

ANNUAL COMPREHENSIVE

Financial Report



Parkway School District • C-2 • Chesterfield, Missouri for
the Fiscal Year Ended June 30, 2023



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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

Prepared by the Chief Financial Officer's Division

Patricia Bedborough, Chief Financial Officer
Dawne Trokey, Executive Director of Finance

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
AND
INDEPENDENT AUDITORS' REPORT

PARKWAY C-2 SCHOOL DISTRICT

June 30, 2023

INTRODUCTORY SECTION



November 6, 2023

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

The Annual Comprehensive Financial Report (ACFR) of the Parkway C-2 School District (District), Chesterfield, Missouri for the fiscal year ended June 30, 2023, is presented on the following pages. This report provides full disclosure of the District's financial operation. Missouri revised statute 165.111 requires an audit to be performed at least biennially of the financial records of all funds of the District. Parkway has always chosen to have an audit done annually rather than biennially. This ACFR, 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 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 Annual Comprehensive 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 and Required 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, caring 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:

Accomplishments

National School District of Character

Parkway School District is one of only two school districts recognized as a 2022 National School District of Character. Each of these schools has put into place a comprehensive approach that inspires their students to understand, care about and consistently practice a set of core values that will enable them to flourish in school, in relations, in the workplace and as citizens. In addition, Parkway has 19 Schools of Character.



State Schools of Character

Three Parkway schools have been named state schools of character for their dedicated focus on character development. Central Middle and South Middle schools and Parkway's Early Childhood Center are new recipients. Each of these schools and districts have put into place an initiative that equips and empowers their staff to reinforce and model a range of positive core values that will shape and form the hearts, minds, and choices of their students.

Champions for Character: Early Childhood Center

The Parkway Early Childhood Center is one of three area schools named 2023 Champions for Character by CharacterPlus and the St. Louis Cardinals. This recognition program honors schools in the metro area that have a school-wide focus on service learning and service projects for students.

Blue Ribbon School: Pierremont Elementary

Pierremont Elementary is one of only eight schools in Missouri to earn the 2023 recognition. The Blue Ribbon recognition is based on a school's overall academic performance or progress in closing achievement gaps among student subgroups on assessments. Parkway now has 18 National Blue Ribbon Schools.



Accomplishments (Continued)

Best High Schools in America

Central, North, South and West high schools rank in the top 5% for best public high schools in Missouri. Parkway Schools ranked in the top 1% for best school districts in Missouri according to the 2024 rankings on Niche.com.



**TOP 5% HIGH
SCHOOLS IN MISSOURI**



ISTE Distinguished District

Parkway is one of only three school districts nationwide to be recognized as an ISTE (International Society for Technology in Education) Distinguished District. The ISTE award highlights school districts that search out and embrace change or improve teaching and learning and serve as an example for other schools. Awardees must demonstrate effectiveness and innovation in the use of technology throughout their district, ensure equitable, accessible and appropriate technology use for all students, and are focused on improving learner outcomes and continuously enhancing the learning experience, and bring along all stakeholders, including staff, students, families and the community, in the process.

U.S. Department of Education Green Ribbon School District

Parkway Schools has been named a 2020 U.S. Department of Education Green Ribbon School District. Parkway is one of just 11 districts in the nation with this honor. Additionally, Parkway has six National Green Ribbon Schools - Bellerive Elementary, Claymont Elementary, Green Trails Elementary, Highcroft Elementary, McKelvey Elementary and North High - honored for innovative efforts to reduce environmental impact and utility costs, improve health and wellness, and ensure effective sustainability education.



2022 ENERGY STAR Partner of the Year Award

Parkway received the 2022 ENERGY STAR Partner of the Year award from the U.S. Environmental Protection Agency and the U.S. Department of Energy. This recognition honors our comprehensive approach to energy improvements, community engagement and curriculum development.

2020 Better Building Goal Achiever

Better Buildings Goal Achievers are leaders in energy efficiency and stand as an example for their peers in the public and private sectors. Goal Achievers have met their Better Buildings Challenge commitment to reduce their portfolio-wide energy use by 20% - 25% in 10 years or less.



Accomplishments (Continued)

Bell Seal for Workplace Mental Health

Parkway recently received the Mental Health America's Platinum Bell Seal award. The Bell Seal for Workplace Mental Health national certification program recognizes employers committed to creating holistic mentally healthy workplaces.



National Merit Finalists receive scholarship

Four Parkway students were awarded a National Merit \$2,500 Scholarship. The scholar designees were chosen from a talent pool of more than 15,000 outstanding finalists in the National Merit Scholarship program. National Merit \$2,500 Scholarship winners are the Finalists in each state judged to have the strongest combination of accomplishments, skills, and potential for success in rigorous college studies. The number of winners named in each state is proportional to the state's percentage of the nation's graduating high school seniors.

National Merit Finalists

Twenty-eight Parkway seniors have been named finalists in the 2023 National Merit Scholarship Program. These students represent less than 1% of high school seniors in the United States.



Missouri Scholars 100

Six Parkway high school students were selected for the 2023 Missouri Scholars 100 list, a statewide program that honors 100 of Missouri's top academic students in the graduating class of 2023.

Missouri Scholars Academy

Seven Parkway students have been selected to participate in the Missouri Scholars Academy this summer. Students are selected by GPAs, standardized test scores, IQs, recommendations, and formal essays.



ACT Perfect Scores

Five Parkway students recently learned they scored a 36 -- the highest possible score -- on the ACT college admissions and placement exam. Nationally, while the actual number of students earning the top score varies from year to year, on average, fewer than 1% of students who take the ACT earn a top score.

U.S. Senate Youth Program

Anushka Rawat, South High, is one of only two Missouri high school seniors selected as a delegate to the U.S. Senate Youth Program. This program is an intensive week-long educational experience and scholarship sponsored by the United States Senate for outstanding high school students who are interested in pursuing careers in public service. 104 student delegates were chosen to meet their U.S. senators and other government officials during the comprehensive education, leadership and public service learning experience.

Accomplishments (Continued)

Best Communities for Music Education

Parkway Schools is one of seven school districts in the state to be awarded a Best Communities award for Music Education by the NAMM Foundation. Designations are made to districts and schools that demonstrate an exceptionally high commitment and access to music education. This is the sixth year Parkway has received this honor.



South Middle recognized by Music for All: Advocacy in Action

South Middle is one of only 22 schools in the nation being recognized for their outstanding music advocacy initiatives. South Middle earned recognition in the Community Involvement category for the annual Veterans Day Parade where students line the sidewalks to cheer, the band performs patriotic music and veterans drive through in their cars for the celebration.

Swimming State Champions

Central High's boys swim and dive team won the MSHSAA Class 1 State Championship with a 56-point margin over Chaminade. The last time the team earned the state championship was over 40 years ago. In addition, Central High had several individual state champions.



Emerson Excellence in Teaching Award

Three Parkway teachers have been selected as winners of the 2022 Emerson Excellence in Teaching Award – Kate Jones, P.E. teacher Hanna Woods Elementary; Paulo Ribeiro, P.E. teacher Southwest Middle; Kara Schulte, Physics teacher North High.



National Board Certified Teachers

Parkway now has 68 teachers who have achieved the status of National Board Certification. Less than 3% of teachers in the nation are board certified. In the teaching programs, individuals meet high standards in content, practice, reflective research and application. The certification program is quite challenging and takes teachers to a new level in their craft and professional journey.

Accomplishments (Concluded)

National Certified School Nurses

Parkway has 21 nationally certified school nurses, the most in Missouri. The NCSN credential is granted to registered nurses who meet educational, employment, and other criteria, and who have successfully passed the national examination managed by the National Board for Certification. Katherine Park, a school nurse at Pierremont Elementary School, was selected to receive the Missouri Association of School Nurses (MASN) Life Membership which recognizes school nurses who demonstrate leadership and dedication to their students as the school nurse.



Central District High School P.E. Teacher of the Year

Central High's Terri O'Leary was named the 2023 Central District High School P.E. Teacher of the Year by the Society of Health and Physical Educators. O'Leary is the Missouri SHAPE Teacher of the Year and was selected from her fellow state winners as the "Best of the Best" from SHAPE America's Central District.

DESE Exemplary Fleet Award/Missouri Highway Patrol Fleet Excellence Award

The Parkway bus fleet passed annual inspections, conducted by the Missouri State Highway Patrol, with a score of 99.3% first-time pass rate. The results not only reinforce Parkway's commitment to student safety but the district will once again be recognized with the Exemplary Fleet Maintenance award from the Department of Elementary and Secondary Education (DESE).



"AAA" rated

Parkway is one of only four school districts in Missouri to have an "AAA" rating. The ranking is based on strong financial performance and management, good financial practices and maintaining low debt levels. S&P Global Rating Services recently reviewed Parkway's finances and reaffirmed the district's "AAA" long-term rating, the highest available for school districts. S&P Global Ratings views the outlook for this rating as stable.



Meritorious Budget Award

Parkway was recognized by the Association of School Business Officials International (ASBO) for excellence in budget presentation with the Meritorious Budget Award (MBA) for the fiscal year 2022–2023 and 2023–2024. ASBO International's MBA programs promote and recognize excellence in school budget presentation. Program participation enhances school business officials' skills in developing, analyzing, and presenting a school system budget.

Profile of the Organization

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 16,757 students for Fiscal Year 2022-2023. 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 three 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 Annual Comprehensive 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.

Accounting System and Budgetary Control (Concluded)

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, 19 elementary schools and three 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 146,505. There were 16,757 children that attended school during the 2022-2023 academic year. The District employed 1,387 full time equivalent certificated instructional staff. The current certified staffing created a certified staff to student ratio of 12.08:1 during the past academic year. The enrollment, staffing ratio and number of certified staff are expected to be similar in the 2023-2024 school year.

Major Initiatives

Current Year and Future Years

The District has spent the past year following the strategic plan, Project Parkway 2.0. 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. The District is actively working on Parkway 3.0 as part of our strategic plan.

Major Initiatives (concluded)

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 unqualified 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.

Bond Issue

The voters approved a \$265 million no-tax bond issue in 2022 and \$90 million of these bonds were sold. The District has already started using these bond funds for improvements across all buildings in the District. The District has 29 school buildings with an average age of 54 years. The age of the well-constructed buildings means they require ongoing updates, renovation and replacement of systems.

Debt Administration

As of June 30, 2023, long-term general obligation bonds totaled \$303,365,000. This is an increase of \$75,400,000 (new bond proceeds of \$90,000,000 less the \$14,600,000 bonds paid during the current year) from the prior fiscal year. The District has remaining bonded debt capacity of \$575,552,118 on June 30, 2023.

Significant Board Policies

The District has entered into agreements with the Parkway National Education Association and the Parkway Registered Nurses' Association. 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 2023-2024, 2024-2025, and 2025-2026. The Parkway Registered Nurses' Agreement covers 2021-2022, 2022-2023, and 2023-2024.

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 .75% every three year period.

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 of Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. 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.

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 Annual Comprehensive 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.

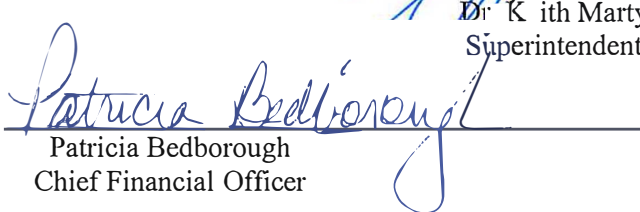
We would also like to express our appreciation to the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectively submitted,

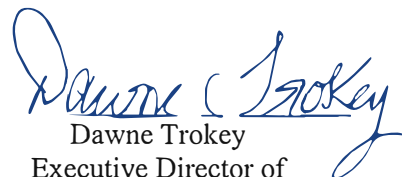
PARKWAY C-2 SCHOOL DISTRICT



Dr. Keith Marty
Superintendent



Patricia Bedborough
Chief Financial Officer



Dawne Trokey
Executive Director of
Finance

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2023**

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

BOARD OF EDUCATION

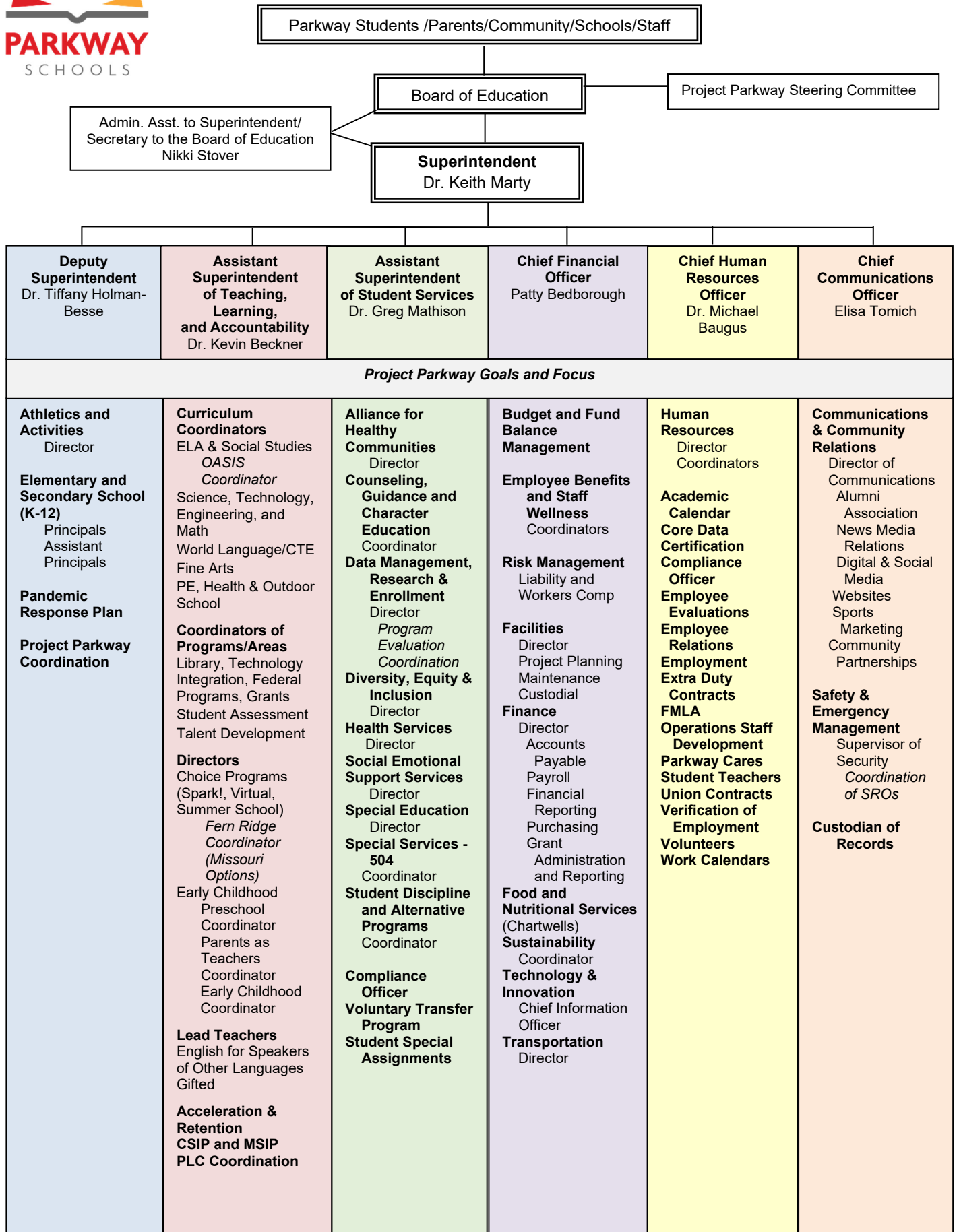
Jeff Todd	President
Deborah Hopper	Vice-President
Tiffany Mapp Franklin	Director
Robert Riti	Director
Matthew Schindler	Director
Jeffrey Spector	Director
Kevin Seltzer	Director

