

Comprehensive Annual

# Financial Report



Parkway School District • C2 • Chesterfield, Missouri  
For the Fiscal Year Ended June 30, 2017



# PARKWAY C- 2 SCHOOL DISTRICT

## TABLE OF CONTENTS

---

	<b>Page</b>
<b>I. INTRODUCTORY SECTION</b>	
Transmittal Letter	i – vii
Principal Officials	viii
Organizational Chart	ix
ASBO Certificate of Excellence in Financial Reporting	x
<b>II. FINANCIAL SECTION</b>	
Independent Auditors' Report	1 - 3
Management’s Discussion and Analysis - Unaudited	4 - 17
Basic Financial Statements:	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position	18
Statement of Activities	19
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	22
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances With the Statement of Activities	23
Statement of Net Position – Proprietary Fund	24
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	25
Statement of Cash Flows – Proprietary Fund	26
<i>Notes to Basic Financial Statements</i>	27 - 60



# PARKWAY C- 2 SCHOOL DISTRICT

## TABLE OF CONTENTS

---

	<b>Page</b>
<b>III. FINANCIAL SECTION (concluded)</b>	
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual - Unaudited	
General Fund	62
Special Revenue Fund	63
Notes to Required Supplementary Information	64
Schedule of Proportionate Share of the Net Pension Liability and Employer Contributions – Unaudited	65
Other Postemployment Benefit Obligation – Unaudited	66
Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
Debt Service Fund	68
Capital Projects Fund	69
<b>II. STATISTICAL SECTION</b>	
Summary of Statistical Information	71
Net Position by Component	72
Expenses, Program Revenues and Net (Expense)/Revenue	73
General Revenues and Total Change in Net Position	74
Fund Balances, Governmental Funds	75
Governmental Funds Revenues	76
Governmental Funds Expenditures and Debt Service Ratio	77
Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds	78
Assessed Value and Actual Value of Taxable Property	79
Direct and Overlapping Property Tax Rates	80 – 81
Principal Property Taxpayers	82

# **PARKWAY C- 2 SCHOOL DISTRICT**

## **TABLE OF CONTENTS**

---

	<b>Page</b>
<b>IV. STATISTICAL SECTION (concluded)</b>	
Property Tax Levies and Collections	83
Outstanding Debt by Type	84
Direct and Overlapping Governmental Activities Debt	85
Legal Debt Margin Information	86
Demographic and Economic Statistics	87
Principal Employers	88
Full-Time Equivalent District Employees by Type	89
Operating Statistics	90
Teacher Base Salaries	91
School Building Information	92 – 96

**PARKWAY C-2 SCHOOL DISTRICT  
CHESTERFIELD, MISSOURI**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2017**

Prepared by the Chief Financial Officer's Division

Patricia Bedborough, Chief Financial Officer  
Brian Whittle, Director of Finance

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**AND**

**INDEPENDENT AUDITORS' REPORT**

**PARKWAY C-2 SCHOOL DISTRICT**

**June 30, 2017**



**INTRODUCTORY  
SECTION**



November 9, 2017

Members of the Board of Education and  
Residents of the Parkway School District

The Comprehensive Annual Financial Report (CAFR) of the Parkway C-2 School District (District), Chesterfield, Missouri for the fiscal year ended June 30, 2017 is presented on the following pages. This report provides full disclosure of the District's financial operation. This CAFR, which includes an opinion from the Independent Auditors that conducted the District's audit, conforms to the Generally Accepted Accounting Principles in the United States of America (GAAP) as applicable to governmental entities. The District maintains full responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

We believe that all data, as presented, is accurate in all material respects and that it is presented in a manner to fairly set forth the financial position and results of the District's operations as measured by the financial activity of its various funds. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial activities have been included.

This letter of transmittal is designed to be read in conjunction with the Management's Discussion and Analysis (MD&A) report which is located following the independent auditors' report. Financial highlights and a discussion of the District's financial condition are provided in the MD&A.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which includes a Letter of Transmittal, Principal Officials, Organizational Chart of the District, and Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting.
2. The Financial Section, which begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Notes To Basic Financial Statements, Required Supplementary Information and Supplementary Information.
3. The Statistical Section, which includes selected comparative financial, non-financial, demographic and economic data for the District.

## Profile of the Organization

This report includes all funds of the District. The District is a political subdivision of the State of Missouri created under the Constitution of Missouri.

Parkway C-2 School District is considered a national leader in innovative education. Its teachers, administrators and students strive for excellence each day. Parkway is more than just a school system; it is a nurturing community that fosters individual talents and encourages collaborative thinking. At Parkway, when one person succeeds, everyone grows. It is the Mission of the Parkway School District to ensure all students are capable, curious and confident learners who understand and respond to the challenges of the ever changing world. The District believes that Higher Expectations bring Brighter Futures For All By All. Certain accomplishments of the District are as follows:

- **Blue Ribbon Schools** – Parkway has 17 U.S. Blue Ribbon and 19 Missouri Gold Star schools.
- **National Merit Scholars** – 25 Parkway students were named National Merit Semifinalists. In addition, 26 students were named National Merit Commended Scholars.
- **America’s Best High Schools** – All four traditional Parkway high schools - Central, North, South and West were named 2017 best High Schools in America by U.S. News and World Report. All four high schools were also named America’s Most Challenging High Schools for 2017 by The Washington Post.
- **National Schools of Character** – Parkway was named as a 2017 National School District of Character. Parkway has nine National Schools of Character.
- **Green Ribbon Schools** – Two Parkway schools, McKelvey Elementary and North High, were named Green Ribbon Schools in 2017. Only 39 public schools across the Country received this honor.
- **College attendance** – 89.7% of Parkway graduates go on to attend college.
- **Top Test Scores in Missouri** – Parkway earned a 98.6 on the 2016 Annual performance report issued by the Missouri Department of Elementary and Secondary Education. Parkway ranked among the top 10 districts in the state with over 1,000 students. The District expects the scores for 2017 to meet the 2016 score.
- **Financials** – Parkway has consistently earned a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International.. Parkway is one of only four school districts in Missouri to earn the Standard and Poor's AAA bond rating.
- **Top Workplace** - Parkway School District was selected as a Top 10 workplace in St. Louis by *The St. Louis Post-Dispatch* based on surveys of employees for the third year in a row.
- **Social Justice Work** - The District was honored at the National Network for Education Renewal Conference for social justice work.
- **CNG Buses** – The District recently purchased 10 new CNG buses, bringing the total fleet to 40 CNG buses.
- **Longevity** – Three Parkway schools, West High, McKelvey Elementary and Henry elementary are celebrating their 50<sup>th</sup> anniversary during the 2018 school year.

The Parkway School District Board of Education (the “Board”), consisting of seven elected officials, has the power to sue and to be sued and to make rules and regulations for its own government consistent with the laws of the State of Missouri and the State Board of Elementary and Secondary Education (DESE). The Board has oversight responsibility and control over all activities related to public education in the District, including the authority to designate management, and the ability to significantly influence operations and primary accountability for fiscal matters.

It is the responsibility of the District to make public education available to residents of the Parkway C-2 School District. The District is an independent entity and receives its funding from local, state and federal government sources and must comply with the requirements of these funding agencies.

The District operates the seventh largest school district of the 523 districts operating in the State serving 17,498 students for Fiscal Year 2016-2017. The District provides a full range of public education services at all grade levels ranging from kindergarten through grade twelve. In addition to a superior regular academic curriculum, the District offers a broad range of other programs for students including gifted/talented, English as a second language, fine arts, advanced college placement, interscholastic and intramural athletics, assistance for at-risk students and others. In addition, the District provides services beyond the broad K-12. The District operates two Early Childhood Education centers and multiple classrooms throughout the district buildings, which serves children before they attend kindergarten and a Community Education program for adult continuing education. Some of the services provided to our students include instructional staff, instructional materials, instructional facilities, administrative and business service support, food service and bus transportation services and facility maintenance.

### **Accounting System and Budgetary Control**

The District’s comprehensive annual financial report was prepared pursuant to School Board Policy and in accordance with the standards established by the Governmental Accounting Standard Board (GASB).

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. This system provides a complete set of self-balancing accounts for each District fund. The chart of accounts used in this accounting system was developed in accordance with the Missouri Financial Accounting Manual prepared by the Department of Elementary and Secondary Education, School Finance Section, State of Missouri.

The District’s accounting system for governmental funds operates on the modified accrual basis of accounting. At year end, the governmental funds are converted from the modified accrual basis to a full accrual basis for the presentation of government-wide financial statements. In developing the District’s accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of these controls should not exceed the benefits and the evaluation of costs and benefits requires estimate and judgments by management.

The District believes that the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.



A complete budgetary system of accounts is maintained in all of the District's funds in accordance with District policy. The accounting system provides interim financial reports which detail year-to-date expenditures and encumbrances as compared to the budget. These reports are distributed to the District's management and Board on a monthly basis showing the status of the budget accounts for which they are responsible. These reports compare each program, building and line-item account balance to the approved budget. A monthly financial statement is prepared and distributed to the Board for their approval.

## **Economic Condition and Outlook**

The District is located in St. Louis County, Missouri, and covers an area of approximately 68 square miles, including portions of unincorporated St. Louis County as well as areas of the following municipalities: Maryland Heights, Creve Coeur, Chesterfield, Town & Country, Des Peres, Ballwin, Manchester, Twin Oaks, Country Life Acres, Valley Park, Westwood and Winchester. The District is a blend of commercial, industrial and residential activity. The economic diversity of the District, along with the high quality of education, makes Parkway C-2 School District an attractive community.

Since the District was organized in 1954, it has expanded from a rural farming community to a suburban industrial one, expanding from a small district to one of the largest in St. Louis County and tenth largest in Missouri. Today, the District includes four high schools, five middle schools, eighteen elementary schools and two Early Childhood Development Centers. Parkway is currently accredited with distinction in performance under the Missouri School Improvement Program (MSIP) Standards administered by the State Department of Elementary and Secondary Education. The District is governed by the Board of Education, whose seven members are elected for staggered three-year terms of office.

The population within the District's boundaries is estimated to be 143,784. There were 17,498 children that attended school during the 2016-2017 academic year. The District employed the following full time equivalent staff; 1,378.5 certificated instructional staff. The current certified staffing created a certified staff to student ratio of 12.69:1 during the past academic year. The staffing ratio is expected to increase slightly to 12.79:1 in 2017-2018 based on a projected student enrollment of 17,608 and instructional staffing of 1,382 FTE.

## **Major Initiatives**

### Current Year and Future Years

The District has spent the past year implementing its next generation five year strategic plan, Project Parkway 2.0, under which it will operate for fiscal years ending 2017 through 2021. The District operates on a Mission Statement that focuses on successfully educating all Parkway students and preparing them for the next stage of their lives.

As part of the first generation of Project Parkway, the District initiated its Profession Learning Committees (PLC's). These committees meet for two hours, once a month, to discuss and evaluate the process of delivering the best education to the students in order for them to be more capable, curious and confident learners who understand and respond to the challenges of the ever-changing world.

In addition to the PLC's, the District equipped each of its 33 buildings with Solar Panels for energy efficiencies. It is estimated that the combined savings across the District will be \$15,000 in the first year and over the twenty-year term of the lease, the cost savings for all sites is estimated to be \$1,200,000.

During the fall of 2011, the District developed an Ad Hoc Budget Review Committee. The purpose was to take a detailed look at the budget and make recommendations to the Board to address the declining reserve balances. It was not sustainable to continue spending down these reserves. As this committee reviewed the budget, the following principals were established:

- Our strategic plan is our roadmap in budgeting;
- We cannot compromise the strategic plan;
- The best approach is a multi-year budget planning;
- Fund balance parameters must be maintained over time;
- Goal is to achieve an 80/20 ratio of personnel to operating expenses (current ratio is 85/15);
- Staffing models must be established and followed;
- Classroom staffing is the priority;
- Cannot compromise professional development in support of all staff;
- The budget process must be transparent.

Under Project Parkway 2.0, Goal 3 is dedicated to the efficient allocation of resources including finances, facilities, personnel and time. The plan includes three measurable objectives and key performance indicators will indicate success or improvements needed. The measurable objectives are as follows:

- Each school, department and program will maintain ethical and fiscally responsible practices to effectively accomplish mission
- All personnel, time and resources will be allocated responsibly and flexibly based on mission related needs of students and the financial reality of the district
- Each school, department and program will successfully integrate environmentally, socially and fiscally sustainable best practices into their area of focus.

The key performance indicators include fund balance growth, evidence of an unmodified audit, successful bond issue elections, maintaining AAA credit rating, capital projects completion on time and on budget, personnel allocation based on targets, energy usage by building, water usage by building, wellness initiatives, etc.

### **Debt Administration**

As of June 30, 2017, long-term general obligation bonds totaled \$201,620,000. This is an increase of \$32,825,000 from the prior fiscal year.

The District has remaining bonded debt capacity of \$467,746,410 at June 30, 2017.

### **Significant Board Policies**

The District has entered into agreements with the Parkway National Education Association, the Parkway Registered Nurses' Association and the Communications Workers of America. Each of these agreements dictate the work environment and compensation for the members of each organization.

The Parkway National Education Association is a three year agreement that covers 2017-2018, 2018-2019, and 2019-2020. The Communications Workers of America agreement covers 2015-2016, 2016-2017 and 2017-2018. The Parkway Registered Nurses' Agreement is a three year agreement covering the 2016-2017, 2017-2018 and 2018-2019 fiscal years.

Reserve requirements are set by the Board of Education policy at 17.3% of the current year's operating expenditure budget. These reserves include a 13.5% operating reserve maintained to cover cash flow needs during the first half of the fiscal year and the stabilization reserve of 3.8% of operating expenditures to cover either an unexpected facilities issue or VST program funding issue. The facilities contingency is needed due to the age of District buildings and the documented list of deferred maintenance projects. In order to lessen our need for annual borrowing for Tax Anticipation Notes, the Board has established a policy that operating fund reserves are to grow by at least .25% a year.

### **Independent Audit**

The revised statutes of the State of Missouri require that an independent audit be conducted on a biennial basis. The District policy, however, requires that an independent certified public accounting firm conduct an audit annually. This requirement has been satisfied and the opinion of Kerber, Eck & Braeckel, LLP is included in this report.

The District is also required to undergo an annual single audit in conformity with the provisions Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, and independent auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations is included in a separate single audit report and is available at the School District's Administrative Offices for inspection.

### **Awards**

For the past fifteen years, the District has received the Association of School Business Officials (ASBO) International, Certificate of Excellence in Financial Reporting Award. For the fiscal year ended June 30, 2017, the Comprehensive Annual Financial Report will be submitted again for the award.

### **Acknowledgments**

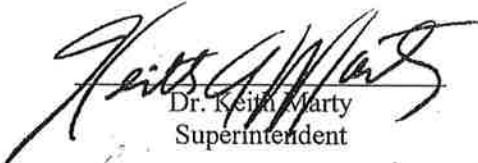
It is our desire that this report contain the necessary information and data that will provide a better understanding of the operations of the District to the District's Board of Education, outside investors and interested local constituents. It is further hoped that this report has been produced in a manner that all readers will obtain a clear and concise picture of the District's financial condition to enhance our accountability to the public.

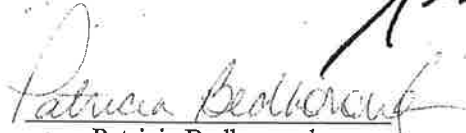
The preparation of the Comprehensive Annual Financial Report on a timely basis could not have been achieved without the efficiency and dedication of the District's Finance Department. Each member of the Finance Department has our sincerest appreciation for their efforts that contributed to the quality of this report. All contributed significantly toward this project and should be very proud of the final product.

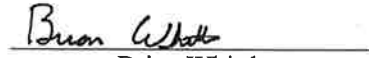
We would also like to express our appreciation to the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectively submitted,

PARKWAY C-2 SCHOOL DISTRICT

  
\_\_\_\_\_  
Dr. Keith Marty  
Superintendent

  
\_\_\_\_\_  
Patricia Bedborough  
Chief Financial Officer

  
\_\_\_\_\_  
Brian Whittle  
Director of Finance



**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2017**

**PARKWAY C-2 SCHOOL DISTRICT  
455 NORTH WOODS MILL ROAD  
CHESTERFIELD, MISSOURI 63017  
314-415-8100**

**BOARD OF EDUCATION**

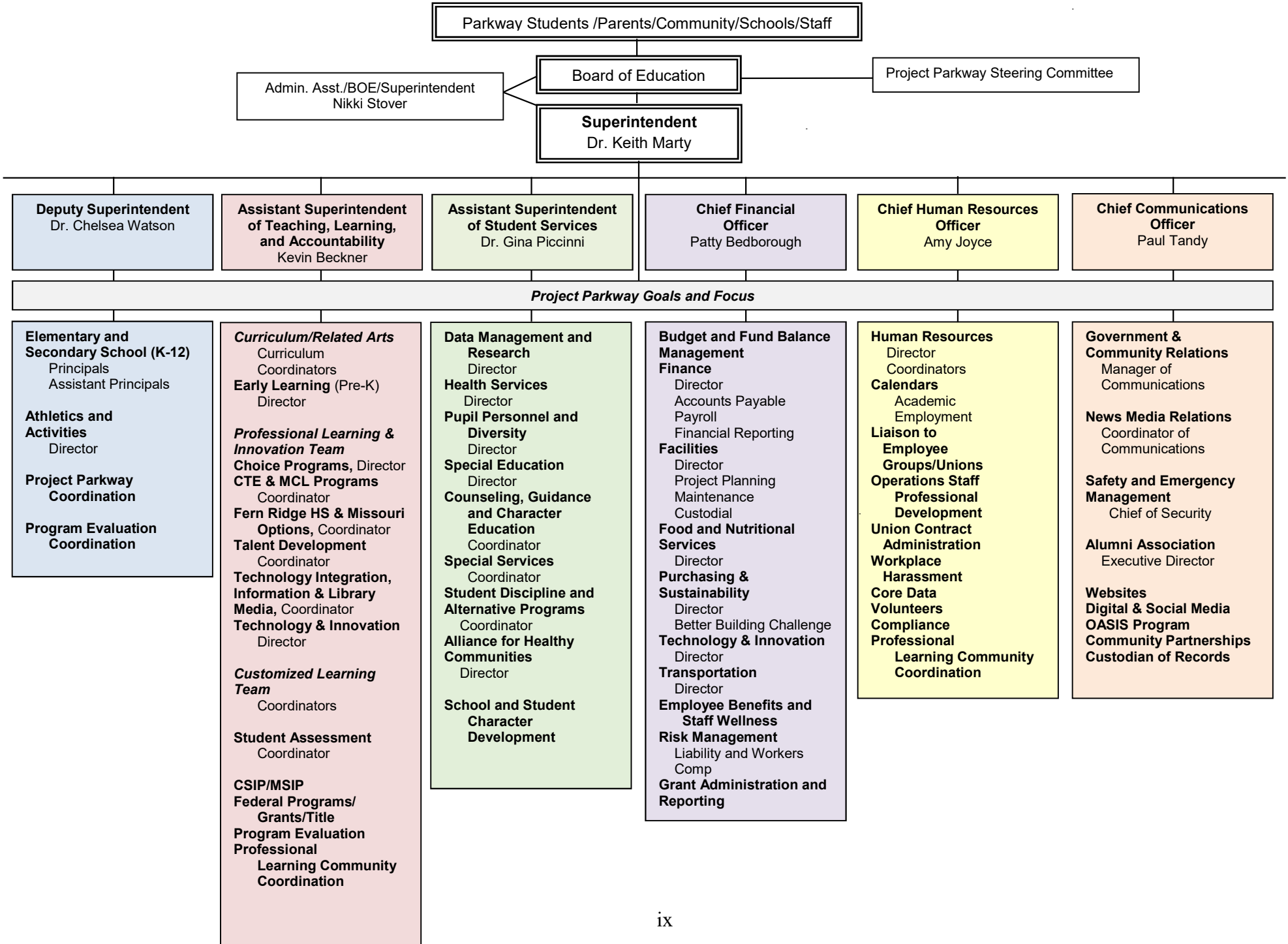
Ms. Beth Feldman	President
Ms. Kim Appelbaum	Vice-President
Ms. Deborah Hopper	Director
Ms. Kristy Klein Davis	Director
Mr. Sudhir Rathod	Director
Dr. Sam Sciortino	Director
Mr. Jeff Todd	Director

**GENERAL ADMINISTRATION**

Dr. Keith Marty	Superintendent
Dr. Chelsea Watson	Deputy Superintendent
Mr. Kevin Beckner	Assistant Superintendent, Teaching, Learning and Accountability
Dr. Gina Piccinni	Assistant Superintendent, Student Services
Mr. Paul Tandy	Chief Communications Officer
Ms. Amy Joyce	Chief Human Resources Officer

**FINANCIAL ADMINISTRATION**

Ms. Patty Bedborough	Chief Financial Officer
----------------------	-------------------------





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Parkway C-2 School District**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'. The signature is written in a cursive style and is positioned above a horizontal line.

