

Comprehensive Annual

Financial Report



Parkway School District • C2 • Chesterfield, Missouri
For the Fiscal Year Ended June 30, 2018



PARKWAY C- 2 SCHOOL DISTRICT

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PARKWAY C- 2 SCHOOL DISTRICT

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PARKWAY C- 2 SCHOOL DISTRICT

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018**

Prepared by the Chief Financial Officer's Division

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND
INDEPENDENT AUDITORS' REPORT

PARKWAY C-2 SCHOOL DISTRICT

June 30, 2018

INTRODUCTORY SECTION



November 6, 2018

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

The Comprehensive Annual Financial Report (CAFR) of the Parkway C-2 School District (District), Chesterfield, Missouri for the fiscal year ended June 30, 2018 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 CAFR, which includes an opinion from the Independent Auditors that conducted the District's audit, conforms to the Generally Accepted Accounting Principles in the United States of America (GAAP) as applicable to governmental entities. The District maintains full responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

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

This letter of transmittal is designed to be read in conjunction with the Management 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 CAFR 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 MD&A, the Basic Financial Statements, Notes to Basic Financial Statements, Required Supplementary Information and Supplementary Information.
3. The Statistical Section, which includes selected comparative financial, non-financial, demographic and economic data for the District.

Profile of the Organization

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

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

- **Blue Ribbon Schools** – Parkway has 17 U.S. Blue Ribbon and 19 Missouri Gold Star schools.
- **National Merit Scholars** – 22 Parkway students were named National Merit Semifinalists.
- **America’s Best High Schools** – All four traditional Parkway high schools - Central, North, South and West were named best High Schools in America by U.S. News and World Report.
- **National Schools of Character** – Parkway was named as a National School District of Character. Parkway has eleven National Schools of Character.
- **Green Ribbon Schools** – Parkway received two of only four National Green Ribbon awards given to schools in Missouri from the U.S. Department of Education in 2018. Parkway now has four National Green Ribbon Schools - Bellerive Elementary, Green Trails 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.
- **Energy Star Certified Schools** – Parkway has 16 schools recognized as Energy Star certified schools.
- **National Board Certification** – parkway has 41 National Board certified teachers.
- **Top Test Scores in Missouri** – Parkway earned a 98.6 on the most recent annual performance report issued by the Missouri Department of Elementary and Secondary Education. Parkway ranked among the top 10 districts in the state with over 1,000 students.
- **Financials** – Parkway has consistently earned a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International.. Parkway is one of only four school districts in Missouri to earn the Standard and Poor's AAA bond rating.
- **Top Workplace** - Parkway School District was selected as a Top 10 workplace in St. Louis by *The St. Louis Post-Dispatch* based on surveys of employees for the third year in a row.
- **Social Justice Work** - The District was honored at the National Network for Education Renewal Conference for social justice work.
- **CNG Buses** – The District recently purchased 10 new CNG buses, bringing the total fleet to 40 CNG buses.
- **Longevity** – The average Parkway school is 50 years old.

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

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

The District operates the seventh largest school district of the 523 districts operating in the State serving 17,928 students for Fiscal Year 2017-2018. The District provides a full range of public education services at all grade levels ranging from kindergarten through grade twelve. In addition to a superior regular academic curriculum, the District offers a broad range of other programs for students including gifted/talented, English as a second language, fine arts, advanced college placement, interscholastic and intramural athletics, assistance for at-risk students and others. In addition, the District provides services beyond the broad K-12. The District operates two Early Childhood Education centers and multiple classrooms throughout the district buildings, which serves children before they attend kindergarten and a Community Education program for adult continuing education. Some of the services provided to our students include instructional staff, instructional materials, instructional facilities, administrative and business service support, food service and bus transportation services and facility maintenance.

Accounting System and Budgetary Control

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

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

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

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

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

Economic Condition and Outlook

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

Since the District was organized in 1954, it has expanded from a rural farming community to a suburban industrial one, expanding from a small district to one of the largest in St. Louis County and tenth largest in Missouri. Today, the District includes four high schools, five middle schools, 18 elementary schools and two Early Childhood Development Centers. Parkway is currently accredited with distinction in performance under the Missouri School Improvement Program (MSIP) Standards administered by the State Department of Elementary and Secondary Education. The District is governed by the Board of Education, whose seven members are elected for staggered three-year terms of office.

The population within the District's boundaries is estimated to be 144,234. There were 17,928 children that attended school during the 2017-2018 academic year. The District employed the following full time equivalent staff; 1,388 certificated instructional staff. The current certified staffing created a certified staff to student ratio of 12.92:1 during the past academic year. The staffing ratio is expected to decrease slightly to 12.79:1 in 2018-2019 based on a projected student enrollment of 17,665 and instructional staffing of 1,381 FTE.

Major Initiatives

Current Year and Future Years

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

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

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

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

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

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

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

The key performance indicators include fund balance growth, evidence of an 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.

Debt Administration

As of June 30, 2018, long-term general obligation bonds totaled \$206,945,000. This is an increase of \$5,325,000 from the prior fiscal year.

The District has remaining bonded debt capacity of \$535,565,296 on June 30, 2018.