GENERAL ADMINISTRATION

Dr. Keith Marty	Superintendent
Dr. Tiffany Holman-Besse	Deputy Superintendent
Dr. Kevin Beckner	Assistant Superintendent, Teaching, Learning and Accountability
Dr. Greg Mathison	Assistant Superintendent, Student Services
Elisa Tomich	Chief Communications Officer
Michael Baugus	Chief Human Resources Officer

FINANCIAL ADMINISTRATION

Patty Bedborough	Chief Financial Officer
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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Parkway C-2 School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a large, flowing 'J'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a large, flowing 'S'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**

FINANCIAL SECTION

Independent Auditors' Report

Board of Education
Parkway C-2 School District

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2023, and the related notes to the financial statements, which collectively comprise Parkway C-2 School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Parkway C-2 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Parkway C-2 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parkway C-2 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Parkway C-2 School District's ability to continue as a going concern for a reasonable period of time.

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

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 is the responsibility of management and, 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.

Supplementary 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 supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023 on our consideration of the 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Parkway C-2 School District's internal control over financial reporting and compliance.

Keiter, Eck & Braeckel LLP

St. Louis, Missouri
November 6, 2023

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

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, 2023. 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.

FINANCIAL HIGHLIGHTS

Key financial highlights for Fiscal Year 2022-2023 include the following:

- Net position increased by \$42,358,755 for the year ended June 30, 2023. The net increase was comprised of the following elements:

	<u>Increase / (Decrease)</u>
Invested in capital assets, net of related debt	\$ 42,180,869
Restricted for:	
Capital projects	(34,918,458)
Debt service	6,646,625
Certificated employees' compensation and benefits	7,927,162
Unrestricted	<u>20,522,557</u>
Net increase	<u>\$ 42,358,755</u>

The amount, "Net investment in capital assets, net of related debt" increased by \$42,180,869. The increase is due to 1) Existing long-term debt related to capital assets increasing to \$82,496,368 due to the new bond issuance less payments on outstanding debt. 2) Result of the cost of capital assets less net of accumulated depreciation decreasing by \$20,864,554 (additional capital assets of \$39,393,356 less depreciation and capital asset deletion of \$18,522,695). This was offset by unspent bond proceeds of \$103,931,290.

"Net position restricted for capital projects" decreased by \$34,918,458 because of funds received from the new sale of bonds less the funds that were used to pay current capital projects less unspent bond proceeds.

"Net position restricted for debt service" increased primarily as a result of dedicated debt revenues exceeding payments for non-crossover general obligation bonds.

"Net position restricted for certified employee compensation and benefits" increased due to higher revenue received from Prop C and local taxes leaving a higher fund balance.

"Unrestricted net position" increased \$20,522,557 due to an increase in operating revenues exceeding operating expenses by \$23,024,410. The increase was partially offset by a decrease in proprietary fund balance of \$1,635,479 and OPEB expense of \$626,845. Other changes in compensated absences, early retirement payable and postemployment benefits also led to the net change in unrestricted net position.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

FINANCIAL HIGHLIGHTS (continued)

- Total assets and deferred outflows increased by \$118,783,864 attributed to the following elements:

	<u>Increase / (Decrease)</u>
Cash and investments - restricted and unrestricted	\$ 92,004,762
Receivables	(3,518,972)
Prepaid expenses and inventory items	6,724,754
Capital assets, net of depreciation	20,864,554
Deferred OPEB outflows	(3,537,294)
Deferred pension outflows	6,246,060
	<hr/>
Net increase	\$ 118,783,864

The increase in cash and investments is a result of a few different elements. The biggest contributors to the increase were the \$98,614,955 million revenue received from the sale of bonds plus the premium for new capital projects in April 2023 and the higher interest rates on our bank and investment balances.

There was a net increase in capital assets of \$20,864,554. This is primarily made up of current year additions of \$39,393,356 mainly due to the new capital project activity noted above less \$18,522,695 in depreciation and less the capital assets deletion of \$6,107. The deferred pension outflows increased as a result of a rise in the net difference between expected and actual earnings on pension plan investments as well as changes in assumptions.

- Total liabilities and deferred inflows of resources increased by \$76,425,109 due to the following items:

	<u>Increase / (Decrease)</u>
Accounts payable, salaries and other payables	\$ (2,681,645)
Claims payable	(9,473)
Unearned revenues	12,145
Interest payable	(2,811)
Net pension liability	155,858,474
Other postemployment obligation	(6,929,063)
Liabilities due within one year	870,094
Liabilities due in more than one year	81,197,761
Pension deferrals	(154,655,297)
OPEB deferrals	2,764,924
	<hr/>
Net increase	\$ 76,425,109

FINANCIAL HIGHLIGHTS (continued)

The largest portion of the increase is due to the rise in net pension liability. This liability is determined by the Public School Retirement System of Missouri of which the District shares approximate 2.5% of the total system liability. Deferred outflows related to pension deferrals decreased primarily as a result of differences between expected and actual experience. The changes are detailed in Note F in the notes to the financial statements.

Other financial highlights are as follows:

- The largest source of revenue for the District continues to be locally assessed property taxes. In Fiscal Year 2022-2023, the assessed valuation increased \$183,153,890 (3.32%) to \$5,702,166,620 from the prior year. The collection rate, on a full accrual basis of accounting, decreased to 97.5% from 97.9% in the prior year. The collection rate is slightly higher than our historic collection of around 97.0%. The collection rate decrease was expected as there were more protested tax settlement dragging down the collection rate. Total property tax revenue received amounted to \$223,260,416.
- 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 \$10,611,725 in general revenues which is a decrease from prior year of \$1,264,451. The decrease was primarily a result of reduced financial institution taxes.
- 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 2022-2023 was \$561.81. Actual formula funding received was \$9,146,499 or \$121,131 less than the prior year.
- Total interest income generated in Fiscal Year 2022-2023 was \$7,859,394 or \$7,516,783 higher than prior year. Interest income was higher as a result of higher interest rates available in our depositor accounts and in investment options. In Fiscal Year 2023-2024, the District is projecting lower interest income as a result of spending down the bond funds giving the district less to invest.
- Prop C (School District Trust Fund) is another large source of revenue for the district. Prop C revenue increase by \$827,362 for Fiscal Year 2022-2023.

FINANCIAL HIGHLIGHTS (concluded)

Charges for services are considered program revenue. Below is a breakdown of these revenues:

- The total increase in charges for services program revenue was increased by \$5,752,837 from the prior year.
- 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 \$5,734,943 in tuition revenue from this source, which is a decrease of \$910,796 from the prior year. This revenue source is projected to continue to decrease due to the program reducing new entrants.
- The child nutrition program also was a large contributor to this revenue category. Fees charged for the nutrition program accounted for \$3,542,580 in local revenue, an increase of \$3,216,211 from the prior year. Post pandemic, the District saw federal funding decrease by \$3,671,942 from prior year and local revenue funding increase. This is due to the removal of the pandemic program which offered free of charge meals to all students with federal reimbursement for these meals. Now the District will receive local funds from parents paying for meals and federal funding for those students who qualify for the free and reduced program.
- Another large source of program revenues includes student activity receipts of \$3,629,453. That was an increase of \$500,768. This increase is promising in that it is a sign of continued participation in student activities post pandemic.
- Transportation reimbursements from other districts and the Special School District increased by \$2,602,575. The McKinney-Vento transportation reimbursements from other districts increased by \$805,554 and Special School District reimbursements increased by \$1,795,021.
- Grants and contributions account for \$16,548,366 in program revenues. This is a decrease from the prior year of \$5,767,255. An explanation of this decrease is as follows:
 - The decrease in federal child nutrition funds due to the shift between local and federal child nutrition revenue discussed above.
 - The decrease in federal ESSER II and ESSER III revenue reimbursement. The district completed the spend and revenue reimbursement on ESSER II in Fiscal Year 2021-2022 which made up a big part of the \$6,114,717 decrease in revenue received through ESSER funds in Fiscal Year 2022-2023.
 - The increase in adult education and literacy program \$1,357,763. This is an increase from the prior year of \$63,011.
 - The decrease in federally funded Title programs, \$1,581,484. This is a decrease from the prior year of \$249,616.
 - Transportation state funding is an exciting addition to the list of large funding sources. For the first time since the 1990's, the state has fully funded transportation (75% of allowed transportation expenditures equal fully funded). This resulted in \$4,942,384 being received in Fiscal Year 2022-2023 which is an increase of \$3,384,301 from the prior year.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

The District uses the Annual Comprehensive Financial Report (ACFR) 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 and liabilities 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 major funds 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.

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.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

THE DISTRICT AS A WHOLE (continued)

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 18, the cost of the District's governmental activities for the year ended June 30, 2023 was \$229,344,489. 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 \$16,548,366 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, contributed \$21,763,549 towards these programs. The remaining amount was financed primarily by the taxpayers of the District through ad valorem, and property tax revenue totaling \$254,697,351. Investment earnings contributed \$7,859,394. State aid and unrestricted grants and contributions accounted for \$9,146,499. 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

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, 2023 to June 30, 2022.

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

	2023		2022	
	Total cost of services	Net cost of services	Total cost of services	Net cost of services
Instructional programs	\$ 140.724	\$ 127.827	\$ 128.754	\$ 109.752
Student activities	3.951	0.322	3.232	0.103
Attendance	0.601	0.601	0.476	0.476
Guidance	10.530	10.530	9.485	9.485
Health Services	2.851	2.745	2.705	2.639
Improvements of instruction	7.430	7.430	4.583	4.583
Media services	4.935	4.935	4.314	4.314
Board of Education	0.491	0.491	0.287	0.287
Executive Administration	2.500	2.500	2.295	2.295
Building level administration	17.700	17.700	15.474	15.474
Business and central services	13.048	13.048	10.668	10.668
Operation of plant	27.221	27.183	26.111	25.569
Security services	1.402	1.402	1.169	1.169
Pupil transportation	12.685	3.548	10.388	7.238
Food services	7.142	(0.264)	6.642	(1.191)
Adult education	2.069	0.712	1.868	0.573
Community services	5.279	1.538	4.236	0.927
Debt services	7.098	7.098	6.755	6.755
Total	<u>\$ 267.657</u>	<u>\$ 229.346</u>	<u>\$ 239.442</u>	<u>\$ 201.116</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

THE DISTRICT AS A WHOLE (continued)

Governmental Activities (continued)

Table II compares the District's Net Position as of June 30, 2023 to June 30, 2022.

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

	<u>2023</u>	<u>2022</u>
Assets		
Current and other assets	\$ 286.124	\$ 190.914
Capital assets	<u>301.299</u>	<u>280.434</u>
Total assets	587.423	471.348
Deferred outflows of resources	86.105	83.397
Liabilities		
Other liabilities	\$ 21.766	\$ 24.448
Noncurrent liabilities	<u>568.536</u>	<u>337.538</u>
Total liabilities	590.302	361.986
Deferred inflow of resources	29.726	181.617
Net position		
Net investment in capital assets	82.559	40.378
Restricted	67.916	88.261
Unrestricted	<u>(96.975)</u>	<u>(117.497)</u>
Total net position	<u>\$ 53.500</u>	<u>\$ 11.142</u>

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

THE DISTRICT AS A WHOLE (concluded)

Governmental Activities (concluded)

Table III compares the Changes in Net Position for Fiscal Year ended June 30, 2023 to June 30, 2022.

Table III Changes in Net Position for Government-Wide Activities (in millions) Year ended June 30,		
	<u>2023</u>	<u>2022</u>
Program revenues		
Charges for services	\$ 21.764	\$ 16.011
Operating grants and contributions	16.548	22.316
General revenue		
Property taxes and other county taxes	234.043	229.044
Sales taxes	20.654	19.827
State aid	9.146	9.268
Investment earnings	<u>7.859</u>	<u>0.343</u>
Total revenue	<u>310.015</u>	<u>296.809</u>
Program expenses		
Instructional programs	\$ 140.724	\$ 128.754
Student activities	3.951	3.232
Attendance	0.601	0.476
Guidance	10.530	9.485
Health Services	2.851	2.705
Improvements of instruction	7.430	4.583
Media services	4.935	4.314
Board of Education	0.491	0.287
Executive Administration	2.500	2.295
Building level administration	17.700	15.474
Business and central services	13.048	10.668
Operation of plant	27.221	26.111
Security services	1.402	1.169
Pupil transportation	12.685	10.388
Food services	7.142	6.642
Adult education	2.069	1.868
Community services	5.279	4.236
Debt services	<u>7.098</u>	<u>6.755</u>
Total Expense	<u>267.657</u>	<u>239.442</u>
Increase (decrease) in net assets	<u>\$ 42.358</u>	<u>\$ 57.367</u>
Ending net position	<u>\$ 53.500</u>	<u>\$ 11.142</u>

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

District Funds

Total sources of revenue and other financing sources for all governmental funds were \$408,643,449 while District expenditures were \$309,118,453. As the District completed its Fiscal Year ended June 30, 2023, the governmental fund balance was \$255,524,671 as compared to \$155,999,675 on June 30, 2022. The increase was a result of operating funds (General and Special Revenue Fund) performing better than budgeted due to federal grant revenues and high performing local revenues and the \$98,614,955 received from the sale of bonds plus the bonds proceeds.