**Anthony N. Dragona, Ed.D., RSBA**  
President

A handwritten signature in black ink, appearing to read 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

**John D. Musso, CAE**  
Executive Director

**FINANCIAL  
SECTION**





CPAs and  
Management Consultants

One South Memorial Drive, Ste. 900  
St. Louis, MO 63102  
ph. 314.231.6232  
fax 314.880.9307

[www.kebcpa.com](http://www.kebcpa.com)

## Independent Auditors' Report

Board of Education  
Parkway C-2 School District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Parkway C-2 School District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Parkway C-2 School District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parkway C-2 School District's basic financial statements. The introductory section, supplementary information and the statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary 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. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2017 on our consideration of Parkway C-2 School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Parkway C-2 School District's internal control over financial reporting and compliance.

Kerber, Eck & Brueckel LLP

St. Louis, Missouri  
November 9, 2017

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

The Management's Discussion and Analysis (MD&A) of the Parkway C-2 School District's (District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. The intent of this MD&A is to look at the District's financial performance. Readers should also review the transmittal letter, financial statements and the accompanying notes to the financial statements to enhance their understanding of the District's financial performance.

This reporting model was adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999, and implemented by the District in 2002. It is intended to better communicate the past and current financial position of the District.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the Fiscal Year 2016-2017 include the following:

- Net position decreased by \$9,973,875 for the year ended June 30, 2017. The net decrease was comprised of the following elements:

	<u>Increase (Decrease)</u>
Net investment in capital assets	\$ (5,265,754)
Restricted for:	
Debt service	4,877,356
Certificated employees' compensation and benefits	(4,996,084)
Unrestricted	<u>(4,589,393)</u>
Net decrease	<u>\$ (9,973,875)</u>

“Unrestricted net position” decreased \$4,589,393 mostly due to a decrease in deferred tax revenue of \$6,393,785 and an increase in pension expense of \$6,457,873. This drop was partially offset by operating revenues exceeding operating expenses by \$1,552,209. Changes in compensated absences, early retirement payable and postemployment benefits also led to the net change in unrestricted net position.

The amount, “Net investment in capital assets” decreased as a result of the issuance of general obligation bonds. Capital assets, net of accumulated depreciation increased \$17,701,894 while bonds payable increased \$32,199,541, unspent bond proceeds increased \$9,919,022 and small changes in the capital lease obligations led to a net decrease in net investment in capital assets of \$5,265,754.

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### FINANCIAL HIGHLIGHTS (continued)

“Net position restricted for debt service” increased \$4,877,356 primarily as a result of an increase in the cash held for debt service due to higher property tax collections. As general obligations are issued in the future, this balance is expected to no longer increase at the same pace as it did in fiscal year 2017.

“Net position restricted for certificated employees’ compensation and benefits” decreased \$4,996,084 as a result of spending related to certified employees.

- Total assets and deferred outflows increased by \$72,173,671 attributed to the following elements:

	<u>Increase (Decrease)</u>
Cash and investments - restricted and unrestricted	\$ 15,604,273
Receivables	(4,869,368)
Prepaid expenses and inventory items	1,184,864
Capital assets, net of depreciation	17,701,894
Deferred charge on refunding	(907,207)
Deferred pension contributions	<u>43,459,215</u>
Net increase	<u><u>\$ 72,173,671</u></u>

The increase in cash and investments is a result of a few different elements. The biggest contributor to the increase was \$44 million in general obligation debt issued during the year for capital projects. Over \$34.4 million of the bond proceeds was spent on capital assets in the current year. Cash restricted for debt service increased \$3,673,871 due to property tax collections.

There was a net increase in capital assets of \$17,701,894. This is primarily made up of current year additions of \$32,487,549 due to the capital projects activity noted above less \$14,592,057 in depreciation. There was a decrease in receivables of \$4,869,368; this is primarily due to no property taxes outstanding at the end of the year. The drop in property tax receivables is a result of forecasted payouts for protested taxes.

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### FINANCIAL HIGHLIGHTS (continued)

- Total liabilities and deferred inflows of resources increased by \$82,147,546 due to the following items:

	Increase (Decrease)
Accounts payable, salaries and other payables	\$ 1,100,625
Claims payable	(294,243)
Unearned revenue	(123,705)
Interest payable	(100,411)
Net pension liability	48,636,271
Other postemployment obligation	809,600
Liabilities due within one year	(978,257)
Liabilities due in more than one year	31,816,849
Pension deferrals	1,280,817
	<hr/>
Net increase	\$ 82,147,546

The overall increase in liabilities due in more than a year is primarily a result of the general obligation bond issue of \$44 million offset by general obligation debt payments made on existing debt during the year. The change in the share of the Missouri pension liability is primarily due to a change in the expected rate of return from 8.00% to 7.75%. Accounts payable increased as a result of capital projects related to the debt issues.

Other financial highlights are as follows:

- The largest source of revenue for the District continues to be locally assessed property taxes. In fiscal year 2017, the assessed valuation increased \$34,052,570 (.79%) to \$4,370,660,330 from the prior year. The collection rate, on a full accrual basis of accounting, increased to 96.48% from 95.78% in the prior year. The collection rate increased slightly but is still lower than our historic collection of around 97.0%. The collection rate remains low due to the settlement of protested taxes. Total property tax revenue received amounted to \$183,452,795 and changes related to unearned revenues related to property taxes decreased \$6,393,785.
- Other local Ad Valorem tax revenues, such as county stock insurance, M&M surtax, financial institution taxes and locally assessed railroad and utility taxes are collected and distributed by the St. Louis County Department of Revenue. These taxes accounted for \$13,183,003 in general revenues. This was a decrease of \$463,677 from the prior year. The decrease was primarily a result of a drop in financial institution taxes. The District expects that source of revenue to continue to decrease as Scottrade leaves the District.

## **PARKWAY C-2 SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

#### **FINANCIAL HIGHLIGHTS (concluded)**

- State aid is generated from the State of Missouri's School Foundation Formula and is distributed based on a modified per pupil basis. The District is considered a hold harmless district which means that local proceeds mainly support the District's operations. Hold harmless districts receive a minimum per pupil allocation from the State of Missouri. The per weighted average daily attendance rate for fiscal year 2017 was \$562.83. Actual formula funding received was \$9,019,499 or \$303,241 more than prior year.
- Total interest income generated in fiscal year 2017 was \$1,367,526 or \$216,025 higher than prior year. Interest income was higher than the previous year primarily due to a larger average balance in capital projects funds from the fiscal year 2017 debt issue and a higher interest rate on our depository accounts.
- Charges for services are considered program revenue. The largest revenue source of charges for services is the tuition reimbursement for students living in the City of St. Louis and attending the District. The District received \$7,824,350 in tuition revenue from this source, which is an increase of \$91,107 from the prior year. The child nutrition program also was a large contributor to this revenue category. Fees charged for the nutrition program accounted for \$4,066,763 in revenue, an increase of \$169,365 from the prior year. Other large sources of program revenues include student activity receipts of \$3,868,974. The total increase in charges for services revenue was \$1,216,522 from the prior year.
- Grants and contributions account for \$10,595,573 in program revenues. The five largest sources of revenue within this category are the adult education and literacy program, \$1,051,336; state and federally funded child nutrition program, \$2,184,776; state reimbursed transportation aid, \$1,019,923; the federally funded Title I program, \$1,767,061; and contracted educational transportation services, \$2,466,492. These five sources generated \$8,489,588 in program revenue. Total grants and contributions are \$224,876 lower than the prior year. The decrease is a result of lower Title I reimbursements due to carryover Title I funds spent in the prior year and a decrease in state transportation aid.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

### **COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

The District uses the Comprehensive Annual Financial Report (CAFR) format to report financial information. This document consists of a series of financial statements and associated notes to those statements. These statements are organized so the reader can understand the District's financial standing. The "Government-wide Financial Statements" Section, consisting of the Statement of Net Position and the Statement of Activities provide highly consolidated financial information and render a government-wide perspective of the District's financial position. The "Fund Financial Statements" Section that follows provides increasingly more detailed information on specific financial activities.

### **THE DISTRICT AS A WHOLE**

#### *The Statement of Net Position and Statement of Activities*

The Statement of Net Position and the Statement of Activities present an aggregate view of the District's financial standing. It also provides a more in depth view of the District's current financial standing than would normally be seen in the Governmental Fund Type statements. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the full accrual basis of accounting. Accrual basis of accounting factors when the funds are used regardless of when the District receives funds or when the District pays for services.

These two statements report the District's net position and changes in that net position. By showing the change in net position, the readers can determine whether the financial condition of the District improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, student enrollment, facility conditions and required educational programs for which little or no funding is provided.

#### *Fund Financial Statements*

The District's fund financial statements provide more in depth information about the District's financial position and results of operations. The District's major funds are the General Fund, Special Revenue Fund, Capital Projects Fund and the Debt Service Fund. These fund statements report governmental activities on a current or short-term basis.



# **PARKWAY C-2 SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

### **THE DISTRICT AS A WHOLE (continued)**

#### *Fund Financial Statements (concluded)*

Most of the District's activities are reported in governmental funds format. This format focuses on how money flows in and out of these funds and shows the reader the remaining balances left at end of the fiscal year. These funds are reported using the modified accrual basis of accounting. The statements measure cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a short-term view of the District's general governmental operations and the basic services the District provides. Governmental fund information helps the reader determine the changes in financial resources in order to understand what can be spent in the near future. The relationship between governmental activities (as reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

#### *Proprietary Funds*

Proprietary funds use the same basis of accounting as business-type activities because the District attempts to recover costs through charges to the user. An example of a proprietary fund would be the Internal Service Fund (Self-Funded Health Insurance Plans).

#### *Governmental Activities*

As reported in the Statement of Activities on page 19, the cost of the District's governmental activities for the year ended June 30, 2017 was \$255,899,815. The Statement of Activities shows the cost of program services, the charges for services and the operating grants and contributions offsetting some of these services. Grants and contributions totaled \$10,595,573 and helped pay for certain programs. Charges for services include the following activities; tuition reimbursement, activity fees, fees for school lunches and facility use charges, which contributed \$19,320,751 towards these programs. The remaining amount was financed primarily by the taxpayers of the District through ad valorem, property tax and sales tax revenue totaling \$205,581,463. Investment earnings contributed \$1,367,526. State aid and unrestricted grants and contributions accounted for \$9,060,627. The "net cost" statement, on the following page, determines the remaining cost of the various categories and informs the reader how much each program is funded by proceeds other than charges for services and operating grants and contributions.

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### THE DISTRICT AS A WHOLE (continued)

#### *Governmental Activities (continued)*

Table I compares the Total and Net Costs of Governmental Activities for Fiscal Year ended June 30, 2017 to June 30, 2016.

Table I  
Total and Net Costs of Governmental Activities  
(in millions)  
Year ended June 30,

	2017		2016	
	Total cost of services	Net cost of services	Total cost of services	Net cost of services
Instructional programs	\$ 137.322	\$ 126.040	\$ 125.442	\$ 113.901
Student activities	4.918	1.049	4.955	1.170
Attendance	0.616	0.616	0.524	0.524
Guidance	7.592	7.592	6.709	6.708
Health services	2.796	2.641	2.610	2.507
Improvements of instruction	8.252	8.252	6.779	6.779
Professional development	0.026	0.026	0.028	0.028
Media services	4.154	4.154	3.789	3.789
Board of education	0.283	0.283	0.264	0.264
Executive administration	2.407	2.407	2.323	2.323
Building level administration	18.418	18.418	17.058	17.058
Operation of plant	12.626	12.607	10.376	10.355
Pupil transportation	25.694	25.342	24.719	24.363
Food services	1.289	1.289	1.188	1.188
Business and central services	10.199	6.713	9.153	5.610
Security services	6.471	0.219	5.684	(0.232)
Adult education	1.747	0.695	1.579	0.035
Community services	4.230	0.780	3.536	1.422
Interest and other expenses on long-term debt	6.860	6.860	6.443	6.443
Total	<u>\$ 255.900</u>	<u>\$ 225.983</u>	<u>\$ 233.159</u>	<u>\$ 204.235</u>

Note: Net Cost of Services is computed by taking the Total Cost of Services and subtracting Charges for Services and Grants and Contributions.

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### THE DISTRICT AS A WHOLE (continued)

#### *Governmental Activities (continued)*

Table II compares the District's Net Position as of June 30, 2017 to June 30, 2016.

Table II  
Condensed Statements of Net Position  
(in millions)  
June 30,

	<u>2017</u>	<u>2016</u>
Assets		
Current and other assets	\$ 116.428	\$ 104.509
Capital assets	<u>239.480</u>	<u>221.777</u>
Total assets	355.908	326.286
Deferred outflows of resources	111.796	69.244
Liabilities		
Other liabilities	232.704	14.321
Noncurrent liabilities	<u>215.285</u>	<u>352.801</u>
Total liabilities	447.989	367.122
Deferred inflows of resources	45.530	44.249
Net position		
Net investment in capital assets	66.293	69.193
Restricted	14.582	17.423
Unrestricted	<u>(106.690)</u>	<u>(102.457)</u>
Total net position	<u>\$ (25.815)</u>	<u>\$ (15.841)</u>

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### THE DISTRICT AS A WHOLE (concluded)

#### *Governmental Activities (concluded)*

Table III compares the Changes in Net Position for fiscal year ended June 30, 2017 to June 30, 2016.

	<u>2017</u>	<u>2016</u>
Program revenues		
Charges for services	\$ 19.321	\$ 18.104
Operating grants and contributions	10.596	10.820
General revenue		
Property taxes and other county taxes	190.242	202.663
Sales taxes	15.339	15.177
State aid	9.019	8.766
Grants and contributions not restricted	0.041	0.039
Investment earnings	1.369	1.152
Total revenue	<u>245.927</u>	<u>256.721</u>
Program expenses		
Instructional programs	137.322	125.442
Student activities	4.918	4.955
Attendance	0.616	0.524
Guidance	7.592	6.709
Health	2.796	2.610
Improvements of instruction	8.252	6.779
Professional development	0.026	0.028
Media services	4.154	3.789
Board of education	0.283	0.264
Executive administration	2.407	2.323
Building level administration	18.418	17.058
Operation of plant	12.626	10.376
Pupil transportation	25.694	24.719
Food services	1.289	1.188
Business and central services	10.199	9.153
Security services	6.471	5.684
Adult education	1.747	1.579
Community services	4.230	3.536
Debt service	6.860	6.443
Total expense	<u>255.900</u>	<u>233.159</u>
Change in net position	<u>\$ (9.973)</u>	<u>\$ 23.562</u>
Ending net position	<u>\$ (25.815)</u>	<u>\$ (15.842)</u>

## **PARKWAY C-2 SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

#### **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

##### *District Funds*

Total sources of revenue for all governmental funds were \$252,319,725 while District expenditures were \$280,702,239. As the District completed its fiscal year ended June 30, 2017, the governmental fund balance was \$96,914,976 as compared to \$80,590,389 on June 30, 2016. The increase was mostly as a result of \$44 million general obligation bonds issued in fiscal year 2017. After factoring out the change in restricted bond issue and capital projects fund balance of \$14,848,857, the remaining fund balances increased \$1,475,730.

The General Fund actual revenues were under budget by \$1,944,283 or 2.1%. Total actual expenditures for the General Fund were below the revised budget estimates by \$5,199,836 or 6.00%. The decrease in revenues is related to higher than expected settlement of protested taxes thus lowering our local taxes received. The fund balance of \$43,490,036 is \$2,769,602 higher than the prior year. The increase is due to planned expenditures lower than revenues in order to increase the operating fund balance.

The Special Revenue Fund actual revenues were over the revised budget by \$1,282,613. Total actual expenditures for the Special Revenue Fund were over revised projections by \$520,010. The fund balance of \$925,146 is \$1,293,872 lower than the prior year. The District combines the General Fund and Special Revenue Fund balance to measure operating fund balances. This is a measure used by the State of Missouri as well. In total, the two funds balances as a percent of expenditures grew to 19.47%, an increase of .25%. The District policy calls for growth in operating funds of at least .25% per year.

The Debt Service Fund actual revenues of \$21,835,932 and expenditures of \$18,175,327 resulted in an increase in the fund balance of \$3,660,605. In subsequent years, the District will spend down the remaining bond proceeds.

The Capital Projects Fund actual revenues and other financing sources were \$45,505,979 while expenditures were \$34,427,727, increasing the fund balance by \$11,188,252. This increase in fund balance was due to the issuance of \$44 million in general obligation bonds, which were partially spent down in 2017.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

### **BUDGETING HIGHLIGHTS**

The District's budget is prepared according to the Public School Laws of Missouri. During the course of the fiscal year, the School Board has the opportunity to approve budget adjustments on two separate occasions, once in the Fall and again in the Spring. Missouri Revised Statute 67.030 permits budget amendments to the expenditure budget as long as the changes do not exceed estimated revenues to be received during the year plus the unencumbered balance at the beginning of the fiscal year. The original budget for the School District was adopted June 8, 2016 with amendments being approved on November 30, 2016 and June 14, 2017.

Statements showing the District's original and final budget compared with the actual operating results of the District are provided in this Comprehensive Annual Financial Report (CAFR) on pages 62, 63, 68, and 69. The School District's year-end results were slightly better than had been projected, as conservative budgetary practices are customary.

During the Fall of each school year, budget amendments are presented to the Board of Education. The main objective of these adjustments is to refine the initial budget based on newly acquired information from the State of Missouri's Department of Elementary and Secondary Education for purposes of revenue projections along with local tax revenues based on projections following the setting of the tax rate. On the expenditure side, adjustments are made to the initial salary and benefit projections to reflect actual salary and staffing levels. In addition, school and program budgets are adjusted to include certain budget surpluses left unspent from the prior year. These amounts are not known at the time the initial budget is developed but have the Board of Education's approval to add them at a later date. Throughout the year, \$3,211,566 was added to the budgets within the General, Special Revenue, and Capital Projects Funds. Of this amount, \$1,424,980 for increased capital projects related to the bond issue and bond issue fees, and \$1,786,586 in funds carried forward from the previous year.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### *Capital Assets*

At June 30, 2017, the District had \$480,837,106 invested in land, buildings, furniture, equipment, vehicles, buses and construction in process. Of this amount, \$241,357,796 has been taken in depreciation. The District currently has a net book value of \$239,479,310 or 49.9% of the all capital asset's original cost. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year and depreciation of assets for the year.

