

NEW ISSUE
BOOK-ENTRY ONLY

S&P DIRECT DEPOSIT RATING: AA+
S&P UNDERLYING RATING: A
See “BOND RATINGS” herein

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, and (2) is exempt from income taxation by the State of Missouri. The Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.

\$11,300,000*
SIKESTON R-6 SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

Dated: Date of Delivery

Due: March 1, as shown on the inside cover

The General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “Bonds”) will be issued by the Sikeston R-6 School District (the “District”) for the purpose of providing funds to pay (1) costs of the Project, as further described herein under the section captioned “PLAN OF FINANCING - The Project,” and (2) costs of issuance related to the Bonds.

The Bonds will be issued as fully-registered bonds in the denomination of \$5,000 or integral multiples thereof. Principal on the Bonds will be payable annually on March 1 as set forth on the inside cover of this Official Statement. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing March 1, 2027, by check or draft mailed (or by wire transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the 15th day of the month preceding the applicable interest payment date.

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

THE BONDS AND INTEREST THEREON WILL CONSTITUTE GENERAL OBLIGATIONS OF THE DISTRICT, PAYABLE FROM AD VALOREM TAXES WHICH MAY BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT UPON ALL OF THE TAXABLE TANGIBLE PROPERTY, REAL AND PERSONAL, WITHIN THE TERRITORIAL LIMITS OF THE DISTRICT.

See inside cover for maturities, principal amounts, interest rates, prices and CUSIP numbers.

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the District, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. Piper Sandler & Co. is serving as financial advisor to the District on this transaction. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about July 14, 2026.

The date of this Official Statement is June __, 2026.

* Preliminary; subject to change.

\$11,300,000*
SIKESTON R-6 SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

MATURITY SCHEDULE*

Base CUSIP: 809690

<u>Due (March 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP Extension</u>
2041	\$1,655,000	%	%	
2042	1,740,000			
2043	1,830,000			
2044	1,925,000			
2045	2,025,000			
2046	2,125,000			

* Preliminary; subject to change.

SIKESTON R-6 SCHOOL DISTRICT

1002 Virginia
Sikeston, Missouri 63801

BOARD OF EDUCATION

Katie Merideth, *President and Member*
Zach Fayette, *Vice President and Member*
Allison Cox, *Member*
Renee Grimes, *Member*
Chris Hodgkiss, *Member*
Matt Tanner, *Member*
Jeff Williams, *Member*
Trey Watkins, *Secretary*

DISTRICT ADMINISTRATION

Shannon Holifield, *Superintendent* [through June 30, 2026]
Tiffany Morgan, *Assistant Superintendent for Secondary*
Dr. Kimberly Blissett, *Assistant Superintendent, Elementary*
Cheryl Essner, *Director of Finance*
Andy McGill, *Assistant Superintendent of Human Resources and Support Services* [Superintendent beginning
July 1, 2026]
Natalie Coppage, *Communications and Marketing Specialist*

FINANCIAL ADVISOR

Piper Sandler & Co.
St. Louis, Missouri

BOND COUNSEL

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

PAYING AGENT

BOKF, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION CONTAINED IN SECTION 3(a)(2) OF SUCH ACT.

The information set forth herein has been obtained from the District and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the District. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or any other person has been authorized by the District to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District or the other matters described herein since the date hereof.

This Preliminary Official Statement is in a form deemed final by the District for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information permitted to be omitted pursuant to Rule 15c2-12(B)(1).

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OFFICIAL STATEMENT

\$11,300,000*
SIKESTON R-6 SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

INTRODUCTION

The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices, should be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, including the cover page and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$11,300,000* aggregate principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”) by the Sikeston R-6 School District (the “**District**”). The Bonds represent general obligation bonds authorized by the required majority of the qualified voters of the District at election held in the District on April 7, 2026 and a resolution of the Board of Education of the District expected to be adopted on June 23, 2026 (the “**Resolution**”). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Resolution.*

Purpose of the Bonds

The Bonds are being issued for the purposes of providing funds to pay (a) costs of the Project (as defined herein) and (b) costs of issuing the Bonds. See the section herein captioned “**PLAN OF FINANCING.**”

Security for the Bonds

General. The Bonds will constitute general obligations of the District and will be payable as to principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all of the taxable tangible property, real and personal, within the territorial limits of the District. See the section herein captioned “**SECURITY FOR THE BONDS – General.**”

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

Continuing Disclosure

Pursuant to a Continuing Disclosure Undertaking dated as of July 1, 2026 (the “**Continuing Disclosure Undertaking**”), the District will agree to provide certain annual financial information, operating data and notices

* Preliminary; subject to change.

of certain events to the Municipal Securities Rulemaking Board via the Electronic Municipal Market Access system (“EMMA”), in accordance with Rule 15c2-12 (the “**Rule**”) promulgated by the Securities and Exchange Commission. The form of Continuing Disclosure Undertaking is attached hereto in **Appendix C**.

Description of Documents

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

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of \$11,300,000*. The Bonds are dated as of the date of original delivery of and payment for the Bonds and the principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity upon the terms and conditions described under the section herein captioned “**THE BONDS – Redemption Provisions.**” Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page hereof, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1, beginning March 1, 2027.

The interest payable on each Bond on any Bond Payment Date will be paid to the person in whose name such Bond is registered (the “**Registered Owner**” or “**Owner**”) as shown on the registration books (the “**Bond Register**”) at the close of business on the 15th day (whether or not a Business Day) of the calendar month next preceding such Bond Payment Date (the “**Record Date**”) for such interest (i) by check or draft mailed by BOKF, N.A., a national banking association with a principal payment office located in St. Louis, Missouri (the “**Paying Agent**”) to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (ii) by electronic transfer to any such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent, not less than 15 days prior to the Record Date for such interest payment, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, together with an acknowledgement that an electronic transfer fee is payable.

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

Book-Entry Only System

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

* Preliminary; subject to change.

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

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

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

Purchases of Ownership Interests. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payment of principal or Redemption Price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or Redemption Price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

Registration, Transfer and Exchange of Bonds

The District will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Resolution. Upon surrender of any Bond at the principal payment office of the Paying Agent, or at such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond as provided in the Resolution.

The Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate or principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. The District and the Paying Agent shall not be required (i) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (ii) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the District of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Resolution.

Redemption Provisions

At the option of the District, the Bonds or portions thereof may be called for redemption and payment prior to maturity on March 1, 2034 and thereafter as a whole or in part at any time in such order of maturity determined by the District (Bonds of less than a single maturity to be selected in multiples of \$5,000 principal amount), at the Redemption Price of 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date (as defined herein).

Selection of Bonds to be Redeemed

Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed in such order of their Stated Maturities as determined by the District, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the case of a partial redemption of Bonds, when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the price which such Bonds are to be redeemed (the **"Redemption Price"**) and interest to the date fixed for redemption (the **"Redemption Date"**) of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Notice of Redemption

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the District's behalf by mailing a copy of an official redemption notice by first class mail at least 30 days but not more than 60 days prior to the Redemption Date to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

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

Effect of Call for Redemption

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the District defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Resolution for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying Agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Resolution. All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent pursuant to the Resolution and shall not be reissued.

SECURITY FOR THE BONDS

General

Pledge of Full Faith and Credit. The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District. The full faith, credit and resources of the District are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Levy and Collection of Annual Tax. Under the Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. Except as otherwise provided under the heading “**SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments,**” the proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District, and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account scheduled mandatory redemptions, if any, and the fees and expenses of the Paying Agent.

Direct Deposit of State Aid Payments

Pursuant to Section 360.111 *et seq.* of the Revised Statutes of Missouri, as amended, and related statutes (the “**Deposit Law**”), the State of Missouri (the “**State**”) and the District may agree to transfer to the Deposit Trustee a portion of the District’s state aid payments and distributions normally used for operational purposes (“**State Aid**”) in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the “**Deposit Agreement**”) with the Office of the Treasurer of the State of Missouri (“**Missouri State Treasurer**”), the Department of Elementary and Secondary

Education of the State of Missouri (“**DESE**”), the Health and Educational Facilities Authority of the State of Missouri and the Deposit Trustee. Under the Deposit Agreement, the District will pledge its State Aid to the payment of the Bonds. The Deposit Agreement will provide for payment of one-fifth (1/5) of the debt service due on March 1, 2027 to be paid in each of the five (5) months of August 2026 through October 2026 and January 2027 and February 2027, and one-tenth (1/10) of the debt service due on September 1, 2027 and March 1, 2028 to be paid in each of the ten (10) months of March 2027 through October 2027 and January 2028 and February 2028, and each succeeding ten (10) similar months (i.e., March through October and January and February) for each bond year after the Bonds are issued as long as the Bonds are outstanding. Amounts of State Aid to the School District in excess of the one-tenth (1/10) monthly deposit will not be deposited with the Deposit Trustee but will be transferred directly to the District as has historically been the case with all State Aid.

Each month, pursuant to the terms of the Deposit Agreement, DESE will advise the Missouri State Treasurer of the amount of the District’s State Aid to be deposited with the Deposit Trustee for the purpose of paying the Bonds, as specified in the Deposit Agreement. If there is a shortfall in a monthly payment, it is to be made up in the succeeding monthly payment of State Aid. Following receipt of the deposits, the Deposit Trustee will invest the amounts for the benefit of the District. The Deposit Trustee will transfer to the Paying Agent the amount necessary for payment of debt service on the Bonds not later than the day prior to each payment date with respect to the Bonds. The District remains obligated to provide funds to the Paying Agent for debt service on the Bonds if the amounts of State Aid transferred are not sufficient to pay the Bonds when due.

Nothing in the Deposit Law or the Deposit Agreement relieves the District of its obligation to make payments of principal of and interest on the Bonds, or to impose any debt service levy sufficient to retire the Bonds. Moneys of the District which would otherwise be used to pay the Bonds on each payment date may be transferred to the District’s operational funds to replace State Aid funds used to pay the Bonds. The State has not committed pursuant to the Deposit Law, the Deposit Agreement or otherwise to maintain any particular level of State Aid on behalf of the District, and the State is not obligated in any manner, contractually or morally, to make payments of debt service on the Bonds, other than its obligation to make transfers to the Deposit Trustee as described above. No assurance can be made that the amount of annual State Aid to the District will not in the future drop below that of the annual debt service requirements on the Bonds.

PLAN OF FINANCING

The Project

In April 2026, voters in the District authorized \$11,300,000 of general obligation bonds for the purpose of constructing, improving, furnishing and equipping school sites, buildings and related infrastructure, including constructing, furnishing and equipping additional classrooms for Lee Hunter Elementary School, Wing Elementary School and classrooms for performing arts on the Sikeston Senior High School campus (the “**Project**”).

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Sources and Uses of Funds

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

<u>Sources of Funds</u>	Total
Par Amount of Bonds	\$11,300,000*
Plus: [*Net*] Original Issue Premium	
Total	<u>\$</u>
<u>Uses of Funds</u>	
Deposit to the Project Fund	\$
Costs of Issuance (including Underwriter's Discount)	
Total	<u>\$</u>

RISK FACTORS

The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation or that may affect the market price or liquidity of the Bonds. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.**

Ad Valorem Property Taxes

The Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – History of Property Valuations"** in *APPENDIX A* of this Official Statement. In addition, the issuance of additional general obligation bonds by the District or by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See **"DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness"** in *APPENDIX A* of this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 15% of the assessed valuation of taxable tangible property in the District. See **"DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity"** in *APPENDIX A* of this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations**

* Preliminary; subject to change.

– *Current Assessed Valuation*” and “– **Major Property Taxpayers**” in *APPENDIX A* of this Official Statement.

Senior Property Tax Credit Program

The Missouri General Assembly enacted legislation in 2023 (subsequently amended in 2024) that authorizes counties to grant property tax credits to each “eligible taxpayer” equal to the difference between the real property tax liability on the eligible taxpayer’s homestead in the current year minus the real property tax liability on the homestead either (1) in the year the county initially authorizes the credit or (2) when the person becomes an “eligible taxpayer” (as codified in Section 137.1050 RSMo, the “**Senior Property Tax Credit Program**”). “Eligible taxpayer” means a Missouri resident who (1) is at least 62 years old, (2) owns real property used as the taxpayer’s primary residence and (3) is liable for the payment of property taxes on that property. Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by a county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. An ordinance was passed by the Scott County Commission (the “**Senior Property Tax Ordinance**”) implementing the Senior Property Tax Credit Program in Scott County. No ordinance was passed by the New Madrid County Commission to implement the Senior Property Tax Credit Program in New Madrid County. The Senior Property Tax Ordinance does not relieve the taxpayer of the obligation to pay the tax liability of the State Blind Pension Fund or dedicated ad valorem taxes levied for the payment of bonded indebtedness, such as the District’s debt service levy for the Bonds. Such exceptions are not included in Section 137.1050 RSMo.

For 2025, participation in the Senior Property Tax Credit Program resulted in approximately \$75,500 in property tax credits for such eligible taxpayers.

Due to the exclusion of the debt service levy from the Senior Property Tax Credit Program, the District does not anticipate a reduction in its property tax revenues available to pay principal of and interest on the Bonds. However, if the exclusion of the debt service levy from the Senior Property Tax Credit Program is challenged or modified by Scott County, then the District’s property tax revenues may be reduced in a given year as a result of the Senior Property Tax Credit Program and there may be less property tax revenues available to pay principal of and interest on the Bonds. The District is permitted to retain in its debt service fund up to one year’s debt service payments and can increase the debt service levy for future years to address the potential decrease from implementation of the Senior Property Tax Credit Program and to ensure continued payment of the principal of and interest on the Bonds. See “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**” in this Official Statement. Seniors must apply or renew applications for the tax relief program every year to continue receiving a credit on their tax bill.

Missouri Property Tax Cap

In June 2025, the Missouri General Assembly passed Senate Bill 3 (as codified in Section 137.1055 RSMo., the “**Homestead Property Tax Credit Program**”), which authorizes counties to grant property tax credits in the form of a cap on increases to residential real property tax bills. For certain counties, including Scott and New Madrid Counties, the real property tax liability on an eligible taxpayer’s home may be increased by no more than five percent per year or the percent increase in the Consumer Price Index, whichever is greater. For other counties, the real property tax liability on an eligible taxpayer’s home may not be increased above the liability incurred during the initial credit year. The City of St. Louis and 17 counties are exempt from the bill. The initial credit year is 2024 or, if the eligible taxpayer’s real property tax liability is lower in a subsequent year, the initial credit year is that subsequent calendar year. All non-exempt counties were required to place a question of whether to enact this real property tax cap on the ballot by no later than the April 2026 general election. However, Scott County and 20 other counties did not place a question of whether to enact the Homestead Property Tax Credit Program on the April 2026 ballot. In New Madrid County, a majority of the votes cast on the question were in favor of the cap and the credit shall be in effect and New Madrid County shall

grant the property tax credit to eligible taxpayers. The New Madrid County Collector will note the amount of any credit on the real property tax bills sent to eligible taxpayers.