The General Fund actual revenues were higher than budget by \$5,528,528 or 5.39%. Total actual expenditures for the General Fund were below the revised budget estimates by \$7,526,727 or 8.13%. The fund balance of \$81,083,334 is \$16,337,171 higher than the prior year. While the District plans to grow operating fund balances every year, this year's increase was also a result of lowered expenditures. Those expenditures were lower in salaries due to turnover and unfilled positions.

The Special Revenue Fund actual revenues were over the revised budget by \$1,724,984. Total actual expenditures for the Special Revenue Fund were under revised projections by \$1,867,176. The fund balance of \$24,991,867 is \$7,927,162 higher 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 fund balances as a percent of expenditures grew to 43.37%, an increase of 9.91%. The District policy calls for growth in operating funds of at least .75% over three years.

The Debt Service Fund actual revenues and other sources of \$29,070,275 and expenditures of \$22,426,460 resulted in an increase in the fund balance of \$6,643,814. The debt service schedule for bond payments will lead to the debt service fund increasing in some years and lowering in other years. The increase in Fiscal Year 2022-2023 was a result of higher revenues based on an increase in assessed valuation.

The Capital Projects Fund actual revenues and other financing sources were \$110,744,667 (which includes the transfer from the general fund of \$6,700,576) while expenditures were \$42,127,819, increasing the fund balance by \$68,616,849. The increase is a result of funds received from sale of bonds less capital spending related to a bond issue and a transfer of \$6,700,576 from general to capital projects. We expect this fund balance to decrease any year there is no bond issuance.

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 at least 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

BUDGETING HIGHLIGHTS (continued)

year. The original budget for the School District was adopted June 15, 2022 with amendments being approved on November 16, 2022 and April 19, 2023.

Statements showing the District's original and final budget compared with the actual operating results of the District are provided in this Annual Comprehensive Financial Report (ACFR) on pages 55, 56, 61, and 62. 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, \$21,458,326 was added to the expenditure budgets within the General, Special Revenue, Debt Service and Capital Projects Funds. This increase was made as a result of unspent funds from the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2023, the District had \$634,510,469 invested in land, buildings, furniture, equipment, vehicles, buses and construction projects in process. Of this amount, \$333,211,424 has been taken in depreciation. The District currently has a net book value of \$301,299,045 or 47.49% 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 \$39,393,356 of capital assets were capitalized while \$462,607 were deleted or retired. Depreciation for the year ended June 30, 2023 was \$18,522,695. Accumulated depreciation on the retired assets was \$456,500, making the total net increase in capital assets \$20,870,661 and the total net increase of deleted or retired assets \$6,107.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Table IV
Capital Assets
June 30,

	2023	2022
Land and land improvements	\$ 44,774,324	\$ 40,599,063
Buildings and building improvements	491,365,089	476,224,562
Vehicles and equipment	36,848,402	29,996,978
Construction in progress	61,522,654	48,759,117
Totals	<u>\$ 634,510,469</u>	<u>\$ 595,579,720</u>

Debt Administration

On June 30, 2023, the District had \$303,365,000 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. More detailed information on capital assets and debt administration can be found in notes D and E of the notes to the basic financial statements beginning on pages 37 and 38, respectively.

Table V
Outstanding Debt
June 30,

	2023	2022
General obligation bonds		
Series 2023	\$ 90,000,000	\$ -
Series 2020	50,340,000	53,000,000
Series 2019	51,250,000	51,950,000
Series 2017	-	1,840,000
Series 2016	44,000,000	44,000,000
Series 2015A	14,680,000	21,080,000
Series 2015B	50,000,000	50,000,000
Series 2011	3,095,000	6,095,000
Total	<u>\$ 303,365,000</u>	<u>\$ 227,965,000</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The operating budget (which excludes debt service and bond issue) presented to the Board of Education for approval for Fiscal Year 2023-2024 includes operating revenues of \$272,877,126, operating expenditures of \$259,294,022 and a transfer to capital projects of \$8,000,000. The result is an anticipated operating fund balance gain for Fiscal Year 2023-2024 of \$5,583,104.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

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 through 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. The District fund balance policy also requires growth in the operating fund balance of .75% every three year period. This requirement is planned growth in the fund balance in order to eliminate the need for short-term borrowing in the future. In addition to emergency funding for facilities, there is also a need to continuously update our bus fleet. The District has been making transfer to the capital projects fund for these purchases as well levying a property tax in the capital projects fund.

The District's largest source of revenue is property taxes and there is uncertainty related to the collection rate and assessed valuations in future years. Reassessment occurs in odd calendar years in Missouri. Local food service revenues are parent funded and federally sourced for those that are part of the free and reduced program. The ESSER III grant will be ending in the 2023-2024 budget year. The remaining spend on this grant is \$3,081,251. The District is structuring the expenditures of one time federal grant revenue in a way that minimizes on-going expenditures. Those steps are being taken to avoid a 'fiscal cliff' when the revenues are no longer available.

The District's largest expense is salaries and that is followed by benefits. Salary and benefits account for over 84.5% of the District operating expenditures. Most of those expenses are directly tied to enrollment which is remaining fairly static.

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

Dawne Trokey
Executive Director of Finance

Parkway C-2 School District
STATEMENT OF NET POSITION
June 30, 2023

	Governmental activities
ASSETS	
Cash and investments	\$ 163,075,792
Restricted cash and investments	103,931,290
Other receivables	
Local	2,615,159
State	4,293,537
Federal	862,755
Prepaid items	5,038,279
Inventories	6,307,506
Land	3,457,837
Construction in progress	61,522,654
Depreciable capital assets, net of accumulated depreciation	236,318,554
Total assets	<u>587,423,363</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred OPEB related outflows	11,191,413
Deferred pension related outflows	74,914,076
Total deferred outflows of resources	<u>86,105,489</u>
LIABILITIES	
Accounts payable	5,605,341
Salaries payable	8,498,427
Medical and dental benefits payable	2,625,268
Unearned revenue	2,442,777
Interest payable	2,593,953
Noncurrent liabilities	
Due within one year	17,360,964
Due in more than one year	306,772,582
Net pension liability	213,700,595
OPEB liability	30,702,245
Total liabilities	<u>590,302,152</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred pension related inflows	13,079,247
Deferred OPEB related inflows	16,646,932
Total deferred inflows of resources	<u>29,726,179</u>
NET POSITION	
Net investment in capital assets	82,559,146
Restricted for:	
Capital projects	21,926,055
Debt service	20,998,172
Certificated employees' compensation and benefits	24,991,867
Unrestricted	<u>(96,974,719)</u>
Total net position	<u>\$ 53,500,521</u>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF ACTIVITIES
June 30, 2023

Function/Program	Expenses	Program revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	
					Total Governmental activities
Governmental activities					
Instruction	\$ 140,723,976	\$ 7,411,819	\$ 5,484,420	\$ -	\$ (127,827,737)
Student activities	3,951,466	3,629,453	-	-	(322,013)
Attendance	600,592	-	-	-	(600,592)
Guidance	10,530,102	-	-	-	(10,530,102)
Health services	2,850,997	-	106,120	-	(2,744,877)
Improvement of instruction	7,429,852	-	-	-	(7,429,852)
Media services	4,934,623	-	-	-	(4,934,623)
Board of Education services	491,138	-	-	-	(491,138)
Executive administration	2,500,312	-	-	-	(2,500,312)
Building level administration	17,699,795	-	-	-	(17,699,795)
Business and central services	13,047,877	-	-	-	(13,047,877)
Operation of plant	27,221,487	38,205	-	-	(27,183,282)
Security services	1,402,350	-	-	-	(1,402,350)
Pupil transportation	12,962,776	4,194,774	4,942,384	-	(3,825,618)
Food services	7,142,219	3,542,580	3,863,175	-	263,536
Adult basic education	2,069,410	-	1,357,763	-	(711,647)
Community services	5,279,240	2,946,718	794,504	-	(1,538,018)
Debt service					
Interest and other expenses	6,818,192	-	-	-	(6,818,192)
Total governmental activities	\$ 267,656,404	\$ 21,763,549	\$ 16,548,366	\$ -	(229,344,489)
General revenues					
Taxes					
Property and all other Ad Valorem taxes					234,043,468
Sales taxes					20,653,883
State aid					9,146,499
Investment earnings					7,859,394
Total general revenues					271,703,244
CHANGE IN NET POSITION					42,358,755
Net position at July 1, 2022					11,141,766
Net position at June 30, 2023					\$ 53,500,521

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
BALANCE SHEET
June 30, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 79,237,686	\$ 19,732,045	\$ 23,389,414	\$ 24,686,863	\$ 147,046,008
Restricted cash and investments	-	-	-	103,931,290	103,931,290
Other receivables					
Local	1,730,892	517,480	202,711	164,076	2,615,159
State	-	4,293,537	-	-	4,293,537
Federal	413,656	449,099	-	-	862,755
Prepaid items	5,038,279	-	-	-	5,038,279
Inventories	6,307,506	-	-	-	6,307,506
Total assets	\$ 92,728,019	\$ 24,992,161	\$ 23,592,125	\$ 128,782,229	\$ 270,094,534
LIABILITIES					
Accounts payable	\$ 2,494,044	\$ 294	\$ -	\$ 2,924,884	\$ 5,419,222
Salaries payable	8,498,427	-	-	-	8,498,427
Unearned revenue	652,214	-	-	-	652,214
Total liabilities	11,644,685	294	-	2,924,884	14,569,863
FUND BALANCES					
Non-spendable					
Prepaid items	5,038,279	-	-	-	5,038,279
Inventory	6,307,506	-	-	-	6,307,506
Restricted					
Teachers' salaries and benefits	-	24,991,867	-	-	24,991,867
Debt service	-	-	23,592,125	790,507	24,382,632
Capital projects	-	-	-	95,508,893	95,508,893
Assigned					
Other capital projects	-	-	-	29,557,945	29,557,945
Student activities	798,501	-	-	-	798,501
Unassigned	68,939,048	-	-	-	68,939,048
Total fund balances	81,083,334	24,991,867	23,592,125	125,857,345	255,524,671
Total liabilities and fund balances	\$ 92,728,019	\$ 24,992,161	\$ 23,592,125	\$ 128,782,229	\$ 270,094,534

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, 2023

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

Total fund balance - governmental funds	\$	255,524,671
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$634,510,469 and the accumulated depreciation is \$333,211,424		301,299,045
To recognize interest accrued on general obligation bonds and obligations under capital leases		(2,593,953)
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 statement of net position		11,427,834
Certain deferred outflows and inflows represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the governmental funds.		
Deferred pension outflows		74,914,076
Deferred OPEB related outflows		11,191,413
Deferred pension inflows		(13,079,247)
Deferred OPEB related inflows		(16,646,932)
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, net	(322,552,582)	
Share of state net pension obligation	(213,700,595)	
Compensated absences	(1,462,357)	
OPEB obligation	(30,702,245)	
Lease obligation	(118,607)	(568,536,386)
		<hr/>
	\$	53,500,521
Total net position - governmental activities		

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, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Local	\$ 81,629,072	\$ 149,689,658	\$ 27,362,327	\$ 3,758,826	\$ 262,439,883
County	1,271,986	2,533,559	754,399	96,678	4,656,622
State	6,032,396	9,753,794	-	-	15,786,190
Federal	8,549,660	1,359,013	-	-	9,908,673
Interest	4,920,254	411,959	953,549	1,573,632	7,859,394
Other - student activities	3,629,453	-	-	-	3,629,453
VICC - cost reimbursement	2,007,229	3,727,713	-	-	5,734,942
Total revenues	108,040,050	167,475,696	29,070,275	5,429,136	310,015,157
Expenditures					
Current					
Instruction	9,862,478	124,191,322	-	1,357,130	135,410,930
Student activities	2,830,952	757,554	-	183,163	3,771,669
Attendance	411,469	186,186	-	13,084	610,739
Guidance	1,478,664	9,229,347	-	-	10,708,011
Health services	2,735,828	148,444	-	14,893	2,899,165
Improvement of instruction	1,463,208	5,956,297	-	6,480	7,425,985
Media services	741,581	4,264,112	-	9,320	5,015,013
Board of Education services	491,138	-	-	-	491,138
Executive administration	1,599,827	808,076	-	6,134	2,414,037
Building level administration	6,289,949	11,492,603	-	167,785	17,950,337
Business and central services	10,102,408	420,114	-	2,034,426	12,556,948
Operation of plant	22,725,655	-	-	2,544,792	25,270,447
Security services	1,419,936	-	-	6,108	1,426,044
Pupil transportation	10,990,438	-	-	1,131,803	12,122,241
Food services	6,646,761	-	-	286,528	6,933,289
Adult basic education	2,054,233	43,846	-	6,295	2,104,374
Community services	3,171,115	2,050,633	-	70,619	5,292,367
Capital outlay	-	-	-	33,498,752	33,498,752
Debt service					
Principal retirement	-	-	14,600,000	277,376	14,877,376
Interest	-	-	7,824,306	7,043	7,831,349
Other	-	-	2,154	506,088	508,242
Total expenditures	85,015,640	159,548,534	22,426,460	42,127,819	309,118,453
Excess of revenues over (under) expenditures	23,024,410	7,927,162	6,643,815	(36,698,683)	896,704
Other financing sources (uses)					
Transfers	(6,700,576)	-	-	6,700,576	-
Sale of general obligation bonds	-	-	-	90,000,000	90,000,000
Premium on issuance of bonds	-	-	-	8,614,955	8,614,955
Proceeds from sale of other property	13,337	-	-	-	13,337
Total other financing sources (uses)	(6,687,239)	-	-	105,315,531	98,628,292
NET CHANGE IN FUND BALANCE	16,337,171	7,927,162	6,643,814	68,616,849	99,524,996
Fund balances at July 1, 2022	64,746,163	17,064,705	16,948,311	57,240,496	155,999,675
Fund balances at June 30, 2023	\$ 81,083,334	\$ 24,991,867	\$ 23,592,125	\$ 125,857,345	\$ 255,524,671

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, 2023

Net change in fund balances - total governmental funds \$ 99,524,996

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:

Capital asset purchases	39,393,356	
Depreciation expense	(18,522,695)	
		20,870,661

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 premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The net effect of these differences in the treatment of debt and related items is as follows:

Proceeds from bond issue	(90,000,000)	
Repayment of bond principal	14,600,000	
Repayment of lease obligation	277,376	
Bond issuance premium	(8,614,955)	
Amortization on bond premium	1,518,587	
Total		(82,218,992)

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:

Increase in compensated absences	151,137
Net decrease in accrued interest	2,812
Pension expense	5,042,882
OPEB expense	626,845

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.