Significant Board Policies

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

The Parkway National Education Association is a three year agreement that covers 2017-2018, 2018-2019 and 2019-2020. The Communications Workers of America agreement covers 2018-2019, 2019-2020 and 2020-2021. The Parkway Registered Nurses' Agreement covers the 2016-2017, 2017-2018 and 2018-2019 fiscal years.

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

Independent Audit

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

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

Awards

For the past fifteen years, the District has received the Association of School Business Officials (ASBO) International, Certificate of Excellence in Financial Reporting Award. For the fiscal year ended June 30, 2018, the Comprehensive Annual Financial Report will be submitted again for the award.

Acknowledgments

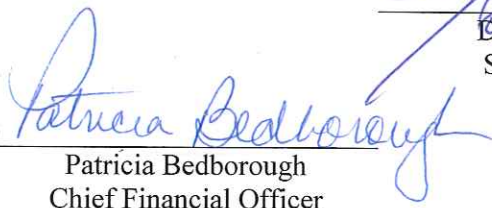
It is our desire that this report contain the necessary information and data that will provide a better understanding of the operations of the District to the District's Board of Education, outside investors and interested local constituents. It is further hoped that this report has been produced in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

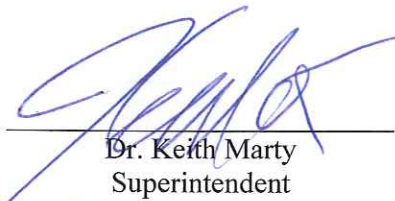
The preparation of the Comprehensive Annual Financial Report on a timely basis could not have been achieved without the efficiency and dedication of the District's Finance Department. Each member of the Finance Department has our sincerest appreciation for their efforts that contributed to the quality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

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

Respectively submitted,

PARKWAY C-2 SCHOOL DISTRICT


Patricia Bedborough
Chief Financial Officer


Dr. Keith Marty
Superintendent


Brian Whittle
Director of Finance

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2018**

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

BOARD OF EDUCATION

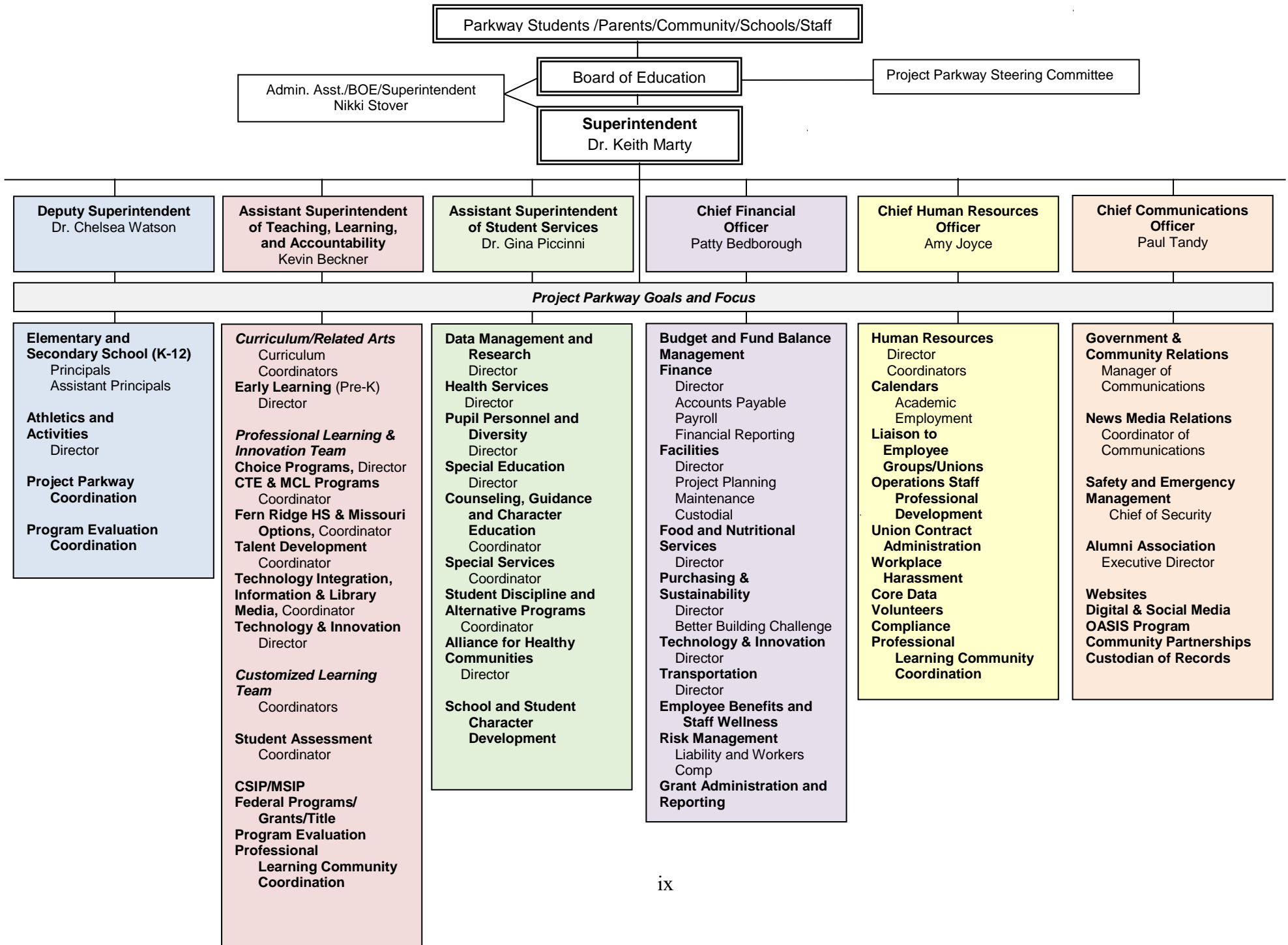
| | |
|------------------------|----------------|
| Mr. Jeff Todd | President |
| Dr. Sam Sciortino | Vice-President |
| Ms. Deborah Hopper | Director |
| Ms. Kristy Klein Davis | Director |
| Mr. Sudhir Rathod | Director |
| Mr. Matthew Schindler | Director |
| Mr. Kevin Seltzer | Director |