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

When the District's property tax revenues are capped as a result of the Homestead Property Tax Credit Program, there may be less property tax revenues available to pay principal of and interest on the Bonds. The District is permitted to retain in its debt service fund up to one year's debt service payments. However, as described under the caption **"SECURITY AND SOURCES OF PAYMENT FOR THE BONDS"** in this Official Statement, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal and interest on the Bonds on all taxable tangible property in the District. Further, the Homestead Property Tax Credit Program could impact the District's ability to levy a property tax that would be transferred to the District's operational funds in an amount sufficient to replace State Aid funds used to pay the Bonds under the Deposit Agreement. See the heading **"SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments"** herein. The potential financial impact of the Homestead Property Tax Credit Program on the District is not yet ascertainable.

No taxpayer is authorized to claim a property tax credit under the Senior Property Tax Credit Program and the Homestead Property Tax Credit Program for the same homestead.

Secondary Market Prices and Liquidity

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's or the issuer's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

No Reserve Fund or Credit Enhancement

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to ensure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the District to pay the Bonds. As described under the heading **"SECURITY FOR THE BONDS"** herein, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal of and interest on the Bonds on all taxable tangible property in the District.

Rating

S&P Global Ratings, a division of S&P Global Inc. (the **"Rating Agency"**) has assigned the Bonds the ratings set forth under **"BOND RATINGS"** in this Official Statement. Such ratings reflect only the views of the Rating Agency, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either

downward or upward, or withdrawn entirely, by the Rating Agency if, in the Rating Agency's judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

Bankruptcy

In addition to the limitations on remedies contained in the Resolution, the rights and remedies provided by the Bonds may be limited by and are subject to (1) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (2) the application of equitable principles, and (3) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in Missouri. Section 108.180 of the Revised Statutes of Missouri, as amended, requires that any interest and sinking fund moneys only be used to pay principal and interest on the Bonds. The District, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

Pensions and Other Postemployment Benefits

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (1) The Public School Retirement System of Missouri and (2) The Public Education Employee Retirement System of Missouri. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Pension and Employee Retirement Plans"** in *APPENDIX A* of this Official Statement. The District also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Other Postemployment Benefits"** in *APPENDIX A* of this Official Statement. Future required contribution increases beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures or some combination thereof, which may impact the District's operations or limit the District's ability to generate additional revenues in the future.

State Aid and Direct Deposit Agreement

For the fiscal year ended June 30, 2025, approximately 36% of the District's revenue was derived from moneys provided by the State of Missouri. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue"** in *APPENDIX A* of this Official Statement. A portion of the District's State Aid is currently pledged to the payment of the Bonds and will be directly deposited by the State with the Deposit Trustee for payment of the Bonds. See **"SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments"** in this Official Statement. Reductions in State Aid could occur in the future if, for example, the State of Missouri faces fiscal problems in the future or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

Enrollment

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

proposed legislation, if enacted, could expand the prevalence of charter schools. It cannot be predicted whether or in what form any proposed legislation might be enacted or whether, if enacted, it would negatively impact the District's enrollment, financial position or operations. For information about the historical enrollment of the District, see **"THE DISTRICT – History of Enrollment"** in *APPENDIX A* of this Official Statement.

Amendment of the Resolution

Certain amendments, effected by resolution of the District, to the Bonds and the Resolution may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (1) extend the maturity of any payment of principal or interest due upon any Bond; (2) alter the optional redemption provisions of any Bond; (3) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (4) permit preference or priority of any Bond over any other Bond; or (5) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Resolution without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The District may also amend or supplement the Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

Loss of Premium from Redemption

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See **"THE BONDS – Redemption Provisions"** in this Official Statement.

Tax-Exempt Status and Risk of Audit

The failure of the District to comply with certain covenants set forth in the Resolution could cause the interest on the Bonds to become included in gross income for federal and State income tax purposes retroactive to the date of issuance of the Bonds. The Resolution does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and State income tax purposes. See the section herein captioned **"TAX MATTERS."**

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

Defeasance Risks

When any or all of the principal of the Bonds or scheduled interest payments thereon are deemed paid and discharged as provided in the Resolution, the requirements contained in the Resolution and the pledge of the District's faith and credit thereunder and all other rights granted thereby will terminate with respect to the principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company, moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of and redemption premium, if any, on said Bonds

and interest accrued to the stated maturity or Redemption Date. There is no legal requirement in the Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Cybersecurity Risks

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the District's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations. The District has not been impacted by a cyber-attack. The District's current insurance coverage includes risk of loss from cyber-attacks.

Potential Impact of Public Health Emergencies

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus in December 2019 ("COVID-19" or the "Pandemic"), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The District cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the District associated with operating during any public health emergencies including, but not limited to, the amount of (1) increases in required services of the District, (2) costs to clean, sanitize and maintain its facilities, (3) costs to hire additional and/or substitute employees, (4) costs to acquire supporting goods and services, or (5) costs to operate remotely and support the employees of the District. Accordingly, the District cannot predict the effect any public health emergencies will have on the finances or operations of the District or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the Bonds. The District receives the majority of its revenue from property taxes, and the District did not experience a decrease in revenues due to COVID-19. Historical revenues and expenditures for the District's General Fund for the fiscal years ended June 30, 2022 through 2025 are set forth under the caption "**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Fund Balances Summary**" in *Appendix A* of this Official Statement.

THE DISTRICT

The District is located in southeast Missouri within the southern part of Scott County and the northern part of New Madrid County. The District covers approximately 67 square miles. See *APPENDIX A – INFORMATION REGARDING THE DISTRICT* for further information regarding the District.

LEGAL MATTERS

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

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

BOND RATINGS

The Rating Agency has assigned a municipal bond rating of “AA+” to the Bonds based upon the District’s participation in the Missouri Direct Deposit Program. In addition, the Rating Agency has assigned a municipal bond rating of “A” to the Bonds based on the underlying credit of the District. The ratings reflect only the view of the Rating Agency at the time such ratings are given, and the Underwriter and the District make no representation as to the appropriateness of such ratings. An explanation of the significance of such ratings may be obtained from the Rating Agency.

The District has furnished the Rating Agency with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. Neither the Underwriter nor the District has undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of the ratings could have an adverse effect on the market price and marketability of the Bonds. Pursuant to the Continuing Disclosure Undertaking, the District is required to bring to the attention of the holders of the Bonds any change of the ratings of the Bonds but has not undertaken any responsibility to oppose any such change. See the section herein captioned **“CONTINUING DISCLOSURE UNDERTAKING.”**

TAX MATTERS

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

Opinion of Bond Counsel

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

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

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

Bank Qualification. The Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount, if any.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium, if any.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE UNDERTAKING

General

Pursuant to the Continuing Disclosure Undertaking, the District will agree to provide certain annual financial information, operating data and notices of certain events in accordance with the Rule. The form of Continuing Disclosure Undertaking is attached hereto in ***APPENDIX C***.

Prior Compliance

The District believes it has materially complied during the past five years with its prior undertakings under the Rule. The District has engaged Bond Counsel to assist with the District's annual filings and has adopted a policy regarding compliance with the District's continuing disclosure obligations.

ABSENCE OF LITIGATION

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or, to the District's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the District or its boundaries, or the right or title of

any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof. The District believes as of the date hereof, there is no controversy, suit or other proceedings that will materially affect the financial condition of the District.

UNDERWRITING

Based upon bids received by the District on June 23, 2026, the Bonds were awarded to [*Purchaser*], _____, _____ (the “**Underwriter**”). The Underwriter has agreed to purchase the Bonds at a price of \$ _____ (which is equal to the aggregate original principal amount of the Bonds, less an underwriting discount of \$ _____, plus [*net*] original issue premium of \$ _____). The Underwriter is purchasing the Bonds from the District for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

FINANCIAL ADVISOR

Piper Sandler & Co., St. Louis, Missouri (the “**Financial Advisor**”), has been employed by the District as financial advisor to provide certain professional services in connection with the Bonds, including advising the District on a plan of financing related to the Bonds. The Financial Advisor has not undertaken an independent investigation into the accuracy of the information presented in this Official Statement.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the District, has represented the Financial Advisor in transactions unrelated to the issuance of the Bonds, but is not representing the Financial Advisor in connection with the issuance of the Bonds.

MISCELLANEOUS

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

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

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the District. Neither the District nor any of its officers, members or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District’s ability to make payments required of it; and further, neither the District nor its

officers, members or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Resolution.

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

SIKESTON R-6 SCHOOL DISTRICT

By: _____
President of the Board of Education

APPENDIX A

INFORMATION REGARDING THE DISTRICT

INFORMATION REGARDING THE DISTRICT

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THE DISTRICT

General Description

The District has been in existence since 1968 and is located in southeast Missouri within the southern part of Scott County and the northern part of New Madrid County. The District covers approximately 67 square miles. The District's estimated population in 2024 was 20,474. Although much of the District is rural in nature, the District encompasses the entire City of Sikeston, Missouri (the “City”), which had an estimated population of 16,320 as of 2024 and is approximately 150 miles south of St. Louis, Missouri. The District's student enrollment for the 2025-2026 school year is 3,253 (including Pre-K).



Organization and Board of Education

The District is a reorganized school district formed pursuant to Chapter 162 of the Revised Statutes of Missouri, as amended (“RSMo”). The District is governed by a seven-member Board (the “Board”). The members of the Board are elected by the voters of the District for three-year staggered terms. All Board members are elected at-large and serve without compensation. The Board is responsible for all policy decisions. The President of the Board is elected by the Board from among its members for a term of one year and has no regular administrative duties. The Secretary and Treasurer are appointed by the Board and may or may not be members of the Board.

The current members and officers of the Board are:

<u>Name</u>	<u>Office</u>	<u>First Term Began</u>	<u>Current Term Expires</u>
Katie Merideth	President & Member	2023	2029
Zach Fayette	Vice President & Member	2025	2028
Allison Cox	Member	2022	2028
Renee Grimes	Member	2021	2027
Chris Hodgkiss	Member	2023	2029
Matt Tanner	Member	2015	2027
Jeff Williams	Member	2026	2029

Trey Watkins serves as Secretary and Attorney to the Board.

Administration

The Board appoints the Superintendent of Schools who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Ms. Shannon Holifield is the current Superintendent of the District and will be retiring in June 2026. The District has named Andy McGill as the new superintendent to begin on July 1, 2026. Prior to his new position Mr. McGill served the District as assistant superintendent of human resources and support services, assistant principal and athletic director, and numerous other positions with the District. He holds a Bachelor of Arts in psychology from William Jewell College; a Master of Science in administration from Southeast Missouri State University; and an education specialist degree from William Woods University. His certifications include secondary administration, career education adult supervisor, career education placement coordination and certified athletic administrator.

Professional Staff

The District has a total of 601 employees, including 27 administrative personnel, 349 teachers, which includes 65 substitute teachers, and 23 non-certificated employees. Many of the employees are members of the Missouri State Teachers Association and participate in the related local Community Teacher Association.

The average teacher employed by the District has 13.0 years of teaching experience, compared to a statewide average of 12.8 years, and 49.0% of the District's teachers hold advanced degrees. For the 2024-2025 school year, the average salary for all teaching staff was \$50,992 compared to a statewide average salary for teaching staff of \$57,469.

Educational Facilities

The District operates nine educational facilities, as shown below. Additional buildings include an administrative office, bus garage, maintenance building and warehouse. The aggregate replacement cost of the current physical facilities of the District as most recently determined for insurance purposes is \$129,324,622.

<u>Name of School</u>	<u>Grades Served</u>
Sikeston Senior High	9-12
Sikeston Career & Technology Center	9-12
Sikeston Junior High	7-8
Sikeston 5 th and 6 th Grade Center	5-6
Lee Hunter Elementary	1-4
Wing Elementary	1-4
Southeast Elementary	1-4
Sikeston Kindergarten and Early Childhood Center	PreK-K
Sikeston Alternative Education Center	3-12

History of Enrollment

The following table shows student enrollment in the District (as of September), for the years shown.

	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>
Pre-K	97	116	118	131	132
Primary (K-5)	1,484	1,443	1,463	1,495	1,494
Middle (6-8)	763	743	673	701	718
High (9-12)	<u>1,032</u>	<u>1,010</u>	<u>985</u>	<u>958</u>	<u>909</u>
Total	<u>3,376</u>	<u>3,312</u>	<u>3,239</u>	<u>3,285</u>	<u>3,253</u>

Source: DESE.

Education Programs

The District operates schools with grades Pre-K through 12. The District operates under the oversight of the Missouri Department of Elementary and Secondary Education (“DESE”). Programs offered by the District are comprehensive with an academic curriculum encompassing foreign languages, math, science, literature, composition and social studies. The District offers numerous special programs such as gifted, early childhood, parents as teachers, English language learners, special education, and an extensive adult and community education program.

In addition to serving high school students, Sikeston Career & Technology Center has adult and community education programs designed to assist adults in meeting their needs for success. Programs offer training for career placement, such as practical nursing, business education, graphic arts, welding technology, construction, auto service, auto collision repair, criminal justice, marketing, culinary arts and early childhood education.

Other District Statistics

The following table shows additional information about the District compiled by DESE for the years listed below.

	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
Avg. Daily Attendance (“ADA”)	2,744.93	2,985.55	2,850.24	2,815.73	2,856.12
Proportional Attendance Rate	73.1%	80.8%	80.4%	79.2%	80.9%
Current Expenditures per Pupil	\$10,242	\$10,435	\$11,813	\$12,393	\$12,483
Students per Teacher	13	13	13	12	12
Students per Classroom Teacher	18	18	18	16	17

Source: DESE.

School Rating and Accreditation

DESE administers the Missouri School Improvement Program (“**MSIP**”), the state’s school accountability system for reviewing and accrediting public school districts in Missouri. Since MSIP was established in 1990, five review cycles have been completed, each cycle lasting from five to six years. The sixth cycle, referred to as MSIP 6, was approved in the 2020-2021 school year.

The District is accredited under MSIP. The MSIP classification is not a bond or debt rating but is solely an evaluation made by DESE.

ECONOMIC INFORMATION CONCERNING THE DISTRICT

Population

The following table shows population figures for the District, the City, New Madrid County, Scott County and the State of Missouri (the “**State**”) from the last four decennial censuses and the latest available estimate.

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2024</u>
District	22,590	21,635	20,716	20,353	20,474
City	17,642	16,992	16,318	16,291	16,320
New Madrid County	20,928	19,760	18,956	16,434	15,731
Scott County	39,376	40,422	39,191	38,059	37,933
State	5,117,073	5,595,211	5,988,927	6,154,913	6,191,814

Source: U.S. Census Bureau, Decennial Census and U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates.

The following table shows population distribution by age for the District, the City, New Madrid County, Scott County and the State from the latest available estimates.