(1,635,479)

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.

Net book value of capital assets disposed	(6,107)
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Change in net position of governmental activities \$ 42,358,755

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2023

	Governmental Activities - Internal Service Fund
CURRENT ASSETS	
Cash	\$ 16,029,784
CURRENT LIABILITIES	
Medical and dental benefits payable	2,625,268
Accounts payable	186,119
Unearned revenue	1,790,563
Total liabilities	<u>4,601,950</u>
NET POSITION	
Unrestricted	<u>\$ 11,427,834</u>

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, 2023

	Governmental Activities - Internal Service Fund
Operating revenues	
Contributions by employees	\$ 8,091,965
Contributions by employer	23,911,338
Other income	3,802,103
Total operating revenues	<u>35,805,406</u>
Operating expenses	
Claims	33,897,581
Excess loss insurance	814,181
Administrative	1,443,467
Other	1,285,656
Total operating expenses	<u>37,440,885</u>
CHANGE IN NET POSITION	(1,635,479)
Net position at July 1, 2022	<u>13,063,313</u>
Net position at June 30, 2023	<u><u>\$ 11,427,834</u></u>

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, 2023

	Governmental Activities - Internal Service Fund
	<hr/>
Cash flows from operating activities	
Cash received from employee contributions	\$ 8,073,540
Cash received from employer contributions	23,877,542
Cash received from insurance	3,802,103
Cash payments to suppliers for claims and services	<hr/> (37,264,238)
 NET CASH USED IN OPERATING ACTIVITIES AND DECREASE IN CASH	 (1,511,053)
 Cash at July 1, 2022	 <hr/> 17,540,837
 Cash at June 30, 2023	 <hr/> <hr/> \$ 16,029,784
 Reconciliation of operating income to net cash used in operating activities	
Change in net assets	\$ (1,635,479)
Change in accounts payable	186,120
Change in medical and dental benefits payable	(9,473)
Change in unearned revenue	<hr/> (52,221)
 Net cash used in operating activities	 <hr/> <hr/> \$ (1,511,053)

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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.

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.

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:

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,

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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 teachers' 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.

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 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.

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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.

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.

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.

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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.

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. The one exception is revenues collected for expenditure-driven grants utilize a ninety-day collection period.

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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.

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.

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 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 2022 and 2021 for purposes of local taxation were \$5,702,166,620 and \$5,519,012,730, respectively.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2022 and 2021 for purposes of local taxation were:

	December 31,	
	<u>2022</u>	<u>2021</u>
General Fund	\$ 1.2065	\$ 1.2092
Special Revenue Fund	2.2406	2.2457
Debt Service Fund	0.4900	0.4900
Capital Projects Fund	0.0610	0.0583
	<hr/>	
Total	\$ 3.9981	\$ 4.0032
	<hr/>	

The receipts of current property taxes during the fiscal year ended June 30, 2023, aggregated approximately 97.5% of the current assessment computed on the basis of the levy as shown above.

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which is managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained. The 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 commercial paper or other short-term obligations of the United States.

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

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.

Restricted Cash and Investments

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023, 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.

Inventory

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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

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) net of accumulated depreciation and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition 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.

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

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 District reported two deferred outflows of resources in this year's financial statements. The two are deferred outflows of resources for contributions made to the District's defined benefit pension plans and the OPEB plan between the measurement date of the net liabilities from those plans and the end of the District's fiscal year. Additionally, the net difference between expected and actual experience and changes in assumptions in the plans are required to be reported as deferred outflows of resources. No deferred outflows of resources affect the governmental funds financial statements in the current year.

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.

Accrued Liabilities, Early Retirement, and Long-Term Obligations

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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

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.

Deferred Inflows of Resources

The District's statements 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 that applies to a future period(s). Additionally, the net difference between expected and actual experience and changes in assumptions in the plans are required to be reported as deferred inflows of resources. Deferred inflows of resources are reported in the District's statement of net position for actual pension plan investment earnings in excess of the projected amounts included in determining pension expense and changes in assumptions for the OPEB plan. This deferred inflow of resources is attributed to pension and OPEB 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.

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.

Operating Revenues and Expenses

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
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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 and insurance proceeds. 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.

Interfund Activity

Interfund transfers are reported as other financing sources (uses) in governmental funds. The District transferred \$6,700,576 to the Capital Projects Fund from the General Fund during year ended June 30, 2023. The purpose of the transfer is to build the capital projects fund balance in order to fund future capital needs such as new buses.

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.

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2023, the carrying amount of the deposits under District control was \$263,522,010 (which includes the restricted cash of \$103,931,290) and the bank balance was \$267,579,945. 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, 2023, the District had the following investments and maturities (which includes restricted investments of \$20,000,000).

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Type	Fair Value	Investment Maturities	
		0 to 1 year	1 to 3 years
External investment pools -MOSIP	\$ 8,551	\$ 8,551	\$ -
Commercial Paper	<u>3,470,742</u>	<u>3,470,742</u>	<u>-</u>
	<u>\$ 3,479,293</u>	<u>\$ 3,479,293</u>	<u>\$ -</u>

Investments in external investment pools are stated at amortized cost, which approximates fair value. A separate financial report for the MOSIP external investment pool program can be obtained from PFM Asset Management LLC, 77 West Port Plaza Drive, Suite 220, St. Louis, Missouri 63146. The MOSIP program is exempt from regulatory oversight as it is a local Government Investment Pool.

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.

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 MOSIP is rated AAAM and the District's investments in commercial paper was rated P1 by Moody's Investors Service.

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. Concentration of credit risk is required to be disclosed by the District for any single investment that represents 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, 2023, the District had no concentrations of credit risk required to be disclosed.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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, 2023, the District had no concentrations of credit risk required to be disclosed.

Summary

The cash deposits and investments are summarized and presented in the financial statements as follows as of June 30, 2023:

Cash on hand	\$ 3,878
Carrying amount of deposits	263,523,911
Investments	<u>3,479,293</u>
	<u>\$ 267,007,082</u>
Cash and investments - governmental funds	\$ 147,046,008
Restricted cash and investments - governmental funds	103,931,290
Cash - proprietary funds	<u>16,029,784</u>
Total reporting entity	<u>\$ 267,007,082</u>

The District has funds invested in MOSIP. 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

Taxes receivable are as follows at June 30, 2023:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Property taxes	\$ 233,690	\$ 433,987	\$ 97,841	\$ 11,815	\$ 777,333

There were no allowances for uncollectible receivables at June 30, 2023.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE D | CAPITAL ASSETS

The following is a summary of changes occurring in capital assets for the year ended June 30, 2023:

	Balance July 1, 2022	Transfers	Additions	Deletions	Balance June 30, 2023
Governmental activities					
Capital assets that are not depreciated					
Land	\$ 3,457,837	\$ -	\$ -	\$ -	\$ 3,457,837
Construction in progress	48,759,117	(24,520,934)	37,284,471	-	61,522,654
Capital assets that are depreciated					
Land improvements	37,141,226	4,175,261	-	-	41,316,487
Buildings	173,090,992	-	-	-	173,090,992
Building improvements	303,133,570	15,134,485	6,042	-	318,274,097
Vehicles and equipment	25,510,378	5,211,188	2,102,843	462,607	32,361,802
Right-to-use assets being amortized					
Vehicles and equipment	4,486,600	-	-	-	4,486,600
Totals at estimated historical cost	595,579,720	-	39,393,356	462,607	634,510,469
Accumulated depreciation					
Land improvements	19,765,618	-	1,644,965	-	21,410,583
Buildings	119,451,270	-	1,124,476	-	120,575,746
Building improvements	155,223,187	-	13,236,553	-	168,459,740
Vehicles and equipment	20,705,154	-	2,516,701	456,500	22,765,355
Total accumulated depreciation	315,145,229	-	18,522,695	456,500	333,211,424
Governmental activities capital assets, net	\$ 280,434,491	\$ -	\$ 20,870,661	\$ 6,107	\$ 301,299,045

Depreciation was charged to functions of the District at follows:

Instruction	\$ 7,562,825
Student activities	242,462
Improvement of instruction	138,037
Media Services	2,930
Admin Technology	114,936
Building level administration	47,695
Business services	700,212
Operation of plant	8,272,732
Transportation	1,041,939
Food service	324,124
Community services	74,803
	<u>\$ 18,522,695</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE E | CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes occurring in long-term liabilities for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts due within one year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 227,965,000	\$ 90,000,000	\$ (14,600,000)	\$ 303,365,000	\$ 15,780,000
Deferred amounts for issuance premium	12,091,214	8,614,955	(1,518,587)	19,187,582	-
Total bonds payable, net	240,056,214	98,614,955	(16,118,587)	322,552,582	15,780,000
Lease payable	395,983	-	(277,376)	118,607	118,607
Compensated absences	1,613,494	1,462,357	(1,613,494)	1,462,357	1,462,357
Total governmental activity long-term liabilities	\$ 242,065,691	\$ 100,077,312	\$ (18,009,457)	\$ 324,133,546	\$ 17,360,964

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 compensated absences will be liquidated by the fund in which the employee's salary was charged.

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, 2023:

Date Issued	Maturity Date	Rate of Interest	Original Issue Amount	Balance at June 30, 2023
9/21/11	3/1/2024	2.00% - 4.00%	\$ 27,120,000	\$ 3,095,000
3/4/15	3/1/2025	1.50% - 5.00%	27,080,000	14,680,000
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
4/9/19	3/1/2039	3.00% - 5.00%	55,000,000	51,250,000
10/20/20	3/1/2040	1.250% - 5.00%	55,000,000	50,340,000
4/19/23	3/1/2043	4.000% - 5.250%	90,000,000	90,000,000
			<u>\$ 348,200,000</u>	<u>\$ 303,365,000</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

The annual requirements to amortize bonded debt outstanding as of June 30, 2023, are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 15,780,000	\$ 11,386,606	\$ 27,166,606
2025	15,435,000	10,631,056	26,066,056
2026	9,910,000	10,032,907	19,942,907
2027	11,055,000	9,537,407	20,592,407
2028	11,835,000	8,862,282	20,697,282
2029-2033	72,315,000	36,671,056	108,986,056
2034-2038	98,770,000	22,371,481	121,141,481
2039-2043	68,265,000	4,936,588	73,201,588
	<u>\$ 303,365,000</u>	<u>\$ 114,429,383</u>	<u>\$ 417,794,383</u>

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 using assessed valuation of \$5,702,166,620 excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2023, was:

Constitutional debt limit	\$ 855,324,993
General obligation bonds payable	(303,365,000)
Amount available in Debt Service Fund	<u>23,592,125</u>
Legal debt margin	<u>\$ 575,552,118</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Lease Payable

The District leases certain equipment under agreements classified as capital leases. The cost for such equipment as of June 30, 2023 was \$4,486,600 and the accumulated depreciation was \$4,366,259.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of June 30, 2023.

Year ending June 30,	
2024	\$ 119,928
Less amount representing interest	<u>1,321</u>
Present value of future minimum lease payments	<u>\$ 118,607</u>

NOTE F | 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.

The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

The Public Education Employee Retirement System (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 the

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

System 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. 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.

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 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.

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at www.psrs-peers.org.

Cost-of-Living Adjustments ("COLA")

If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted. If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. 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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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 2021, 2022 and 2023. 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.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2021, 2022, and 2023. 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 \$19,212,776 and \$2,532,673 respectively, for the year ended June 30, 2023.

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

At June 30, 2023, the District recorded a liability of \$196,982,474 for its proportionate share of PSRS' net pension liability and \$16,718,121 for its proportionate share of PEERS' net pension liability. In total, the District recorded net pension liabilities of \$213,700,595. The net pension liability for the plans in total was measured as of June 30, 2022 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 \$19,452,316 and \$2,649,126, respectively, for the year ended June 30, 2022, relative to the actual contributions of \$763,765,597 for PSRS and \$133,912,935 for PEERS from all participating employers. At June 30, 2022, the District's proportionate share was 2.5469% for PSRS and 1.9782% for PEERS.

For the year ended June 30, 2023, the District recognized pension expense (income) of (\$15,159,222) for PSRS and (\$1,551,902) for PEERS, its proportionate share of the total pension expense. Pension expense is the change in the net pension liability from the previous reporting period to the current reporting period, less adjustments. This may be a negative expense (pension income).