During the current year, additions of \$32,487,549 of capital assets were capitalized while \$1,086,263 were deleted or retired. Depreciation for the year ended June 30, 2017, was \$14,592,057. Accumulated depreciation on the retired assets was \$892,665.

# PARKWAY C-2 SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017

---

### CAPITAL ASSETS AND DEBT ADMINISTRATION – (concluded)

#### *Capital Assets (concluded)*

Table IV  
Capital Assets  
June 30,

	<u>2017</u>	<u>2016</u>
Land and land improvements	\$ 34,395,373	\$ 34,072,306
Buildings and building improvements	360,986,614	359,416,186
Vehicles and equipment	32,915,419	27,457,910
Construction in progress	<u>52,539,700</u>	<u>28,489,418</u>
Total	<u>\$ 480,837,106</u>	<u>\$ 449,435,820</u>

#### *Debt Administration*

At June 30, 2017, the District had \$201,620,000 in outstanding general obligation bonds. These bonds were originally issued for the purpose of capital improvements, building additions, and technology system advancements.

Note: Other long-term obligations include accrued compensated absences, obligations under capital leases, other postemployment benefit obligations and early retirement incentives. More detailed information on capital assets and debt administration can be found in notes D and F of the notes to the basic financial statements beginning on pages 42 and 43, respectively.

Table V  
Outstanding Debt  
June 30,

	<u>2017</u>	<u>2016</u>
General obligation bonds		
Series 2016	\$ 44,000,000	\$ -
Series 2015A	23,080,000	25,080,000
Series 2015B	50,000,000	50,000,000
Series 2012	23,545,000	27,295,000
Series 2011	19,555,000	22,035,000
Series 2010	31,000,000	32,000,000
Series 2009	<u>10,440,000</u>	<u>12,385,000</u>
Total	<u>\$ 201,620,000</u>	<u>\$ 168,795,000</u>

# **PARKWAY C-2 SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The operating budget (which excludes debt service and capital projects) presented to the Board of Education for approval for fiscal year 2017-2018 includes operating revenues of \$236,210,357, operating expenditures of \$233,060,419 and a transfer to the capital projects fund of \$1,700,000. The result is an anticipated operating fund balance gain for fiscal year 2017-2018 of \$1,449,938.

As part of the normal budgeting process, long-range projections are developed and continually updated. This process allows the District to determine how much of the available resources can be used for on-going projects, such as new programs or initiatives, versus one-time projects, such as facility repairs.

In addition to balancing the revenue and expenditure budgets, District policy sets two separate and distinct beginning of the fiscal year minimum cash requirements. The first is an operating reserve equal to 13.5% of the original combined operating expenditure budgets. Due to the cyclical nature of District revenues and expenditures, this reserve is designed to cover cash flow needs during the period of October thru December, just prior to the collection of the property tax revenues in late December and January. This reduces the need to do short-term borrowing to cover cash requirements.

The second of the minimum cash requirement reserves is for contingency planning. This reserve is equal to 3.8% of the combined operating expenditure budgets. Due to the age of the buildings within the District, the potential for emergency situations will continue to persist. In addition to emergency funding for facilities, there is a level of uncertainty tied to revenue received from the Voluntary Student Transfer Program. Should the number of students participating in the VST program significantly drop or cost reimbursements decrease, due to changes in State funding, then this reserve would allow the District to maintain its existing programs. We are currently projecting a gradual decrease in enrollment of students received from the VST Program beginning in the upcoming year

In addition to VST funding, the District faces uncertainty in other revenue sources. Those sources include state transportation funds which have been cut over the last few years. These cuts have led to the District using more local funds for transportation. In addition to transportation, the financial institution tax may decrease significantly. That tax will decrease by an unknown amount as ScottTrade leaves the District due to its purchase by TD Ameritrade. The ongoing taxpayer protests of their assessed valuation and the resulting reduction of revenues is anticipated to continue. The mechanism that we can use to partially recover these lost revenues is the recoupment process with using our tax rate levies and the calculation process provided by the Missouri State Auditor's Office. This past summer we worked through the process and will be able to recover \$12 million in local funds. The plan is to assess the levy gradually to our taxpayers over the current year and upcoming two years. Continued calculations will be completed by the District and submitted to the State Auditor's Office for approval.



# **PARKWAY C-2 SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2017**

---

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET – (concluded)**

The District fund balance policy also requires growth in the operating fund balance of .25% per year. This requirement is planned growth in the fund balance in order to eliminate the need for short-term borrowing in the future.

This report is designed to provide our citizens, taxpayers, investors and creditors with a full and complete disclosure of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional copies, they can be obtained by contacting the following people:

Patricia Bedborough  
Chief Financial Officer

Brian Whittle  
Director of Finance

# PARKWAY C-2 SCHOOL DISTRICT

## STATEMENT OF NET POSITION

June 30, 2017

	<b>Governmental activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 59,593,106
Restricted cash and investments	47,115,160
Other receivables	
Local	2,370,717
State	2,776,743
Federal	1,355,705
Prepaid items	1,531,803
Inventories	1,685,038
Land	3,457,837
Construction in Progress	52,539,700
Depreciable capital assets, net of accumulated depreciation	183,481,773
<b>Total assets</b>	<b>355,907,582</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on refunding	1,814,414
Deferred pension contributions	109,981,554
<b>Total deferred outflows of resources</b>	<b>111,795,968</b>
<b>LIABILITIES</b>	
Accounts payable	5,995,624
Salaries payable	3,247,432
Medical and dental benefits payable	1,948,052
Unearned revenue	1,787,396
Interest payable	1,924,587
Noncurrent liabilities	
Net pension liability	209,505,361
Other postemployment obligation	8,295,100
Due within one year	13,261,697
Due in more than one year	202,023,644
<b>Total liabilities</b>	<b>447,988,893</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension deferrals	45,530,143
<b>NET POSITION</b>	
Net investment in capital assets	66,291,913
Restricted for:	
Debt service	13,657,187
Certificated employees' compensation and benefits	925,146
Unrestricted	(106,689,732)
<b>Total net position</b>	<b>\$ (25,815,486)</b>

The accompanying notes are an integral part of this statement.

**PARKWAY C-2 SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

**Year ended June 30, 2017**

Function/Program	Expenses	Program revenues			Net (expense)
		Charges for services	Operating grants and contributions	Capital grants and contributions	revenue and changes in net position
					Total Governmental activities
<b>Governmental activities</b>					
Instruction	\$ 137,321,600	\$ 8,288,247	\$ 2,993,671	\$ -	\$ (126,039,682)
Student activities	4,917,661	3,868,974	-	-	(1,048,687)
Attendance	616,445	-	-	-	(616,445)
Guidance	7,591,500	-	-	-	(7,591,500)
Health services	2,795,830	-	154,631	-	(2,641,199)
Improvement of instruction	8,251,830	-	-	-	(8,251,830)
Professional development	26,093	-	-	-	(26,093)
Media services	4,153,826	-	-	-	(4,153,826)
Board of education services	283,120	-	-	-	(283,120)
Executive administration	2,407,260	-	-	-	(2,407,260)
Building level administration	18,418,206	-	-	-	(18,418,206)
Business and central services	12,625,805	19,218	-	-	(12,606,587)
Operation of plant	25,693,591	351,729	-	-	(25,341,862)
Security services	1,289,203	-	-	-	(1,289,203)
Pupil transportation	10,199,069	-	3,486,415	-	(6,712,654)
Food services	6,470,989	4,066,763	2,184,776	-	(219,450)
Adult basic education	1,003,984	-	1,051,336	-	47,352
Adult continuing education	743,125	-	-	-	(743,125)
Community services	4,230,297	2,725,820	724,744	-	(779,733)
Debt service					
Interest and other expenses	6,860,381	-	-	-	(6,860,381)
<b>Total governmental activities</b>	<b>\$ 255,899,815</b>	<b>\$ 19,320,751</b>	<b>\$ 10,595,573</b>	<b>\$ -</b>	<b>(225,983,491)</b>
<b>General revenues</b>					
Taxes					
					190,242,012
					15,339,451
					9,019,499
					41,128
					1,367,526
					<b>216,009,616</b>
<b>Changes in net position</b>					
					<b>(9,973,875)</b>
					Net position at July 1, 2016
					(15,841,611)
					Net position at June 30, 2017
					\$ (25,815,486)

The accompanying notes are an integral part of this statement.

**PARKWAY C-2 SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and investments	\$ 41,735,082	\$ 52,620	\$ 13,840,513	\$ 3,964,891	\$ 59,593,106
Restricted cash and investments	-	-	-	37,106,048	37,106,048
Other receivables					
Local	2,096,514	65,747	13,538	194,918	2,370,717
State	971,860	1,804,883	-	-	2,776,743
Federal	764,272	557,627	-	33,806	1,355,705
Prepaid items	1,531,803	-	-	-	1,531,803
Inventories	1,685,038	-	-	-	1,685,038
<b>Total assets</b>	<b>\$ 48,784,569</b>	<b>\$ 2,480,877</b>	<b>\$ 13,854,051</b>	<b>\$ 41,299,663</b>	<b>\$ 106,419,160</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 2,617,330	720,078	86,691	2,567,229	\$ 5,991,328
Salaries payable	2,411,779	835,653	-	-	3,247,432
Unearned revenue	265,424	-	-	-	265,424
<b>Total liabilities</b>	<b>5,294,533</b>	<b>1,555,731</b>	<b>86,691</b>	<b>2,567,229</b>	<b>9,504,184</b>
<b>FUND BALANCES</b>					
Non-Spendable					
Prepaid items	1,531,803	-	-	-	1,531,803
Inventory	1,685,038	-	-	-	1,685,038
Restricted					
Teachers salaries and benefits	-	925,146	-	-	925,146
Debt service	-	-	13,767,360	-	13,767,360
Capital improvements	-	-	-	37,106,048	37,106,048
Assigned					
Other capital projects	-	-	-	1,626,386	1,626,386
Student activities	1,901,386	-	-	-	1,901,386
Unassigned	38,371,809	-	-	-	38,371,809
<b>Total fund balances</b>	<b>43,490,036</b>	<b>925,146</b>	<b>13,767,360</b>	<b>38,732,434</b>	<b>96,914,976</b>
<b>Total liabilities and fund balances</b>	<b>\$ 48,784,569</b>	<b>\$ 2,480,877</b>	<b>\$ 13,854,051</b>	<b>\$ 41,299,663</b>	<b>\$ 106,419,160</b>

The accompanying notes are an integral part of this statement.

# PARKWAY C-2 SCHOOL DISTRICT

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION June 30, 2017

---

Amounts reported for governmental activities in the statement of net position are different because:

<b>Total fund balance - governmental funds</b>		<b>\$ 96,914,976</b>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$480,837,106 and the accumulated depreciation is \$241,357,796		239,479,310
To recognize interest accrued on general obligation bonds and obligations under capital leases		(1,924,587)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statements of net position		6,534,792
Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds		
Deferred charge on refunding		1,814,414
Deferred pension contributions		109,981,554
Deferred inflow of resources related to pension deferrals are not reported in governmental funds		(45,530,143)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds as follows:		
General obligation bonds	(209,692,816)	
Share of state net pension obligation	(209,505,361)	
Compensated absences	(1,432,869)	
Early retirement payable	(1,932,641)	
Postemployment benefits other than pensions	(8,295,100)	
Capital lease obligation	(2,227,015)	
Total	<u>(433,085,802)</u>	<u>(433,085,802)</u>
<b>Total net position - governmental activities</b>		<b>\$ <u>(25,815,486)</u></b>

The accompanying notes are an integral part of this statement.

**PARKWAY C-2 SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year ended June 30, 2017**

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
<b>Revenues</b>					
Local	\$ 73,450,565	\$ 124,005,453	\$ 20,662,897	\$ -	\$ 218,118,915
County	1,156,682	2,318,632	623,084	-	4,098,398
State	4,740,777	6,453,848	-	-	11,194,625
Federal	3,783,204	2,029,927	-	33,806	5,846,937
Interest	309,567	15,914	549,951	492,094	1,367,526
Other - student activities	3,562,474	-	-	306,500	3,868,974
VICC - cost reimbursement	2,347,305	5,477,045	-	-	7,824,350
<b>Total revenues</b>	<b>89,350,574</b>	<b>140,300,819</b>	<b>21,835,932</b>	<b>832,400</b>	<b>252,319,725</b>
<b>Expenditures</b>					
Current					
Instruction	7,886,484	117,385,493	-	382,773	125,654,750
Student activities	4,135,386	181,995	-	435,733	4,753,114
Attendance	426,509	174,399	-	-	600,908
Guidance	696,457	6,703,697	-	-	7,400,154
Health services	2,725,360	-	-	-	2,725,360
Improvement of instruction	2,435,895	5,223,321	-	197,568	7,856,784
Professional development	26,093	-	-	-	26,093
Media services	614,286	3,414,448	-	20,394	4,049,128
Board of Education services	283,120	-	-	-	283,120
Executive administration	1,620,157	723,310	-	-	2,343,467
Building level administration	7,269,881	10,688,706	-	-	17,958,587
Business and central services	10,713,835	379,518	-	781,707	11,875,060
Operation of plant	21,972,602	-	-	692,601	22,665,203
Security services	1,256,709	-	-	-	1,256,709
Pupil transportation	9,214,333	-	-	179,149	9,393,482
Food services	6,164,224	-	-	110,778	6,275,002
Adult basic education	963,083	15,595	-	-	978,678
Adult continuing education	717,422	-	-	6,972	724,394
Community services	2,329,125	1,704,209	-	-	4,033,334
Capital outlay	-	-	-	31,195,502	31,195,502
Debt service					
Principal retirement	-	-	11,175,000	125,786	11,300,786
Interest	50,532	-	6,995,663	156,697	7,202,892
Other	3,000	-	4,664	142,067	149,731
<b>Total expenditures</b>	<b>81,504,493</b>	<b>146,594,691</b>	<b>18,175,327</b>	<b>34,427,727</b>	<b>280,702,238</b>
<b>Excess of revenues over (under) expenditures</b>	<b>7,846,081</b>	<b>(6,293,872)</b>	<b>3,660,605</b>	<b>(33,595,327)</b>	<b>(28,382,513)</b>
<b>Other financing sources</b>					
Transfers	(5,110,000)	5,000,000	-	110,000	-
Issuance of general obligation bonds	-	-	-	44,000,000	44,000,000
Premium on issuance of bonds	-	-	-	673,579	673,579
Sale of other property	33,521	-	-	-	33,521
<b>Total other financing sources (uses)</b>	<b>(5,076,479)</b>	<b>5,000,000</b>	<b>-</b>	<b>44,783,579</b>	<b>44,707,100</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>2,769,602</b>	<b>(1,293,872)</b>	<b>3,660,605</b>	<b>11,188,252</b>	<b>16,324,587</b>
Fund balances at July 1, 2016	40,720,434	2,219,018	10,106,755	27,544,182	80,590,389
Fund balances at June 30, 2017	<u>\$ 43,490,036</u>	<u>\$ 925,146</u>	<u>\$ 13,767,360</u>	<u>\$ 38,732,434</u>	<u>\$ 96,914,976</u>

The accompanying notes are an integral part of this statement.

**PARKWAY C-2 SCHOOL DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES**  
**Year ended June 30, 2017**

<b>Net change in fund balances - total governmental funds</b>		<b>\$ 16,324,587</b>
<p>Capital outlays are reported as expenditures in the governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:</p>		
Capital asset purchases	32,487,549	
Depreciation expense	<u>(14,592,057)</u>	17,895,492
<p>Revenue in the Statement of Activities that does not provide current financial resources are not reported as revenues in the governmental funds. These amounts consist of:</p>		
Decrease in deferred tax revenue		(6,393,785)
Increase in OPEB Liability		(809,600)
<p>The governmental funds report debt (e.g. bonds) proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The net effect of these differences on the treatment of debt and related items is as follows:</p>		
Proceeds from bond issue	(44,000,000)	
Repayment of bond principal	11,175,000	
Repayment of capital lease obligation	408,106	
Bond issuance premium	(673,579)	
Amortization on bond premium	<u>1,299,038</u>	
Total		(31,791,435)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:</p>		
Decrease in compensated absences		7,230
Decrease in early retirement		945,613
Net decrease in accrued interest		100,411
Pension expense		(6,457,873)
Deferred charge on refunding		(907,207)
<p>The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the Statement of Activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.</p>		
		1,306,290
<p>In the Statement of Activities, the loss or gain on the sale or disposal of capital assets is recognized. The fund financial statements recognize only the proceeds from these assets.</p>		
Loss on disposal of fixed assets		<u>(193,598)</u>
<b>Change in net position of governmental activities</b>		<b><u>\$ (9,973,875)</u></b>

The accompanying notes are an integral part of this statement.

**PARKWAY C-2 SCHOOL DISTRICT**

**STATEMENT OF NET POSITION - PROPRIETARY FUND**

**June 30, 2017**

---

	<b>Governmental Activities - Internal Service Fund</b>
<b>CURRENT ASSETS</b>	
Cash	\$ <b>10,009,112</b>
<b>CURRENT LIABILITIES</b>	
Accounts payable	4,296
Medical and dental benefits payable	1,948,052
Unearned revenue	1,521,972
	<hr/>
<b>Total liabilities</b>	<b>3,474,320</b>
	<hr/>
<b>NET POSITION</b>	
Unrestricted	<b>\$     6,534,792</b>
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.



# PARKWAY C-2 SCHOOL DISTRICT

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUND Year ended June 30, 2017

---

	<b>Governmental Activities - Internal Service Fund</b>
	<hr/>
<b>Operating revenues</b>	
Contributions by employees	\$ 8,602,767
Contributions by employer	24,548,532
Other income	1,487,946
	<hr/>
<b>Total operating revenues</b>	<b>34,639,245</b>
<b>Operating expenses</b>	
Claims	30,730,915
Excess loss insurance	664,571
Administrative	1,558,619
Other	378,850
	<hr/>
<b>Total operating expenses</b>	<b>33,332,955</b>
<b>CHANGE IN NET POSITION</b>	<b>1,306,290</b>
Net position at July 1, 2016	<hr/> 5,228,502
Net position at June 30, 2017	<hr/> <hr/> \$ 6,534,792

The accompanying notes are an integral part of this statement.

# PARKWAY C-2 SCHOOL DISTRICT

## STATEMENT OF CASH FLOWS - PROPRIETARY FUND

Year ended June 30, 2017

	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash flows from operating activities</b>	
Cash received from employer contributions	\$ 8,564,190
Cash received from employee contributions	24,477,629
Cash received from insurance	1,487,946
Cash payments to suppliers for claims and services	<u>(33,822,178)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES AND INCREASE IN CASH</b>	<b>707,587</b>
Cash at July 1, 2016	<u>9,301,525</u>
<b>Cash at June 30, 2017</b>	<b><u><u>\$ 10,009,112</u></u></b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>	
Operating income	\$ 1,306,290
Change in accounts payable	(194,980)
Change in claims payable	(294,243)
Change in unearned revenue	<u>(109,480)</u>
<b>Net cash provided by operating activities</b>	<b><u><u>\$ 707,587</u></u></b>

The accompanying notes are an integral part of this statement.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Parkway C-2 School District (the “District”) is a political subdivision of the State of Missouri and operates under the regulations pursuant to Section 162.092 RSMo of the Public School Laws of Missouri, which designates a Board of Education to act as the governing authority. The District provides educational services to primarily prekindergarten through high school residents.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **1. Principles Determining the Scope of Reporting Entity**

Generally accepted accounting principles require that the financial reporting entity is to include (1) the primary government, (2) organizations for which the primary government is financially accountable and, (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The criteria provided in the applicable GASB statements have been considered and there are no other agencies or entities, which should be presented with the District.