Estimated Population Distribution by Age (2024 Estimates)

<u>Age</u>	<u>District</u>	<u>City</u>	<u>New Madrid County</u>	<u>Scott County</u>	<u>State</u>
Under 5 years	1,416	1,199	957	2,433	356,811
5-19 years	4,041	3,297	3,041	7,532	1,186,390
20-24 years	1,175	910	877	2,258	405,498
25-44 years	4,740	3,857	3,565	9,220	1,609,113
45-64 years	4,673	3,508	4,166	9,391	1,526,259
65 years and over	<u>4,429</u>	<u>3,549</u>	<u>3,125</u>	<u>7,099</u>	<u>1,107,743</u>
TOTAL	<u>20,474</u>	<u>16,320</u>	<u>15,731</u>	<u>37,933</u>	<u>6,191,814</u>
Median age	40.1	38.2	41.3	39.7	39.0

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

Commerce, Industry and Employment

Listed below are the major employers located in the City.

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
Missouri Delta Medical Center	Health Services	850
Magnum Ice Cream Company	Food Manufacturing	750
Sikeston R-6 School District	Education	601
Orgill, Inc.	Distribution Warehouse	550
Alan Wire Company	Electrical Wire/Cable	450
Do It Best Corp.	Retail Distribution	180
City of Sikeston	Governmental	175
Tetra Pak	Manufacturing	135
Steward Steel	Steel Fabrication	120
Refresco	Beverage Manufacturing	100

Source: Sikeston Regional Chamber and Area Economic Development Corporation.

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The following table sets forth employment figures for New Madrid County, Scott County, the State and the United States:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025⁽¹⁾</u>
<i>New Madrid County</i>					
Total Labor Force	7,463	7,330	7,508	7,474	-- ⁽²⁾
Unemployed	354	237	291	413	--
Unemployment Rate	4.7%	3.2%	3.9%	5.5%	--
<i>Scott County</i>					
Total Labor Force	18,475	18,384	18,607	18,800	-- ⁽²⁾
Unemployed	724	483	593	705	--
Unemployment Rate	3.9%	2.6%	3.2%	3.8%	--
<i>State</i>					
Total Labor Force	3,037,333	3,051,998	3,106,625	3,143,051	3,167,288
Unemployed	125,160	80,557	96,698	116,149	126,529
Unemployment Rate	4.1%	2.6%	3.1%	3.7%	4.0%
<i>United States</i>					
Total Labor Force	161,204,000	164,287,000	167,116,000	168,106,000	170,870,000
Unemployed	8,623,000	5,996,000	6,080,000	6,761,000	7,314,000
Unemployment Rate	5.3%	3.6%	3.6%	4.0%	4.3%

(1) Annual estimates for 2025 are 11-month averages that exclude October. Data for October 2025 were not collected due to the federal government shutdown.

(2) Not yet available.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Medical and Health Facilities

The Missouri Delta Medical Center (the “**Medical Center**”), a 121-licensed bed facility located in the City, provides health care services for residents in southeast Missouri. The Medical Center employs over 80 healthcare providers across more than 25 specialties. The Medical Center also operates several clinics throughout southeast Missouri.

Higher Education

Higher education is provided by the Sikeston Career & Technology Center, as described above, and by regional campuses of Southeast Missouri State University (“**SEMO**”) and Three Rivers College.

SEMO is a public, four-year institution located in Cape Girardeau, Missouri, approximately 35 miles from the City. SEMO offers a diverse range of undergraduate programs and a select number of graduate programs, leading to associate, baccalaureate, master’s, doctorate and specialist degrees in over 200 different areas of study within 42 academic departments. SEMO also operates three regional campuses to serve local needs in Kennett, Poplar Bluff and the City, as well as a research facility in Malden. The City’s SEMO campus gives local students convenient access to scholastic programs that have been nationally recognized and accredited.

Three Rivers College is a public, two-year institution located in Poplar Bluff, Missouri, approximately 50 miles from the City. The Three Rivers Center in the City offers day and evening classes toward associate degrees in numerous areas of study.

Recreational Facilities

The District’s residents enjoy many cultural and recreational opportunities within and near the District’s boundaries. The Sikeston Parks and Recreation Department maintains 16 public parks, 8 trails and the Sikeston

Sports Complex, which provides ample outdoor recreation opportunities. The facilities at the YMCA of Southeast Missouri, located in the District, include an indoor swimming pool, indoor walking track and fitness center. The Albritton-Mayer Performing Arts Center hosts many performances throughout the year. Residents and visitors enjoy taking in the Sikeston Depot Museum, shopping in the historic downtown area and dining at Lambert's Café, the "Home of the Throed Roll." The Sikeston Jaycee Bootheel Rodeo, held annually, is ranked as one of the top five professional outdoor rodeos.

Municipal Services, Utilities and Public Safety

Utilities. The Sikeston Board of Municipal Utilities is a city-owned utility providing the City with electric, water and sanitary sewer services. Ameren and SEMO Electric Cooperative also provide utilities.

Public Safety. Police protection is provided by police departments of the cities located in the District and by the New Madrid and Scott Counties' Sheriff's Departments in unincorporated areas.

The Sikeston Department of Public Safety Fire Division is responsible for providing fire protection, rescue services and hazardous material mitigation within the City and has an agreement to provide those services within the Sikeston Fire Protection District.

Transportation, Communications and Media

Two major interstates are located just east of the District. Interstate 55 provides access to the St. Louis Metropolitan Area to the north and Memphis, Tennessee to the south, and Interstate 57 provides a direct route to Chicago, Illinois. Also, within the District is the intersection of U.S. Highways 60 and 61.

Telecommunication services are provided by AT&T and Big River Telephone Company. Residents of the District also receive all Cape Girardeau radio stations and television channels. The Sikeston Standard-Democrat is a newspaper circulated within the District published three times per week. District residents are also served by the Sikeston Public Library and the New Madrid County Library.

Income and Home Values

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

<u>Year</u>	<u>Per Capita Personal Income</u>		
	<u>New Madrid County</u>	<u>Scott County</u>	<u>State</u>
2024	\$54,259	\$54,217	\$64,920
2023	52,395	53,096	62,435
2022	51,905	50,224	58,525
2021	49,665	49,096	56,907
2020	42,271	44,708	52,206

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

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

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

Median Household Income

District	\$58,659
City	58,915
New Madrid County	51,881
Scott County	62,782
State	70,702

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

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

	<u>Number of Owner- Occupied Units</u>	<u>Median Home Value</u>
District	5,519	\$154,100
City	4,162	168,800
New Madrid County	4,300	111,800
Scott County	10,897	154,400
State	1,708,413	230,300

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

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DEBT STRUCTURE OF THE DISTRICT

Overview

The following table summarizes certain financial information concerning the District as of June 1, 2026 (unless otherwise noted). This information should be reviewed in conjunction with the other information contained in this section and the financial statements of the District in **APPENDIX B** to this Official Statement.

2025 Assessed Valuation ⁽¹⁾	\$328,513,396
2025 Estimated Actual Valuation ⁽²⁾	\$1,338,681,365
2024 Estimated Population ⁽³⁾	20,474
Direct General Obligation Debt ⁽⁴⁾	\$34,720,000*
Overlapping General Obligation ⁽⁵⁾	\$0
Total Direct General Obligation Debt and General Obligation Indirect Debt	\$34,720,000*
Ratio of Direct General Obligation Debt to Assessed Valuation	10.57%*
Ratio of Direct General Obligation Debt to Estimated Actual Valuation	2.59%*
Per Capita Direct General Obligation Debt	\$1,695.81*

- (1) Includes real and personal property valuations as provided by DESE, but excludes (a) assessed valuations in the amount of \$1,895,990 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Districts (defined herein) located within the District and (b) assessed valuations attributable to state assessed railroad and utility property. For further details, see **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT.”**
- (2) Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios, see **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT.”**
- (3) See **“ECONOMIC INFORMATION CONCERNING THE DISTRICT – Population.”**
- (4) Includes the Bonds.
- (5) See **“DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness.”**

Current Long-Term General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the District as of the issuance of the Bonds.

<u>Issue Name</u>	<u>Date of Indebtedness</u>	<u>Amount Originally Issued</u>	<u>Amount Outstanding</u>
General Obligation Bonds (Missouri Direct Deposit Program), Series 2017	June 14, 2017	\$ 8,000,000	\$ 5,895,000
General Obligation Bonds (Missouri Direct Deposit Program), Series 2020	October 28, 2020	6,000,000	6,000,000
General Obligation Bonds (Missouri Direct Deposit Program), Series 2021	May 4, 2021	9,000,000	7,020,000
General Obligation Bonds (Missouri Direct Deposit Program), Series 2022	January 25, 2022	6,600,000	4,505,000
The Bonds*	July __, 2026	<u>11,300,000</u>	<u>11,300,000</u>
Total		<u>\$40,900,000*</u>	<u>\$34,720,000*</u>

* Preliminary; subject to change.

History of General Obligation Indebtedness

The following table shows the outstanding general obligation debt of the District for each of the last five fiscal years.

<u>As of June 30</u>	<u>Total Outstanding Debt</u>	<u>Assessed Valuation⁽¹⁾</u>	<u>Debt as % of Assessed Valuation⁽²⁾</u>
2025	\$25,185,000	\$314,204,896	8.02%
2024	26,465,000	303,954,197	8.71
2023	27,660,000	302,419,820	9.15
2022	28,765,000	282,907,572	10.17
2021	22,730,000	269,099,370	8.45

⁽¹⁾ The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown. Assessed valuation excludes state assessed railroad and utility property and incremental increase in assessed valuation over the established assessed valuation base within TIF Districts (defined herein) located within the District.

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

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

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

Legal Debt Capacity

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized school purposes not to exceed 15% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date. The legal debt limitation and debt margin of the District are as follows:

Legal Debt Limitation and Debt Margin

Constitutional Debt Limitation under Article VI, Section 26(b) (15% of 2025 assessed valuation)	\$49,277,009 ⁽¹⁾
Less General Obligation Bonds Outstanding	<u>(34,720,000)⁽²⁾</u>
Legal Debt Margin under Article VI, Sections 26(b)	<u>\$14,557,009</u>

⁽¹⁾ Excludes assessed valuation in the amount of \$1,895,990 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Districts (defined herein) located within the District.

⁽²⁾ Includes the Bonds.

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

Because of the manner in which tax collections are distributed to school districts from assessments of state assessed railroad and utility property (see “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – Current Assessed Valuation**”), the cumbersome task of determining the valuation of such property physically located within a school district is not normally undertaken unless, without the value of such property included in the calculation, the district would exceed its legal debt limit.

General Obligation Bonds Debt Service Requirements

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

Fiscal Year Ended June 30	Outstanding Bonds		The Bonds*		Total*
	Principal	Interest	Principal	Interest	
2027	\$ 1,415,000	\$587,849	\$ -	\$ -	\$ -
2028	1,470,000	535,449	-	-	-
2029	1,415,000	481,099	-	-	-
2030	1,475,000	446,999	-	-	-
2031	1,510,000	411,349	-	-	-
2032	1,545,000	378,209	-	-	-
2033	1,580,000	347,569	-	-	-
2034	1,690,000	315,269	-	-	-
2035	1,730,000	275,169	-	-	-
2036	1,775,000	233,869	-	-	-
2037	1,815,000	191,319	-	-	-
2038	1,945,000	147,569	-	-	-
2039	2,000,000	101,375	-	-	-
2040	2,055,000	51,375	-	-	-
2041	-	-	1,655,000	-	-
2042	-	-	1,740,000	-	-
2043	-	-	1,830,000	-	-
2044	-	-	1,925,000	-	-
2045	-	-	2,025,000	-	-
2046	-	-	2,125,000	-	-
Totals	<u>\$23,420,000</u>	<u>\$4,504,468</u>	<u>\$11,300,000</u>	<u>\$ -</u>	<u>\$ -</u>

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

Other Long-Term Obligations of the District

On October 28, 2020, the District entered into a lease purchase agreement with First State Community Bank in a principal amount not to exceed \$3,516,000 for the purpose of financing energy savings improvements, and refunding the District's Lease Participation Certificates, Series 2012. The following schedule shows the yearly rental payments that are payable by the District under the Lease, subject to annual appropriation. Such payments are payable from moneys in the District's Capital Projects Fund and are not payable from any money in the District's Debt Service Fund, which is available solely to make payments on any general obligation bonds of the District.

* Preliminary; subject to change.

Fiscal Year Ended June 30	<u>Principal Portion</u>	<u>Interest Portion</u>	<u>Total Rental Payments</u>
2026	\$ 196,000.00	\$ 41,827.50	\$ 237,827.50
2027	200,000.00	38,005.50	238,005.50
2028	204,000.00	34,105.50	238,105.50
2029	208,000.00	30,127.50	238,127.50
2030	212,000.00	26,071.50	238,071.50
2031	216,000.00	21,937.50	237,937.50
2032	221,000.00	17,725.50	238,725.50
2033	225,000.00	13,416.00	238,416.00
2034	229,000.00	9,028.50	238,028.50
2035	<u>234,000.00</u>	<u>4,563.00</u>	<u>238,563.00</u>
Totals	<u>\$2,145,000.00</u>	<u>\$236,808.00</u>	<u>\$2,381,808.00</u>

Future Borrowing Plans

The District does not currently anticipate seeking voter approval for additional general obligation bonds within the next few years.

Overlapping or Underlying Indebtedness

Currently, there are no political subdivisions with boundaries overlapping the District that have outstanding general obligation debt. Political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds or other long-term obligations such as leases, the amounts of which may be unknown to the District at this time.

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Accounting, Budgeting and Auditing Procedures

The District presents its governmental activities in fund financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, in conformity with the requirements of Missouri law and DESE. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures when they result from cash transactions.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. District resources are allocated to, and accounted for, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Transactions have been recorded in the following funds for the accounting of all District funds:

- **General (Incidental) Fund:** The General Fund is the primary operating fund of the District. It is used to account for general activities of the District, including expenditures for noncertified employees, pupil transportation costs, plant operation, fringe benefits, student body activities, community services, food service and any expenditures not required or permitted to be accounted for in other funds.

- **Special Revenue (Teachers') Fund:** Accounts for expenditures for certificated employees involved in administration and instruction. It includes revenues restricted by the state and the local tax levy for the payment of teacher salaries and certain employee benefits.
- **Debt Service Fund:** Accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on, long-term debt.
- **Capital Projects Fund:** Accounts for resources restricted for the acquisition or construction of specific capital projects or items. It accounts for the proceeds of long-term debt, taxes and other receipts, including the Bond proceeds, designated for construction of major capital assets and all other capital outlay.

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

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

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

Sources of Revenue

The District finances its operations through the local property tax levy, State sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including without limitation State Aid for Transportation, a State sales tax on cigarettes and a pro rata share of interest income from the counties in which it operates. Debt service on general obligation bonds is paid from amounts in the District's Debt Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from the State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board. See **"State Revenue – Transfers from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund."**

State and federal revenue, as well as "Proposition C" sales tax revenue (included in the **"Local Revenue"** category below), are received on a continuous monthly basis throughout the fiscal year. Local taxes, however, are received primarily in January, over six months into a district's fiscal year. Districts that receive a smaller percentage of revenue from State and federal aid and depend more on local revenues will typically carry a larger fund balance than other districts that may be receiving a larger percent of their revenue from State and federal aid amounts rather than local taxes.