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

At June 30, 2023, 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	District Total
Differences between expected and actual experience	\$ 35,288,239	\$ 2,667,315	\$ 37,955,554
Changes in assumptions	12,854,898	624,952	13,479,850
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,733,223	-	1,733,223
Employer contributions subsequent to the measurement date	19,212,776	2,532,673	21,745,449
Total	<u>\$ 69,089,136</u>	<u>\$ 5,824,940</u>	<u>\$ 74,914,076</u>

At June 30, 2023, 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	District Total
Differences between expected and actual experience	\$ 2,899,582	\$ 17,737	\$ 2,917,319
Net difference between projected and actual earnings on pension plan investments	5,680,121	416,061	6,096,182
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,337,000	728,746	4,065,746
Total	<u>\$ 11,916,703</u>	<u>\$ 1,162,544</u>	<u>\$ 13,079,247</u>

Deferred outflows of resources to PSRS and PEERS resulting from contributions subsequent to the measurement date of June 30, 2022 will be recognized as a reduction to the net pension liability in the year ended June 30, 2024.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Other amounts reported as collective deferred (inflows)/outflows of resources are to be recognized annually in pension expense as follows for the year ending June 30,:

	PSRS	PEERS	District Total
2024	\$ 5,597,677	\$ 785,265	\$ 6,382,942
2025	783,842	240,385	1,024,227
2026	(5,703,023)	(1,494,109)	(7,197,132)
2027	34,698,573	2,598,181	37,296,754
2028	2,582,589	-	2,582,589
	<u>\$ 37,959,658</u>	<u>\$ 2,129,722</u>	<u>\$ 40,089,380</u>

Actuarial Assumptions

Actuarial valuations of the Systems involve assumptions about the probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. 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 and from Board policies concerning investments and COLAs. The most recent comprehensive experience studies were completed in May 2021. All economic and demographic assumptions were reviewed and certain assumptions were updated, where appropriate, based on the results of the studies and effective with the June 30, 2021 valuation. Significant actuarial assumption and methods are detailed below. For additional information please refer to the Systems' Annual Comprehensive Financial Report (ACFR). The next experience studies are scheduled for 2026.

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

Measurement Date – June 30, 2022

Valuation Date – June 30, 2022

Expected Return on Investments – 7.30% net of investment expenses and including 2.00% inflation.

Inflation – 2.00%

Total Payroll Growth PSRS – 2.25% per annum consisting of 2.00% inflation, 0.125% real wage growth due to the inclusion of health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity.

Total Payroll Growth PEERS – 2.50% per annum consisting of 2.00% inflation, 0.25% real wage growth due to the inclusion of health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Future Salary Increases PSRS – 2.625% - 8.875%, depending on service and including 2.00% inflation, 0.125% real wage growth due to the inclusion of health care costs in pension earnings, and 0.125% of real wage growth due to productivity, and real wage growth for merit.

Future Salary Increases PEERS – 3.25% - 9.75%, depending on service and including 2.00% inflation, 0.25% real wage growth due to the inclusion of health care costs in pension earnings, and 0.25% of real wage growth due to productivity, and real wage growth for merit.

Cost-of-Living Increases PSRS & PEERS – Given that the actual increase in the CPI-U index from June 2021 to June 2022 was 9.06%, the Board approved an actual cost-of-living adjustment (COLA) as of January 1, 2023 of 5.00%, in accordance with the Board's funding policy and Missouri statutes, compared to an assumed COLA of 2.00%. Future COLAs assumed in the valuation are 2.00% as of January 1, 2024 and 1.35% each January 1, thereafter. This COLA assumption is based on the 20-year stochastic analysis of inflation performed in the 2021 experience study, the application of the Board's COLA policy, and the short-term expectations of COLA due to recent CPI activity. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:

- If the June to June change in the CPI-U is less than 2% for consecutive one year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

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 members receive a COLA on the second January after retirement, while PEERS members receive a COLA on the fourth January after retirement.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Mortality Assumption

Actives PSRS - Experience-adjusted Pub-2010 Teachers Mortality Table for Employees with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.

Actives PEERS - Experience- adjusted Pub-2010 General (Below-Median Income) Mortality Table for employees with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based factors at all ages for both males and females.

Nondisabled Retirees, Beneficiaries and Survivors PSRS - Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 Teachers Mortality Table for Healthy Retirees and the Pub-2010 Teachers Mortality Table for Contingent Survivors, respectively. The tables are projected generationally using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females.

	Males	Females
Non-Disabled	1.10	1.04
Contingent Survivor	1.18	1.07

Nondisabled Retirees, Beneficiaries and Survivors PEERS - Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 General (Below-Median Income) Mortality Table for Healthy Retirees and the Pub-2010 General (Below-Median Income) Mortality Table for Contingent Survivors, respectively. The tables are projected generationally using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females.

	Males	Females
Non-Disabled	1.13	0.94
Contingent Survivor	1.01	1.07

Disabled Retirees PSRS- Experience-adjusted Pub-2010 Teacher Disability Mortality Table, projected generationally using the MP-2020 improvement scale. Experience adjustments are equal to the health retiree experience-based adjustment factors at all ages for both males and females.

Disabled Retirees PEERS- Experience-adjusted Pub-2010 General Disability Mortality Table projected generationally using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.

Changes in Actuarial Assumptions and Methods

An experience study was completed in May 2021 resulting in an updates to the actuarial assumptions for the June 30, 2021 valuation. There were no further updates to the actuarial assumptions and methods for the June 30, 2022 valuation.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Fiduciary Net Positions: The Systems issue a publicly available financial report that can be obtained at 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, 2022 are summarized below.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Return Arithmetic Basis</u>
U.S. Public Equity	23.00%	4.81%
Public Credit	0.00%	0.80%
Hedged Assets	6.00%	2.39%
Global Equity	16.00%	6.88%
U.S. Treasuries	15.00%	-0.02%
U.S. TIPS	0.00%	0.29%
Private Credit	8.00%	5.61%
Private Equity	21.00%	10.90%
Private Real Estate	11.00%	7.47%
Total	<u>100.00%</u>	

Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.3% as of June 30, 2022 and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return of 7.3% is consistent with the June 30, 2021 validation and is based on the actuarial experience studies conducted during the 2021 fiscal 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, 2023

Discount Rate Sensitivity

The sensitivity of the district's net pension liabilities to changes in the discount rate is presented below. The district's net pension liabilities calculated using the discount rate of 7.30% is presented as well as the net pension liabilities (assets) using a discount rate that is 1.0% lower (6.30%) or 1.0% higher (8.30%) than the current rate.

Discount Rate	1% Decrease 6.30%	Current Rate 7.30%	1% Increase 8.30%
Proportionate Share of the Net Position Liability / (Asset)			
PSRS	\$ 374,278,083	\$ 196,982,474	\$ 50,122,806
PEERS	\$ 33,527,819	\$ 16,718,121	\$ 2,687,931

NOTE G | OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

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 PSRS or PEERS under a single employer plan. Retirees may cover spouses and eligible dependent children. Surviving spouses can continue coverage after retiree's death. The District does not have a trust for this plan, and the plan does not issue a standalone report. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

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.

Employees covered by benefit terms at January 1, 2023:

	Number	Average Age	Average Service
Actives	2,203	45.8	10.9
Inactive Plan Participants	572	69.4	
Total	2,775		

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Contributions

The District currently pays for the implicit rate subsidy associated with these postemployment health care benefits on a pay-as-you-go basis. The implicit rate is the difference between the calculated claims cost and the premiums paid by retirees. The District determines contribution requirements and may be amended by the District. For fiscal year 2023, claims paid for retirees totaled \$5,269,941. Retirees contributed \$3,983,674 through premiums, the remaining \$1,286,267 was paid by the District.

Total OPEB Liability

The District's total OPEB liability of \$30,702,245 was measured as of December 31, 2022, and the total liability used to calculate the total OPEB was determined by an actuarial valuation as of that date.

Actuarial Assumptions

Inflation – 2.50% long-term inflation

Discount Rate – 4.05%

Mortality rates – Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2021 for PSRS participants and Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2021 for PEERS participants.

Participation - It is assumed that 45% of employees who retire prior to age 65 will elect medical coverage upon retirement and 50% will elect dental and vision coverage.

Actuarial cost method – Entry age normal

Changes in Total OPEB Liability

The components of the total OPEB liability of the District at June 30, 2023 are as follows:

	<u>Total OPEB Liability</u>
Balances at July 1, 2022	\$ 37,631,308
Service cost	1,265,913
Interest	788,033
Employee contributions	3,983,674
Benefits paid	(5,269,941)
Changes in assumptions	<u>(7,696,742)</u>
Balances at June 30, 2023	<u><u>\$ 30,702,245</u></u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower and 1 percentage point higher than the current discount rate.

	1% Decrease 3.05%	Current Rate 4.05%	1% Increase 5.05%
Total OPEB liability	\$ 34,574,752	\$ 30,702,245	\$ 27,411,420

Sensitivity of the NET OPEB Liability to Changes in the Health Care Cost Trends

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower and 1 percentage point higher than the current healthcare trend rate.

	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
Total OPEB liability	\$ 26,881,530	\$ 30,702,245	\$ 35,290,189

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2023, the District recognized OPEB expense of \$626,845.

Amounts reports as deferred outflows of resources, net of deferred inflows, related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30	Net Inflows of Resources
2024	\$ (1,394,523)
2025	(906,005)
2026	(763,169)
2027	(1,324,184)
2028	(1,067,638)
Thereafter	-
Total	<u>\$ (5,455,519)</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE H | 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>2023</u>	<u>2022</u>
Unpaid claims, beginning of year	\$ 2,634,741	\$ 2,083,740
Incurred claims (including IBNRs)	33,888,108	34,951,888
Claim payments	<u>(33,897,581)</u>	<u>(34,400,887)</u>
Unpaid claims, end of year	<u>\$ 2,625,268</u>	<u>\$ 2,634,741</u>

The District purchases specific reinsurance with an attachment point of \$350,000 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.

NOTE I | 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, 2023.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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 \$11,129,779 million as of June 30, 2023.

NOTE J | TAX ABATEMENT DISCLOSURES

The District is subject to tax abatement agreements granted by St. Louis County and municipalities within the District. District property tax revenues were reduced by \$2,769,673, as a result of these abatements for year ended June 30, 2023. These tax abatements are considered immaterial to the overall financial statements.

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, 2023

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues				
Local	\$ 78,006,789	\$ 79,195,114	\$ 81,629,072	\$ 2,433,958
County	1,238,050	1,216,262	1,271,986	55,724
State	4,932,791	5,567,900	6,032,396	464,496
Federal	7,858,451	8,204,999	8,549,660	344,661
Interest	95,000	3,000,000	4,920,254	1,920,254
Other - student activities	3,500,000	3,500,000	3,629,453	129,453
VICC - cost reimbursement	1,851,258	1,827,247	2,007,229	179,982
Total revenues	97,482,339	102,511,522	108,040,050	5,528,528
Expenditures				
Current				
Instruction	8,201,153	10,191,153	9,862,478	328,675
Student activities	3,690,111	4,090,111	2,830,952	1,259,159
Attendance	1,456,626	1,556,626	411,469	1,145,157
Guidance	254,843	304,843	1,478,664	(1,173,821)
Health services	2,901,226	3,001,226	2,735,828	265,398
Improvement of instruction	1,563,970	1,563,970	1,463,208	100,762
Media services	1,838,738	1,838,738	741,581	1,097,157
Board of Education services	431,140	431,140	491,138	(59,998)
Executive administration	2,109,928	2,109,928	1,599,827	510,101
Building level administration	6,465,492	6,465,492	6,289,949	175,543
Business and central services	12,034,900	12,034,900	10,102,408	1,932,492
Operation of plant	25,443,054	25,977,032	22,725,655	3,251,377
Security services	1,405,571	1,405,571	1,419,936	(14,365)
Pupil transportation	10,719,821	10,719,821	10,990,438	(270,617)
Food services	7,897,396	7,897,396	6,646,761	1,250,635
Adult basic education	1,698,977	1,698,977	2,054,233	(355,256)
Community services	2,506,094	3,255,443	3,171,115	84,328
Anticipated unexpended budget	(2,000,000)	(2,000,000)	-	(2,000,000)
Total expenditures	88,619,040	92,542,367	85,015,640	7,526,727
 EXCESS OF REVENUES OVER EXPENDITURES	 8,863,299	 9,969,155	 23,024,410	 13,055,255
 Other financing sources (uses)				
Transfer to capital projects fund	(6,000,000)	(8,000,000)	(6,700,576)	1,299,424
Proceeds from sale of other property	5,539	38,178	13,337	(24,841)
Total other financing sources (uses)	(5,994,461)	(7,961,822)	(6,687,239)	1,274,583
 NET CHANGE IN FUND BALANCE	 \$ 2,868,838	 \$ 2,007,333	 16,337,171	 \$ 14,329,838
 Fund balance at July 1, 2022			 64,746,163	
 Fund balance at June 30, 2023			 \$ 81,083,334	

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, 2023

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues				
Local	\$ 145,365,594	\$ 146,874,499	\$ 149,689,658	\$ 2,815,159
County	2,374,611	2,326,478	2,533,559	207,081
State	9,059,836	9,260,314	9,753,794	493,480
Federal	3,080,499	3,015,845	1,359,013	(1,656,832)
Interest	10,000	10,000	411,959	401,959
VICC - cost reimbursement	4,319,601	4,263,576	3,727,713	(535,863)
Total revenues	164,210,141	165,750,712	167,475,696	1,724,984
Expenditures				
Current				
Instruction	126,937,409	127,437,409	124,191,322	3,246,087
Student activities	5,496,809	2,496,809	757,554	1,739,255
Attendance	196,130	196,130	186,186	9,944
Guidance	9,471,342	9,471,342	9,229,347	241,995
Health services	148,239	148,239	148,444	(205)
Improvement of instruction	4,175,274	4,175,274	5,956,297	(1,781,023)
Media services	4,249,625	4,249,625	4,264,112	(14,487)
Executive administration	833,805	833,805	808,076	25,729
Building level administration	11,439,834	11,439,834	11,492,603	(52,769)
Business and central services	409,562	409,562	420,114	(10,552)
Adult basic education	-	-	43,846	(43,846)
Community services	2,057,681	2,057,681	2,050,633	7,048
Anticipated unexpended budget	(1,500,000)	(1,500,000)	-	(1,500,000)
Total expenditures	163,915,710	161,415,710	159,548,534	1,867,176
 EXCESS OF REVENUES OVER EXPENDITURES	 \$ 294,431	 \$ 4,335,002	 7,927,162	 \$ 3,592,160
 Fund balance at July 1, 2022			 17,064,705	
 Fund balance at June 30, 2023			 \$ 24,991,867	

Parkway C-2 School District
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

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, 2023

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
6/30/2014	2.5468%	\$104,484,390	\$113,918,340	91.72%	89.34%
6/30/2015	2.5546%	147,473,484	116,481,879	126.61%	85.78%
6/30/2016	2.5504%	189,766,308	118,578,027	160.03%	82.18%
6/30/2017	2.5910%	187,109,719	123,019,129	152.10%	83.77%
6/30/2018	2.5949%	193,124,303	125,593,894	153.77%	84.06%
6/30/2019	2.5847%	190,752,679	127,560,303	149.54%	84.62%
6/30/2020	2.5706%	229,572,992	129,056,429	177.89%	82.01%
6/30/2021	2.5154%	55,685,365	129,859,274	42.88%	95.81%
6/30/2022	2.5469%	196,982,474	134,849,860	146.08%	86.04%