#### **2. Fund Accounting**

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

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

#### **2. Fund Accounting (continued)**

##### **Governmental Funds**

Governmental funds are those through which most functions of the District are financed. The District's expendable financial resources (except those accounted for in Proprietary Funds) are accounted for through Governmental Funds. The measurement focus is based upon determination of changes in the financial position rather than upon net income determination. Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's governmental funds, each of which the District considers to be a major fund:

##### **General (Incidental) Fund**

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

##### **Special Revenue (Teachers') Fund**

The Special Revenue (Teachers') Fund is a special revenue fund which accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted, committed, or assigned for the payment of teacher salaries and certain benefits.

##### **Debt Service Fund**

This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of, principal, interest and fiscal charges on certain long-term debt.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

#### **2. Fund Accounting (concluded)**

##### **Capital Projects Fund**

This fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities or other capital assets.

##### **Proprietary Funds**

The Proprietary Fund is used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The District's Proprietary Fund is:

##### **Internal Service Fund**

This fund accounts for the proceeds from contributions for the payment of claims and the liabilities associated with the District's self-insurance activities (primarily medical and dental benefits). Expenses include claims paid, direct insurance payments and administrative fees. A liability for estimated claims incurred but not reported is recorded in this fund.

#### **3. Fund Balances – Governmental Funds**

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

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

**Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

**Committed** – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to limitations imposed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through ordinances approved by the Board. The District does not have any committed fund balances.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

#### **3. Fund Balances – Governmental Funds (concluded)**

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

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, a negative unassigned fund balance may be reported. The District’s policy requires a minimum unassigned fund balance of 17.3% of total operating expenditures in order to cover unexpected expenditures and revenue shortfalls.

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

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

#### **4. Basis of Presentation**

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

The Statement of Net Position and the Statement of Activities present financial information about the District as a whole. These statements include the financial activities of the primary government. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

#### 4. Basis of Presentation (concluded)

##### *Government-Wide Financial Statements (concluded)*

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

##### *Fund Financial Statements*

The fund financial statements provide detailed information about the District's funds. The emphasis of fund financial statements is on *major* governmental funds. Each fund is displayed in a separate column. The internal service fund total is presented in a single column on the face of the proprietary fund statement.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are the balance sheet, which generally include only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

#### 5. Basis of Accounting

Basis of accounting determines when transactions are reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting at the fund level. Proprietary funds also use the accrual basis of accounting at both reporting levels.

**Revenues – Exchange and Non-Exchange Transactions** – Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before they can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, sales tax, interest, tuition, grants, student fees and rentals.

**Unearned Revenue** – unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received, (i.e., cash advances) before eligibility requirements are met are recorded as unearned revenues.



# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

#### 5. Basis of Accounting (concluded)

*Expenses/Expenditures* – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds at the fund reporting level.

#### 6. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. The County collects the property tax and remits it to the District. An allowance for uncollectible taxes has been provided for delinquent taxes.

At the fund reporting level, property tax revenues are recognized when they become measurable and available. Available includes those property tax receivables expected to be collected within sixty (60) days after year end. Revenue recognition of delinquent property taxes not collected within sixty (60) days of fiscal year end is deferred.

The District is subject to various tax abatement agreements granted by St. Louis County and municipalities within the District. These abatements are immaterial to the financial statements.

The District also receives sales tax collected by the State and remitted based on prior year weighted average daily attendance. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year. The voters in the District approved a waiver of this tax rollback.

The assessed valuations of the tangible taxable property for the calendar years 2016 and 2015 for purposes of local taxation were \$4,370,660,330 and \$4,336,607,760, respectively.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

#### 6. Property Taxes (concluded)

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2016 and 2015 for purposes of local taxation were:

	December 31,	
	<u>2016</u>	<u>2015</u>
General Fund	\$ 1.3511	\$ 1.3993
Special Revenue Fund	2.5093	2.5987
Debt Service Fund	0.4900	0.4900
Capital Projects Fund	<u>-</u>	<u>-</u>
Total	<u>\$ 4.3504</u>	<u>\$ 4.4880</u>

The receipts of current property taxes during the fiscal year ended June 30, 2017, aggregated approximately 96% of the current assessment computed on the basis of the levy as shown above.

#### 7. Pooled Cash and Temporary Investments

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

The District may invest in bonds of the State of Missouri, of the United States, or any wholly-owned corporation of the United States; or in other short-term obligations of the United States.

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

For purposes of the statement of cash flows, the District's internal service fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

#### **8. Restricted Cash and Investments**

Restricted cash and investments represent amounts whose use is limited by legal requirements and consist of unexpended bond proceeds.

#### **9. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

#### **10. Inventory**

Inventories are stated at cost, on a first-in, first-out (FIFO) basis, and are expensed when used.

#### **11. Capital Assets**

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of one thousand dollars for each individual asset for inventory control purposes and five thousand dollars for financial reporting purposes.

The cost of normal maintenance and repairs that do not add value to the asset or materially extend the asset's life are not capitalized.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

#### 11. Capital Assets (concluded)

Major outlays for capital assets and improvements are capitalized as projects are constructed and placed in service. Improvements are depreciated over the remaining useful lives of the related capital assets. Except for land and construction in progress, all reported capital assets are depreciated. Depreciation is calculated using the straight-line method over the following useful lives:

Land Improvements	20 years
Buildings and improvements	20 - 50 years
Vehicles and equipment	7 - 20 years

#### 12. Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The only deferred outflows of resources reported in this year's financial statements are a deferred amount arising from the refunding of general obligation bonds and a deferred outflow of resources for contributions made to the District's defined benefit pension plans between the measurement date of the net pension liabilities from those plans and the end of the District's fiscal year. The deferred charge on refunding amount is being amortized over the remaining life of the refunding bonds as part of interest expense. No deferred outflows of resources affect the governmental funds financial statements in the current year.

#### 13. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only after they become payable, for example, as a result of employee resignations and retirements.

#### 14. Accrued Liabilities, Early Retirement, and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **14. Accrued Liabilities, Early Retirement, and Long-Term Obligations (concluded)**

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, special termination benefits, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds, capital leases and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Individuals who retire with thirty years in the Missouri Public School Retirement System are entitled to a fixed retirement bonus if they provide certain nominal services over the first four to five years of their retirement. The liability for those benefits in the government-wide financial statements is recorded at the time of retirement.

#### **15. Deferred Inflows of Resources**

The District's statement of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position/fund balance that applies to a future period(s). Deferred inflows of resources are reported in the District's Statement of Net Position for actual pension plan investment earnings in excess of the expected amounts included in determining pension expense. This deferred inflow of resources is attributed to pension expense over multiple years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The District will not recognize the related revenues until they are available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes, grants and other are reported in the governmental funds balance sheet.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)**

#### **16. Net Position**

Net position is displayed in three components. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction or improvement of those assets, net of any unspent bond proceeds, plus deferred amounts on refundings resulting from advance refundings. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by regulators, grantors or laws or regulations of other governments. The remaining balance of net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first.

#### **17. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the goods and services that are the primary activity of the fund. All revenues and expenses not meeting this definition are recorded as nonoperating revenues and expenses.

#### **18. Interfund Activity**

Interfund transfers, if applicable, are reported as other financing sources (uses) in governmental funds. The District transferred \$5,000,000 to the Special Revenue Fund and \$110,000 to the Capital Projects Fund from the General Fund during year ended June 30, 2017. The transfer to the Special Revenue Fund was a planned transfer to keep a positive fund balance. The transfer to the Capital Projects Fund is to build the Capital Projects Fund balance for future capital needs.

#### **19. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

### **NOTE B – CASH AND INVESTMENTS**

The District maintains a cash and temporary investment pool that is available for use by all funds except the Debt Service Fund (State law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District). Each fund's portion of this pool is displayed on the balance sheet as "cash and investments" under each fund's caption.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE B – CASH AND INVESTMENTS (continued)

#### Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2017, the carrying amount of the deposits under District control was \$78,047,632 and the bank balance was \$83,927,347. All of the District's deposits were covered by federal depository insurance or collateral held by the District or by its agent in the name of the District.

#### Investments

The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States Government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements, maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. Government agencies or instrumentalities of any maturity, as provided by law. As of June 30, 2017, the District had the following investments and maturities.

Type	Fair Value	Investment Maturities 0 to 1 year
External investment pools -MOSIP	\$ 7,706	\$ 7,706
Commercial Paper	8,950,666	8,950,666
Certificates of Deposits	19,700,000	19,700,000
	\$ 28,658,372	\$ 28,658,372

Investments in external investment pools and certificates of deposit are stated at amortized cost, which approximates fair value.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The fair market value of the commercial paper is valued using Level 2 inputs.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE B – CASH AND INVESTMENTS (continued)**

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in market 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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, one of the ways the District manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so a portion of the portfolio is maturing and coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

#### **Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in Missouri Securities Investment Program is rated AAAm.

#### **Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond what is provided by law. There were no investments in any one issuer representing 5% or more of the total investments (excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools and other pooled investments) at June 30, 2017.

#### **Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a formal policy regarding the custody of its cash and investments. As of June 30, 2017, the District's investments were held by the investment's counterparty.



# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE B – CASH AND INVESTMENTS (concluded)

#### Summary

The cash deposits and investments are summarized and presented in the financial statements as follows as of June 30, 2017:

Cash on hand	\$ 2,262
Carrying amount of deposits	78,047,632
Investments	<u>28,658,372</u>
	<u>\$ 106,708,266</u>
Cash and investments - governmental funds	\$ 59,593,106
Restricted cash and investments - governmental funds	37,106,048
Cash - proprietary funds	<u>10,009,112</u>
Total reporting entity	<u>\$ 106,708,266</u>

The District has funds invested in the Missouri Securities Investment Program. All funds in this program are invested in accordance with Section 165.061 RSMo. Each school district owns a pro rata share of each investment, which is held in the name of the Fund.

### NOTE C – TAXES RECEIVABLE

The District had no property taxes receivable as of June 30, 2017.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE D - CAPITAL ASSETS

The following is a summary of changes occurring in capital assets for the year ended June 30, 2017:

	Balance July 1, 2016	Transfers	Additions	Deletions	Balance June 30, 2017
<b>Governmental activities</b>					
Capital assets that are not depreciated					
Land	\$ 3,457,837	\$ -	\$ -	\$ -	\$ 3,457,837
Construction in progress	28,489,418	(7,685,574)	31,735,856	-	52,539,700
Capital assets that are depreciated					
Land improvements	30,614,469	323,067	-	-	30,937,536
Buildings	164,857,542	-	-	-	164,857,542
Building improvements	194,558,644	1,723,437	-	153,009	196,129,072
Vehicles and equipment	27,457,910	5,639,070	751,693	933,254	32,915,419
Totals at estimated historical cost	449,435,820	-	32,487,549	1,086,263	480,837,106
Accumulated depreciation					
Land improvements	11,478,424	-	1,424,469	-	12,902,893
Buildings	111,411,233	-	1,942,577	-	113,353,810
Building improvements	86,718,018	-	9,371,666	88,694	96,000,990
Vehicles and equipment	18,050,729	-	1,853,345	803,971	19,100,103
Total accumulated depreciation	227,658,404	-	14,592,057	892,665	241,357,796
<b>Governmental activities capital assets, net</b>	<b>\$ 221,777,416</b>	<b>\$ -</b>	<b>\$ 17,895,492</b>	<b>\$ 193,598</b>	<b>\$ 239,479,310</b>

Depreciation was charged to functions of the District at follows:

Instruction	\$ 9,320,904
Student Activities	41,646
Improvement of instruction	191,892
Executive administration	3,197
Building level administration	44,997
Business services	443,690
Operation of plant	3,574,304
Transportation	845,020
Food service	33,734
Community services	92,673
	<u>\$ 14,592,057</u>

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE E – TAX ANTICIPATION NOTE

The District issues tax anticipation notes to provide funds for the use of operations due to timing of property tax collections. The District issued and redeemed \$17,500,000 in a tax anticipation note during the year ended June 30, 2017.

### NOTE F - CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes occurring in long-term liabilities for the year ended June 30, 2017:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Amounts due within one year
<b>Governmental activities</b>					
Bonds payable					
General obligation bonds	\$ 168,795,000	\$ 44,000,000	\$ (11,175,000)	\$ 201,620,000	\$ 10,390,000
Deferred amounts for issuance premium	8,698,275	673,579	(1,299,038)	8,072,816	-
Total bonds payable, net	177,493,275	44,673,579	(12,474,038)	209,692,816	10,390,000
Obligations under					
capital leases	2,635,121	-	(408,106)	2,227,015	416,356
Accrued vacation					
payable	1,440,099	2,582,695	(2,589,925)	1,432,869	1,432,869
Early retirement payable	2,878,254	271,136	(1,216,749)	1,932,641	1,022,472
Total governmental activity long-term liabilities	<u>\$ 184,446,749</u>	<u>\$ 47,527,410</u>	<u>\$ (16,688,818)</u>	<u>\$ 215,285,341</u>	<u>\$ 13,261,697</u>

Payments on the general obligation bonds are made by the Debt Service Fund. The obligations under capital leases are paid by the General Fund or the Capital Projects Fund. The accrued vacation, net pension liability, other postemployment benefit obligation and early retirement will be liquidated by the fund in which the employee's salary was charged.

**PARKWAY C-2 SCHOOL DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

**NOTE F - CHANGES IN LONG-TERM LIABILITIES (continued)**

**Bonds Payable**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

Bonds payable consist of the following at June 30, 2017:

Date Issued	Maturity Date	Rate of Interest	Original Issue Amount	Balance at June 30, 2017
3/1/09	3/1/2025	2.125% - 3.75%	\$ 60,660,000	\$ 10,440,000
11/10/10	3/1/1930	2.50% - 5.35%	34,000,000	31,000,000
9/21/11	3/1/2024	2.00% - 4.00%	27,120,000	19,555,000
3/14/12	3/1/2022	2.00% - 5.00%	25,220,000	20,025,000
9/6/12	3/1/2020	1.00% - 3.00%	6,250,000	3,520,000
3/4/15	3/1/2025	1.50% - 5.00%	27,080,000	23,080,000
3/25/15	3/1/2035	3.00% - 4.00%	50,000,000	50,000,000
10/12/16	3/1/2036	2.125% - 3.00%	44,000,000	44,000,000
			<u>\$ 274,330,000</u>	<u>\$201,620,000</u>

The annual requirements to amortize bonded debt outstanding as of June 30, 2017, are as follows:

Year ending June 30,	Principal	Interest	Total
2018	\$ 10,390,000	\$ 7,456,698	\$ 17,846,698
2019	10,685,000	7,148,548	17,833,548
2020	10,015,000	6,808,785	16,823,785
2021	10,445,000	6,428,985	16,873,985
2022	10,910,000	5,967,210	16,877,210
2023-2027	37,620,000	23,631,066	61,251,066
2028-2032	49,180,000	15,831,590	65,011,590
2033-2036	62,375,000	4,846,771	67,221,771
		<u>\$ 201,620,000</u>	<u>\$ 78,119,653</u>
			<u>\$ 279,739,653</u>

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE F - CHANGES IN LONG-TERM LIABILITIES (continued)

#### Advanced Refunding

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the District's financial statements. As of June 30, 2017, the total debt outstanding that is considered to be defeased is \$30,810,000.

#### Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen (15%) percent of the assessed valuation of the District (including State assessed railroad and utility). The legal debt margin, computed excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2017, was:

Constitutional debt limit	\$ 655,599,050
General obligation bonds payable	(201,620,000)
Amount available in Debt Service Fund	<u>13,767,360</u>
Legal debt margin	<u>\$ 467,746,410</u>

#### Capital Leases Payable

The District leases certain equipment under agreements classified as capital leases. The cost for such equipment as of June 30, 2017 was \$9,101,360 and the accumulated depreciation was \$7,256,054.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE F - CHANGES IN LONG-TERM LIABILITIES (concluded)

#### Capital Leases Payable (concluded)

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2017.

Year ending June 30,	
2018	\$ 461,633
2019	461,632
2020	395,305
2021	328,981
2022	328,981
2023-2024	<u>404,347</u>
Total future minimum lease payments	2,380,879
Less amount representing interest	<u>153,864</u>
Present value of future minimum lease payments	<u><u>\$2,227,015</u></u>

### NOTE G - RETIREMENT PLAN

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

The District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan.

#### 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 PSRS, 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.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Plan Description (concluded)

The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "2/3's 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.

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

#### 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 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Benefits Provided (concluded)

PEERS is a defined benefit plan providing service retirement and disability 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 .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five 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.

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at [www.psrps-peers.org](http://www.psrps-peers.org).

#### Cost-of-Living Adjustments ("COLA")

The Board 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 the CPI increases between 2.00% and 5.00%, and a COLA of 5.00% if the CPI increase is greater than 5.00%. If the CPI decreases, no COLA is provided. For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

#### Contributions

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2015, 2016 and 2017. 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 for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.



# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Contributions (concluded)

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2015, 2016, and 2017. 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 \$17,752,366 and \$2,659,756, respectively, for the year ended June 30, 2017.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the District recorded a liability of \$189,766,308 for its proportionate share of PSRS' net pension liability and \$19,739,053 for its proportionate share of PEERS' net pension liability. In total, the District recorded net pension liabilities of \$209,505,361. The net pension liability for the plans in total was measured as of June 30, 2016 and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PSRS and PEERS of \$17,084,375 and \$2,606,166, respectively, for the year ended June 30, 2016, relative to the actual contributions of \$669,858,142 for PSRS and \$105,934,385 for PEERS from all participating employers. At June 30, 2016, the District's proportionate share was 2.5504% for PSRS and 2.4602% for PEERS.

For the year ended June 30, 2017, the District recognized pension benefit of \$23,572,896 for PSRS and \$3,440,136 for PEERS, its proportionate share of the total pension expense. The District also recognized expense of \$15,589 for contributions to PSRS related to employee reciprocity and other service transfers.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2017, the District reported deferred outflows of resources from the following sources related to PSRS and PEERS pension benefits:

Balance of Deferred Outflows due to:	Deferred Outflows of Resources		
	PSRS	PEERS	Total
Differences between expected and actual experience	\$ 13,653,602	\$ 571,366	\$ 14,224,968
Changes in Assumptions	2,146,326	1,175,658	3,321,984
Net difference between projected and actual earnings on pension plan investments	64,484,241	7,175,146	71,659,387
Changes in proportion and differences between Employer contributions and proportionate share of contributions	318,725	44,368	363,093
Employer contributions subsequent to the measurement date	<u>17,752,366</u>	<u>2,659,756</u>	<u>20,412,122</u>
Total	<u>\$ 98,355,260</u>	<u>\$ 11,626,294</u>	<u>\$ 109,981,554</u>

At June 30, 2017, the District reported deferred inflows of resources from the following sources related to PSRS and PEERS pension benefits:

Balance of Deferred Inflows due to:	Deferred Inflows of Resources		
	PSRS	PEERS	Total
Differences between expected and actual experience	\$ 14,499,320	\$ 1,156,882	\$ 15,656,202
Net Difference between projected and actual earnings on pension plan investments	25,160,291	2,675,533	27,835,824
Changes in proportion and differences between Employer contributions and proportionate share of contributions	<u>1,537,365</u>	<u>500,752</u>	<u>2,038,117</u>
Total	<u>\$ 41,196,976</u>	<u>\$ 4,333,167</u>	<u>\$ 45,530,143</u>

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (concluded)

Deferred outflows of resources to PSRS and PEERS pensions in the amount of \$17,084,375 and \$2,606,166, respectively, resulting from contributions subsequent to the measurement date of June 30, 2016, were recognized as a reduction to the net pension liability in the year ended June 30, 2017.

Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized annually in pension expense are as follows:

	<u>PSRS</u>	<u>PEERS</u>	<u>Total</u>
Year Ending June 30:			
2018	\$ 5,664,502	\$ 593,956	\$ 6,258,458
2019	5,664,502	820,621	6,485,123
2020	18,244,648	1,953,261	20,197,909
2021	11,486,419	1,265,534	12,751,953
2022	(1,102,265)	-	(1,102,265)
Thereafter	(551,888)	-	(551,888)
	<u>\$ 39,405,918</u>	<u>\$ 4,633,372</u>	<u>\$ 44,039,290</u>

#### Actuarial Assumptions

Actuarial valuations of the Systems involves estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year. The most recent comprehensive experience studies were completed in June 2016. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the study and effective with the June 30, 2016 valuation. Significant actuarial assumptions and method changes are detailed below and on the following pages. For additional information, please refer to the Systems' CAFR. The next experience studies are scheduled for 2021.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Measurement Date – June 30, 2016

Valuation Date – June 30, 2016

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE G - RETIREMENT PLAN (continued)**

#### **Actuarial Assumptions (continued)**

Expected Return on Investments – 7.75% net of investment expenses and including 2.25% inflation.

Total Payroll Growth PSRS – 2.75% per annum consisting of 2.25% inflation, 0.25% additional inflation due to the inclusion of health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.

Total Payroll Growth PEERS – 3.25% per annum consisting of 2.25% inflation, 0.50% additional inflation due to the inclusion of health care costs in pensionable earnings, and 0.50% of real wage growth due to productivity.

Future Salary Increases PSRS – 3.00% - 9.50%, depending on service and including 2.25% inflation, 0.50% additional inflation due to the inclusion of health care costs in pension earnings, and .25% of real wage growth due to productivity.

Future Salary Increases PEERS – 4.00% - 11.00%, depending on service and including 2.25% inflation, 0.50% additional inflation due to the inclusion of health care costs in pension earnings, and 0.50% of real wage growth due to productivity.

Cost-of-Living Increases PSRS & PEERS – The long-term cost-of-living adjustment(COLA) assumed in the valuation is 1.50% per year, based on the current policy of the Board to grant a 0.00% COLA when annual inflation, as measured by the CPI-U index for a fiscal year increases between 0.00% and 2.00%, a 2.00% COLA for years in which the CPI increases between 2.00% and 5.00%. The COLA applies to service retirements and beneficiary annuities. The COLA does not apply to the benefits for in-service death payable to spouses (where the spouse is over age 60), and does not apply to the spouse with children pre-retirement death benefit, the dependent children pre-retirement death benefit, or the dependent parent death benefit. The total lifetime COLA cannot exceed 80% of the original benefit. PSRS member receive a COLA on the second January after retirement, while PEERS members receive a COLA on the fourth January after retirement.

#### **Mortality Assumption –**

Actives PSRS - RP 2006 White Collar Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.

Actives PEERS - RP 2006 Total Dataset Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Actuarial Assumptions (continued)

Nondisabled Retirees, Beneficiaries and Survivors PSRS - RP 2006 White Collar Employee Mortality Table, with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

Nondisabled Retirees, Beneficiaries and Survivors PEERS - RP 2006 Total Dataset Employee Mortality Table, with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

Disabled Retirees - RP 2006 Disabled Retiree Mortality Table with static projection to 2028 using the 2014 SSA Improvement Scale.

Changes in Actuarial Assumptions and Methods: An experience study was completed in June 2016 resulting in an update to the following assumptions:

PSRS & PEERS – The inflation assumption decreased from 2.50% to 2.25% per year.

The Board adopted a new COLA policy during fiscal year 2016 resulting in a decrease in the future COLA assumption from 2.00% per year to a variable, increasing assumption of 1.00% to 1.50% over ten years beginning January 1, 2018.

PSRS - The payroll growth assumption decreased from 3.50% to 2.75% per year.

The future salary increase assumption decreased from 4.00%-10.00%, depending on service to 3.00%-9.50%, depending on service.

The investment return assumption decreased from 8.00% to 7.75% per year.

The active mortality assumption changed from the RP 2000 Mortality Table set back one year for males and six years for females, then projected to 2016 using Scale AA to 75% of the RP-2006 White Collar Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

The non-disabled retiree mortality assumption changed from the RP 2000 Mortality Table set back one year for both males and females, then projected to 2016 using Scale AA to the RP-2006 White Collar Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

The disabled retiree mortality assumption changed from the RP 2000 Disabled Retiree Mortality Table to the RP-2006 Disabled Retiree Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (continued)

#### Actuarial Assumptions (continued)

PEERS - The payroll growth assumption decreased from 3.75% to 3.25% per year.

The future salary increase assumption decreased from 5.00%-12.00%, depending on service to 4.00%-11.00%, depending on service.

The investment return assumption decreased from 8.00% to 7.75% per year.

The active mortality assumption changed from the RP 2000 Mortality Table set back one year for males and six years for females, then projected to 2016 using Scale AA to 75% of the RP-2006 Total Dataset Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

The non-disabled retiree mortality assumption changed from the RP 2000 Mortality Table set forward one year for males and no set back/forward for females, then projected to 2016 using Scale AA to the RP-2006 Total Dataset Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

The disabled retiree mortality assumption changed from the RP 2000 Disabled Retiree Mortality Table to the RP-2006 Disabled Retiree Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

Fiduciary Net Positions: The Systems issue a publicly available financial report that can be obtained at [www.psr-s-peers.org](http://www.psr-s-peers.org).

#### Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long-term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target allocation as of June 30, 2016 are summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE G - RETIREMENT PLAN (continued)

#### Actuarial Assumptions (continued)

The method eliminates the effects created by cashflows.

Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis	Weighted Long- Term Expected Real Return Arithmetic Basis
U.S. Public Equity	27.00 %	5.16 %	1.39 %
Public Credit	7.00	2.17	0.15
Hedged Assets	6.00	4.42	0.27
Non-U.S. Public Equity	15.00	6.01	0.90
U.S. Treasuries	16.00	0.96	0.15
U.S. TIPS	4.00	0.80	0.03
Private Credit	4.00	5.60	0.22
Private Equity	12.00	9.86	1.18
Private Real Estate	9.00	3.56	0.32
Total	100.00		4.61
		Inflation	2.25
		Long Term arithmetical nominal return	6.86
		effect of covariance matrix	0.89
		Long term expected geometric return	7.75 %

#### Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.75% as of June 30, 2016, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return was 8.0% from 1980 through fiscal year 2016. The Board of Trustees adopted a new actuarial assumed rate of return of 7.75% based on the actuarial experience studies and asset-liability study conducted during the current year. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE G - RETIREMENT PLAN (concluded)

#### Actuarial Assumptions (concluded)

##### Discount Rate Sensitivity

The sensitivity of the District's net pension liability to changes in the discount rate is presented below. The District's net pension liability calculated using the discount rate of 7.75% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.75%) or 1.0% higher (8.75%) than the current rate.

Discount Rate	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Proportionate Share of the Net Position Liability			
PSRS	\$ 321,930,682	\$ 189,766,308	\$ 79,719,385
PEERS	\$ 34,326,903	\$ 19,739,053	\$ 7,496,256

### NOTE H – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

#### Plan Description

In addition to providing the pension benefits described above, the District provides continuation of medical, dental and vision insurance coverage, including prescription drugs to employees who are eligible for normal or early retirement under a single employer plan. Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the District's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. A stand-alone financial report is not available for the plan.

#### Funding Policy

The District currently pays for the implicit rate subsidy associated with these postemployment health care benefits on a pay-as-you-go basis. The District determines contribution requirements and may be amended by the District. As of June 30, 2017, no trust fund has been established for the funding of the plan's postemployment benefit obligation, resulting in the classification of the entire liability as unfunded. The schedule of funding progress is presented as required supplementary information.



**PARKWAY C-2 SCHOOL DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

**NOTE H – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)**

**Annual Other Postemployment Benefit Cost**

The District’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

As of June 30, 2017, the schedule of employer contributions and net OPEB obligation is as follows:

Annual required contribution	\$ 2,758,600
Interest on net OPEB obligation	235,800
Adjustment to annual required contributions	<u>(240,700)</u>
Annual OPEB cost (expense)	2,753,700
Contributions made	<u>1,944,100</u>
Increase in net OPEB obligation	809,600
Net OPEB obligation at July 1, 2016	<u>7,485,500</u>
Net OPEB obligation at June 30, 2017	<u><u>\$ 8,295,100</u></u>

As of June 30, 2017, the annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Plan Year	Annual OPEB Cost	Employer Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 3,443,100	\$ 2,327,300	67.59%	\$ 6,736,300
2016	2,753,700	2,004,500	72.79%	7,485,500
2017	2,753,700	1,944,100	70.60%	8,295,100

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE H – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (concluded)**

#### **Funded Status and Funding Progress**

As of June 30, 2016, the actuarial accrued liability for benefits was \$33,149,000, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$137,270,200, and the ratio of the unfunded actuarial liability to the covered payroll was 24.1%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities consistent with the long-term prospective of the calculations. The initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over 30 years.

In the actuarial valuation, the liabilities were computed using the projected unit credit cost method. The actuarial assumptions utilized a 3.50% discount rate. Because the plan is unfunded, reference to general assets, which are short-term in nature, was considered in the selection of the 3.50% rate. The healthcare trends used are based on long term healthcare trends generated by the Getzen Model.

# PARKWAY C-2 SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

---

### NOTE I - RISK MANAGEMENT

**District Health Insurance Plan** – The District utilizes an internal service fund to account for the risks associated with the employees’ health insurance plan. A premium is charged to each fund that accounts for employees’ salaries based upon past trends in claims experience. Provisions are also made for unexpected and unusual claims.

Liabilities of the fund are recorded when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated based upon recent claim settlement trends. Settlements have not exceeded coverage for each of the past three fiscal years.

Changes in the balance of claims liabilities are as follows for the year ended June 30,:

	<u>2017</u>	<u>2016</u>
Unpaid claims, beginning of year	\$ 2,242,295	\$ 2,300,384
Incurred claims (including IBNRs)	30,436,672	29,063,704
Claim payments	<u>(30,730,915)</u>	<u>(29,121,793)</u>
Unpaid claims, end of year	<u>\$ 1,948,052</u>	<u>\$ 2,242,295</u>

The District purchases specific reinsurance with an attachment point of \$300,000 annually, per employee, to limit its exposure to catastrophic claims. There have not been any significant reductions in insurance coverage from the prior year.

**District’s Other Risk** – The District is exposed to various risks of loss related to theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disaster. To cover these risks, the District is a participant in the Missouri United School Insurance Council (the “Council”) which is a Protected Self-Insurance Program of Missouri Public School Districts with 400 members. The District pays an assessment to the Council. Part of the assessment then goes to buy excess insurance contracts for the group as a whole. Should the contributions received by the Council not be sufficient, special assessments can be made to the member Districts.

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**June 30, 2017**

---

### **NOTE J - COMMITMENTS AND CONTINGENCIES**

#### **Grants**

The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

#### **Litigation**

The District is a party to legal proceedings. The District management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the School District.

#### **Contracts**

The District has entered into various contracts for building and grounds renovations and improvements which are included in the amount restricted for capital improvement in the fund financial statements.

#### **Capital Commitments**

The District's remaining commitment for uncompleted work under its construction contracts totaled approximately \$20.7 million as of June 30, 2017.

### **NOTE K – ACTUAL EXPENDITURES IN EXCESS OF BUDGET**

For the year ended June 30, 2017, the District's actual expenditures were in excess of its budgeted expenditures in the Special Revenue Fund by \$520,010.

### **NOTE L – SUBSEQUENT EVENTS**

On September 27, 2017, the Board of Education approved \$27.64 million in General Obligation Bonds, Series 2017. The bond issue is for refunding \$28 million in in general obligation bonds from the 2009 and 2010A issue. The issue is projected to save the District \$4.3 million in present value interest costs.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
GENERAL FUND - UNAUDITED  
Year ended June 30, 2017**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues</b>				
Local	\$ 75,338,087	\$ 75,426,323	\$ 73,450,565	\$ (1,975,758)
County	1,168,980	1,097,722	1,156,682	58,960
State	5,521,613	5,262,981	4,740,777	(522,204)
Federal	3,143,396	3,344,431	3,783,204	438,773
Interest	179,100	179,100	309,567	130,467
Other - student activities	3,500,000	3,500,000	3,562,474	62,474
VICC - cost reimbursement	2,342,700	2,484,300	2,347,305	(136,995)
<b>Total revenues</b>	<b>91,193,876</b>	<b>91,294,857</b>	<b>89,350,574</b>	<b>(1,944,283)</b>
<b>Expenditures</b>				
Current				
Instruction	7,190,479	7,888,051	7,886,484	1,567
Student activities	4,216,121	4,216,121	4,135,386	80,735
Attendance	429,327	429,327	426,509	2,818
Guidance	724,445	724,445	696,457	27,988
Health services	2,728,846	2,728,846	2,725,360	3,486
Improvement of instruction	3,241,203	3,545,217	2,461,988	1,083,229
Media services	654,980	654,980	614,286	40,694
Board of Education services	376,050	376,050	283,120	92,930
Executive administration	1,682,519	1,682,519	1,620,157	62,362
Building level administration	8,215,699	8,215,699	7,269,881	945,818
Business and central services	11,151,803	11,151,803	10,713,835	437,968
Operation of plant	23,065,819	23,065,819	21,972,602	1,093,217
Security services	1,273,239	1,273,239	1,256,709	16,530
Pupil transportation	9,228,402	9,228,402	9,214,333	14,069
Food services	6,915,825	6,915,825	6,164,224	751,601
Adult basic education	1,178,979	1,178,979	963,083	215,896
Adult continuing education	1,015,860	1,015,860	717,422	298,438
Community services	2,257,147	2,342,147	2,329,125	13,022
Debt Service				
Interest	65,000	65,000	50,532	14,468
Other	6,000	6,000	3,000	3,000
<b>Total expenditures</b>	<b>85,617,743</b>	<b>86,704,329</b>	<b>81,504,493</b>	<b>5,199,836</b>
<b>Excess of revenues over (under) expenditures</b>	<b>5,576,133</b>	<b>4,590,528</b>	<b>7,846,081</b>	<b>3,255,553</b>
<b>Other financing sources</b>				
Transfer to other funds	-	(5,300,000)	(5,110,000)	190,000
Sale of other property	50,000	29,959	33,521	3,562
<b>Total other financing sources (uses)</b>	<b>50,000</b>	<b>(5,270,041)</b>	<b>(5,076,479)</b>	<b>193,562</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 5,626,133</b>	<b>\$ (679,513)</b>	2,769,602	<b>\$ 3,449,115</b>
Fund balance at July 1, 2016			40,720,434	
Fund balance at June 30, 2017			\$ 43,490,036	

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
SPECIAL REVENUE FUND - UNAUDITED  
Year ended June 30, 2017**

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Local	\$ 123,101,515	\$ 122,728,865	\$ 124,005,453	\$ 1,276,588
County	2,367,216	2,212,930	2,318,632	105,702
State	6,021,462	6,021,306	6,453,848	432,542
Federal	2,238,505	2,238,505	2,029,927	(208,578)
Interest	19,900	19,900	15,914	(3,986)
VICC - Cost reimbursement	5,424,300	5,796,700	5,477,045	(319,655)
<b>Total revenues</b>	<b>139,172,898</b>	<b>139,018,206</b>	<b>140,300,819</b>	<b>1,282,613</b>
<b>Expenditures</b>				
Current				
Instruction	116,726,908	116,726,908	117,385,493	(658,585)
Student activities	208,000	208,000	181,995	26,005
Attendance	250,000	250,000	174,399	75,601
Guidance	6,777,112	6,777,112	6,703,697	73,415
Improvement of instruction	5,282,168	5,282,168	5,223,321	58,847
Media services	3,311,660	3,311,660	3,414,448	(102,788)
Executive administration	723,818	723,818	723,310	508
Building level administration	10,692,055	10,692,055	10,688,706	3,349
Business and central services	379,934	379,934	379,518	416
Community services	1,723,026	1,723,026	1,719,804	3,222
<b>Total expenditures</b>	<b>146,074,681</b>	<b>146,074,681</b>	<b>146,594,691</b>	<b>(520,010)</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(6,901,783)</b>	<b>(7,056,475)</b>	<b>(6,293,872)</b>	<b>762,603</b>
<b>Other financing sources</b>				
Transfer from general fund	-	5,000,000	5,000,000	-
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ (6,901,783)</b>	<b>\$ (2,056,475)</b>	<b>(1,293,872)</b>	<b>\$ 762,603</b>
Fund balance at July 1, 2016			2,219,018	
Fund balance at June 30, 2017			\$ 925,146	

# **PARKWAY C-2 SCHOOL DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**June 30, 2017**

---

### **NOTE A – BUDGETS AND BUDGETARY ACCOUNTING**

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

1. In accordance with Chapter 67 RSMo, the District adopts a budget for each fund.
2. Prior to July, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. For each fund, total fund expenditures may not legally exceed final amended budgeted expenditures. Expenditure appropriations lapse at the end of the fiscal year.
6. Budgets are presented on the modified accrual basis of accounting for all governmental funds.