For the 2024-2025 fiscal year, the District's sources of revenue were as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
Local Revenue:		
Property Taxes	\$13,115,323	27.7%
Proposition C Sales Tax	4,703,336	10.0
Other	1,913,351	4.0
County Revenue:		
Railroad & Utility Property Taxes	1,351,633	2.9
Fines, Forfeitures & Other	77,697	0.2
State Revenue	16,926,806	35.8
Federal Revenue	8,451,353	17.9
Other Revenue	<u>729,709</u>	<u>1.5</u>
Total Revenue	<u>\$47,269,208</u>	<u>100.0%</u>

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

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

<u>Source</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Local Revenue	\$15,940,685	\$17,683,166	\$19,225,002	\$19,773,383	\$19,732,010
County Revenue	1,102,456	1,244,725	1,408,138	1,446,963	1,429,330
State Revenue	14,129,626	14,520,024	16,459,430	17,264,045	16,926,806
Federal Revenue	6,006,793 ⁽²⁾	11,537,243 ⁽²⁾	13,403,390 ⁽²⁾	6,671,473 ⁽²⁾	8,451,353 ⁽²⁾
Other Revenue	<u>15,148,702⁽¹⁾</u>	<u>6,738,540⁽³⁾</u>	<u>103,557</u>	<u>147,821</u>	<u>729,709</u>
Total	<u>\$52,328,262^{(1) (2)}</u>	<u>\$51,723,698^{(2) (3)}</u>	<u>\$50,599,517⁽²⁾</u>	<u>\$45,303,685⁽²⁾</u>	<u>\$47,269,208⁽²⁾</u>

(1) Includes proceeds from the sale of the Series 2020 Bonds and the Series 2021 Bonds.

(2) Includes Elementary and Secondary School Emergency Relief (ESSER) and Coronavirus Aid, Relief, and Economic Security (CARES) funds.

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

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

Local Revenue

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

Proposition C revenues are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district's weighted average daily attendance (see “**Weighted ADA**” under “**Missouri School Finance Laws**” below). Proposition C payments vary each month due to cash availability, which is based on sales taxes paid during the second preceding month. The table below shows the approximate amount each school district received per pupil from Proposition C revenues for the following fiscal years:

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

Source: DESE.

County Revenue

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

State Revenue

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

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

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

Weighted ADA. Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for students who qualify for free and reduced price lunch (“**FRL**”), receive special education services (“**IEP**”) or possess limited English language proficiency (“**LEP**”). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds (based on the percentage of students in each of the categories) in certain high performing districts (“**Performance Districts**”), which thresholds can change every two years. Beginning with the 2018-2019 fiscal year, certain school districts who operate early childhood education programs, such as the District, are also able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the total number of FRL students between the ages of 5 and 18 who are included in the school district’s calculation of ADA. The District’s State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District’s Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the

District's Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

State Adequacy Target. The State Aid formula requires DESE to calculate a “**State Adequacy Target,**” which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE’s calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated thereafter. For the fiscal years ended June 30, 2020 through June 30, 2024, the State Adequacy Target was \$6,375 per pupil. For the fiscal year ended June 30, 2025, the State Adequacy Target increased to \$6,760 per pupil, and for the fiscal year ending June 30, 2026, the State Adequacy Target is expected to be \$7,145 per pupil.

Dollar Value Modifier. The DVM is an index of the relative purchasing power of a dollar in different areas of the State. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the State median wage per job) minus one. The law provides that the DVM can never be less than 1.000. DESE revises the DVM for each district on an annual basis. The DVM for the District for the 2023-2024 fiscal year was 1.019, and the DVM for the District for the 2024-2025 fiscal year and the 2025-2026 fiscal year is 1.017.

Local Effort. For the 2006-2007 fiscal year, the Local Effort figure utilized in a district’s State Aid calculation was the amount of locally generated revenue that the district would have received in the 2004-2005 fiscal year if its operating levy was set at \$3.43. The \$3.43 amount is called the “**performance levy.**” For all years subsequent to the 2006-2007 fiscal year, a district’s Local Effort amount has been frozen at the 2006-2007 amount, except for adjustments due to increased locally collected fines or decreased assessed valuation in the district. Growth in assessed valuation and operating levy increases will result in additional local revenue to the district, without affecting State Aid payments.

Categorical-Source Add-Ons. In addition to State Aid distributed pursuant to the formula as described above, the formula provides for the distribution of certain categorical sources of State Aid to school districts. These include (1) 75% of allowable transportation costs, (2) the career ladder entitlement, (3) the vocational education entitlement and (4) the educational and screening program entitlements.

Classroom Trust Fund (Gambling Revenue) Distributions. A portion of the funds received from the State under the formula will be in the form of a distribution from the “**Classroom Trust Fund,**” a fund in the State treasury containing a portion of the State’s gambling revenues. This money is distributed to school districts on the basis of ADA (versus *Weighted* ADA, which applies to the basic formula distribution). The funds deposited into the Classroom Trust Fund are not earmarked for a particular fund or expense and may be spent at the discretion of the local school district except that, beginning with the 2010-2011 fiscal year, all proceeds of the Classroom Trust Fund in excess of amounts received in the 2009-2010 fiscal year must be placed in the Teachers’ or Incidental Funds. The table below shows the approximate amount each school district received per pupil from the Classroom Trust Fund for the following fiscal years:

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

Source: DESE.

Classroom Trust Fund dollars are subtracted from the State Aid formula described above and thus do not increase the amount of State Aid a school district receives.

Mandatory Deposit and Expenditures of Certain Amounts in the Teachers' Fund. The following state and local revenues must be deposited in the Teachers' Fund: (1) 75% of basic formula State Aid, excluding State Aid distributed from the Classroom Trust Fund (gambling revenues); (2) 75% of one-half of the district's local share of Proposition C revenues; (3) 100% of the career ladder state matching payments; and (4) 100% of local revenue from fines and escheats based on violations or abandoned property within the district's boundaries.

In addition to these mandatory deposits, school districts are also required to spend for certificated staff compensation and tuition expenditures each year the amounts described in clauses (1) and (2) of the preceding paragraph. Since the 2007-2008 fiscal year, school districts are further required to spend for certificated staff compensation and tuition expenditures each year, per the second preceding year's Weighted ADA, as much as was spent in the previous year from local and county tax revenues deposited in the Teachers' Fund, plus the amount of any transfers from the Incidental Fund to the Teachers' Fund that are calculated to be local and county tax sources. This amount is to be determined by dividing local and county tax sources in the Incidental Fund by total revenue in the Incidental Fund. Commencing with the 2006-2007 fiscal year, the formula provides that certificated staff compensation now includes the costs of public school retirement and Medicare for those staff members. These items were previously paid from the Incidental Fund.

Failure to satisfy the deposit and expenditure requirements applicable to the Teachers' Fund will result in a deduction of the amount of the expenditure shortfall from a district's basic formula State Aid for the following year, unless the district receives an exemption from the State Board of Education.

A school board may transfer any portion of the unrestricted balance remaining in the Incidental Fund to the Teachers' Fund. Any district that uses a transfer from the Incidental Fund to pay for more than 25% of the annual certificated compensation obligation of the district, and has an Incidental Fund balance on June 30 in any year in excess of 50% of the combined Incidental and Teachers' Fund expenditures for the fiscal year just ended, will be required to transfer the excess from the Incidental Fund to the Teachers' Fund.

Limited Sources of Funds for Capital Expenditures. School districts may only pay for capital outlays from the Capital Projects Fund. Sources of revenues in the Capital Projects Fund are limited to: (i) proceeds of general obligation bonds (which are repaid from a Debt Service Fund levy) and lease financings; (ii) revenue from the school district's local property tax levy for the Capital Projects Fund; (iii) certain permitted transfers from the Incidental Fund; and (iv) a portion of the funds distributed to school districts from the Classroom Trust Fund.

Capital Projects Fund Levy. Prior to setting tax rates for the Incidental and Teachers' Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Incidental and

Teachers' Funds to an amount below \$2.75. The District's Capital Projects Fund levy for the 2025-2026 fiscal year is \$0.2500 per \$100 of assessed valuation.

Transfers from the Incidental Fund to the Capital Projects Fund. In addition to money generated from the Capital Projects Fund levy, each school district may transfer money from the Incidental Fund to the Capital Projects Fund for certain purposes, including: (1) the amount to be expended for transportation equipment that is considered an allowable cost under the state board of education rules for transportation reimbursements during the current year; (2) the amount necessary to satisfy obligations of the Capital Projects Fund for state-approved area vocational-technical schools; (3) current year obligations for lease-purchase obligations entered into prior to January 1, 1997; (4) the amount necessary to repay costs of one or more guaranteed energy savings performance contracts to renovate buildings in the school district, provided that the contract specified that no payment or total of payments shall be required from the school district until at least an equal total amount of energy and energy-related operating savings and payments from the vendor pursuant to the contract have been realized; and (5) to satisfy current year capital project expenditures, an amount not to exceed the greater of (a) \$162,326 or (b) seven percent (7%) of the State Adequacy Target (see "***State Adequacy Target***" above) times the district's Weighted ADA. The District made a transfer of \$700,000.00 from the Incidental Fund to the Capital Projects Fund under this provision during the 2024-2025 fiscal year.

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

Federal Revenue

School districts receive certain grants and other revenue from the federal government that are required to be used for the specified purposes of the grant or funding program.

The federal "Every Student Succeeds Act" ("***ESSA***") was signed into law on December 10, 2015. ESSA replaced the "No Child Left Behind Act." Each state education agency must develop a state accountability plan ("***ESSA Plan***") that incorporates testing based on challenging academic standards. The ESSA Plans were required to be submitted to the United States Department of Education (the "***DOE***") in 2017. Under ESSA, states can decide how much weight to give standardized tests in their accountability systems and determine what consequences, if any, should attach to poor performance. However, at least 95% of eligible students are required to take the state-chosen standardized tests, and federal funding can be withheld if states fall below the 95% threshold.

The State submitted its plan to the DOE on September 13, 2017 in order to meet the September 18, 2017 deadline. The DOE approved the State's plan on January 16, 2018. Under ESSA, the State will continue to test students through the Missouri Assessment Program.

Fund Balances Summary

The following Summary Statement of Revenues, Expenditures and Changes in Fund Balances was prepared from the District's Annual Secretary of the Board Reports for the fiscal years ended June 30, 2022 through 2025. The statement set forth below should be read in conjunction with the other financial statements

and notes set forth in **APPENDIX B** of this Official Statement and the financial statements on file at the District's office.

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

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General (Incidental) Fund				
Balance - Beginning of Year	\$ 9,226,441	\$12,568,144	\$14,680,356	\$12,058,691
Revenues	19,648,043	19,949,772	14,388,570	17,278,284
Expenditures	(14,175,576)	(15,669,400)	(16,425,549)	(17,514,478)
Transfers In (Out)	<u>(2,129,215)</u>	<u>(2,168,160)</u>	<u>(584,687)</u>	<u>(700,000)</u>
Balance - End of Year	<u>\$12,569,694</u>	<u>\$14,680,356</u>	<u>\$12,058,690</u>	<u>\$11,122,496</u>
Special Revenue (Teachers') Fund				
Balance - Beginning of Year	\$ 0	\$ 0	\$ 0	\$ 0
Revenues	21,949,283	24,144,051	24,721,572	24,788,299
Expenditures	(21,949,283)	(24,144,051)	(24,721,572)	(24,788,299)
Transfers In (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance - End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Debt Service Fund				
Balance - Beginning of Year	\$ 786,408	\$ 1,630,711	\$ 1,903,921	\$ 2,242,429
Revenues	1,972,674	2,189,879	2,279,756	2,260,614
Expenditures	(1,128,371)	(1,916,669)	(1,941,249)	(1,978,423)
Transfers In (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance - End of Year	<u>\$ 1,630,711</u>	<u>\$ 1,903,921</u>	<u>\$ 2,242,428</u>	<u>\$ 2,524,619</u>
Capital Projects Fund				
Balance - Beginning of Year	\$14,205,483	\$ 6,448,419	\$ 2,209,145	\$ 770,138
Revenues	8,153,697 ⁽¹⁾	4,315,816	3,913,786	2,942,011
Expenditures	(18,039,977)	(10,723,250)	(5,937,480)	(3,722,396)
Transfers In (Out)	<u>2,129,215</u>	<u>2,168,160</u>	<u>584,687</u>	<u>700,000</u>
Balance - End of Year	<u>\$ 6,448,419⁽¹⁾</u>	<u>\$ 2,209,145</u>	<u>\$ 770,138</u>	<u>\$ 689,753</u>
Total Governmental Funds				
Balance - Beginning of Year	\$24,218,332	\$20,647,274	\$18,793,423	\$15,071,258
Revenues	51,723,698 ⁽¹⁾	50,599,518	45,303,684	47,269,208
Expenditures	(55,293,206)	(52,453,369)	(49,025,849)	(48,003,598)
Transfers In (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance - End of Year	<u>\$20,648,824⁽¹⁾</u>	<u>\$18,793,423</u>	<u>\$15,071,258</u>	<u>\$14,336,868</u>
Ending Operating Fund⁽²⁾	34.80%	36.87%	29.30%	26.29%
Balances as Percentage of Operating Fund Expenditures				

⁽¹⁾ Includes proceeds from the sale of the Series 2022 Bonds.

⁽²⁾ The Operating Fund for purposes of this calculation is defined to be the General Fund and Special Revenue Fund only.

Source: District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2022 – 2025.

Risk Management

The District is exposed to various risks of loss from, among things, tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Missouri United School Insurance Council (MUSIC), a protected, self-insurance program of approximately 460 Missouri public school districts and junior college districts. The District does not pay premiums to purchase insurance policies, but it does pay an annual assessment to be a member of MUSIC. Part of the annual assessment is used to purchase excess insurance for the group as a whole. Settled claims have not exceeded coverage in any of the past three years. For additional information specific to the District's participation in MUSIC, see Note 8 to the District's financial statements included in *Appendix B* to this Official Statement.

The District also maintains a partially self-funded medical health care plan covering substantially all of its employees. There has been no significant reduction in insurance coverage from the previous year.

Pension and Employee Retirement Plans

General. The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (1) The Public School Retirement System of Missouri (“**PSRS**”), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts and certain other educational entities in Missouri and employees of certain related employers; and (2) The Public Education Employee Retirement System of Missouri (“**PEERS**”), which provides retirement and disability benefits to employees of school districts and certain other educational entities in Missouri and of certain related employers who work 20 or more hours per week and do not contribute to PSRS. Benefit provisions relating to both PSRS and PEERS are set forth in Chapter 169, RSMo. The statutes assign responsibility for the administration of both plans to a seven-member Board of Trustees of PSRS (the “**PSRS Board**”). PSRS and PEERS had 534 and 531 contributing employers, respectively, during the fiscal year ended June 30, 2025.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025 (the “**2025 PSRS/PEERS ACFR**”), the comprehensive financial report for the plans, is available at www.psrs-peers.org/PEERS/Resources/Publications. The link to the 2025 PSRS/PEERS ACFR is provided for general background information only, and the information in the 2025 PSRS/PEERS ACFR is not incorporated by reference herein. The 2025 PSRS/PEERS ACFR provides detailed information about PSRS and PEERS, including their respective financial positions, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plans.