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
6/30/2014	2.5181%	\$9,195,244	\$36,719,724	25.04%	91.33%
6/30/2015	2.5327%	13,395,606	37,976,766	35.27%	88.28%
6/30/2016	2.4602%	19,739,053	37,990,743	51.96%	83.32%
6/30/2017	2.4114%	18,397,797	38,752,166	47.48%	85.35%
6/30/2018	2.3847%	18,426,871	39,678,733	46.44%	86.06%
6/30/2019	2.2861%	18,082,161	39,456,500	45.83%	86.38%
6/30/2020	2.1600%	20,964,038	38,677,344	54.20%	84.06%
6/30/2021	2.0027%	2,156,756	36,700,027	5.88%	98.36%
6/30/2022	1.9782%	16,718,121	38,483,041	43.44%	87.92%

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
6/30/2014	\$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%
6/30/2017	17,724,887	17,724,887	-	123,019,129	14.41%
6/30/2018	18,091,793	18,091,793	-	125,593,894	14.40%
6/30/2019	18,396,766	18,396,766	-	127,560,303	14.42%
6/30/2020	18,610,649	18,610,649	-	129,056,429	14.42%
6/30/2021	18,732,413	18,732,413	-	129,859,274	14.43%
6/30/2022	19,452,316	19,452,316	-	132,775,580	14.65%
6/30/2023	19,212,776	19,212,776	-	131,416,263	14.62%

Parkway C-2 School District
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND EMPLOYER
CONTRIBUTIONS- UNAUDITED
Year ended June 30, 2023

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
6/30/2014	\$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%
6/30/2017	2,658,401	2,658,401	-	38,752,166	6.86%
6/30/2018	2,721,961	2,721,961	-	39,678,733	6.86%
6/30/2019	2,722,245	2,722,245	-	39,456,500	6.90%
6/30/2020	2,666,307	2,666,307	-	38,677,344	6.89%
6/30/2021	2,517,642	2,517,642	-	36,700,027	6.86%
6/30/2022	2,639,937	2,639,937	-	38,483,041	6.86%
6/30/2023	2,532,673	2,532,673	-	36,597,504	6.92%

*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, 2023

Schedule of Changes in Total OPEB Liability

	Fiscal year ending June 30,					
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service cost	\$ 1,265,913	\$ 1,479,571	\$ 1,259,292	\$ 1,147,551	\$ 1,242,800	\$ 1,099,555
Interest cost	788,033	929,527	1,079,588	1,602,599	1,308,387	1,077,358
Difference between expected and actual experience	-	(10,270,335)	-	(8,692,717)	-	-
Changes in plan provisions	-	-	-	(164,992)	-	-
Changes in assumptions	(7,696,742)	3,874,711	3,366,119	7,835,695	(2,931,113)	10,460,554
Employee contributions	3,983,674	3,740,202	3,400,531	3,344,712	3,526,894	3,468,926
Benefit payments	(5,269,941)	(5,236,667)	(4,865,370)	(5,124,298)	(5,239,563)	(4,786,100)
Net change in total OPEB liability	(6,929,063)	(5,482,991)	4,240,160	(51,450)	(2,092,595)	11,320,293
Total OPEB liability, beginning	<u>37,631,308</u>	<u>43,114,299</u>	<u>38,874,139</u>	<u>38,925,589</u>	<u>41,018,184</u>	<u>29,697,891</u>
Total OPEB liability, ending	<u>\$ 30,702,245</u>	<u>\$ 37,631,308</u>	<u>\$ 43,114,299</u>	<u>\$ 38,874,139</u>	<u>\$ 38,925,589</u>	<u>\$ 41,018,184</u>
Covered payroll	\$ 152,930,417	\$ 148,914,752	\$ 148,533,882	\$ 147,020,022	\$ 144,739,089	\$ 121,793,891
Total OPEB liability as a percentage of covered payroll	20.08%	25.27%	29.03%	26.44%	26.89%	33.68%

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

Plan Assets: No assets are accumulated in a trust that meets all of the following criteria of GASB No. 75, paragraph 4, to pay benefits:

Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.

Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.

Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

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, 2023

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues				
Local	\$ 26,616,815	\$ 26,893,473	\$ 27,362,327	\$ 468,854
County	723,529	737,671	754,399	16,728
Interest	100,000	200,000	953,549	753,549
Total revenues	27,440,344	27,831,144	29,070,275	1,239,131
Expenditures				
Debt service				
Principal retirement	14,600,000	14,600,000	14,600,000	-
Interest	7,823,896	7,823,896	7,824,306	(410)
Other	17,000	17,000	2,154	14,846
Total expenditures	22,440,896	22,440,896	22,426,460	14,436
NET CHANGE IN FUND BALANCE	\$ 4,999,448	\$ 5,390,248	6,643,814	\$ 1,253,567
Fund balance at July 1, 2022			16,948,311	
Fund balance at June 30, 2023			\$ 23,592,125	

Parkway C-2 School District
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
Year ended June 30, 2023

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues				
Local	\$ 420,063	\$ 101,914,800	\$ 3,758,826	\$ (98,155,974)
County	-	99,897	96,678	(3,219)
Interest	100,400	191,498	1,573,632	1,382,134
Total revenues	520,463	102,206,195	5,429,136	(96,777,059)
Expenditures				
Capital outlay	26,551,043	46,036,042	41,337,312	4,698,730
Debt service				
Principal retirement	-	-	277,376	(277,376)
Interest	7,043	557,043	7,043	550,000
Total expenditures	26,558,086	46,593,085	42,127,819	4,465,266
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(26,037,623)	55,613,110	(36,698,683)	(92,311,793)
Other financing sources				
Sale of general obligation bonds	-	-	90,000,000	90,000,000
Premium on issuance of bonds	-	-	8,614,955	8,614,955
Transfer from general fund	6,000,000	8,000,000	6,700,576	(1,299,424)
Total other financing sources	6,000,000	8,000,000	105,315,531	97,315,531
NET CHANGE IN FUND BALANCE	\$ (20,037,623)	\$ 63,613,110	68,616,849	\$ 5,003,738
Fund balance at July 1, 2022			57,240,496	
Fund balance at June 30, 2023			\$ 125,857,345	

STATISTICAL SECTION

Parkway C-2 School District

SUMMARY OF STATISTICAL INFORMATION

This part of the District's annual comprehensive 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.

	Pages
Financial Trends	62-68
These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time.	
Revenue Capacity	69-73
These schedules contain information to help the reader assess the District's most significant local revenue source – property tax.	
Debt Capacity	74-76
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.	
Demographic and Economic Information	77-78
These schedules offer demographic economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	79-81
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									
	2014-as restated	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	\$ 73,255,061	\$ 69,719,235	\$ 71,557,667	\$ 66,291,913	\$ 77,797,419	\$ 86,996,815	\$ 59,397,808	\$ 18,846,676	\$ 40,378,277	\$ 82,559,146
Restricted for:										
Capital projects	-	-	-	-	-	-	36,430,979	72,108,318	56,844,513	21,926,055
Debt Service	3,092,725	4,137,058	8,779,831	13,657,187	6,734,140	5,893,582	8,783,436	11,277,002	14,351,547	20,998,172
Certificated employees' compensation and benefits	8,128,641	5,907,208	5,921,230	925,146	3,473,347	4,132,404	7,748,222	12,170,810	17,064,705	24,991,867
Unrestricted	(137,710,136)	(119,166,269)	(102,100,339)	(106,689,732)	(129,363,401)	(128,409,276)	(135,793,075)	(160,628,001)	(117,497,276)	(96,974,719)
Total net position	<u>\$ (53,233,709)</u>	<u>\$ (39,402,768)</u>	<u>\$ (15,841,611)</u>	<u>\$ (25,815,486)</u>	<u>\$ (41,358,495)</u>	<u>\$ (31,386,475)</u>	<u>\$ (23,432,630)</u>	<u>\$ (46,225,195)</u>	<u>\$ 11,141,766</u>	<u>\$ 53,500,521</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
Instruction	\$ 125,584,139	\$ 117,419,935	\$ 125,442,045	\$ 137,321,600	\$ 137,113,065	\$ 139,981,862	\$ 147,598,352	\$ 160,583,221	\$ 128,755,799	\$ 140,723,976
Student activities	3,852,639	4,223,712	4,955,335	4,917,661	4,421,230	4,163,378	3,595,061	2,672,872	3,231,748	3,951,466
Attendance	511,726	509,567	524,130	616,445	645,840	601,932	597,563	615,739	476,293	600,592
Guidance	6,898,120	6,203,939	6,708,591	7,591,500	7,754,796	8,274,316	9,206,537	10,789,576	9,484,544	10,530,102
Health services	2,532,294	2,507,675	2,610,245	2,795,830	2,998,818	3,028,579	3,124,499	3,391,499	2,705,411	2,850,997
Improvement of Instruction	6,689,045	6,040,942	6,778,701	8,251,830	8,083,012	6,642,597	6,288,892	6,321,387	4,582,522	7,429,852
Professional development	20,000	25,000	27,796	26,093	27,084	51,263	64,852	23,430	-	-
Media Services	3,776,908	3,310,475	3,789,457	4,153,826	4,380,178	4,570,001	4,875,704	5,276,236	4,313,512	4,934,623
Board of Education services	413,484	556,555	264,232	283,120	307,945	402,685	268,521	256,146	286,846	491,138
Executive administration	2,138,034	2,067,720	2,323,079	2,407,260	2,376,932	2,421,702	2,539,438	2,734,555	2,294,887	2,500,312
Building level administration	20,444,894	17,575,520	17,057,694	18,418,206	18,454,743	18,522,172	18,782,623	19,133,536	15,473,655	17,699,795
Operation of plant	25,787,236	25,579,658	10,376,299	25,693,591	25,756,638	24,281,982	24,617,278	33,585,462	10,667,501	13,047,877
Pupil transportation	9,775,217	9,084,146	24,718,581	10,199,069	12,184,788	12,115,426	11,925,615	10,420,583	26,111,381	27,221,487
Food services	5,936,786	5,953,779	1,188,243	6,470,989	6,510,660	6,297,332	6,132,665	5,103,012	1,169,489	1,402,350
Business and central services	10,946,917	12,604,100	9,153,179	12,625,805	11,901,273	13,502,424	14,928,726	13,199,252	10,388,148	12,962,776
Security services	1,097,429	1,116,659	5,683,921	1,289,203	1,257,314	1,413,472	1,202,107	1,343,206	6,641,717	7,142,219
Adult basic education	1,055,151	994,518	980,430	1,003,984	1,566,125	1,553,378	1,607,805	1,535,720	1,867,708	2,069,410
Adult continuing education	992,809	753,273	598,978	743,125	856,818	-	-	-	-	-
Community services	3,464,868	3,241,924	3,536,280	4,230,297	4,376,422	5,470,746	6,342,122	6,857,017	4,235,858	5,279,240
Interest and other expenses on long-term	8,357,837	5,173,860	6,442,766	6,860,381	8,200,468	8,154,315	6,869,660	6,934,315	6,755,098	6,818,192
Total governmental activities	240,275,533	224,942,957	233,159,982	255,899,815	259,174,149	261,449,562	270,568,020	290,776,764	239,442,117	267,656,404
Program revenues										
Governmental activities:										
Charges for services:										
Instruction	8,648,983	8,440,789	8,032,181	8,288,247	8,327,655	7,904,375	7,904,094	7,557,382	7,403,040	7,411,819
Student activities	3,246,828	3,549,655	3,784,750	3,868,974	3,970,112	3,720,575	2,886,146	1,286,851	3,128,685	3,629,453
Operation of plant	167,604	254,553	355,734	351,729	351,814	448,554	394,174	664,199	251,469	38,205
Pupil Transportation	-	-	-	-	-	2,638,361	2,105,430	1,020,968	1,592,200	4,194,774
Food services	3,916,787	3,841,316	3,897,398	4,066,763	4,209,014	4,016,924	3,223,037	211,425	326,369	3,542,580
Business and central services	21,050	20,614	21,018	19,218	32,476	36,206	-	-	-	-
Community services	2,126,675	1,970,342	2,013,148	2,725,820	3,012,096	3,027,268	1,890,482	1,420,282	3,308,949	2,946,718
Operating grants and contributions	10,199,060	10,269,142	10,820,449	10,595,573	11,814,166	8,445,042	7,233,832	9,725,678	22,315,621	16,548,366
Capital grants and contributions	1,532,000	-	-	-	-	-	-	-	-	-
Total government program revenues	29,858,987	28,346,411	28,924,678	29,916,324	31,717,333	30,264,187	25,643,243	21,886,785	38,326,333	38,311,915
Net (expense)/revenue										
Total government net expense	\$ (210,416,546)	\$ (196,596,546)	\$ (204,235,304)	\$ (225,983,491)	\$ (227,456,816)	\$ (231,185,375)	\$ (244,924,777)	\$ (268,889,979)	\$ (201,115,784)	\$ (229,344,489)