**PARKWAY C-2 SCHOOL DISTRICT**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND EMPLOYER CONTRIBUTIONS- UNAUDITED**  
**Year ended June 30, 2017**

**Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – PSRS**

Year Ended	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2015	2.5468%	\$104,484,390	\$113,918,340	91.72%	89.34%
6/30/2016	2.5546%	147,473,484	116,481,879	126.61%	85.78%
6/30/2017	2.5504%	189,766,308	118,578,027	160.03%	82.18%

**Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – PEERS**

Year Ended	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2015	2.5181%	\$9,195,244	\$36,719,724	25.04%	91.33%
6/30/2016	2.5327%	13,395,606	37,976,766	35.27%	88.28%
6/30/2017	2.4602%	19,739,053	37,990,743	51.96%	83.32%

**Schedule of Employer Contributions – PSRS**

Year Ended	Contractually Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2013	\$ 16,249,325	\$ 16,249,325	\$ -	\$ 112,997,382	14.38%
6/30/2014	16,400,693	16,400,693	-	113,918,340	14.40%
6/30/2015	16,773,087	16,773,087	-	116,481,879	14.40%
6/30/2016	17,084,375	17,084,375	-	118,578,027	14.41%

**Schedule of Employer Contributions – PEERS**

Year Ended	Contractually Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2013	\$ 2,538,978	\$ 2,538,978	\$ -	\$ 37,011,337	6.86%
6/30/2014	2,518,972	2,518,972	-	36,719,724	6.86%
6/30/2015	2,605,206	2,605,206	-	37,976,766	6.86%
6/30/2016	2,606,166	2,606,166	-	37,990,743	6.86%

Note: These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

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

# PARKWAY C-2 SCHOOL DISTRICT

## OTHER POSTEMPLOYMENT BENEFIT OBLIGATION - UNAUDITED Year ended June 30, 2017

---

### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	(UAAL) Percentage of Covered Payroll ((b-a)/c)
July 1, 2015	\$ -	\$33,149,000	\$ 33,149,000	0%	\$137,270,200	24%
July 1, 2013	-	34,822,000	34,822,000	0%	140,468,300	25%
July 1, 2011	-	31,580,000	31,580,000	0%	150,430,000	21%

### Schedule of Employer Contributions

Plan Year	Annual Required Contribution (ARC)	OPEB Cost Contributed
2011	\$ 2,557,000	\$ 2,071,400
2012	3,059,900	2,065,500
2013	3,059,900	2,281,700
2014	3,443,100	2,037,800
2015	3,443,100	2,327,300
2016	2,753,700	2,004,500
2017	2,753,700	1,944,100

## **SUPPLEMENTARY INFORMATION**

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
DEBT SERVICE FUND  
Year ended June 30, 2017**

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Local	\$ 20,913,301	\$ 20,789,806	\$ 20,662,897	\$ (126,909)
County	621,509	587,276	623,084	35,808
Interest	505,192	505,192	549,951	44,759
<b>Total revenues</b>	<b>22,040,002</b>	<b>21,882,274</b>	<b>21,835,932</b>	<b>(46,342)</b>
<b>Expenditures</b>				
Debt service				
Principal retirement	13,875,000	13,875,000	11,175,000	2,700,000
Interest	6,819,416	6,819,416	6,995,663	(176,247)
Other	15,688	15,688	4,664	11,024
<b>Total expenditures</b>	<b>20,710,104</b>	<b>20,710,104</b>	<b>18,175,327</b>	<b>2,534,777</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 1,329,898</b>	<b>\$ 1,172,170</b>	<b>\$ 3,660,605</b>	<b>\$ 2,488,435</b>
Fund balance at July 1, 2016			10,106,755	
Fund balance at June 30, 2017			\$ 13,767,360	

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
CAPITAL PROJECTS FUND**

Year ended June 30, 2017

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues</b>				
Federal	\$ -	\$ -	\$ 33,806	\$ 33,806
Other - student activities	189,000	250,000	306,500	56,500
Interest	26,000	261,000	492,094	231,094
<b>Total revenues</b>	<b>215,000</b>	<b>511,000</b>	<b>832,400</b>	<b>321,400</b>
<b>Expenditures</b>				
Capital outlay	34,975,484	36,036,007	34,003,177	2,032,830
Debt service				
Principal retirement	408,136	408,136	125,786	282,350
Interest	53,527	53,527	156,697	(103,170)
Other	-	142,617	142,067	550
<b>Total expenditures</b>	<b>35,437,147</b>	<b>36,640,287</b>	<b>34,427,727</b>	<b>2,212,560</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(35,222,147)</b>	<b>(36,129,287)</b>	<b>(33,595,327)</b>	<b>2,533,960</b>
<b>Other financing sources</b>				
Transfer from general fund	-	800,000	110,000	(690,000)
Issuance of general obligation bonds	44,000,000	44,000,000	44,000,000	-
Premium on issuance of bonds	-	624,980	673,579	48,599
<b>Total other financing sources (uses)</b>	<b>44,000,000</b>	<b>45,424,980</b>	<b>44,783,579</b>	<b>(641,401)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 8,777,853</b>	<b>\$ 9,295,693</b>	<b>11,188,252</b>	<b>\$ 1,892,559</b>
Fund balance at July 1, 2016			27,544,182	
Fund balance at June 30, 2017			<u>\$ 38,732,434</u>	

**STATISTICAL  
SECTION**

# PARKWAY C-2 SCHOOL DISTRICT

## SUMMARY OF STATISTICAL INFORMATION

---

This part of the District’s comprehensive annual financial report presents detailed information as a context for understanding what the financial information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

	<b>Pages</b>
<b>Financial Trends</b>	72 - 78
These schedules contain trend information to help the reader understand how the District’s financial performance and position have changed over time.	
<b>Revenue Capacity</b>	79 - 83
These schedules contain information to help the reader assess the District’s most significant local revenue source – property tax.	
<b>Debt Capacity</b>	84 - 86
These schedules contain information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	87 - 88
These schedules offer demographic economic indicators to help the reader understand the environment within which the District’s financial activities take place.	
<b>Operating Information</b>	88 - 96
These schedules contain service data to help the reader assess how information in the District’s financial reports relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**PARKWAY C-2 SCHOOL DISTRICT**

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014-as restricted	2015	2016	2017
Governmental activities:										
Net investment in capital assets	\$ 93,139,105	\$ 92,477,800	\$ 85,602,907	\$ 82,176,049	\$ 82,993,630	\$ 75,946,520	\$ 73,255,061	\$ 69,719,235	\$ 71,557,667	\$ 66,291,913
Restricted for:										
Capital projects	8,572,266	8,991,083	13,726,669	16,871,309	12,543,962	11,855,865	-	-	-	-
Debt Service	6,654,599	8,499,192	7,722,154	6,604,125	3,597,449	3,919,725	3,092,725	4,137,058	8,779,831	13,657,187
Certificated employees' compensation and benefits	48,782,496	3,127,050	1,818,724	2,718,463	2,760,038	10,415,599	8,128,641	5,907,208	5,921,230	925,146
Unrestricted	6,227,396	54,516,304	45,444,795	30,871,731	16,547,999	12,091,474	(137,710,136)	(119,166,269)	(102,100,339)	(106,689,732)
Total net position	<u>\$ 163,375,862</u>	<u>\$ 167,611,429</u>	<u>\$ 154,315,249</u>	<u>\$ 139,241,677</u>	<u>\$ 118,443,078</u>	<u>\$ 114,229,183</u>	<u>\$ (53,233,709)</u>	<u>\$ (39,402,768)</u>	<u>\$ (15,841,611)</u>	<u>\$ (25,815,486)</u>

Source:  
Basic Financial Statements



**PARKWAY C-2 SCHOOL DISTRICT**

**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$ 110,651,548	\$ 115,444,024	\$ 120,026,174	\$ 122,029,859	\$ 130,009,443	\$ 123,661,522	\$ 125,584,139	\$ 117,419,935	\$ 125,442,045	\$ 137,321,600
Student activities	4,038,498	3,630,230	3,900,719	3,736,873	3,966,728	3,609,406	3,852,639	4,223,712	4,955,335	4,917,661
Attendance	425,510	560,529	650,152	593,816	570,127	556,748	511,726	509,567	524,130	616,445
Guidance	5,584,503	6,014,889	6,460,908	6,518,698	6,418,774	6,514,602	6,898,120	6,203,939	6,708,591	7,591,500
Health services	2,171,204	2,128,802	2,173,494	2,262,503	2,419,250	2,460,337	2,532,294	2,507,675	2,610,245	2,795,830
Improvement of Instruction	6,020,768	6,622,863	6,327,627	6,499,570	6,888,113	7,234,987	6,689,045	6,040,942	6,778,701	8,251,830
Professional development	175,132	155,824	122,904	87,054	45,685	25,077	20,000	25,000	27,796	26,093
Media Services	3,349,104	3,466,025	3,640,805	3,584,568	3,742,730	3,585,461	3,776,908	3,310,475	3,789,457	4,153,826
Board of Education services	500,786	611,613	351,664	483,315	505,827	439,673	413,484	556,555	264,232	283,120
Executive administration	2,023,977	2,000,079	2,197,000	2,201,745	2,299,609	2,170,332	2,138,034	2,067,720	2,323,079	2,407,260
Building level administration	15,498,198	17,495,967	18,170,997	19,773,760	20,991,475	19,506,447	20,444,894	17,575,520	17,057,694	18,418,206
Operation of plant	22,913,444	23,582,821	22,989,369	25,712,489	24,397,041	23,103,017	25,787,236	25,579,658	10,376,299	25,693,591
Pupil transportation	8,181,486	8,988,331	9,030,267	9,459,635	10,275,583	9,551,436	9,775,217	9,084,146	24,718,581	10,199,069
Food services	6,002,063	6,207,122	6,082,553	6,361,047	6,614,064	6,272,818	5,936,786	5,953,779	1,188,243	6,470,989
Business and central services	10,063,998	8,919,444	11,580,655	13,584,781	11,067,084	11,958,863	10,946,917	12,604,100	9,153,179	12,625,805
Security services	894,505	955,763	1,119,123	1,183,617	1,085,827	1,011,960	1,097,429	1,116,659	5,683,921	1,289,203
Adult basic education	822,830	875,157	841,527	954,540	932,559	947,725	1,055,151	994,518	980,430	1,003,984
Adult continuing education	1,078,753	1,026,185	1,051,002	897,718	975,018	990,365	992,809	753,273	598,978	743,125
Community services	2,981,741	3,126,522	3,218,247	3,198,401	3,412,854	3,361,226	3,464,868	3,241,924	3,536,280	4,230,297
Facilities	4,877,235	4,160,986	4,145,737	-	-	-	-	-	-	-
Interest and other expenses on long-term	4,996,413	6,517,429	8,318,232	7,677,747	8,500,097	8,571,132	8,357,837	5,173,860	6,442,766	6,860,381
<b>Total governmental activities</b>	<b>213,251,696</b>	<b>222,490,605</b>	<b>232,399,156</b>	<b>236,801,736</b>	<b>245,117,888</b>	<b>235,533,134</b>	<b>240,275,533</b>	<b>224,942,957</b>	<b>233,159,982</b>	<b>255,899,815</b>
<b>Program revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
Instruction	14,897,638	12,507,871	12,008,255	10,737,708	7,639,845	7,041,429	8,648,983	8,440,789	8,032,181	8,288,247
Student activities	3,602,147	3,336,271	3,156,117	3,136,061	3,297,956	3,332,439	3,246,828	3,549,655	3,784,750	3,868,974
Operation of plant	185,328	105,807	-	-	130,177	91,698	167,604	254,553	355,734	351,729
Food services	4,219,935	4,354,323	4,491,029	4,141,392	4,333,278	4,102,670	3,916,787	3,841,316	3,897,398	4,066,763
Business and central services	41,932	35,614	104,617	181,162	27,044	23,364	21,050	20,614	21,018	19,218
Community services	1,771,526	1,917,338	1,855,973	1,637,554	1,745,691	1,953,462	2,126,675	1,970,342	2,013,148	2,725,820
Facilities	-	1,444,478	-	-	-	-	-	-	-	-
Operating grants and contributions	10,268,599	10,906,397	11,350,240	9,074,705	11,670,128	9,725,456	10,199,060	10,269,142	10,820,449	10,595,573
Capital grants and contributions	-	-	-	-	-	-	1,532,000	-	-	-
<b>Total government program revenues</b>	<b>34,987,105</b>	<b>34,608,099</b>	<b>32,966,231</b>	<b>28,908,582</b>	<b>28,844,119</b>	<b>26,270,518</b>	<b>29,858,987</b>	<b>28,346,411</b>	<b>28,924,678</b>	<b>29,916,324</b>
<b>Net (expense)/revenue</b>										
<b>Total government net expense</b>	<b>\$ (178,264,591)</b>	<b>\$ (187,882,506)</b>	<b>\$ (199,432,925)</b>	<b>\$ (207,893,154)</b>	<b>\$ (216,273,769)</b>	<b>\$ (209,262,616)</b>	<b>\$ (210,416,546)</b>	<b>\$ (196,596,546)</b>	<b>\$ (204,235,304)</b>	<b>\$ (225,983,491)</b>

Source:  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Net (expense)/revenue</b>										
Total primary government net expense	\$(178,264,591)	\$ (187,882,506)	\$ (199,432,925)	\$ (207,893,154)	\$ (216,273,769)	\$ (209,262,616)	\$ (210,416,546)	\$ (196,596,546)	\$ (204,235,304)	\$ (225,983,491)
<b>General revenues and other changes in net position</b>										
Governmental activities:										
Taxes										
Property taxes and all other Ad Valorem taxes	165,580,049	166,853,540	164,993,061	168,980,812	171,338,491	181,035,962	182,737,147	187,449,160	202,662,578	190,242,012
Sales Tax	12,649,916	12,056,004	11,552,283	11,703,147	12,868,762	13,273,151	14,003,311	14,133,967	15,176,728	15,339,451
Grants and contributions not restricted to specific programs	1,268,151	2,395,045	1,044,372	2,015,644	1,144,654	384,209	335,968	115,222	39,396	41,128
State Aid	8,614,893	8,643,373	7,221,966	8,258,430	8,048,341	8,429,377	8,181,968	8,365,479	8,766,258	9,019,499
Investment earnings	3,681,167	2,170,463	1,324,711	1,861,549	2,074,922	1,926,022	1,009,308	363,659	1,151,501	1,367,526
Total general revenues	<u>191,794,176</u>	<u>192,118,425</u>	<u>186,136,393</u>	<u>192,819,582</u>	<u>195,475,170</u>	<u>205,048,721</u>	<u>206,267,702</u>	<u>210,427,487</u>	<u>227,796,461</u>	<u>216,009,616</u>
Changes in net position	<u>\$ 13,529,585</u>	<u>\$ 4,235,919</u>	<u>\$ (13,296,532)</u>	<u>\$ (15,073,572)</u>	<u>\$ (20,798,599)</u>	<u>\$ (4,213,895)</u>	<u>\$ (4,148,844)</u>	<u>\$ 13,830,941</u>	<u>\$ 23,561,157</u>	<u>\$ (9,973,875)</u>

Source:  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

**(modified accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General fund</b>										
Reserved	\$ 5,073,439	\$ 5,142,359	\$ 3,185,541							
Unreserved	2,041,813	50,209,204	45,413,226							
<b>Total General fund</b>	<u>7,115,252</u>	<u>55,351,563</u>	<u>48,598,767</u>							
<b>All other governmental funds</b>										
Reserved	7,430,943	51,638,062	33,805,316							
Unreserved, reported in:										
Capital projects funds	8,439,800	8,813,857	13,604,067							
Special revenue funds	47,188,086	925,166	349,340							
Debt service funds	8,871,435	11,564,135	11,142,512							
<b>Total all other governmental funds</b>	<u>71,930,264</u>	<u>72,941,220</u>	<u>58,901,235</u>							
<b>Total fund balances</b>	<u>\$ 79,045,516</u>	<u>\$ 128,292,783</u>	<u>\$ 107,500,002</u>							
<b>General Fund</b>										
Nonspendable										
Prepaid Items				\$ 1,003,915	\$ 1,135,083	\$ 1,202,733	\$ 1,098,423	\$ 1,491,678	\$ 1,370,048	\$ 1,531,803
Inventory				692,049	753,558	679,587	746,788	633,453	661,929	1,685,038
Assigned-Student Activities				3,213,129	3,373,479	2,941,510	2,891,235	2,793,102	2,474,298	1,901,386
Unassigned				30,517,746	19,898,691	13,749,123	19,764,629	26,537,171	36,214,159	38,371,809
<b>Total General Fund</b>				<u>35,426,839</u>	<u>25,160,811</u>	<u>18,572,953</u>	<u>24,501,075</u>	<u>31,455,404</u>	<u>40,720,434</u>	<u>43,490,036</u>
<b>All Other Governmental Funds</b>										
Nonspendable										
Prepaid Items				-	-	-	-	2,682	-	-
Restricted										
Teachers Salaries and Benefits				1,814,336	1,660,658	9,316,219	6,504,193	3,742,352	2,219,018	925,146
Debt Service				10,278,376	7,407,100	7,339,380	6,626,452	6,103,666	10,106,755	13,767,360
Capital Projects				36,263,638	16,080,166	4,209,727	-	43,782,954	27,187,026	37,106,048
Assigned-other capital projects				16,835,317	12,547,707	11,859,609	8,795,536	5,574,328	357,156	1,626,386
<b>Total all other governmental funds</b>				<u>65,191,667</u>	<u>37,695,631</u>	<u>32,724,935</u>	<u>21,926,181</u>	<u>59,205,982</u>	<u>39,869,955</u>	<u>53,424,940</u>
<b>Total fund balances</b>				<u>\$ 100,618,506</u>	<u>\$ 62,856,442</u>	<u>\$ 51,297,888</u>	<u>\$ 46,427,256</u>	<u>\$ 90,661,386</u>	<u>\$ 80,590,389</u>	<u>\$ 96,914,976</u>

Source:  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**GOVERNMENTAL FUNDS REVENUES  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Federal sources:</b>										
Federal grants	\$ 2,264,578	\$ 3,238,723	\$ 2,240,345	\$ 2,268,982	\$ 3,133,013	\$ 2,426,671	\$ 2,441,585	\$ 2,519,199	\$ 3,030,557	\$ 2,709,703
Food services	1,429,873	1,439,773	1,769,416	1,556,864	1,825,670	1,793,618	2,019,512	1,945,471	1,981,208	2,146,136
Other federal revenue	1,285,580	854,090	2,350,768	2,039,733	1,549,985	949,001	2,134,169	858,042	922,640	991,098
<b>Total federal sources</b>	<b>4,980,031</b>	<b>5,532,586</b>	<b>6,360,529</b>	<b>5,865,579</b>	<b>6,508,668</b>	<b>5,169,290</b>	<b>6,595,266</b>	<b>5,322,712</b>	<b>5,934,405</b>	<b>5,846,937</b>
<b>State sources:</b>										
State education finance program	10,057,449	10,585,750	8,775,984	8,400,318	9,440,473	9,678,046	9,541,767	9,821,384	9,961,750	10,053,206
Food services	36,227	28,443	24,119	29,885	32,210	42,798	38,618	36,829	37,586	38,640
State grants	1,633,454	1,204,182	908,384	678,084	1,352,651	957,510	1,230,429	916,115	1,178,473	1,029,317
Other state revenue	78,909	178,722	-	11,000	3,360	13,653	33,657	88,507	257	73,462
<b>Total state sources</b>	<b>11,806,039</b>	<b>11,997,097</b>	<b>9,708,487</b>	<b>9,119,287</b>	<b>10,828,694</b>	<b>10,692,007</b>	<b>10,844,471</b>	<b>10,862,835</b>	<b>11,178,066</b>	<b>11,194,625</b>
<b>Local sources:</b>										
Ad valorem taxes	162,072,970	161,955,316	161,812,634	166,146,717	162,771,247	168,958,934	169,666,953	165,033,942	188,479,373	186,066,318
Sales taxes	12,649,916	12,056,005	11,552,283	11,703,147	12,868,762	13,273,151	14,003,311	14,133,967	15,176,728	15,339,451
Other taxes	5,098,320	5,050,845	4,894,154	5,064,534	8,483,395	7,925,047	9,077,909	8,717,677	9,443,105	9,030,723
Food service sales	4,219,935	4,354,323	4,491,029	4,141,392	4,333,278	4,102,670	3,916,788	3,841,316	3,897,398	4,066,763
Interest income	3,681,167	2,025,874	1,115,517	2,167,637	1,669,891	1,270,350	1,009,308	4,887,791	1,151,501	2,041,106
Desegregation Aid	13,223,434	12,278,823	10,243,191	9,168,396	7,410,589	6,925,267	7,371,277	7,694,360	7,733,242	7,824,350
Amounts received from other LEA's	2,097,406	2,198,809	2,458,958	2,366,249	2,582,036	2,300,883	2,431,447	2,391,324	2,293,952	2,466,492
Other local revenues	4,392,459	4,451,463	4,309,306	3,556,848	3,646,724	5,622,934	5,952,711	11,805,356	4,316,412	4,344,562
<b>Total local sources</b>	<b>207,435,607</b>	<b>204,371,458</b>	<b>200,877,072</b>	<b>204,314,920</b>	<b>203,765,922</b>	<b>210,379,236</b>	<b>213,429,704</b>	<b>218,505,733</b>	<b>232,491,711</b>	<b>231,179,765</b>
<b>County sources:</b>										
State assessed utilities	2,006,386	1,992,110	2,130,384	1,716,890	2,840,476	2,435,065	2,555,766	2,649,930	2,939,248	2,839,138
Other county revenues	995,949	1,453,258	1,166,833	1,074,355	960,338	1,161,748	1,495,193	1,409,247	1,280,023	1,259,260
<b>Total county sources</b>	<b>3,002,335</b>	<b>3,445,368</b>	<b>3,297,217</b>	<b>2,791,245</b>	<b>3,800,814</b>	<b>3,596,813</b>	<b>4,050,959</b>	<b>4,059,177</b>	<b>4,219,271</b>	<b>4,098,398</b>
<b>Total revenues</b>	<b>\$ 227,224,012</b>	<b>\$ 225,346,509</b>	<b>\$ 220,243,305</b>	<b>\$ 222,091,031</b>	<b>\$ 224,904,098</b>	<b>\$ 229,837,346</b>	<b>\$ 234,920,400</b>	<b>\$ 238,750,457</b>	<b>\$ 253,823,453</b>	<b>\$ 252,319,725</b>