PSRS and PEERS Contributions. Employees who contribute to PSRS are not eligible to make Social Security contributions, except in limited circumstances. For the fiscal year ended June 30, 2025, PSRS contributing employees were required to contribute 14.5% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 14.5% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 1.0% in aggregate of PSRS contributing member covered pay of the previous year.

Employees who contribute to PEERS are eligible to make Social Security contributions. For the fiscal year ended June 30, 2025, PEERS contributing employees were required to contribute 6.86% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 6.86% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an

independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 0.5% in aggregate of PEERS contributing member covered pay of the previous year.

PSRS and PEERS Funded Status. PSRS and PEERS reported funded ratios of 89.1% and 89.9%, respectively, as of June 30, 2025, according to the 2025 PSRS/PEERS ACFR. Funded ratios are intended to estimate the ability of current plan assets to satisfy projected future liabilities. The PSRS and PEERS funded ratios are determined by dividing the smoothed actuarial value of plan assets by the plan's actuarial accrued liability determined under the entry age normal cost method with normal costs calculated as a level percentage of payrolls, along with certain actuarial assumptions based on an experience study conducted in 2021. PSRS and PEERS amortize unfunded actuarial liabilities using a closed 30-year method. Additional assumptions and methods used to determine the actuarial funded status of PSRS and PEERS are set forth in the Actuarial Section of the 2025 PSRS/PEERS ACFR. The funding objective of each plan, as stated in each plan's Actuarial Funding Policy, is to achieve a funded ratio of 100% over a closed 30-year period.

The following provides a historical comparison of actual employer contributions to actuarially determined contributions and the historical funded status for the plans for the years shown:

Schedule of Employer Contributions

Year Ended June 30,	PSRS			PEERS		
	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency) ⁽¹⁾	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)
2025	\$835,236,887	\$848,104,682	\$12,867,795	\$172,711,373	\$173,979,445	\$1,268,072
2024	832,366,273	819,926,016	(12,440,257)	163,252,197	162,777,627	(474,570)
2023	771,873,895	792,646,705	20,772,810	145,744,095	147,463,789	1,719,694
2022	756,968,491	764,348,407	7,379,916	134,786,669	135,180,782	394,113
2021	702,442,650	745,638,245	43,195,595	123,733,066	126,877,255	3,144,189

⁽¹⁾ The annual statutory increase in the total contribution rate may not exceed 1.0% of pay for PSRS and 0.5% of pay for PEERS. Contributions were funded to the maximum statutory limit each year.

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

Schedule of Funding Progress

(Dollar amounts in thousands)

Year Ended June 30,	PSRS			PEERS		
	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio
2025	\$54,466,041	\$61,144,573	89.1%	\$7,414,008	\$8,250,244	89.9%
2024	51,430,822	58,971,485	87.2	6,881,439	7,810,188	88.1
2023	49,122,410	57,193,631	85.9	6,459,684	7,401,637	87.3
2022	47,185,300	55,405,260	85.2	6,113,154	6,998,708	87.3
2021	45,033,548	52,834,297	85.2	5,756,526	6,560,854	87.7

Source: "Schedule of Funding Progress" in the Actuarial Section of the 2025 PSRS/PEERS ACFR.

As stated in the District's audited financial statements, the District's contributions to PSRS and PEERS for the years shown were as follows:

District Contributions to PSRS and PEERS

Year Ended June 30	PSRS		PEERS	
	Annual Contribution ⁽¹⁾	Contribution (% of Payroll)	Annual Contribution ⁽¹⁾	Contribution (% of Payroll)
2025	\$2,781,027	14.5%	\$495,361	6.86%
2024	2,762,956	14.5	481,453	6.86
2023	2,759,779	14.5	471,867	6.86
2022	2,571,388	14.5	393,647	6.86
2021	2,553,626	14.5	353,005	6.86

⁽¹⁾ The annual contributions equaled the amounts required by the PSRS Board for each year.

Source: Audited financial statements of the District for the fiscal years ended June 30, 2021 – 2025.

The District's contributions to PSRS and PEERS during the fiscal year ended June 30, 2025 constituted approximately 6.83% of the District's total expenditures during the fiscal year. The District will be required to contribute 14.5% of covered payroll for PSRS contributing employees and 6.86% of covered payroll for PEERS contributing employees during the fiscal year ending June 30, 2026, equal to the contribution percentages for the fiscal years ended June 30, 2024 and June 30, 2025.

Estimated Proportionate Share of PSRS/PEERS Liability. The District has not implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, because the District's financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. PSRS and PEERS, however, have implemented GASB Statement No. 67, *Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25*. Accordingly, PSRS and PEERS are required annually to provide each contributing Missouri school district reports estimating each district's proportionate share of the net pension liability of PSRS and PEERS as of the end of the prior fiscal year. The estimate is computed for each district by multiplying the net pension liability of a plan (calculated by determining the difference between the plan's total pension liability and fiduciary net position) by a percentage reflecting the district's proportionate share of contributions to the plan during the fiscal year (calculated by dividing the District's actual contributions by the actual contributions of all participating employers for PSRS and PEERS, respectively, for the fiscal year ended June 30, 2025). At June 30, 2026 (measured as of June 30, 2025), the District's proportionate share of the net pension liability of PSRS and PEERS was \$18,301,144 and \$2,042,073, respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2026 (measured as of June 30, 2025), the District's contribution to PSRS and PEERS represented 0.33% and 0.29%, respectively, of the overall contributions to PSRS and PEERS during the fiscal year. In addition, for the year ended June 30, 2026, the District recognized pension expense of \$133,503 for PSRS and \$243,602 for PEERS, its proportionate share of the total pension expense. Detailed information about the calculation of the net pension liability of the plans, including information about the assumptions used, is available in Actuarial Section the 2025 PSRS/PEERS ACFR.

The net pension liability of PSRS and PEERS is based on a 7.3% discount rate, which was also the assumed investment rate of return for the plans effective for the fiscal year ended June 30, 2025. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1.0% higher or lower discount rate at June 30, 2026 (measured as of June 30, 2025) would be as follows:

Proportionate Share of Net Pension Liability Sensitivity

	1.0% Decrease (6.3%)	Current Discount Rate (7.3%)	1.0% Increase (8.3%)
District's proportionate share of PSRS net pension liability	\$43,604,973	\$18,301,144	\$(2,648,197)
District's proportionate share of PEERS net pension liability / (asset)	\$5,000,896	\$2,042,073	\$(421,487)

The PSRS Board reviews and revises the actuarial assumed rate of return and discount rate annually. The actuarial assumed rate of return for the fiscal year ended June 30, 2025 remained the same as the previous year.

For information specific to the District's participation in PSRS and PEERS, see Note 6 to the District's financial statements included in *Appendix B* to this Official Statement. For additional information regarding PSRS and PEERS, see the 2025 PSRS/PEERS ACFR.

Other Postemployment Benefits

In addition to pensions, many state and local governments, including the District, provide other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. For information specific to the District's OPEB obligations, including the District's past contributions relative to its required contributions, its assumptions as to future healthcare and other costs and its unfunded actuarial accrued liability, see Note 9 to the District's financial statements included in *APPENDIX B* to this Official Statement.

PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

Property Valuations

Assessment Procedure. All taxable real and personal property within the District is assessed annually by the County Assessor of each county into which the District's boundaries extend. Missouri law requires that personal property be assessed at various levels up to 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the State legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the County Board of Equalization. The Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation. The following table shows the total locally assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District and the incremental increase in assessed valuation over the established assessed valuation base within TIF Districts (defined herein) located within the District) according to the assessment for calendar year 2025 for property owned as of January 1, 2025, as adjusted by the Board of Equalization.

<u>Type of Property</u>	<u>Total Assessed Valuation</u> ⁽¹⁾	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>	<u>% of Actual Valuation</u>
Real:				
Residential	\$145,194,190	19.00%	\$ 764,179,947	57.08%
Commercial ⁽²⁾	72,253,771	32.00%	225,793,034	16.87
Agricultural	<u>2,902,430</u>	12.00%	<u>24,186,917</u>	<u>1.81</u>
Total Real	\$220,350,391		\$1,014,159,898	75.76%
Personal ⁽²⁾	<u>\$108,163,005</u>	33.33% ⁽³⁾	<u>\$ 324,521,467</u>	<u>24.24%</u>
Total Real & Personal	<u>\$328,513,396</u>		<u>\$1,338,681,365</u>	<u>100.00%</u>

(1) Excludes assessed valuations in the amount of \$1,895,990 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Districts.

(2) Includes locally assessed railroad and utility property.

(3) Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See “*Assessment Procedure*” discussed above.

Source: New Madrid County Clerk’s Office and Scott County Clerk’s Office.

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

<u>Fiscal Year ended June 30</u>	<u>Assessed Valuation</u>	<u>% Change</u>
2025	\$314,204,896	3.37%
2024	303,954,197	0.51
2023	302,419,820	6.90
2022	282,907,572	5.13
2021	269,099,370	N/A

Source: District’s Annual Secretary of the Board Reports for fiscal years ended June 30, 2022 – 2025.

Property Tax Levies and Collections

Generally. Property taxes are levied and collected for the District by New Madrid County and Scott County, for which the respective County receives a collection fee of 1.5% of the gross tax collections made.

The District is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget

must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the District's debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerks. As required under SB 711 (discussed below), the District must informally project nonbinding tax levies for the year and return such projected tax levies to the County Clerks no later than April. The District must fix its ad valorem property tax rates and certify them to the County Clerks no later than October 1 for entry in the tax books. Taxes are levied at the District's tax rate per \$100 of assessed valuation. The Missouri State Auditor is responsible for reviewing the rate of tax to insure that it does not exceed constitutional rate limits.

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

The County Collectors are required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

District's Rights in Event of Tax Delinquency. Taxes are due by December 31 and become delinquent if not paid to the County Collectors by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of 18% of each year's delinquency. Taxes on real estate become delinquent on January 1 and the County Collectors are required to enforce the State's lien by offering the property for sale in August. If the offering does not produce a bid equal to the delinquent taxes plus interest, penalty, and costs, the property is offered for sale again the following year. If the second offering also does not produce a bid adequate to cover the amount due, the property is sold the following year to the highest bidder. Tax sales at the first or second offerings are subject to the owner's redemption rights. Delinquent personal property taxes constitute a debt of the person assessed with the taxes, and a personal judgment can be rendered for such taxes against the debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

Tax Abatement and Tax Increment Financing

Under State law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be "blighted." The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, the Industrial Development Law, Chapter 100, RSMo, authorizes real and personal property tax abatement for corporations for certain projects for industrial development. Currently, there are tax abatement projects located within the District. For more information on tax abatements in the District, see Note 16 to the District's financial statements included in ***APPENDIX B*** to this Official Statement.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a "blighted area," "conservation area," or "economic development area," each as defined in such statute.

Currently, certain portions of the District are located in tax increment financing districts ("**TIF Districts**"). Tax increment financing does not diminish the amount of property tax revenues collected by the District in an affected area compared to prior to the establishment of a TIF District, but instead acts to freeze such revenues at current levels and deprives the District and other taxing districts of all or part of future increases

in ad valorem real property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas (the “**TIF Increment**”). The TIF Increment is captured by the TIF District until the tax increment financing obligations issued are repaid or the tax increment financing period terminates.

According to the County Clerks of New Madrid and Scott Counties, the TIF Increment attributable to property within the District is \$1,895,990 for the 2025 tax year. See “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – Current Assessed Valuation**” and “– *History of Property Valuations.*”

Tax Rates

Debt Service Levy. The District’s debt service levy for the 2025-2026 fiscal year is \$0.6300 per \$100 of assessed valuation. Once indebtedness has been approved by the requisite number of voters voting therefor and bonds are issued, the District is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board of Education may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

Operating Levy. The operating tax levy of a school district (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the “**tax rate ceiling**” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy that, when charged against the district’s assessed valuation for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index.

Under Article X, Section 11(b) of the Missouri Constitution, a school district may increase its operating levy up to \$2.75 per \$100 of assessed valuation without voter approval. Any increase above \$2.75, however, must be approved by a majority of the voters voting on the proposition. Further, pursuant to Article X, Section 11(c) of the Missouri Constitution, any increase above \$6.00 must be approved by two-thirds of the voters voting on the proposition. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment and SB 711, more fully explained below).

Article X, Section 22(a) of the Missouri Constitution (commonly known as the “**Hancock Amendment**”), approved in 1980, places limitations on total State revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of “total State revenues” to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a “**Hancock rollback.**”

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

(as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

Under the provisions of an initiative petition adopted by the voters of Missouri on November 2, 1982, commonly known as “**Proposition C**,” revenues generated by a 1% State sales tax are credited to a special trust fund for school districts and are deemed to be “local” revenues for school district accounting purposes. Proposition C revenues are distributed to each school district within the State on the basis of eligible pupils. Under Proposition C, after determining its budget and the levy rate needed to produce required revenues to fund the budget, a school district must reduce the operating levy by an amount sufficient to decrease the revenues it would have received therefrom by an amount equal to 50% of the revenues received through Proposition C during the prior year. School districts may submit propositions to voters to forgo all or a part of the reduction in the operating levy that would otherwise be required under the terms of Proposition C. The District’s voters previously approved a proposition to forgo all of the reduction in the operating levy which would otherwise be required under the terms of Proposition C which allows the District to levy up to its tax rate ceiling.

For the fiscal year ending June 30, 2026, the District’s operating levy (all funds except the debt service fund levy) is \$3.6608 per \$100 of assessed valuation.

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

History of Tax Levies

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

Fiscal Year Ended June 30	General Incidental Fund	Special Revenue Teachers’ Fund	Debt Service Fund	Capital Projects Fund	Total Levy
2026	\$2.7908	\$0.6200	\$0.6300	\$0.2500	\$4.2908
2025	2.6462	0.6200	0.6300	0.4000	4.2962
2024	2.4451	0.6200	0.6300	0.6000	4.2951
2023	2.2804	0.6200	0.6300	0.7500	4.2804
2022	3.0282	0.6200	0.6300	0.0000	4.2782

Source: District’s Annual Secretary of the Board Reports for the fiscal years ended June 30, 2023 – 2025; DESE.

