$ 752,361
State.....	-	-	320,280	320,280
Federal.....	166,736	166,736	84,038	(82,698)
Total Revenues	5,145,311	3,645,311	4,635,254	989,943
EXPENDITURES:				
Capital outlay.....	44,948,341	59,948,341	50,563,892	9,384,449
Debt service:				
Principal retirements.....	-	-	-	-
Interest.....	-	-	-	-
Other charges.....	-	-	261,221	(261,221)
Total Expenditures.....	44,948,341	59,948,341	50,825,113	9,123,228
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....	(39,803,030)	(56,303,030)	(46,189,859)	10,113,171
OTHER FINANCING SOURCES:				
Transfers in.....	1,403,030	-	-	-
Premium on sale of bonds.....	-	-	3,581,504	3,581,504
Issuance of bonds.....	-	30,000,000	30,000,000	-
Total Other Financing Sources (Uses).....	1,403,030	30,000,000	33,581,504	3,581,504
NET CHANGE IN FUND BALANCE.....	(38,400,000)	(26,303,030)	(12,608,355)	13,694,675
FUND BALANCE, BEGINNING OF YEAR.....	88,345,512	88,345,512	88,345,512	-
FUND BALANCE, END OF YEAR.....	\$ 49,945,512	\$ 62,042,482	\$ 75,737,157	\$ 13,694,675

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

NOTES TO OTHER INFORMATION
JUNE 30, 2024

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 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 final budgeted amounts.

Budgeted amounts are as originally adopted on June 20, 2023, or as amended by the Board of Education on April 23, 2024 and June 18, 2024.

6. Budgets are adopted on the modified cash basis of accounting.
7. Lapsing of appropriations at the close of each year, all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.