Sources:  
Annual Secretary to the Board Report  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	\$ 103,508,584	\$ 107,236,197	\$ 110,117,572	\$ 111,931,476	\$ 119,495,234	\$ 113,832,841	\$ 115,666,526	\$ 117,175,106	\$ 123,560,230	\$ 125,654,750
Student activities	4,039,210	3,627,665	3,900,719	3,735,872	3,968,004	3,604,499	3,853,964	4,253,069	5,186,091	4,753,114
Attendance	430,276	557,803	640,062	595,380	567,776	559,636	513,208	541,869	551,101	600,908
Guidance	5,634,887	6,001,690	6,450,948	6,506,278	6,385,597	6,596,288	6,867,751	7,026,544	7,053,805	7,400,154
Health services	2,197,100	2,130,861	2,180,241	2,250,548	2,394,781	2,500,652	2,521,553	2,658,874	2,744,564	2,725,360
Improvement of Instruction	5,923,642	6,413,194	6,140,927	6,268,650	6,670,352	7,051,033	6,476,646	6,452,342	6,924,964	7,856,784
Professional development	175,132	155,824	122,904	87,054	40,670	25,077	20,000	25,000	27,796	26,093
Media Services	3,372,616	3,452,498	3,626,659	3,575,311	3,724,674	3,632,017	3,757,034	3,704,162	3,982,614	4,049,128
Board of Education services	501,798	610,337	340,522	492,351	501,876	445,058	420,332	556,555	264,232	283,120
Executive administration	2,045,568	1,978,968	2,194,723	2,210,187	2,328,767	2,173,991	2,137,173	2,219,580	2,440,665	2,343,467
Building level administration	15,631,981	16,944,966	17,013,690	18,746,737	19,237,152	18,841,684	19,554,208	19,087,152	17,716,897	17,958,587
Operation of plant	22,406,569	22,820,529	22,171,803	23,024,725	23,538,663	22,510,599	21,909,730	22,700,957	22,362,669	22,665,203
Pupil transportation	7,726,767	8,282,887	8,312,423	8,807,719	9,510,997	9,013,820	9,110,827	8,812,486	8,959,210	9,393,482
Food services	5,908,726	6,080,865	5,987,440	6,264,325	6,493,473	6,318,594	5,867,691	6,072,444	5,945,569	6,275,002
Business and central services	8,914,709	8,424,203	11,036,157	13,121,023	11,296,614	11,621,235	11,185,836	11,975,535	10,517,277	11,875,060
Security services	899,902	952,199	1,116,808	1,182,223	1,085,322	1,018,749	1,098,132	1,144,679	1,249,388	1,256,709
Adult basic education	841,879	872,891	840,285	951,508	955,640	956,063	1,040,255	1,067,682	1,030,881	978,678
Adult continuing education	1,082,268	1,018,695	1,051,604	899,882	972,938	986,803	991,888	785,905	629,800	724,394
Community services	2,897,584	3,041,813	3,127,706	3,104,186	3,300,000	3,300,197	3,368,052	3,400,915	3,622,191	4,033,334
Capital Outlay	20,009,446	14,562,505	17,928,692	33,940,041	21,060,107	11,206,586	10,522,677	9,209,510	21,194,358	31,195,502
Debt service:										
Principal retirement	9,924,565	9,433,458	9,394,780	10,420,090	11,453,424	9,267,711	8,492,252	9,164,235	11,099,359	11,300,786
Interest	5,040,362	5,192,269	7,641,450	7,336,949	6,879,174	6,747,604	6,607,080	6,500,963	6,843,684	7,202,892
Other expense	5,863	418,622	382,851	79,195	310,005	102,192	6,492	1,056,503	17,064	149,731
Total Expenditures	\$ 229,119,434	\$ 230,210,939	\$ 241,720,966	\$ 265,531,710	\$ 262,171,240	242,312,929	241,989,307	245,592,067	263,924,409	280,702,238
Debt service as a percentage of noncapital expenditures	7.71%	7.50%	8.44%	8.34%	8.38%	7.50%	6.98%	7.61%	7.99%	8.08%

Sources:  
Annual Secretary to the Board Report  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Excess of revenues over (under) expenditures</b>	\$ (1,895,423)	\$ (4,864,430)	\$ (21,477,661)	\$ (43,440,679)	\$ (37,267,142)	\$ (12,475,583)	\$ (7,068,907)	\$ (6,841,610)	\$ (10,100,956)	\$ (28,382,513)
<b>Other financing sources (uses)</b>										
Issuance of general obligation bonds	-	60,660,000	-	34,000,000	52,340,000	6,250,000	-	77,080,000	-	44,000,000
Payment to refunded bond escrow agent	-	(7,744,611)	-	-	(59,276,479)	(6,637,463)	-	(30,708,828)	-	-
Premium on issuance of bonds	-	956,216	-	485,400	6,420,458	459,325	-	4,653,700	-	673,579
Sale of other property	655,457	-	40,031	-	21,099	50,257	58,856	50,868	29,959	33,521
Proceeds from capital lease	-	240,092	644,849	2,073,783	-	794,910	2,139,420	-	-	-
Total other financing sources(uses)	<u>655,457</u>	<u>54,111,697</u>	<u>684,880</u>	<u>36,559,183</u>	<u>(494,922)</u>	<u>917,029</u>	<u>2,198,276</u>	<u>51,075,740</u>	<u>29,959</u>	<u>44,707,100</u>
<b>Net change in fund balances</b>	<u>\$ (1,239,966)</u>	<u>\$ 49,247,267</u>	<u>\$ (20,792,781)</u>	<u>\$ (6,881,496)</u>	<u>\$ (37,762,064)</u>	<u>\$ (11,558,554)</u>	<u>\$ (4,870,631)</u>	<u>\$ 44,234,130</u>	<u>\$ (10,070,997)</u>	<u>\$ 16,324,587</u>

Sources:  
Annual Secretary to the Board Report  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Fiscal Year	Actual Value				Total Taxable Value	Total Direct Rate
	Residential Property	Agricultural Property	Commercial Property	Personal Property		
2008*	\$ 2,895,190,740	\$ 1,655,140	\$ 1,123,676,500	\$ 610,679,610	\$ 4,631,201,990	3.482
2009	2,922,442,295	1,660,000	1,130,807,320	627,955,010	4,682,864,625	3.483
2010*	2,715,056,490	1,534,500	1,134,555,310	596,858,410	4,448,004,710	3.624
2011	2,721,569,570	4,286,670	1,138,879,980	550,634,280	4,415,370,500	3.757
2012*	2,656,692,460	673,970	1,063,244,550	520,270,710	4,240,881,690	3.905
2013	2,659,506,980	687,270	1,063,641,920	533,187,550	4,257,023,720	4.108
2014*	2,575,731,880	657,910	1,028,617,830	530,509,640	4,135,517,260	4.279
2015	2,585,648,810	587,850	1,031,162,640	541,145,370	4,158,544,670	4.298
2016*	2,699,945,500	777,090	1,100,564,190	535,320,980	4,336,607,760	4.488
2017	2,709,242,350	778,860	1,105,349,770	555,289,350	4,370,660,330	4.350

NOTE:

Valuations are determined as of December 31 preceding the tax collection year less Tax Increment Financing(TIF)  
The above rates for 2008-2017 are blended rates

\* Represents a reassessment year

Sources:

Annual Secretary to the Board Report  
Annual Report of the County Clerk to State Board of Education

**PARKWAY C-2 SCHOOL DISTRICT**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES - CONCLUDED  
LAST TEN FISCAL YEARS**

Fiscal Year	Overlapping Rates									
	Parkway	St Louis County	City of Chesterfield	City of Creve Coeur	City of Kirkwood	City of Manchester	Fire District Metro West	Fire District Monarch	Fire District Creve Coeur	Fire District West County EMS
2008										
Res	3.2300	0.1900	0.0300	0.0750	0.6450	0.2430	0.8210	0.7880	0.8080	0.7730
Agr	3.9000	0.1900	0.0300	0.0940	0.0000	0.0000	1.1630	1.2100	0.4460	0.7640
Com	3.9000	0.1900	0.0300	0.0700	0.6650	0.2430	0.9220	1.0000	0.8740	0.8250
Per Prop	3.9000	0.1900	0.0300	0.0000	0.6980	0.2430	1.0600	1.0590	1.0480	0.9280
2009										
Res	3.4100	0.1900	0.0300	0.8000	0.6150	0.2430	0.9770	0.8260	0.8810	0.7190
Agr	4.0434	0.1900	0.0300	0.1000	0.0000	0.0000	1.1640	0.0863	0.8200	0.8290
Com	3.8832	0.1900	0.0300	0.0700	0.6280	0.2380	1.0160	0.9300	0.8820	0.6310
Per Prop	4.0779	0.1900	0.0300	0.0000	0.6680	0.2430	1.1310	1.0130	0.9100	0.8200
2010										
Res	3.5672	0.2000	0.0300	0.0860	0.6150	0.2380	1.0120	0.8650	0.8850	0.9130
Agr	3.0900	0.2000	0.0300	0.0910	0.0000	0.0000	1.1880	0.8070	0.8500	0.9990
Com	4.0523	0.2000	0.0300	0.0830	0.6280	0.2380	1.0440	1.0190	0.8910	0.9090
Per Prop	4.0779	0.2000	0.0300	0.0000	0.6680	0.2430	1.1550	1.0440	0.9100	0.9900
2011										
Res	3.6761	0.2000	0.0300	0.0840	0.6030	0.2060	1.0300	0.8420	0.8930	0.8980
Agr	5.4600	0.2000	0.0300	0.0910	0.0000	0.0000	1.1880	0.7830	0.8950	0.9740
Com	4.3860	0.2000	0.0300	0.0790	0.6160	0.2060	1.0910	0.9960	0.8950	0.9220
Per Prop	4.0779	0.2000	0.0300	0.0000	0.6560	0.2110	1.1550	1.0210	0.9100	0.9650
2012										
Res	3.9361	0.2000	0.0300	0.0700	0.6130	0.1190	1.0290	0.8290	0.8970	0.8960
Agr	5.4598	0.2000	0.0300	0.0750	0.0000	0.0000	1.1880	0.7700	0.8610	0.9710
Com	4.5515	0.2000	0.0300	0.0750	0.6600	0.1190	1.1090	0.9830	0.9020	0.9190
Per Prop	4.0779	0.2000	0.0300	0.0000	0.6270	0.1240	1.1550	1.0080	0.9100	0.9620
2013										
Res	4.0743	0.2000	0.0300	0.0720	0.6140	0.2380	1.0640	0.8290	0.9040	0.9610
Agr	5.4600	0.2000	0.0300	0.0920	0.0000	0.0000	1.1880	0.7700	0.8950	1.0090
Com	4.8924	0.2000	0.0300	0.0770	0.6540	0.2380	1.1370	0.9830	0.9090	0.9810
Per Prop	4.0779	0.2000	0.0300	0.0000	0.6270	0.2430	1.1550	1.0080	0.9100	1.0000



**PARKWAY C-2 SCHOOL DISTRICT**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES - CONCLUDED  
LAST TEN FISCAL YEARS**

Fiscal Year	Overlapping Rates									
	Parkway	St Louis County	City of Chesterfield	City of Creve Coeur	City of Kirkwood	City of Manchester	Fire District Metro West	Fire District Monarch	Fire District Creve Coeur	Fire District West County EMS
2014										
Res	4.0743	0.2090	0.0300	0.0720	0.6140	0.2380	1.0570	0.8290	1.1875	0.9620
Agr	5.4600	0.2090	0.0300	0.0920	0.0000	0.0000	1.1820	0.7700	1.1775	1.0090
Com	4.9466	0.2090	0.0300	0.0790	0.6540	0.2380	1.1310	0.9830	1.1925	0.9900
Per Prop	4.1279	0.2090	0.0300	0.0000	0.6220	0.2430	1.1490	1.0080	1.1925	1.0000
2015										
Res	4.4617	0.2060	0.0000	0.0690	0.6000	0.2370	1.0130	0.8060	1.1550	1.2740
Agr	4.3817	0.1790	0.0000	0.0590	0.0000	0.0000	1.0260	0.6940	1.1800	1.3030
Com	4.6796	0.2050	0.0000	0.0740	0.6160	0.2340	1.0720	0.9420	1.1280	1.2940
Per Prop	4.2279	0.2090	0.0000	0.0000	0.6240	0.2430	1.1370	1.0080	1.1950	1.3250
2016										
Res	4.2163	0.2060	0.0000	0.0680	0.6130	0.2380	1.0110	0.8050	1.1790	1.2710
Agr	4.4129	0.1790	0.0000	0.0590	0.0000	0.0000	1.0240	0.6940	0.0000	1.3030
Com	4.7419	0.2050	0.0000	0.0760	0.6370	0.2380	1.0920	0.9420	1.1590	1.2920
Per Prop	4.2258	0.2090	0.0000	0.0000	0.6210	0.2430	1.1370	1.0080	1.2200	1.3250
2017										
Res	4.2163	0.2060	0.0000	0.0680	0.6130	0.2380	1.0110	0.8050	1.1790	1.2700
Agr	4.4129	0.1790	0.0000	0.5900	0.0000	0.0000	1.0240	0.6940	0.0000	1.3030
Com	4.74.19	0.2050	0.0000	0.0760	0.6370	0.2380	1.0920	0.9420	1.1590	1.2920
Per Prop	4.2258	0.2090	0.0000	0.0000	0.6210	0.2430	1.1370	1.0080	1.2200	1.3250

Source:  
St. Louis County Department of Revenue website

**PARKWAY C-2 SCHOOL DISTRICT**

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Principal Taxpayers	2017 Taxable Assessed Value	Percentage of Total Taxable Value	2008 Taxable Assessed Value	Percentage of Total Taxable Value
Chapter 100 St Louis County	\$ 51,415,800	1.18%	\$ -	0.00%
RNSI City Place Owner LLC (formerly Conerstone Opportunity Ventures LLC)	37,975,250	0.87%	36,393,290	0.79%
Chesterfield Mall LLC	25,424,340	0.58%	27,869,670	0.60%
Emerson Rd LLC	23,604,800	0.54%	-	0.00%
St Louis County Missouri	17,751,140	0.41%	-	0.00%
Ramco Gershenson Properties LP	14,099,820	0.32%	-	0.00%
Ducharme McMillen & Assoc	13,623,830	0.31%	-	0.00%
MRES CP6 Holdings LP	12,085,220	0.28%	-	0.00%
TKG Manchester Highlands Shopping Center	11,065,380	0.25%	-	0.00%
Scott Joe H Sr. Trustee Etal	10,169,200	0.23%	-	0.00%
Duke Realty Limited Partnership	-	0.00%	64,945,370	1.40%
Pfizer, Inc	-	0.00%	40,766,880	0.88%
Pharmacia/Upjohn Corp.	-	0.00%	23,928,320	0.52%
I & G Direct Real Estate	-	0.00%	22,892,800	0.49%
Edward D. Jones & Co.	-	0.00%	21,792,280	0.47%
US Reif Westport Plaza Fee LLC	-	0.00%	21,062,970	0.45%
Scott Properties	-	0.00%	18,578,340	0.40%
FSP Timberlake Corp.	-	0.00%	18,269,210	0.39%
<b>Total</b>	<b>\$ 217,214,780</b>	<b>4.97%</b>	<b>\$ 296,499,130</b>	<b>6.39%</b>

Sources:  
St. Louis County Assessor's Office  
Basic Financial Documents

**PARKWAY C-2 SCHOOL DISTRICT**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008*	\$ 161,253,822	\$ 156,617,057	97.12%	\$ 2,176,974	\$ 158,794,031	98.47%
2009	163,122,906	157,557,607	96.59%	1,015,269	158,572,876	97.21%
2010*	161,195,691	156,455,450	97.06%	1,952,058	158,407,508	98.27%
2011	165,903,131	161,479,241	97.33%	1,281,154	162,760,395	98.11%
2012*	165,593,707	161,008,043	97.23%	-	161,008,043	97.23%
2013	174,878,534	169,734,753	97.06%	-	169,734,753	97.06%
2014*	176,936,717	168,557,361	95.26%	-	168,557,361	95.26%
2015	178,738,408	174,262,717	97.50%	700,215	174,962,932	97.89%
2016*	194,310,332	186,108,212	95.78%	-	186,108,212	95.78%
2017	190,141,207	183,452,796	96.48%	-	183,452,796	96.48%

NOTE: Valuations are determined as of December 31 preceding the tax collection year less TIF

\* Reassessment Year

Source:  
Annual Secretary to the Board Report

**PARKWAY C-2 SCHOOL DISTRICT**

**OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

	Fiscal Year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Capital leases	\$ 3,448,123	\$ 2,839,118	\$ 2,605,584	\$ 3,486,132	\$ 1,922,248	\$ 1,897,737	\$ 3,215,053	\$ 3,098,912	\$ 2,635,121	\$ 2,227,015	
General obligation bonds, net	105,697,349	150,210,280	141,881,194	166,847,217	155,497,217	147,033,678	145,296,147	189,647,590	177,493,275	209,692,816	
DNR note	739,158	557,253	369,942	177,065	-	-	-	-	-	-	
Total primary government	<u>\$ 109,884,630</u>	<u>\$ 153,606,651</u>	<u>\$ 144,856,720</u>	<u>\$ 170,510,414</u>	<u>\$ 157,419,465</u>	<u>\$ 148,931,415</u>	<u>\$ 148,511,200</u>	<u>\$ 192,746,502</u>	<u>\$ 180,128,396</u>	<u>\$ 211,919,831</u>	
Estimated actual value of taxable property	\$ 4,631,201,990	\$ 4,682,864,625	\$ 4,448,004,710	\$ 4,415,370,500	\$ 4,240,881,690	\$ 4,257,023,720	\$ 4,135,517,260	\$ 4,158,544,670	\$ 4,336,607,760	\$ 4,370,660,330	
% of general bonded debt to estimated actual value of taxable property	2.28%	3.21%	3.19%	3.78%	3.67%	3.45%	3.51%	4.56%	4.09%	4.80%	
Personal Income (County data)	6,939,009,995	7,148,290,536	7,363,882,979	7,585,977,689	7,814,770,777	8,050,464,263	8,293,266,265	8,543,391,176	8,801,059,853	9,066,499,819	
% of Personal Income	1.5836%	2.1489%	1.9671%	2.2477%	2.0144%	1.8500%	1.7907%	2.2561%	2.0467%	2.3374%	
Population	145,937	146,394	146,852	147,312	141,555	141,998	142,442	142,888	143,336	143,784	
Per Capita	\$ 753	\$ 1,049	\$ 986	\$ 1,157	\$ 1,112	\$ 1,049	\$ 1,043	\$ 1,349	\$ 1,257	\$ 1,474	

NOTE: Valuations are determined as of December 31 preceding the tax collection year less TIF

Sources:  
Annual Secretary to the Board Report  
Missouri Department of Revenue (website)  
Basic Financial Statements

**PARKWAY C-2 SCHOOL DISTRICT**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2017**

Taxing Body	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
<b>Direct</b>			
Parkway School District	\$ 211,919,831	100.00%	\$ 211,919,831
<b>Overlapping</b>			
St. Louis County	107,255,000	19%	20,377,567
City of Chesterfield	5,600,000	44%	2,443,206
City of Kirkwood	1,515,000	17%	262,737
City of Manchester	1,120,000	8%	92,421
Fire District-Metro West	5,985,000	42%	2,500,196
Fire District-West County EMS	16,590,000	18%	2,913,829
Subtotal of Overlapping Debt	\$ 138,065,000		\$ 28,589,956
Total	\$ 349,984,831		\$ 240,509,787

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is endured by the residents and businesses of the District. Percentage of overlap is calculated by the Collector of Revenue's office as follows: For the purpose of determining the appropriate composite property tax rates, all properties are within areas defined by what are called school district sub-codes. Each sub-code accounts for what taxing districts have jurisdiction over a particular parcel, or property. Periodic ledgers comprising the total assessed values for each sub-code area are generated by County Revenue. Appropriate percentage overlap values have been selected from the appropriate ledger.