Tax Collection Record

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

Fiscal Year Ended June 30	Total Levy (per \$100 of Assessed Value)	Assessed Valuation⁽¹⁾	Total Taxes Levied⁽²⁾	Current Taxes Collected		Current and Delinquent Taxes Collected⁽³⁾	
				Amount	%	Amount	%
2025	\$4.2962	\$314,204,896	\$13,498,871	\$12,054,916	89.30%	\$13,115,323	97.16%
2024	4.2951	303,954,197	13,055,137	11,976,606	91.74	13,117,983	100.48
2023	4.2804	302,419,820	12,944,778	11,794,537	91.11	12,769,899	98.65
2022	4.2782	282,907,572	12,103,352	11,094,543	91.67	11,906,333	98.37
2021	3.8645	269,099,370	10,399,345	9,675,515	93.04	10,529,761	101.25

(1) Excludes assessed valuation attributable to TIF Districts located within the District. See the explanation under the caption “Tax Abatement and Tax Increment Financing.”

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

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

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

Major Property Taxpayers

The following table sets forth a list of the largest property taxpayers in the District based on the valuation of property owned as of January 1, 2025, as adjusted by the Board of Equalization. The District has not independently verified the accuracy or completeness of such information.

Owner	Type of Use	Assessed Valuation	Percentage of Total Assessed Valuation
1. Unilever	Food Manufacturing	\$14,244,660	4.34%
2. Alan Wire Company	Electrical Wire/Cable	6,769,750	2.06
3. Org Sikeston MO Landlord LLC	Distribution	3,211,800	0.98
4. DDS Hotels	Hospitality	2,425,010	0.74
5. B-Air-LC	Air Quality Products	2,311,290	0.70
6. Lowe’s Home Centers, Inc.	Retail Sales	2,091,868	0.64
7. Orgill Inc	Distribution	2,043,180	0.62
8. Dewitt Co. Inc.	Landscaping Supplies	1,892,284	0.57
9. JNS Holdings	Warehousing Facility	1,665,180	0.51
10. Art Mortgage Borrower Prop Co 2010-5LLC	Commercial Real Estate	<u>1,541,680</u>	<u>0.47</u>
Total		<u>\$38,196,702</u>	<u>11.63%</u>

Source: New Madrid County Clerk’s Office and Scott County Clerk’s Office.

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APPENDIX B

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

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Sikeston R-6 School District

Basic Financial Statements
Year Ended June 30, 2025



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Board of Education
Sikeston R-6 School District
Sikeston, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the discretely presented component unit, each major fund, and the remaining fund information of Sikeston R-6 School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the discretely presented component unit, each major fund and the remaining fund information of Sikeston R-6 School District, as of June 30, 2025, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sikeston R-6 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



KPM CPAs, PC
Springfield, Missouri
December 3, 2025

Government-Wide Financial Statements

Sikeston R-6 School District

Statement of Net Position—Modified Cash Basis

June 30, 2025

	Primary Government	Component Unit
	Governmental Activities	Sikeston Public Schools Foundation
Assets		
Cash and cash equivalents	\$ 13,532,453	\$ 111,770
Investments	804,415	2,191,521
Total Assets	\$ 14,336,868	\$ 2,303,291
Net Position		
Restricted for		
Professional development	\$ 24,997	\$ -
Student activities	943,562	-
Debt service	2,524,619	-
Food service	1,009,394	-
Sikeston Public Schools Foundation	-	2,303,291
Unrestricted	9,834,296	-
Total Net Position	\$ 14,336,868	\$ 2,303,291

See accompanying Notes to the Financial Statements

Sikeston R-6 School District

Statement of Activities—Modified Cash Basis

Year Ended June 30, 2025

		Program Cash Receipts			Primary Government Net (Disbursements) Receipts and Changes in Net Position	Component Unit Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental Activities						
Instruction	\$ (22,987,653)	\$ 686,719	\$ 6,322,748	\$ 192,649	\$ (15,785,537)	\$ -
Student services	(2,726,476)	-	580,902	46,393	(2,099,181)	-
Instructional staff support	(1,100,186)	-	518,507	9,000	(572,679)	-
Building administration	(3,052,803)	-	-	-	(3,052,803)	-
General administration	(3,771,517)	-	27,126	-	(3,744,391)	-
Operation of plant	(4,889,226)	43,500	214,023	80,000	(4,551,703)	-
Transportation	(1,928,060)	-	977,212	45,000	(905,848)	-
Food service	(1,891,916)	7,523	1,618,456	12,500	(253,437)	-
Community services	(1,065,421)	20,909	671,701	-	(372,811)	-
Facilities acquisition and construction	(2,374,651)	-	-	800,000	(1,574,651)	-
Debt service	(2,215,688)	-	-	-	(2,215,688)	-
Net Program (Disbursements) Receipts	<u>\$ (48,003,597)</u>	<u>\$ 758,651</u>	<u>\$ 10,930,675</u>	<u>\$ 1,185,542</u>	(35,128,729)	-
Component Unit						
Sikeston Public Schools Foundation	<u>\$ (352,972)</u>	<u>\$ -</u>	<u>\$ 197,804</u>	<u>\$ -</u>	-	(155,168)
General Receipts						
Ad valorem tax receipts					13,115,322	-
Prop C sales tax receipts					4,703,336	-
Other tax receipts					349,206	-
County receipts					1,429,330	-
State receipts					13,479,093	-
Interest receipts					781,915	157,181
Other receipts					16,145	-
Total General Receipts					33,874,347	157,181
Special Items						
Net insurance recovery					519,992	-
<i>Change in Net Position</i>					(734,390)	2,013
Net Position—Beginning of Year					15,071,258	2,301,278
Net Position—End of Year					<u>\$ 14,336,868</u>	<u>\$ 2,303,291</u>

See accompanying Notes to the Financial Statements

Fund Financial Statements

Sikeston R-6 School District

Statement of Assets and Fund Balances—Governmental Funds—Modified Cash Basis

June 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 11,122,496	\$ -	\$ 1,720,204	\$ 689,753	\$ 13,532,453
Investments	-	-	804,415	-	804,415
Total Assets	<u><u>\$ 11,122,496</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,524,619</u></u>	<u><u>\$ 689,753</u></u>	<u><u>\$ 14,336,868</u></u>
Fund Balance					
Restricted for					
Professional development	\$ 24,997	\$ -	\$ -	\$ -	\$ 24,997
Student activities	943,562	-	-	-	943,562
Debt service	-	-	2,524,619	-	2,524,619
Food service	1,009,394	-	-	-	1,009,394
Assigned to capital outlay	-	-	-	689,753	689,753
Unassigned	9,144,543	-	-	-	9,144,543
Total Fund Balance	<u><u>\$ 11,122,496</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,524,619</u></u>	<u><u>\$ 689,753</u></u>	<u><u>\$ 14,336,868</u></u>

See accompanying Notes to the Financial Statements

Sikeston R-6 School District

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

Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Receipts					
Local	\$ 9,233,323	\$ 6,681,003	\$ 2,024,971	\$ 1,792,713	\$ 19,732,010
County	868,699	281,232	235,643	43,756	1,429,330
State	2,570,582	13,956,224	-	400,000	16,926,806
Federal	3,971,639	3,774,171	-	705,542	8,451,352
Other	114,048	95,669	-	-	209,717
Total Receipts	<u>16,758,291</u>	<u>24,788,299</u>	<u>2,260,614</u>	<u>2,942,011</u>	<u>46,749,215</u>
Disbursements					
Instruction	4,704,653	18,197,086	-	85,914	22,987,653
Student services	1,028,490	1,697,986	-	-	2,726,476
Instructional staff support	279,781	820,405	-	-	1,100,186
Building administration	712,475	2,340,328	-	-	3,052,803
General administration	2,667,833	985,566	-	118,118	3,771,517
Operation of plant	4,153,067	-	-	736,159	4,889,226
Transportation	1,757,770	-	-	170,290	1,928,060
Food service	1,891,916	-	-	-	1,891,916
Community services	318,493	746,928	-	-	1,065,421
Facilities acquisition and construction	-	-	-	2,374,651	2,374,651
Debt service	-	-	1,978,424	237,264	2,215,688
Total Disbursements	<u>17,514,478</u>	<u>24,788,299</u>	<u>1,978,424</u>	<u>3,722,396</u>	<u>48,003,597</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(756,187)	-	282,190	(780,385)	(1,254,382)
Other Financing Sources (Uses)					
Net insurance recovery	519,992	-	-	-	519,992
Operating transfers in (out)	(700,000)	-	-	700,000	-
Total Other Financing Sources (Uses)	<u>(180,008)</u>	<u>-</u>	<u>-</u>	<u>700,000</u>	<u>519,992</u>
<i>Net Change in Fund Balances</i>	(936,195)	-	282,190	(80,385)	(734,390)
Fund Balance, Beginning of Year	12,058,691	-	2,242,429	770,138	15,071,258
Fund Balance, End of Year	<u>\$11,122,496</u>	<u>\$ -</u>	<u>\$ 2,524,619</u>	<u>\$ 689,753</u>	<u>\$ 14,336,868</u>

See accompanying Notes to the Financial Statements

Sikeston R-6 School District

Statement of Net Position—Proprietary Fund—Modified Cash Basis
June 30, 2025

	Internal Service Fund
Assets	
Cash and cash equivalents	\$ -
Total Assets	<u><u>\$ -</u></u>
Net Position	
Restricted for insurance	\$ -
Total Net Position	<u><u>\$ -</u></u>

See accompanying Notes to the Financial Statements

Sikeston R-6 School District

Statement of Receipts, Disbursements, and Changes in Net Position—Proprietary Fund—Modified Cash Basis

Year Ended June 30, 2025

	<u>Internal Service Fund</u>
Receipts	
Charges for services	\$ 4,300,974
Total Receipts	<u>4,300,974</u>
Disbursements	
Insurance claims	3,498,827
Premiums	453,766
General and administrative	353,150
Total Disbursements	<u>4,305,743</u>
<i>Operating Income (Loss)</i>	(4,769)
Nonoperating Receipts	
Interest receipts	<u>4,769</u>
Total Nonoperating Receipts	<u>4,769</u>
<i>Net Income (Loss)</i>	-
Net Position, Beginning of Year	-
Net Position, End of Year	<u><u>\$ -</u></u>

See accompanying Notes to the Financial Statements

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

1. Summary of Significant Accounting Policies

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

Financial Reporting Entity

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

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

Discretely Presented Component Unit

The Sikeston Public Schools Foundation is a legally separate, tax-exempt organization supporting the District. The Foundation, governed by a 9-member board, is a community-based advocate of the District, which acts primarily as a fundraising organization to support programs to enhance the educational opportunities of the District students and staff, and to respond to critical needs of the District. Two members of the Board of the Sikeston Public Schools Foundation are also members of the Board of Education of the Sikeston R-6 School District.

Basis of Presentation

Government-Wide Financial Statements

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

Fund Financial Statements

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

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

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

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

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

Debt Service Fund: Accounts for receipts restricted, committed, or assigned for the retirement of principal and interest on the District's general obligation bonds.

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

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

Basis of Accounting

Primary Government

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

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related 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 used the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Sikeston Public Schools Foundation

The Foundation follows a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America; and as a result, these financial statements may not be suitable for another purpose. The modification to the cash basis relates to the presentation of investments which are carried at cost.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

Capital Outlay

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

Compensated Absences

PTO and vacation leave are considered as disbursements in the year paid. Such PTO amounts unused that are vested in the employee are payable upon termination.

Long-Term Debt

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

Teachers' Salaries

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

Pooled Cash and Cash Equivalents

Cash and cash equivalents of the individual funds are combined to form a pool of cash and cash equivalents. Cash equivalents of the pooled accounts consist primarily of money market accounts, carried at cost.

Inventories

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

Equity Classification

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

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

Unrestricted net position: Net position that does not meet the definition of "restricted."

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when disbursements are made for purposes for which both restricted and unrestricted net position are available.

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

Nonspendable fund balance: This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

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

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

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

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

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

Program Receipts

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

2. Cash & Cash Equivalents

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

3. Investments

Investments of the District as of June 30, 2025, were as follows:

Investment Type	Maturity	Total
Pro-rata shares of investment contracts with BOK Financial through the Missouri School Direct Deposit Program	N/A	\$ 804,415

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.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The District has not formally adopted a deposit and investment policy regarding interest rate risk.

Sikeston Public Schools Foundation

The Foundation has the following investments at June 30, 2025 :

Investment Type	Maturity	Total
Certificate of deposit	9/24/2025	\$ 105,976
Mutual funds, publicly traded funds and internal funds	N/A	1,425,587
Fixed Income	N/A	450,016
Unit investment trusts	N/A	209,942
		<u>\$ 2,191,521</u>

4. Taxes

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

The District also receives sales tax collected by the State and remitted based on eligible pupils. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year unless the voters have approved a waiver of the rollback provision. The District's residents have voted a full waiver of the rollback provision. The assessed valuation of the tangible taxable property for the calendar year 2024 for purposes of local taxation was:

Real estate	\$ 206,849,653
Personal property	107,355,243
Total Assessed Valuation	<u><u>\$ 314,204,896</u></u>

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

	Unadjusted	Adjusted
General Fund	\$ 2.6462	\$ 2.6462
Special Revenue Fund	.6200	0.6200
Debt Service Fund	.6300	0.6300
Capital Projects Fund	.4000	0.4000
Total Levy	<u><u>\$ 4.2962</u></u>	<u><u>\$ 4.2962</u></u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 97 percent of the current assessment computed on the basis of the levy as shown above.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

5. General Obligation Bonds Payable

Bonds payable at June 30, 2025, consist of the following:

\$8,000,000 general obligation bond issue dated June 14, 2017, due in varying installments through March 1, 2037; interest at 2.0% to 4.0%.	\$ 6,690,000
\$6,000,000 general obligation bonds issue dated October 28, 2020, due in varying installments through March 1, 2040; interest at 2.50% to 2.375%.	6,000,000
\$9,000,000 General obligation bonds issue dated May 4, 2021, due in varying annual installments through March 1, 2037; interest at 1.0% to 4.0%.	7,470,000
\$6,600,000 general obligation bonds issue dated January 25, 2022, due in varying annual installments through March 1, 2037; interest at 2.0% to 4.0%.	5,025,000
	<u>\$ 25,185,000</u>

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

Bonds Payable, Beginning of Year	\$ 26,465,000
Bonds issued	-
Bonds retired	(1,280,000)
Bonds Payable, End of Year	<u><u>\$ 25,185,000</u></u>

Debt service requirements are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,365,000	\$ 645,999	\$ 2,010,999
2027	1,415,000	599,848	2,014,848
2028	1,470,000	547,449	2,017,449
2029	1,515,000	493,098	2,008,098
2030	1,550,000	455,999	2,005,999
2031	1,585,000	418,098	2,003,098
2032	1,620,000	382,709	2,002,709
2033	1,655,000	349,819	2,004,819
2034	1,690,000	315,269	2,005,269
2035	1,730,000	275,169	2,005,169
2036	1,775,000	233,869	2,008,869
2037	1,815,000	191,319	2,006,319
2038	1,945,000	147,569	2,092,569
2039	2,000,000	101,375	2,101,375
2040	2,055,000	51,375	2,106,375
	<u>\$ 25,185,000</u>	<u>\$ 5,208,964</u>	<u>\$ 30,393,964</u>

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

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

Constitutional debt limit	\$ 47,130,734
General obligation bonds payable	(25,185,000)
Amount available in Debt Service Fund	<u>2,524,619</u>
Legal Debt Margin	<u><u>\$ 24,470,353</u></u>

6. Retirement Plans

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

Summary of Significant Accounting Policies

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

Plan Description. PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the State of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Sections 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

Plan Description. PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560 - 169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

Actuarially age-reduced benefits are available for members with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Benefits Provided. PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

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

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

Contributions. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$2,781,027 and \$495,361, respectively, for the year ended June 30, 2025.