Source:
Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (expense)/revenue										
Total primary government net expense	\$ (210,416,546)	\$ (196,596,546)	\$ (204,235,304)	\$ (225,983,491)	\$ (227,456,816)	\$ (231,185,375)	\$ (244,924,777)	\$ (268,889,979)	\$ (201,115,784)	\$ (229,344,489)
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes and all other Ad Valorem taxes	182,737,147	187,449,160	202,662,578	190,242,012	207,172,893	215,134,148	225,559,508	219,489,190	229,045,981	234,043,468
Sales Tax	14,003,311	14,133,967	15,176,728	15,339,451	15,440,981	16,059,749	16,068,745	17,267,749	19,826,522	20,653,883
Grants and contributions not restricted to specific programs	335,968	115,222	39,396	41,128	3,973	-	-	-	-	-
State Aid	8,181,968	8,365,479	8,766,258	9,019,499	9,108,816	8,847,452	8,583,308	8,756,418	9,267,631	9,146,499
Loss on disposal of assets	-	-	-	-	(23,662)	(1,470,169)	-	-	-	-
Loss on extinguishment of debt	-	-	-	-	(216,517)	-	-	-	-	-
Investment earnings	1,009,308	363,659	1,151,501	1,367,526	1,830,114	2,586,215	2,667,061	584,057	342,611	7,859,394
Total general revenues	<u>206,267,702</u>	<u>210,427,487</u>	<u>227,796,461</u>	<u>216,009,616</u>	<u>233,316,598</u>	<u>241,157,395</u>	<u>252,878,622</u>	<u>246,097,414</u>	<u>258,482,745</u>	<u>271,703,244</u>
Changes in net position	<u>\$ (4,148,844)</u>	<u>\$ 13,830,941</u>	<u>\$ 23,561,157</u>	<u>\$ (9,973,875)</u>	<u>\$ 5,859,782</u>	<u>\$ 9,972,020</u>	<u>\$ 7,953,845</u>	<u>\$ (22,792,565)</u>	<u>\$ 57,366,961</u>	<u>\$ 42,358,755</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nondisposable										
Prepaid Items	\$ 1,098,423	\$ 1,491,678	\$ 1,370,048	\$ 1,531,803	\$ 1,702,965	\$ 2,225,280	\$ 1,955,329	\$ 2,936,680	\$ 3,443,459	\$ 5,038,279
Inventory	746,788	633,453	661,929	1,685,038	1,184,967	699,285	974,164	1,003,815	1,177,572	6,307,506
Assigned-Student Activities	2,891,235	2,793,102	2,474,298	1,901,386	1,640,353	1,431,068	320,630	253,993	988,483	798,501
Unassigned	19,764,629	26,537,171	36,214,159	38,371,809	38,490,854	39,941,182	44,796,193	49,236,693	59,136,649	68,939,048
Total General Fund	24,501,075	31,455,404	40,720,434	43,490,036	43,019,139	44,296,815	48,046,316	53,431,181	64,746,163	81,083,334
All Other Governmental Funds										
Nondisposable										
Prepaid Items	-	2,682	-	-	1,000,096	-	-	-	-	-
Restricted										
Teachers Salaries and Benefits	6,504,193	3,742,352	2,219,018	925,146	3,473,347	4,132,404	7,748,222	12,170,810	17,064,705	24,991,867
Debt Service	6,626,452	6,103,666	10,106,755	13,767,360	36,717,985	36,159,219	11,259,389	13,979,499	16,948,311	24,382,632
Capital Projects	-	43,782,954	27,187,026	37,106,048	-	56,152,760	37,449,816	72,819,180	19,679,792	95,508,893
Assigned-other capital projects	8,795,536	5,574,328	357,156	1,626,386	18,749,938	9,572,874	-	-	37,560,704	29,557,945
Total all other governmental funds	21,926,181	59,205,982	39,869,955	53,424,940	59,941,366	106,017,257	56,457,427	98,969,489	91,253,512	174,441,337
Total fund balances	<u>\$ 46,427,256</u>	<u>\$ 90,661,386</u>	<u>\$ 80,590,389</u>	<u>\$ 96,914,976</u>	<u>\$ 102,960,505</u>	<u>\$ 150,314,072</u>	<u>\$ 104,503,743</u>	<u>\$ 152,400,670</u>	<u>\$ 155,999,675</u>	<u>\$ 255,524,671</u>

Source:
Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal sources:										
Federal grants	\$ 2,441,585	\$ 2,519,199	\$ 3,030,557	\$ 2,709,703	\$ 2,571,602	\$ 1,839,628	\$ 1,642,729	\$ 3,712,488	\$ 11,988,134	\$ 4,950,420
Food services	2,019,512	1,945,471	1,981,208	2,146,136	2,145,449	2,108,374	1,572,289	2,306,005	7,224,531	3,834,617
Other federal revenue	2,134,169	858,042	922,640	991,098	710,358	863,796	954,079	919,204	674,667	1,123,636
Total federal sources	6,595,266	5,322,712	5,934,405	5,846,937	5,427,409	4,811,798	4,169,097	6,937,697	19,887,332	9,908,673
State sources:										
State education finance program	9,541,767	9,821,384	9,961,750	10,053,206	10,295,209	10,095,786	9,838,228	10,179,796	10,854,103	14,118,476
Food services	38,618	36,829	37,586	38,640	39,607	37,871	41,637	39,261	52,227	28,558
State grants	1,230,429	916,115	1,178,473	1,029,317	1,937,685	1,749,210	1,551,053	1,319,893	1,447,388	1,626,047
Other state revenue	33,657	88,507	257	73,462	3,213	-	-	-	1,158	13,109
Total state sources	10,844,471	10,862,835	11,178,066	11,194,625	12,275,714	11,882,867	11,430,918	11,538,950	12,354,876	15,786,190
Local sources:										
Ad valorem taxes	169,666,953	165,033,942	188,479,373	186,066,318	199,549,780	208,863,940	214,198,809	208,955,577	217,169,804	223,260,416
Sales taxes	14,003,311	14,133,967	15,176,728	15,339,451	15,440,981	16,059,749	16,068,745	17,267,749	19,826,522	20,653,883
Other taxes	9,077,909	8,717,677	9,443,105	9,030,723	5,490,786	11,986,303	6,676,205	6,184,297	7,540,304	6,126,429
Food service sales	3,916,788	3,841,316	3,897,398	4,066,763	4,209,014	4,016,924	3,223,037	211,426	326,369	3,542,580
Interest income	1,009,308	4,887,791	1,151,501	2,041,106	4,106,542	2,586,215	2,667,061	584,057	342,605	7,859,394
VICC - cost reimbursement	7,371,277	7,694,360	7,733,242	7,824,350	7,890,932	7,635,466	7,440,890	7,187,346	6,702,858	5,734,943
Amounts received from other LEA's	2,431,447	2,391,324	2,293,952	2,466,492	2,884,503	299,184	2,160,062	1,049,898	1,599,720	4,212,475
Other local revenues	5,952,711	11,805,356	4,316,412	4,344,562	4,002,588	537,153	5,534,759	3,575,211	6,655,102	8,273,551
Total local sources	213,429,704	218,505,733	232,491,711	231,179,765	243,575,126	251,984,934	257,969,568	245,015,561	260,163,284	279,663,672
County sources:										
State assessed utilities	2,555,766	2,649,930	2,939,248	2,839,138	3,023,453	3,117,174	3,126,871	3,142,626	3,225,296	3,304,269
Other county revenues	1,495,193	1,409,247	1,280,023	1,259,260	972,409	1,094,978	1,825,411	1,349,365	1,178,290	1,352,353
Total county sources	4,050,959	4,059,177	4,219,271	4,098,398	3,995,862	4,212,152	4,952,282	4,491,991	4,403,586	4,656,622
Total revenues	\$ 234,920,400	\$ 238,750,457	\$ 253,823,453	\$ 252,319,725	\$ 265,274,111	\$ 272,891,751	\$ 278,521,865	\$ 267,984,199	\$ 296,809,078	\$ 310,015,157

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction	\$ 115,666,526	\$ 117,175,106	\$ 123,560,230	\$ 125,654,750	\$ 128,027,526	\$ 130,102,046	\$ 131,731,663	\$ 131,914,461	\$ 138,209,396	\$ 135,410,930
Student activities	3,853,964	4,253,069	5,186,091	4,753,114	4,166,051	3,927,890	3,212,945	2,182,249	3,442,913	3,771,669
Attendance	513,208	541,869	551,101	600,908	641,081	601,125	571,025	557,344	545,917	610,739
Guidance/Social Workers	6,867,751	7,026,544	7,053,805	7,400,154	7,697,653	8,263,207	8,797,684	9,682,427	10,870,951	10,708,011
Health services	2,521,553	2,658,874	2,744,564	2,725,360	2,976,721	3,024,513	2,985,744	3,069,861	3,100,875	2,899,165
Improvement of Instruction	6,476,646	6,452,342	6,924,964	7,856,784	7,833,241	6,465,410	5,853,412	5,586,707	5,088,441	7,425,985
Professional development	20,000	25,000	27,796	26,093	27,084	51,263	64,852	23,420	-	-
Media Services	3,757,034	3,704,162	3,982,614	4,049,128	4,347,902	4,563,866	4,659,180	4,775,857	4,957,722	5,015,013
Board of Education services	420,332	556,555	264,232	283,120	307,945	402,685	268,521	256,146	286,846	491,138
Executive administration	2,137,173	2,219,580	2,440,665	2,343,467	2,357,627	2,417,115	2,425,212	2,474,007	2,480,354	2,414,037
Building level administration	19,554,208	19,087,152	17,716,897	17,958,587	18,426,288	18,450,508	17,905,021	17,192,474	17,699,948	17,950,337
Business and central services	11,185,836	11,975,535	10,517,277	11,875,060	10,913,623	12,560,135	13,329,532	11,143,731	11,330,080	12,556,948
Operation of plant	21,909,730	22,700,957	22,362,669	22,665,203	24,014,501	24,304,493	23,087,371	22,727,240	24,972,233	25,270,447
Security services	1,098,132	1,144,679	1,249,388	1,256,709	1,248,049	1,411,574	1,148,723	1,215,821	1,311,704	1,426,044
Pupil transportation	9,110,827	8,812,486	8,959,210	9,393,482	11,503,014	11,492,833	10,814,403	8,720,952	11,122,672	12,122,241
Food services	5,867,691	6,072,444	5,945,569	6,275,002	6,435,235	6,235,024	5,583,628	4,350,508	7,280,603	6,933,289
Adult basic education	1,040,255	1,067,682	1,030,881	978,678	1,554,584	1,534,898	1,536,404	1,389,986	2,147,008	2,104,374
Adult continuing education	991,888	785,905	629,800	724,394	850,504	-	-	-	-	-
Community services	3,368,052	3,400,915	3,622,191	4,033,334	4,237,794	5,374,360	5,962,323	6,136,440	4,766,307	5,292,367
Capital Outlay	10,522,677	9,209,510	21,194,358	31,195,502	20,902,626	19,429,528	32,746,028	24,201,334	19,272,276	33,498,752
Debt service:										
Principal retirement	8,492,252	9,164,235	11,099,359	11,300,786	15,690,000	16,185,000	42,325,000	14,670,000	15,800,000	14,877,376
Interest	6,607,080	6,500,963	6,843,684	7,202,892	8,039,968	8,050,206	9,324,155	8,133,015	8,559,158	7,831,349
Other expense	6,492	1,056,503	17,064	149,731	139,695	609,435	4,727	161,475	2,847	508,242
Total Expenditures	<u>\$ 241,989,307</u>	<u>\$ 245,592,067</u>	<u>\$ 263,924,409</u>	<u>\$ 280,702,238</u>	<u>\$ 282,338,712</u>	<u>\$ 285,457,114</u>	<u>\$ 324,337,553</u>	<u>\$ 280,565,455</u>	<u>\$ 293,248,251</u>	<u>\$ 309,118,453</u>
Debt service as a percentage of noncapital expenditures	6.98%	7.61%	7.99%	8.08%	10.05%	10.30%	21.53%	9.84%	9.76%	9.20%

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Excess of revenues over (under) expenditures	\$ (7,068,907)	\$ (6,841,610)	\$ (10,100,956)	\$ (28,382,513)	\$ (17,064,601)	\$ (12,565,363)	\$ (45,815,688)	\$ (12,581,256)	\$ 3,560,827	\$ 896,704
Other financing sources (uses)										
Issuance of general obligation bonds	-	77,080,000	-	44,000,000	27,405,000	55,000,000	-	55,000,000	-	90,000,000
Payment to refunded bond escrow agent	-	(30,708,828)	-	-	(6,606,518)	-	-	-	-	-
Premium on issuance of bonds	-	4,653,700	-	673,579	2,276,429	4,876,057	-	5,463,329	-	8,614,955
Sale of other property	58,856	50,868	29,959	33,521	35,219	42,873	5,359	14,854	38,178	13,337
Proceeds from capital lease	2,139,420	-	-	-	-	-	-	-	-	-
Total other financing sources(uses)	<u>2,198,276</u>	<u>51,075,740</u>	<u>29,959</u>	<u>44,707,100</u>	<u>23,110,130</u>	<u>59,918,930</u>	<u>5,359</u>	<u>60,478,183</u>	<u>38,178</u>	<u>98,628,292</u>
Net change in fund balances	<u>\$ (4,870,631)</u>	<u>\$ 44,234,130</u>	<u>\$ (10,070,997)</u>	<u>\$ 16,324,587</u>	<u>\$ 6,045,529</u>	<u>\$ 47,353,567</u>	<u>\$ (45,810,329)</u>	<u>\$ 47,896,927</u>	<u>\$ 3,599,005</u>	<u>\$ 99,524,996</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		
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
2018*	2,986,427,610	1,625,570	1,165,892,910	551,335,980	4,705,282,070	4.255
2019	3,002,746,860	1,627,220	1,105,532,790	575,071,200	4,684,978,070	4.387
2020*	3,333,067,190	1,507,050	1,237,697,960	596,344,950	5,168,617,150	4.152
2021	3,350,306,140	1,502,410	1,253,543,820	629,457,700	5,234,810,070	4.142
2022*	3,624,014,530	1,256,720	1,210,925,620	682,815,860	5,519,012,730	4.003
2023	3,644,948,590	1,387,920	1,239,139,820	816,690,290	5,702,166,620	3.998

NOTE:

Valuations are determined as of December 31 preceding the tax collection year less Tax Increment Financing(TIF)

* 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
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	3.9857	0.1950	0.0000	0.1450	0.5920	0.0660	0.9680	0.7630	1.1260	1.1900
Agr	2.2709	0.1570	0.0000	0.1160	0.0000	0.0000	0.9940	0.5830	0.0000	1.3200
Com	4.8958	0.1980	0.0000	0.1580	0.6170	0.0690	1.0190	0.8990	1.1770	1.2450
Per Prop	4.3589	0.2090	0.0000	0.0820	0.6340	0.0740	1.1480	1.0080	1.2380	1.3250
2018										
Res	4.0640	0.1950	0.0000	0.1650	0.6200	0.3210	1.1010	0.8800	1.0920	1.1900
Agr	2.2559	0.1570	0.0000	0.1160	0.0000	0.0000	1.1000	0.8660	0.0000	1.3180
Com	5.2247	0.1980	0.0000	0.1650	0.6480	0.3210	1.2090	0.9400	1.1690	1.2490
Per Prop	4.3874	0.2090	0.0000	0.0820	0.6410	0.3300	1.2850	1.0080	1.2020	1.3250
2019										
Res	3.7661	0.1760	0.0000	0.1570	0.4630	0.3170	1.0440	0.8360	1.0000	1.1070
Agr	2.4353	0.1570	0.0000	0.1050	0.0000	0.0000	1.1960	0.8590	0.0000	1.3050