Sources:  
Annual Secretary to the Board Report  
All municipalities and fire districts  
St. Louis County websites

**PARKWAY C-2 SCHOOL DISTRICT**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

---

**Legal Debt Margin Calculation for Fiscal Year 2017**

Assessed value	\$ 4,370,660,330
Debt limit (15% of assessed value)	655,599,050
Debt applicable to limit	(201,620,000)
Amount available in Debt Service Fund	<u>13,767,360</u>
Legal debt margin	<u><u>\$ 467,746,410</u></u>

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 694,680,299	\$ 702,429,694	\$ 667,200,707	\$ 662,305,575	\$ 636,132,254	\$ 638,553,558	\$ 620,327,589	\$ 623,781,701	\$ 650,491,164	\$ 655,599,050
Total net debt applicable to limit	<u>96,825,914</u>	<u>138,646,145</u>	<u>130,738,682</u>	<u>156,568,839</u>	<u>148,090,117</u>	<u>139,694,547</u>	<u>131,915,222</u>	<u>173,631,583</u>	<u>158,688,494</u>	<u>187,852,640</u>
Legal debt margin	<u>\$ 597,854,385</u>	<u>\$ 563,783,549</u>	<u>\$ 536,462,025</u>	<u>\$ 505,736,736</u>	<u>\$ 488,042,137</u>	<u>\$ 498,859,011</u>	<u>\$ 488,412,367</u>	<u>\$ 450,150,118</u>	<u>\$ 491,802,670</u>	<u>\$ 467,746,410</u>
Total net debt applicable to the limit as a percentage of debt limit	13.94%	19.74%	19.60%	23.64%	23.28%	21.88%	21.27%	27.84%	24.40%	28.65%

Note:  
Legal debt limit is 15% of assessed value

Source:  
Basic Financial Statements

## PARKWAY C-2 SCHOOL DISTRICT

### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

---

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate(1)
2008	145,482	\$ 6,939,009,995	\$ 47,697	5.90%
2009	145,937	7,148,290,536	48,982	9.70%
2010	146,394	7,363,882,979	50,302	9.30%
2011	146,852	7,585,977,689	51,657	8.90%
2012	141,555	7,814,770,777	55,207	6.80%
2013	141,998	8,050,464,263	56,694	7.30%
2014	142,442	8,293,266,265	58,222	6.50%
2015	142,888	8,543,391,176	59,791	5.80%
2016	143,336	8,801,059,854	61,402	4.60%
2017	143,784	8,801,059,854	61,210	3.90%

(1) St. Louis only

Sources:

Missouri Census Data Center Demographic Profile

Missouri Economic Research and Information Center (MERIC)

## PARKWAY C-2 SCHOOL DISTRICT

### PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2017		2008	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Parkway School District	3,290	0.62%	2,400	0.46%
Schnucks Markets, Inc.	10,750	2.01%	10,750	2.04%
St. John's Mercy Medical Center (Mercy Health System)	5,825	1.09%	5,821	1.11%
Dierberg's Markets, Inc.	4,126	0.77%	5,000	0.95%
Coldwell Banker Gundaker	2,555	0.48%	3,600	0.68%
Solutia Inc.	3,400	0.64%	4,570	0.87%
St. Luke's Health Corporation	3,100	0.58%	2,300	0.44%
Monsanto Company	3,000	0.56%	3,000	0.57%
Charter Communications Inc.	2,500	0.47%	2,500	0.48%
Reinsurance Group of America (RGA)	2,201	0.41%	-	-
Total	<u>40,747</u>	7.63%	<u>39,941</u>	7.60%

Sources:

Basic Financial Statements  
 Economic Research Federal Reserve Bank of St. Louis  
 Sorkins Directory of Business & Government  
 Dun & Bradstreet Million Dollar Directory  
 Book of Lists



**PARKWAY C-2 SCHOOL DISTRICT**

**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<b>Fiscal Year</b>									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Supervisory</b>										
Instructional administrators	9	8	9	9	10	10	10	6	7	7
Non-instructional administrators	7	8	8	8	7	7	5	8	12	12
Consultants/supervisors of instruction	17	18	20	19	19	18	18	32	34	21
Principals	28	28	28	28	28	28	28	28	27	28
Assistant principals	31	35	35	36	39	38	40	38	39	47
<b>Total Supervisory</b>	<b>92</b>	<b>97</b>	<b>100</b>	<b>100</b>	<b>103</b>	<b>101</b>	<b>101</b>	<b>112</b>	<b>119</b>	<b>115</b>
<b>Instruction</b>										
Elementary teachers	476	503	494	503	495	522	528	468	524	512
Middle school teachers	255	269	255	259	261	256	267	275	280	284
High school teachers	357	371	394	398	390	361	365	359	351	362
ESL teachers	19	19	22	23	22	22	22	24	24	26
Other instructional teachers	124	129	118	118	125	87	78	148	114	118
Aides	58	63	69	74	83	73	66	121	133	117
<b>Total Instruction</b>	<b>1,289</b>	<b>1,354</b>	<b>1,352</b>	<b>1,375</b>	<b>1,376</b>	<b>1,321</b>	<b>1,326</b>	<b>1,395</b>	<b>1,426</b>	<b>1,419</b>
<b>Student Services</b>										
Guidance counselors	62	69	69	70	68	70	70	72	71	73
Social workers	6	7	8	8	6	6	6	12	9	14
Librarians	30	31	31	31	31	31	31	31	31	31
Nursing Staff	39	39	38	38	39	39	39	38	38	40
<b>Total Student Services</b>	<b>137</b>	<b>146</b>	<b>146</b>	<b>147</b>	<b>144</b>	<b>146</b>	<b>146</b>	<b>153</b>	<b>149</b>	<b>158</b>
<b>Support and Administration</b>										
Managers	8	7	6	6	6	6	6	5	4	5
Clerical Support	93	102	99	100	97	91	88	41	37	19
Secretarial Staff	225	224	227	226	224	208	185	193	196	191
Service workers	143	139	250	250	247	240	233	325	340	335
Skilled crafts	158	158	49	49	48	47	44	44	46	40
Mechanical/Transportation	168	168	168	165	172	172	172	178	174	168
Other Support Staff	80	79	82	93	69	68	66	92	90	114
<b>Total support and administration</b>	<b>875</b>	<b>877</b>	<b>881</b>	<b>889</b>	<b>863</b>	<b>832</b>	<b>794</b>	<b>878</b>	<b>887</b>	<b>872</b>
<b>Total</b>	<b>2,392</b>	<b>2,473</b>	<b>2,480</b>	<b>2,511</b>	<b>2,485</b>	<b>2,400</b>	<b>2,367</b>	<b>2,538</b>	<b>2,581</b>	<b>2,564</b>

Source:  
Basic Personnel Staffing Budgets

**PARKWAY C-2 SCHOOL DISTRICT**

**OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Government Wide Expenses	Cost Per Pupil	Percentage Change	Certificated Instructional Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2008	17,724	\$ 177,889,950	\$ 10,037	12.56%	\$ 229,119,434	\$ 12,927	9.90%	1,331	13.32	16.60%
2009	17,439	184,037,361	10,553	5.15%	230,210,939	13,201	2.12%	1,323	13.18	16.70%
2010	17,370	188,782,385	10,868	2.99%	241,720,966	13,916	5.42%	1,315	13.21	18.60%
2011	17,234	195,849,665	11,364	4.56%	236,801,736	13,740	-1.26%	1,407	12.25	20.00%
2012	17,156	220,338,529	12,843	13.02%	245,117,888	14,288	3.98%	1,443	11.89	21.30%
2013	17,104	212,097,237	12,400	-3.45%	235,533,134	13,771	-3.62%	1,334	12.82	20.30%
2014	17,231	197,973,460	11,489	-7.35%	241,245,785	14,001	1.67%	1,311	13.15	20.60%
2015	17,279	202,015,622	11,691	1.76%	224,942,957	13,018	-7.02%	1,399	12.35	20.10%
2016	17,314	205,828,265	11,888	1.68%	233,159,982	13,467	3.44%	1,375	12.59	19.40%
2017	17,498	228,099,184	13,036	9.65%	255,899,815	14,625	8.60%	1,379	12.69	20.00%

Sources:  
 Core Data Report  
 Annual Secretary of the Board Report  
 Annual Report of School Data (DESE website)  
 Historical Information from Budget Report  
 Basic Financial Statements

NOTE: Operating Expenditures exclude Debt Service, Bond Issue and Student Activity Expenditures. Debt Service, Bond Issue and Student Activity expenditures are unrelated to the education of the pupils and for the most part, out of the control of the District.

**PARKWAY C-2 SCHOOL DISTRICT**

**TEACHER BASE SALARIES  
LAST TEN FISCAL YEARS**

---

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>County Average Salary</u>	<u>Statewide Average Salary</u>
2008	\$ 35,000	\$ 78,441	\$ 53,318	\$ 43,236
2009	36,000	81,186	54,026	44,249
2010	37,000	83,743	55,743	45,148
2011	37,000	85,050	55,999	45,312
2012	39,000	87,300	56,929	45,709
2013	40,500	89,100	57,717	46,234
2014	41,500	91,000	53,229	46,756
2015	41,500	92,200	57,001	47,393
2016	41,800	93,400	59,753	47,955
2017	42,400	95,400	60,461	n/a

n/a - information not available

Sources:

Annual Report of School Data (DESE website)  
Cooperating School District Core Data Reports  
District salary schedules  
District Profile reports

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>Elementary Schools:</u></b>										
Barretts(1895)										
Square Feet	67,585	67,585	75,072	75,072	68,587	67,208	68,587	68,587	68,204	68,204
Capacity	516	516	516	516	516	516	516	516	516	516
Enrollment	413	408	402	397	387	361	383	364	400	398
Bellerive(1968)										
Square Feet	62,460	62,460	67,623	67,623	61,260	67,553	61,260	61,260	61,260	61,260
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	425	406	410	400	384	365	378	366	391	386
Carman Trails(1977)										
Square Feet	65,252	65,252	65,252	65,252	65,949	65,949	65,949	65,949	65,952	65,952
Capacity	472	472	472	472	472	472	472	472	472	472
Enrollment	426	399	425	432	432	445	433	457	455	453
Claymont(1962)										
Square Feet	65,715	65,715	65,716	65,716	65,716	65,716	67,458	67,458	67,580	67,580
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	418	430	449	442	462	469	481	511	496	497
Craig(1966)										
Square Feet	50,215	50,215	50,215	50,215	50,215	50,215	50,215	50,215	50,225	50,225
Capacity	530	530	530	530	530	530	530	530	530	530
Enrollment	447	453	499	543	475	454	472	452	441	444
Green Trails(1965)										
Square Feet	59,196	59,196	59,196	59,196	59,193	59,193	59,193	59,193	59,174	59,174
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	467	429	418	394	420	411	419	415	431	431
Hanna Woods(1970)										
Square Feet	57,242	57,242	57,242	57,242	57,242	57,242	57,242	57,242	58,019	58,019
Capacity	413	413	413	413	413	413	413	413	413	413
Enrollment	404	384	379	354	379	391	400	448	444	440
Henry(1967)										
Square Feet	55,631	55,631	91,443	91,443	55,631	55,634	55,631	55,631	63,286	63,286
Capacity	460	460	460	460	460	460	460	460	460	460
Enrollment	405	410	412	412	429	434	486	517	531	528

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Elementary Schools(con't):</b>										
Highcroft Ridge(1977)										
Square Feet	65,252	65,252	65,252	65,252	66,022	65,252	66,022	66,022	66,175	66,175
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	372	350	327	331	312	314	327	322	331	330
Mason Ridge(1948)										
Square Feet	64,574	64,574	65,982	65,982	64,650	63,544	64,650	64,650	63,573	63,573
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	389	401	387	374	393	390	426	427	491	486
McKelvey(1966)										
Square Feet	64,765	64,765	64,765	64,765	64,765	64,765	64,765	64,765	64,922	64,922
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	515	562	557	612	510	485	508	542	597	599
Oak Brook(1989)										
Square Feet	69,468	69,468	69,480	69,480	67,812	69,480	67,812	67,812	67,812	67,812
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	511	487	488	488	495	490	516	499	500	500
Pierremont(1966)										
Square Feet	64,458	64,458	64,458	64,458	57,657	64,459	57,657	57,657	57,650	57,650
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	338	349	378	397	400	411	407	433	447	444
River Bend(1968)										
Square Feet	50,818	50,818	51,818	51,818	51,272	51,818	51,272	51,272	51,623	51,623
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	250	221	246	243	400	413	411	410	410	406
Ross(1962)										
Square Feet	54,772	54,772	54,773	54,773	54,773	54,773	54,773	54,773	54,775	54,775
Capacity	556	556	556	556	556	556	556	556	556	556
Enrollment	445	444	441	438	437	416	413	409	392	391
Shenandoah Valley(1974)										
Square Feet	64,239	64,239	64,620	64,620	64,620	64,620	64,620	64,620	64,970	64,970
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	436	412	410	418	473	439	441	467	459	455

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>Elementary Schools(con't)</u></b>										
Sorrento Springs(1972)										
Square Feet	57,908	57,908	57,907	57,907	57,908	57,908	57,908	57,908	58,202	58,202
Capacity	560	560	560	560	560	560	560	560	560	560
Enrollment	408	387	385	356	360	352	350	329	316	313
Wren Hollow(1974)										
Square Feet	68,248	68,248	68,248	68,248	68,248	68,248	68,248	68,248	68,248	68,248
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	382	377	403	411	412	405	426	405	417	423
<b><u>Middle Schools:</u></b>										
Central Middle(1956)										
Square Feet	160,153	160,153	146,153	146,153	156,153	160,153	156,153	156,153	160,209	160,209
Capacity	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	906	931	897	848	840	873	920	946	903	903
Northeast Middle(1971)										
Square Feet	154,251	154,251	156,013	156,013	156,038	154,967	156,038	156,038	159,851	159,851
Capacity	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	1,034	996	1,009	929	936	901	870	815	818	817
South Middle(1962)										
Square Feet	127,145	127,145	127,470	127,470	127,470	127,470	127,470	127,470	127,518	127,518
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	717	623	579	604	610	608	593	574	582	582
Southwest Middle(1994)										
Square Feet	146,267	146,267	147,212	147,212	147,212	147,212	147,212	147,212	147,212	147,212
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	757	692	653	642	649	668	665	687	695	693
West Middle(1969)										
Square Feet	173,172	173,172	173,172	173,172	173,172	173,172	173,172	173,172	171,510	171,510
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	916	852	825	877	933	954	987	1,016	1,033	1,032

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>High Schools:</u></b>										
Central High(1960)										
Square Feet	270,551	270,551	263,533	263,533	296,621	296,621	296,621	296,621	298,694	298,694
Capacity	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	1,292	1,277	1,264	1,285	1,279	1,287	1,316	1,252	1,220	1,218
Fern Ridge High(1949)										
Square Feet	44,088	44,088	44,088	44,088	23,065	23,065	23,065	23,065	23,067	23,067
Capacity	150	150	150	150	150	150	150	150	150	150
Enrollment	101	90	92	110	92	63	83	81	81	51
North High(1971)										
Square Feet	255,752	255,752	255,451	255,451	251,539	255,451	254,739	254,739	257,916	257,916
Capacity	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,447	1,522	1,505	1,540	1,479	1,388	1,311	1,208	1,149	1,154
South High(1975)										
Square Feet	318,777	318,777	325,896	325,896	340,615	335,915	340,615	340,615	336,931	336,931
Capacity	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,922	2,014	1,948	1,913	1,803	1,740	1,727	1,716	1,766	1,766
West High(1967)										
Square Feet	313,482	313,482	386,981	386,981	315,625	316,981	315,625	315,625	321,098	321,098
Capacity	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,346	1,306	1,307	1,232	1,261	1,252	1,208	1,263	1,354	1,345
<b><u>Preschools:</u></b>										
Early Childhood Center(1970)										
Square Feet	49,080	49,080	52,114	52,114	52,204	52,114	52,204	52,204	52,390	52,390
Capacity	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Enrollment	105	180	79	67	84	97	86	98	115	122
Instructional Services Center(1968)(1)										
Square Feet	17,084	17,084	19,464	19,464	30,943	32,563	30,943	30,943	32,123	32,123
Capacity	170	170	170	170	170	170	170	170	170	170
Enrollment	108	0	81	81	81	85	98	50	51	67
Pre-School North(2015)										
Square Feet	-	-	-	-	-	-	-	7,171	7,170	7,170
Capacity	-	-	-	-	-	-	-	96	96	96
Enrollment	-	-	-	-	-	-	-	81	82	85

**PARKWAY C-2 SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION - CONCLUDED  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>Other Buildings:</u></b>										
Administration(1963)										
Square Feet	18,100	18,100	18,061	18,061	18,061	18,061	18,061	18,061	18,062	18,062
Facilities/Operations(1966)										
Square Feet	35,960	35,960	35,494	35,494	35,494	48,955	35,494	35,494	35,869	35,869
Fern Ridge Grounds Storage										
Square Feet	-	-	-	-	21,218	21,218	21,218	21,218	21,218	21,218
Instructional Services Center(1968)(1)										
Square Feet	34,169	34,169	34,808	34,808	20,629	21,709	20,629	20,629	19,465	19,465
Transportation(1961)										
Square Feet	12,373	12,373	12,880	12,880	13,838	13,838	13,838	13,838	12,013	12,013
Service Bays	6	7	7	7	7	7	7	7	7	7
Buses	148	148	148	148	148	148	148	148	148	149
<b><u>Athletics:</u></b>										
Football Fields	17	17	17	17	17	17	17	17	17	17
Soccer Fields	24	24	24	24	24	29	29	29	29	29
Running Tracks	12	12	12	12	12	22	22	22	22	22
Baseball/Softball	36	36	36	36	36	35	35	35	35	35
Swimming Pools	4	4	4	4	4	4	4	4	4	4
Playgrounds	44	44	44	44	44	44	44	44	44	44

(1) The Instructional Services Center is used for both administrative offices and instructional. The square footage for this site was estimated as 60% for instructional and 40% is used as offices

Sources:

DESE Annual Report of School Data

District Blueprints

District Archives

District report "Confronting Parkway's Space & Enrollment issues"