Summary Plan descriptions detailing the provisions of the plans as well as additional information regarding the District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at www.psr-peers.org.

7. Claims & Adjustments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

government. If disbursements are disallowed due to noncompliance with grant program regulation, the District may be required to reimburse the grantor government. As of June 30, 2025, disbursements have not been audited by grantor governments, but the District believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

8. Participation in Public Entity Risk Pool – MUSIC

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member with approximately 490 other Missouri Public Schools Districts in the Missouri School Insurance Council (MUSIC). MUSIC is a public entity risk pool currently operating as a common risk management and insurance program. The District does not pay premiums to purchase insurance policies but pays an assessment to be a member of the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole.

The pooling agreement requires the pool to be self-sustaining. The District believes that it is not possible to estimate the range of contingent losses to be borne by the District.

9. Post-Employment Benefits

In addition to the pension benefits described in Note 7, the District makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subjected to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

10. Compensated Absences Payable

The District adopted a policy for Personal Time Off (PTO) that became effective July 1, 2022. Unused leave accumulated under the previously existing policy was carried forward into the 2022-23 school year. Employees may use PTO days for any of the following reasons: personal/family illness, routine healthcare appointments, non-school-related court appearances, weddings or graduations, religious holidays, absences authorized by law, policy, or the Board that would otherwise be unpaid (i.e., FMLA leave), leave for duty as a volunteer firefighter, member of Disaster Medical Assistance Team, Crime Victim Leave, Civil Air Patrol Leave, Coast Guard Auxiliary Leave. Upon retirement, employees will be paid up to 150 days of PTO days at \$40 per day. The total number of accumulated unused PTO days for all employees is 15,020, for an estimated liability of \$600,806.

Professional Employee Leave

Professional employees are provided PTO days upon the first day of employment. Non-Administrative certified professional employees are provided 11 PTO leave days per school year. 11-month & 12-month administrators are provided 13 PTO leave days per school year. 11-month administrators will receive 5 days of vacation annually. 12-month administrators will receive 15 days of vacation annually. Any unused vacation days at the end of the school year will be forfeited.

Support Staff Leave

Support staff employees are provided PTO days upon the first day of employment. 10-month support staff are provided 11 PTO leave days per school year. 11-month support staff are provided 12 PTO leave days and 5 vacation days per school

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

year. 12-month support staff are provided 13 PTO leave days and 10 vacation days per school year. Any unused vacation days at the end of the school year will be forfeited.

11. Self-Insurance Plan

The District maintains a self-fund health insurance program with claims processed by Consociate Health on behalf of the District. A separate Insurance Fund (an Internal Service Fund) was created to account for and finance the health insurance program. The District pays 85% of the premium for each eligible employee. The employee pays the remainder by payroll withholding. Additional coverage is available for various family members of the employees. Retirees are allowed to participate at rates determined by the school district. As an integral part of the health insurance program, a reinsurance policy has been purchased covering claims in excess of \$150,000 per individual per year.

At the beginning of each policy year, estimated minimum premium amounts and cumulative maximum claim liability amounts are calculated to arrive at the total annual insurance cost. This total is also the maximum premium and claim liability which can be billed to the District during the year. Total contributions and transfers to the program during 2025 were \$4,300,974.

12. Interfund Transfers

Transfers between funds of the District for the year ended June 30, 2025, were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 700,000
Capital Projects Fund	700,000	-
	<u>\$ 700,000</u>	<u>\$ 700,000</u>

The District is required to make a transfer from the General Fund to the Special Revenue Fund to cover the excess of disbursements over receipts each year. The District is allowed to make various transfers from the General Fund to the Capital Projects Fund to cover disbursements and build balances as allowed by state law.

13. Sikeston Public Schools Foundation – Land Donation

During the year ended June 30, 2025, the Sikeston Public Schools Foundation received a donation of land which was valued at \$910,000. This is not shown in the Foundation's financial statements, which are prepared according to the modified cash basis of accounting.

14. Related Party Transactions

The District's legal services are provided by Blanton, Nickell, Collins, Douglas , Hanschen, & Peters, LLC. Bryan Nickell, a partner in this firm, provides services as Board Secretary, but is not a board member. Total fees paid to this firm by the District for legal services for the year ended June 30, 2025, was \$63,073.

During the year ended June 30, 2025, the Sikeston Public Schools Foundation paid the District \$80,000 for the purchase of weapon detectors which consisted of donations collected and a match from the Foundation. The District also received \$31,240 for grants awarded to teachers of the District by the Foundation.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

15. Financed Purchase

In October 2020, the District (as Lessee) entered into a financed purchase agreement with First State Community Bank (as Lessor), in the amount of \$3,516,000 for the purpose of (a) refunding the outstanding Lease Participation Certificates, Series 2012 and (b) paying costs of acquiring constructing, installing, equipping, and improving energy savings improvements. In the event of default, the trustee has the right to possession of the property for the remainder of the term, and the right to sublease its interest in the property upon such terms as it deems prudent.

The following is a schedule of the future minimum payments under the agreements (assuming non-cancellation):

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 196,000	\$ 41,828	\$ 237,828
2027	200,000	38,006	238,006
2028	204,000	34,106	238,106
2029	208,000	30,128	238,128
2030	212,000	26,072	238,072
2031	216,000	21,938	237,938
2032	221,000	17,726	238,726
2033	225,000	13,416	238,416
2034	229,000	9,028	238,028
2035	234,000	4,564	238,564
	<u>\$ 2,145,000</u>	<u>\$ 236,812</u>	<u>\$ 2,381,812</u>

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

Financed Purchase Outstanding, July 1, 2024	\$ 2,337,000
Additional Obligations	-
Retirements	(192,000)
Financed Purchase Outstanding, June 30, 2025	<u><u>\$ 2,145,000</u></u>

16. Tax Abatements

As of June 30, 2025, the District did not provide tax abatements to any businesses. However, the District's taxes were reduced by agreements entered into by other governments through the Chapter 100 Industrial Development Act and the Real Property Tax Increment Allocation Redevelopment Act (Tax Incremental Financing).

The Chapter 100 Industrial Development Act allows cities or counties to purchase or construct certain types of projects with bond proceeds and lease the project to a company under Sections 100.010-100.200, RSMo. Eligible projects include the purchase, construction, extension and improvement of warehouses, distributions facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants. Since the city or county owns the property and leases it to the company, an amount of the property taxes can be abated for a term agreed on by the city or county issuer and the company. Cities and counties are allowed to require the company to make payments in lieu of taxes (PILOTs) for a portion of the taxes it would have otherwise been required to pay.

Sikeston R-6 School District

Notes to the Financial Statements

June 30, 2025

Tax Incremental Financing (TIF) is an economic development tool which redirects local tax revenues towards the redevelopment of eligible properties that are otherwise economically unfeasible. Sections 99.800-99.865, RSMo, the Real Property Tax Increment Allocation Redevelopment Act, enables cities to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. Real estate taxes in the redevelopment area are frozen at the current level or base valuation. The increased assessed valuation resulting from the redevelopment is referred to as payments in lieu of taxes (PILOT). PILOTs for each TIF district are collected by the county collector and distributed to a TIF special allocation fund or other political subdivisions.

Information relevant to disclosure of these programs for the year ended June 30, 2025, is as follows:

<u>Government Entering into Agreement</u>	<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated</u>	<u>Payment in Lieu of Tax</u>
City of Sikeston, Missouri	Chapter 100		
	Ad-valorem taxes	\$ 196,110	\$ 98,055
	Tax Increment Financing		
	Ad-valorem taxes	105,329	
		<u>\$ 301,439</u>	<u>\$ 98,055</u>

17. Commitments

The District was committed to the following agreements at June 30, 2025:

<u>Company</u>	<u>Purpose</u>	<u>Contract</u>	<u>Payments Made</u>	<u>Commitment</u>
Zoellner Construction Co., Inc.	SCTC Renovations Area A	\$ 2,403,241	\$ 2,225,724	\$ 177,517
Zoellner Construction Co., Inc.	SCTC Renovations Area A - Buildback*	844,219	665,259	178,960
Zoellner Construction Co., Inc.	SCTC Renovations South End - Roof Replacement*	1,693,778	194,652	1,499,126
Zoellner Construction Co., Inc.	Capital Improvements I Building - Phase 2	1,048,478	498,328	550,150
Zoellner Construction Co., Inc.	Capital Improvements I Building - Phase 2 Post Storm*	397,593	124,184	273,409

* These commitments will be reimbursed with insurance proceeds

18. Subsequent Events

Subsequent to June 30, 2025, the District approved prepayment of a portion of the Series 2017 General Obligation bonds maturing in the years 2029 through 2033, consisting of a portion of each maturity in the aggregate principal amount of \$400,000. This payment was made on September 10, 2025.

Supplementary Information

Sikeston R-6 School District

Schedule of Receipts by Source

Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Local					
Current taxes	\$ 7,425,105	\$ 1,739,645	\$ 1,767,733	\$ 1,122,433	\$ 12,054,916
Delinquent taxes	647,428	153,032	155,503	104,443	1,060,406
School district trust fund (Prop C)	-	4,703,336	-	-	4,703,336
Financial institution tax	-	25,631	-	-	25,631
M & M surtax	867	46,553	-	155,250	202,670
In lieu of tax	-	-	-	120,905	120,905
Adult/continuing education tuition - post secondary	3,799	1,391	-	-	5,190
Earnings from temporary deposits	502,583	11,415	101,735	166,182	781,915
Sales to pupils - reimbursable school meals	3,564	-	-	-	3,564
Sales to adults for adult meals - non-program	3,959	-	-	-	3,959
Admissions - student activities	92,679	-	-	-	92,679
Student organization membership dues and fees	372,588	-	-	-	372,588
Revenue from enterprise activities	6,545	-	-	-	6,545
Community services	20,909	-	-	-	20,909
Rentals	-	-	-	43,500	43,500
Gifts	137,152	-	-	80,000	217,152
Miscellaneous local revenue	16,145	-	-	-	16,145
Total Local	9,233,323	6,681,003	2,024,971	1,792,713	19,732,010
County					
Fines, escheats, etc.	-	77,698	-	-	77,698
State assessed utilities	868,699	203,534	235,643	43,756	1,351,632
Total County	868,699	281,232	235,643	43,756	1,429,330
State					
Basic formula - state monies	929,868	10,964,268	-	-	11,894,136
Transportation	935,793	-	-	-	935,793
Early childhood special education	157,443	207,843	-	-	365,286
Career ladder/excellence in education act	-	560,400	-	-	560,400
Basic formula-classroom trust fund	-	1,703,898	-	-	1,703,898
Educational screening program	43,969	8,040	-	-	52,009
Career education	54,517	311,711	-	400,000	766,228
Food service - state	10,532	-	-	-	10,532
Missouri quality pre-k (MOQPK) - LEA	281,115	-	-	-	281,115
Teacher baseline grant	-	155,996	-	-	155,996
Evidence-based reading grant	-	33,479	-	-	33,479
Residential placement/excess cost	67,019	-	-	-	67,019
High need fund - special education	39,354	10,589	-	-	49,943
Other - state	50,972	-	-	-	50,972
Total State	2,570,582	13,956,224	-	400,000	16,926,806

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

Sikeston R-6 School District

Schedule of Receipts by Source

Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Federal					
Medicaid	447,213	-	-	-	447,213
ARP - ESSER III	49,718	1,625,630	-	-	1,675,348
Perkins basic grant, career education	-	-	-	248,042	248,042
ARPA-D preschool start-up grant	780	49,220	-	-	50,000
IDEA grants	6,489	-	-	-	6,489
Non-IDEA special education grants	61,352	-	-	-	61,352
IDEA entitlement funds, part B IDEA	1,562,644	-	-	-	1,562,644
Early childhood special education - federal	18,709	62,593	-	-	81,302
National school lunch equipment grant	-	-	-	12,500	12,500
National school lunch program	1,084,300	-	-	-	1,084,300
School breakfast program	354,742	-	-	-	354,742
Fresh fruits and vegetable program	94,829	-	-	-	94,829
Title I - ESEA	-	1,495,467	-	-	1,495,467
Title IV.A student support and academic enrichment	-	156,494	-	-	156,494
Title II, part A & B, ESEA - teacher & principal training	-	213,470	-	-	213,470
ARP - homeless children and youth II	29,282	-	-	-	29,282
Federal emergency mgt agency (FEMA) funds	153,328	-	-	-	153,328
Dept of health food service program	74,053	-	-	-	74,053
Title V, part b rural education initiative	-	171,297	-	-	171,297
Other - federal	34,200	-	-	445,000	479,200
Total Federal	<u>3,971,639</u>	<u>3,774,171</u>	<u>-</u>	<u>705,542</u>	<u>8,451,352</u>
Other Sources					
Net insurance recovery	519,992	-	-	-	519,992
Tuition from other LEAs - regular term	-	95,669	-	-	95,669
Area voc fees from other LEAs	114,048	-	-	-	114,048
Total Other Sources	<u>634,040</u>	<u>95,669</u>	<u>-</u>	<u>-</u>	<u>729,709</u>
Total Receipts	<u>\$ 17,278,283</u>	<u>\$ 24,788,299</u>	<u>\$ 2,260,614</u>	<u>\$ 2,942,011</u>	<u>\$ 47,269,207</u>

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

Sikeston R-6 School District

Schedule of Disbursements by Object

Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Salaries	\$ 5,675,457	\$ 19,164,635	\$ -	\$ -	\$ 24,840,092
Employee benefits	2,031,796	5,473,186	-	-	7,504,982
Purchased services	6,145,826	150,478	-	-	6,296,304
Supplies	3,661,399	-	-	-	3,661,399
Capital outlay	-	-	-	3,485,132	3,485,132
Other objects	-	-	1,978,424	237,264	2,215,688
Total Disbursements	<u>\$ 17,514,478</u>	<u>\$ 24,788,299</u>	<u>\$ 1,978,424</u>	<u>\$ 3,722,396</u>	<u>\$ 48,003,597</u>

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

Sikeston R-6 School District

Schedule of Transportation Costs Eligible for State Aid

Year Ended June 30, 2025

	District Operated	Disabled District Operated	Total
Certificated salaries	\$ 97,555	\$ 16,420	\$ 113,975
Non-certificated salaries	904,481	174,923	1,079,404
Employee benefits	266,251	52,341	318,592
Purchased services	14,554	3,135	17,689
Supplies	150,238	34,385	184,623
Depreciation	234,758	-	234,758
	<u>\$ 1,667,837</u>	<u>\$ 281,204</u>	<u>\$ 1,949,041</u>

School bus purchased		<u>\$ 143,290</u>
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The above presentation agrees to the Annual Secretary of the Board Report.