PARKWAY C-2 SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES 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
Com	5.1407	0.1860	0.0000	0.1590	0.5100	0.3170	1.1670	0.9160	1.0960	1.2240
Per Prop	4.2609	0.2090	0.0000	0.0820	0.5570	0.3300	1.2990	1.0080	1.2120	1.3250
2020										
Res	3.8330	0.1760	0.0000	0.1570	0.4930	0.3170	1.0390	0.9050	1.0280	1.1060
Agr	2.4389	0.1570	0.0000	0.1050	0.0000	0.0000	1.1930	0.8720	0.0000	1.3050
Com	4.9077	0.1860	0.0000	0.1580	0.5560	0.3170	1.1640	0.9770	1.1240	1.2240
Per Prop	4.2608	0.2090	0.0000	0.0820	0.6390	0.3300	1.2960	1.0790	1.2400	1.3250
2021										
Res	3.6390	0.1650	0.0000	0.1410	0.4620	0.3150	0.9310	0.8960	0.9750	1.0560
Agr	3.1397	0.1460	0.0000	0.0920	0.0000	0.0000	0.9320	0.8210	0.0000	1.3270
Com	4.8988	0.1860	0.0000	0.1480	0.5240	0.3150	1.0810	0.9330	1.1540	1.2240
Per Prop	4.2608	0.2090	0.0000	0.0680	0.6390	0.3300	1.2360	1.0970	1.2400	1.3200
2022										
Res	3.6390	0.1650	0.0000	0.1410	0.4620	0.3150	0.9310	0.8960	0.9750	1.0560
Agr	3.1397	0.1460	0.0000	0.0920	0.0000	0.0000	0.9320	0.8210	0.0000	1.3270
Com	4.8988	0.1860	0.0000	0.1480	0.5240	0.3150	1.0810	0.9330	1.1540	1.2240
Per Prop	4.2608	0.2090	0.0000	0.0680	0.6390	0.3300	1.2360	1.0970	1.2400	1.3200
2023										
Res	3.6481	0.1650	0.0000	0.1550	0.4840	0.3140	0.9220	0.8740	0.9750	1.0490
Agr	2.8566	0.1460	0.0000	0.1060	0.0000	0.0000	1.1060	0.9590	0.0000	1.3270
Com	4.8472	0.1860	0.0000	0.1650	0.5970	0.3140	1.1230	0.9580	1.1930	1.2080
Per Prop	4.2608	0.2090	0.0000	0.0820	0.7200	0.3300	1.2360	1.0790	1.2400	1.3200

Source:
St. Louis County Department of Revenue website

PARKWAY C-2 SCHOOL DISTRICT**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Principal Taxpayers	2023 Taxable Assessed Value	Percentage of Total Taxable Value	2014 Taxable Assessed Value	Percentage of Total Taxable Value
Chapter 100 St Louis County	\$ 73,752,100	1.29%	\$ 23,329,430	0.56%
RNSI City Place Owner LLC (formerly Conerstone Opportunity Ventures LLC)	39,977,410	0.70%	30,795,400	0.74%
Bayer Research & Development Serv LLC (formerly Monsanto)	33,522,770	0.59%	23,375,800	0.57%
Missouri American Water Company	29,151,910	0.51%	-	0.00%
Ameren UE	26,413,810	0.46%	11,076,710	0.27%
Emerson Rd LLC	24,000,100	0.42%	-	0.00%
Edward D. Jones & Co.	20,363,930	0.36%	-	0.00%
WPP LLC (formerly)US Reif Westport Plaza Fee LLC	16,864,480	0.30%	11,524,220	0.28%
Ryan LLC	15,020,300	0.26%	-	0.00%
Pembroke TCM Maryville LLC	13,810,240	0.24%	-	0.00%
Chesterfield Mall LLC	-	0.00%	28,144,320	0.68%
Duke Realty Limited Partnership	-	0.00%	22,643,890	0.55%
TKG Manchester Highlands Shopping Center	-	0.00%	11,291,810	0.27%
ScottTrade Bank	-	0.00%	11,267,360	0.27%
Ramco Gershenson Properties	-	0.00%	13,404,540	0.32%
Total	<u>\$ 292,877,050</u>	5.14%	<u>\$ 186,853,480</u>	4.52%

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
2014*	\$ 176,936,717	\$ 172,079,412	97.25%	\$ (3,522,051)	\$ 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	189,464,922	97.51%	(3,353,710)	186,111,212	95.78%
2017	190,141,207	185,075,125	97.34%	(1,622,329)	183,452,796	96.48%
2018*	200,205,047	195,161,263	97.48%	(2,511,773)	192,649,490	96.23%
2019	208,152,234	200,745,151	96.44%	(1,846,975)	198,898,176	95.55%
2020*	214,621,659	212,270,426	98.90%	2,225,753	214,496,179	99.94%
2021	216,846,772	209,884,659	96.79%	(929,082)	208,955,577	96.36%
2022*	220,937,118	216,381,963	97.94%	787,841	217,169,804	98.29%
2023	227,978,324	222,349,066	97.53%	911,350	223,260,416	97.93%

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital leases	\$ 3,215,053	\$ 3,098,912	\$ 2,635,121	\$ 2,227,015	\$ 1,810,660	\$ 1,385,523	\$ 1,018,836	\$ 710,861	\$ 395,983	\$ 118,607
General obligation bonds	145,296,147	189,647,590	177,493,275	209,692,816	215,753,585	245,760,000	203,435,000	257,557,389	227,965,000	303,365,000
Total primary government	\$ 148,511,200	\$ 192,746,502	\$ 180,128,396	\$ 211,919,831	\$ 217,564,245	\$ 247,145,523	\$ 204,453,836	\$ 258,268,250	\$ 228,360,983	\$ 303,483,607
Estimated actual value of taxable property	\$ 4,135,517,260	\$ 4,158,544,670	\$ 4,336,607,760	\$ 4,370,660,330	\$ 4,705,282,070	\$ 4,684,978,070	\$ 5,168,617,150	\$ 5,234,810,070	\$ 5,519,012,730	\$ 5,702,166,620
% of general bonded debt to estimated actual value of taxable property	3.51%	4.56%	4.09%	4.80%	4.59%	5.25%	3.94%	4.92%	4.13%	5.32%
Personal Income	8,293,266,265	8,543,391,176	8,801,059,853	9,066,499,819	9,339,945,454	9,621,638,208	9,911,826,817	10,210,767,514	10,518,724,262	10,835,968,986
% of Personal Income	1.7907%	2.2561%	2.0467%	2.3374%	2.3294%	2.5686%	2.0627%	2.5294%	2.1710%	2.8007%
Population	142,442	142,888	143,336	143,784	144,234	144,685	145,138	145,592	146,048	146,505
Per Capita	\$ 1,043	\$ 1,349	\$ 1,257	\$ 1,474	\$ 1,508	\$ 1,708	\$ 1,409	\$ 1,774	\$ 1,564	\$ 2,071

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

Sources:
Annual Secretary to the Board Report
Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2023**

<u>Taxing Body</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<u>Direct</u>			
Parkway School District	<u>\$ 303,365,000</u>	100.00%	<u>\$ 303,365,000</u>
<u>Overlapping</u>			
St. Louis County	64,395,000	16%	10,416,816
City of Creve Coeur	7,906,130	24%	1,874,908
City of Manchester	13,600,000	10%	1,313,477
Fire District-Metro West	7,250,000	49%	3,557,770
Fire District-West County EMS	<u>4,405,000</u>	21%	<u>933,803</u>
Subtotal of Overlapping Debt	<u>\$ 97,556,130</u>		<u>\$ 18,096,774</u>
Total	<u><u>\$ 400,921,130</u></u>		<u><u>\$ 321,461,774</u></u>

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 2023

Assessed value	\$ 5,702,166,620
Debt limit (15% of assessed value)	855,324,993
Debt applicable to limit	(303,365,000)
Amount available in Debt Service Fund	23,592,125
Legal debt margin	<u>\$ 575,552,118</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 620,327,589	\$ 623,781,701	\$ 650,491,164	\$ 655,599,050	\$ 705,792,311	\$ 702,746,711	\$ 775,292,573	\$ 785,221,511	\$ 827,851,910	\$ 855,324,993
Total net debt applicable to limit	131,915,222	173,631,583	158,688,494	187,852,640	170,227,015	209,600,781	192,175,611	229,785,501	244,913,310	279,772,875
Legal debt margin	<u>\$ 488,412,367</u>	<u>\$ 450,150,118</u>	<u>\$ 491,802,670</u>	<u>\$ 467,746,410</u>	<u>\$ 535,565,296</u>	<u>\$ 493,145,930</u>	<u>\$ 583,116,962</u>	<u>\$ 555,436,010</u>	<u>\$ 582,938,600</u>	<u>\$ 575,552,118</u>
Total net debt applicable to the limit as a percentage of debt limit	21.27%	27.84%	24.40%	28.65%	24.12%	29.83%	24.79%	29.26%	29.58%	32.71%

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)
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	9,066,499,819	63,056	3.90%
2018	144,234	9,339,945,454	64,756	3.40%
2019	144,685	9,621,638,208	66,501	3.40%
2020	145,138	9,911,826,817	68,292	9.70%
2021	145,592	10,210,767,514	70,133	5.30%
2022	146,048	10,518,724,262	72,022	2.80%
2023	146,505	10,835,968,986	73,963	3.50%

(1) St. Louis only

Sources:

Fred Economic Data

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	2023		2014	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Parkway School District	2,294	0.42%	2,366	0.44%
Schnucks Markets, Inc.	8,658	1.60%	10,750	2.01%
St. John's Mercy Medical Center (Mercy Health System)	1,087	0.20%	5,971	1.12%
Dierberg's Markets, Inc.	3,700	0.68%	5,000	0.94%
Bayer/Monsanto	5,400	1.00%	1,200	0.22%
Reinsurance Group of America	2,640	0.49%	0	0.00%
Solutia Inc	3,400	0.63%	4,570	0.86%
Missouri Baptist Medical Center	1,670	0.31%	2,878	0.54%
St. Luke's Health Corporation	4,699	0.87%	3,000	8.76%
Fru-Con Construction	0	0.00%	2,000	0.37%
Charter Communications LLC	1,800	0.33%	2,500	0.47%
Total	35,348	6.51%	40,235	7.53%

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**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Supervisory										
Instructional administrators	10	6	7	7	7	8	8	9	9	9
Non-instructional administrators	5	8	12	12	14	14	14	12	11	11
Consultants/supervisors of instruction	18	32	34	21	22	21	27	19	19	22
Principals	28	28	27	28	22	27	27	27	27	27
Assistant principals	40	38	39	47	48	48	47	47	47	48
Total Supervisory	101	112	119	115	113	118	123	114	113	117
Instruction										
Elementary teachers	528	468	524	512	517	514	530	555	535	556
Middle school teachers	267	275	280	284	287	282	292	288	292	289
High school teachers	365	359	351	362	354	362	354	351	342	334
ESL teachers	22	24	24	26	30	30	31	34	32	36
Other instructional teachers	78	148	114	118	115	118	90	104	86	69
Aides	66	121	133	117	108	100	114	95	95	103
Total Instruction	1,326	1,394	1,426	1,419	1,411	1,406	1,411	1,427	1,382	1,387
Student Services										
Guidance counselors	70	72	71	73	70	72	79	83	75	73
Social workers/Behavioral Support Specialists	6	12	9	14	16	20	13	19	28	27
Librarians	31	31	31	31	31	31	31	32	32	32
Nursing Staff	39	38	38	40	40	40	39	41	40	41
Total Student Services	146	152	148	157	157	163	161	175	175	173
Support and Administration										
Managers	6	5	4	5	9	10	12	8	10	15
Clerical Support	88	41	37	19	17	18	16	14	14	16
Secretarial Staff	185	193	196	191	178	174	167	159	158	162
Service workers	233	325	340	335	333	334	311	254	192	163
Skilled crafts	44	44	46	40	37	37	36	32	32	31
Mechanical/Transportation	172	178	174	168	169	168	172	138	140	131
Other Support Staff	66	92	90	114	110	109	99	98	95	99
Total support and administration	793	878	887	872	853	850	813	703	641	617
Total	2,366	2,536	2,580	2,563	2,534	2,537	2,508	2,419	2,311	2,294

Source:
Basic 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
2014	17,231	197,973,460	11,489	-7.35%	241,245,785	14,001	1.67%	1,346	12.80	20.60%
2015	17,279	202,015,622	11,691	1.76%	224,942,957	13,018	-7.02%	1,435	12.04	20.10%
2016	17,314	205,828,265	11,888	1.68%	233,159,982	13,467	3.44%	1,411	12.27	19.40%
2017	17,498	228,099,184	13,036	9.65%	255,899,815	14,625	8.60%	1,415	12.37	20.00%
2018	17,928	214,456,535	11,962	-8.24%	259,174,149	14,456	-1.15%	1,424	12.59	18.70%
2019	17,928	217,014,547	12,105	1.19%	262,844,453	14,661	1.42%	1,421	12.62	19.20%
2020	17,534	216,790,748	12,364	2.14%	270,568,020	15,431	5.25%	1,423	12.32	18.60%
2021	17,194	216,744,295	12,606	1.96%	284,981,619	16,574	7.41%	1,423	12.08	19.70%
2022	17,283	230,346,061	13,328	5.73%	239,475,117	13,856	-16.40%	1,382	12.51	12.30%
2023	16,757	244,564,175	14,595	9.51%	267,656,404	15,973	15.28%	1,387	12.08	18.70%

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>
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	48,619
2018	42,600	95,650	60,901	49,300
2019	42,800	97,200	61,692	51,220
2020	43,000	98,000	62,589	51,980
2021	44,000	99,000	63,622	52,000
2022	44,300	101,000	64,345	52,839
2023	47,000	103,000	65,648	54,537

Sources:

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