Other Information

Sikeston R-6 School District

Budgetary Comparison Schedule—General Fund—Modified Cash Basis

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Local	\$ 9,497,898	\$ 9,444,298	\$ 9,233,323	\$ (210,975)
County	912,800	912,800	868,699	(44,101)
State	1,304,253	2,547,680	2,570,582	22,902
Federal	3,185,855	4,016,298	3,971,639	(44,659)
Other	-	114,048	114,048	-
Total Receipts	14,900,806	17,035,124	16,758,291	(276,833)
Disbursements				
Instruction	2,902,696	4,975,421	4,704,653	270,768
Student services	320,055	889,908	1,028,490	(138,582)
Instructional staff support	271,302	359,518	279,781	79,737
Building administration	-	730,728	712,475	18,253
General administration	816,549	2,629,831	2,667,833	(38,002)
Operation of plant	3,260,743	4,158,161	4,153,067	5,094
Transportation	302,000	1,849,772	1,757,770	92,002
Food service	1,520,000	1,894,724	1,891,916	2,808
Community services	23,601	240,962	318,493	(77,531)
Total Disbursements	9,416,946	17,729,025	17,514,478	214,547
<i>Excess (Deficit) of Receipts Over Disbursements</i>	5,483,860	(693,901)	(756,187)	(62,286)
Other Financing Sources (Uses)				
Net insurance recovery	-	519,992	519,992	-
Operating transfers (out)	(7,553,361)	(1,122,062)	(700,000)	422,062
Total Other Financing Sources (Uses)	(7,553,361)	(602,070)	(180,008)	422,062
<i>Net Change in Fund Balance</i>	(2,069,501)	(1,295,971)	(936,195)	359,776
Fund Balance, Beginning of Year	12,058,691	12,058,691	12,058,691	-
Fund Balance, End of Year	\$ 9,989,190	\$ 10,762,720	\$ 11,122,496	\$ 359,776

See accompanying Notes to the Budgetary Comparison Schedules.

Sikeston R-6 School District

Budgetary Comparison Schedule—Special Revenue Fund—Modified Cash Basis

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Local	\$ 7,642,095	\$ 6,715,901	\$ 6,681,003	\$ (34,898)
County	279,000	281,231	281,232	1
State	14,612,527	13,967,175	13,956,224	(10,951)
Federal	1,752,350	3,776,299	3,774,171	(2,128)
Other	142,200	96,200	95,669	(531)
Total Receipts	<u>24,428,172</u>	<u>24,836,806</u>	<u>24,788,299</u>	<u>(48,507)</u>
Disbursements				
Instruction	31,203,533	18,557,208	18,197,086	360,122
Student services	48,000	1,744,955	1,697,986	46,969
Instructional staff support	30,000	867,218	820,405	46,813
Building administration	-	2,344,789	2,340,328	4,461
General administration	-	989,713	985,566	4,147
Community services	-	754,985	746,928	8,057
Total Disbursements	<u>31,281,533</u>	<u>25,258,868</u>	<u>24,788,299</u>	<u>470,569</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(6,853,361)	(422,062)	-	422,062
Other Financing Sources				
Operating transfers in	<u>6,853,361</u>	<u>422,062</u>	<u>-</u>	<u>(422,062)</u>
<i>Net Change in Fund Balance</i>	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to the Budgetary Comparison Schedules.

Sikeston R-6 School District

Budgetary Comparison Schedule—Debt Service Fund—Modified Cash Basis

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Local	\$ 2,302,709	\$ 2,049,444	\$ 2,024,971	\$ (24,473)
County	238,000	238,000	235,643	(2,357)
Total Receipts	<u>2,540,709</u>	<u>2,287,444</u>	<u>2,260,614</u>	<u>(26,830)</u>
Disbursements				
Debt service	<u>1,978,449</u>	<u>1,978,449</u>	<u>1,978,424</u>	<u>25</u>
Total Disbursements	<u>1,978,449</u>	<u>1,978,449</u>	<u>1,978,424</u>	<u>25</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	562,260	308,995	282,190	(26,805)
Fund Balance, Beginning of Year	<u>2,242,429</u>	<u>2,242,429</u>	<u>2,242,429</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 2,804,689</u></u>	<u><u>\$ 2,551,424</u></u>	<u><u>\$ 2,524,619</u></u>	<u><u>\$ (26,805)</u></u>

See accompanying Notes to the Budgetary Comparison Schedules.

Sikeston R-6 School District

Budgetary Comparison Schedule—Capital Projects Fund—Modified Cash Basis

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Local	\$ 279,500	\$ 1,795,500	\$ 1,792,713	\$ (2,787)
County	-	45,000	43,756	(1,244)
State	-	400,000	400,000	-
Federal	400,000	705,542	705,542	-
Total Receipts	<u>679,500</u>	<u>2,946,042</u>	<u>2,942,011</u>	<u>(4,031)</u>
Disbursements				
Instruction	61,721	341,613	85,914	255,699
General administration	212,500	122,500	118,118	4,382
Operation of plant	522,500	744,520	736,159	8,361
Transportation	299,580	189,580	170,290	19,290
Facilities acquisition and construction	-	2,512,639	2,374,651	137,988
Debt service	237,572	237,572	237,264	308
Total Disbursements	<u>1,333,873</u>	<u>4,148,424</u>	<u>3,722,396</u>	<u>426,028</u>
<i>Excess (Deficit) of Receipts Over Disbursements</i>	(654,373)	(1,202,382)	(780,385)	421,997
Other Financing Sources				
Operating transfers in	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	45,627	(502,382)	(80,385)	421,997
Fund Balance, Beginning of Year	<u>770,138</u>	<u>770,138</u>	<u>770,138</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 815,765</u></u>	<u><u>\$ 267,756</u></u>	<u><u>\$ 689,753</u></u>	<u><u>\$ 421,997</u></u>

See accompanying Notes to the Budgetary Comparison Schedules.

Sikeston R-6 School District

Notes to the Budgetary Comparison Schedules

Year Ended June 30, 2025

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

Other Reporting Requirements



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

Board of Education
Sikeston R-6 School District
Sikeston, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying modified cash basis financial statements of the governmental activities, the discretely presented component unit, each major fund, and the remaining fund information of the Sikeston R-6 School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Sikeston R-6 School District's basic financial statements and have issued our report thereon dated December 3, 2025.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses, as item 2025-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

Sikeston R-6 School District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The 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 the response.

Purpose of this Report

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



KPM CPAs, PC
Springfield, Missouri
December 3, 2025

Sikeston R-6 School District

Schedule of Findings and Responses

Year Ended June 30, 2025

Material Weakness

2025-001 *Segregation of Duties*

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

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

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

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

Response: The District is aware of the finding related to segregation of duties and is currently evaluating the cost/benefit of implementing additional procedures to address this issue. Since the audit, we have improved our controls with better oversight of payroll processing and will continue to monitor and evaluate the efficiency and effectiveness of existing procedures.

Supplementary State Information

KPM
CPAS & ADVISORS
Independent Accountants' Report

Board of Education
Sikeston R-6 School District
Sikeston, Missouri

We have examined the Sikeston R-6 School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September and January, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics during the year ended June 30, 2025. Management of Sikeston R-6 School District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on Sikeston R-6 School District's compliance based on our examination.

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

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

Our examination engagement does not provide a legal determination on the District's compliance with the specified requirements.

Our examination disclosed the District did not meet compliance with Missouri laws and regulations as the District did not publish a summary of the prior year's audit report within thirty days of receipt, or post, at least quarterly, a searchable revenue and expenditure document on their website or other form of social media.

In our opinion, except for the items described in the preceding paragraph, Sikeston R-6 School District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2025.

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

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
December 3, 2025

www.kpmcpa.com

1445 E. Republic Road | Springfield, MO 65804 | 417-882-4300 | fax 417-882-4343

Sikeston R-6 School District

Schedule of Selected Statistics

Year Ended June 30, 2025

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

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
	5	6	-	6.75	157.00	1,048.47
	7	8	-	6.75	157.00	1,048.47
	9	12	-	6.75	157.00	1,048.47
	PK	4	-	6.75	157.00	1,048.47

2. Attendance Hours

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4070	1-4	244,826.23	5,452.42	-	-	-	250,278.65
4050	1-4	338,341.22	2,481.43	-	-	-	340,822.65
4040	1-4	357,609.98	4,024.30	-	-	-	361,634.28
4020	PK-K	315,417.45	4,522.67	-	-	-	319,940.12
3050	5-6	471,423.03	4,883.30	-	-	-	476,306.33
2050	7-8	426,862.65	5,146.83	-	-	-	432,009.48
1050	9-12	725,586.27	87,970.73	-	-	-	813,557.00
Grand Total		2,880,066.83	114,481.68	-	-	-	2,994,548.51

Sikeston R-6 School District

Schedule of Selected Statistics

Year Ended June 30, 2025

3. September Membership

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4070	1-4	244.00	3.25	-	247.25
4050	1-4	352.00	3.50	-	355.50
4040	1-4	363.00	3.01	-	366.01
4020	PK-K	339.00	28.46	-	367.46
3050	5-6	484.00	5.03	-	489.03
2050	7-8	441.00	4.22	-	445.22
1050	9-12	894.00	32.01	-	926.01
Grand Total		3,117.00	79.48	-	3,196.48

Notes: PK in the table above includes all PK students. The District identified 54.89 PK students as being eligible to be claimed for state aid in the October MOSIS Student Core File.

4. January Membership

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4070	1-4	248.00	3.40	-	251.40
4050	1-4	342.00	3.02	-	345.02
4040	1-4	360.00	3.77	-	363.77
4020	PK-K	356.00	29.43	-	385.43
3050	5-6	484.00	5.04	-	489.04
2050	7-8	448.00	2.95	-	450.95
1050	9-12	876.00	27.70	-	903.70
Grand Total		3,114.00	75.31	-	3,189.31

Notes: PK in the table above includes all PK students. The District identified 53.89 PK students as being eligible to be claimed for state aid in the February MOSIS Student Core File.

Sikeston R-6 School District

Schedule of Selected Statistics

Year Ended June 30, 2025

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

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

School Code	Free Lunch	Reduced Lunch	DESEG In Free	DESEG In Reduced	Total
4070	251.40	-	-	-	251.40
4050	345.02	-	-	-	345.02
4040	363.77	-	-	-	363.77
4020	264.01	-	-	-	264.01
3050	489.04	-	-	-	489.04
2050	450.95	-	-	-	450.95
1050	903.70	-	-	-	903.70
Grand Total	3,067.89	-	-	-	3,067.89

6. Finance

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

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

Sikeston R-6 School District

Schedule of Selected Statistics

Year Ended June 30, 2025

	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A
6.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
6.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
6.5	As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:	\$50,000
6.6	The district's\charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	True
6.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools.)	True
6.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	True
6.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools.)	N/A
6.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	False
6.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	True
6.12	The amount spent for approved professional development committee plan activities was:	\$93,720
6.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	False
Notes:		

Sikeston R-6 School District

Schedule of Selected Statistics

Year Ended June 30, 2025

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

Finding:	6.10 – The District did not publish a summary of the prior year’s audit report
	6.13 – The District did not publish financial data on a quarterly basis
Management Letter Comment:	#4 and #5

7. Transportation (Section 163.161, RSMo)

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

Section	Question	Answer
7.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
7.2	The district’s/charter school’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
7.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	1,789.5
	Ineligible ADT	0.0
7.4	The district’s/charter school’s transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
7.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	266,088
7.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	204,759
	Ineligible Miles (Non-Route/Disapproved)	61,329
7.7	Number of days the district/charter school operated the school transportation system during the regular school year:	155
Notes:		

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

Finding:	N/A
Management Letter Comment:	N/A

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APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

Dated as of July 1, 2026

by the

SIKESTON R-6 SCHOOL DISTRICT

\$11,300,000*
Sikeston R-6 School District
General Obligation Bonds
(Missouri Direct Deposit Program)
Series 2026

* Preliminary; subject to change.

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of July 1, 2026 (this “*Undertaking*”) is executed and delivered by the **SIKESTON R-6 SCHOOL DISTRICT** (the “*Issuer*”).

RECITALS

1. This Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **\$11,300,000* General Obligation Bonds (Missouri Direct Deposit Program), Series 2026** (the “*Bonds*”), pursuant to a resolution adopted by the governing body of the Issuer on June 23, 2026 (the “*Resolution*”).

2. The Issuer is entering into this Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “*Rule*”). The Issuer is the only “obligated person” (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the foregoing, the Issuer covenants and agrees as follows:

Section 1. Definitions.

In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

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

“*Beneficial Owner*” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

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

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

* Preliminary; subject to change.

“*EMMA*” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“*Financial Obligation*” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” means the **12-month** period beginning on **July 1** and ending on **June 30** or any other **12-month** period selected by the Issuer as its Fiscal Year for financial reporting purposes.

“*Material Events*” means any of the events listed in **Section 3** hereof.

“*MSRB*” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“*Participating Underwriter*” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall not later than **180 days** after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ended June 30, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the “*Annual Report*”):
 - (1) The audited financial statements of the Issuer for the prior Fiscal Year prepared in accordance with the accounting principles described in the notes to the financial statements included as **Appendix B** to the final Official Statement for the Bonds and audited by its independent auditors. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the audited financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data related to the Bonds, as described in **Exhibit A** hereto, with such modifications to the formatting and general presentation thereof as deemed appropriate by the Issuer; provided, any substantive change to information provided shall be effected only in accordance with **Section 6** hereof.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “obligated person” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the

MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3** hereof.

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

Section 3. Reporting of Material Events.

No later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given, to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("*Material Events*"):

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of bondholders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer (which shall be deemed to occur as provided in the Rule);
- (m) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (o) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)** hereof, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation.

The Issuer's obligations under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Undertaking are assumed in full by some other entity, such entity shall be responsible for compliance with this Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such assumption occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such assumption in the same manner as for a Material Event under **Section 3** hereof.

Section 5. Dissemination Agent.

The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Undertaking.

Section 6. Amendment; Waiver.

Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived, provided that bond counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Undertaking.

In the event of any amendment or waiver of a provision of this Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3** hereof, and (b) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information.

Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include

any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default.

If the Issuer fails to comply with any provision of this Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Undertaking if there is any failure of the Issuer to comply with this Undertaking shall be an action to compel performance.

Section 9. Beneficiaries.

This Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 10. Severability.

If any provision in this Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Undertaking shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions.

The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law.

This Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

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IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

SIKESTON R-6 SCHOOL DISTRICT

By: _____
Title: President of the Board of Education

EXHIBIT A
TO CONTINUING DISCLOSURE UNDERTAKING

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

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

1. **“THE DISTRICT – History of Enrollment”;**
2. **“DEBT STRUCTURE OF THE DISTRICT – Current Long Term General Obligation Indebtedness”;**
3. **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations”;**
4. **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – History of Tax Levies”;** and
5. **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Major Property Taxpayers.”**