GENERAL ADMINISTRATION

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

FINANCIAL ADMINISTRATION

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





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Parkway C-2 School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

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



Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso, CAE
Executive Director

FINANCIAL SECTION

Independent Auditors' Report

Board of Education
Parkway C-2 School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Parkway C-2 School District as of and for the year ended June 30, 2018, 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.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Parkway C-2 School District as of June 30, 2018, 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.

Change in Accounting Principle

As described in Note L to the financial statements, in 2018, the District adopted new accounting guidance, GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other than Pension Plans" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2018 on our consideration of Parkway C-2 School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Parkway C-2 School District's internal control over financial reporting and compliance.

Keiser, Eck & Brueckel LLP

St. Louis, Missouri
November 6, 2018

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

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, 2018. 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.

FINANCIAL HIGHLIGHTS

Key financial highlights for the Fiscal Year 2017-2018 include the following:

- Net position increased by \$5,859,782 for the year ended June 30, 2018. The net increase was comprised of the following elements:

| | <u>Increase (Decrease)</u> |
|---|--------------------------------|
| Net investment in capital assets | \$ 11,317,478 |
| Restricted for: | |
| Debt service | (6,923,047) |
| Certificated employees' compensation and benefits | 2,548,201 |
| Unrestricted | <u>(1,082,850)</u> |
| Net increase | <u><u>\$ 5,859,782</u></u> |

"Unrestricted net position" decreased \$1,082,850 mostly due to an increase of pension expense of \$3,200,316 and an increase in other post-employment benefits (OPEB) expense of \$1,884,280. This was partially offset by operating revenues exceeding operating expenses by \$3,542,085. Other changes in compensated absences, early retirement payable and postemployment benefits also led to the net change in unrestricted net position.

The amount, "Net investment in capital assets" increased primarily due to an increase in capital assets and a decrease in debt related to capital assets. Capital assets, net of accumulated depreciation increased \$7,878,994 while long-term debt related to capital assets decreased \$21,344,231, unspent bond funds decreased by \$19,609,627, and small changes in the capital lease obligations and deferred charges on refunding led to a net increase in net investment in capital assets of \$11,317,478.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

FINANCIAL HIGHLIGHTS (continued)

"Net position restricted for debt service" decreased \$6,923,047 primarily as a result of an early extinguishment of \$6,390,000 in general obligation debt.

- Total assets and deferred outflows decreased by \$11,380,176 attributed to the following elements:

| | <u>Increase (Decrease)</u> |
|--|--------------------------------|
| Cash and investments - restricted and unrestricted | \$ 11,680,658 |
| Receivables | (1,536,580) |
| Prepaid expenses and inventory items | 671,187 |
| Capital assets, net of depreciation | 7,820,113 |
| Deferred charge on refunding | (907,207) |
| Deferred OPEB outflows | 9,436,014 |
| Deferred pension contributions | <u>(38,544,361)</u> |
| Net decrease | <u><u>\$(11,380,176)</u></u> |

The increase in cash and investments is a result of a few different elements. The biggest contributor to the increase was \$27.4 million in general obligation debt issued during the year for a crossover refunding. The increase from the debt issue was partially offset by debt payments, leading cash restricted for debt service to increase \$29.2 million. Over \$19.7 million was spent from the capital project fund for bond projects in the current year. That spending was partially offset by a property tax issued for capital projects. Cash from the proprietary fund use to account for the District's self-funded medical plan increased \$3.9 million. The remainder of the increase is from the operating fund cash.

There was a net increase in capital assets of \$7,820,113. This is primarily made up of current year additions of \$23,036,446 mainly due to the capital projects activity noted above less \$15,157,452 in depreciation. There was a decrease in receivables of \$1,536,580, this is primarily due to early collection of grant funds in fiscal year 2018 compared to fiscal year 2017.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

FINANCIAL HIGHLIGHTS (continued)

- Total liabilities and deferred inflows of resources decreased by \$17,239,958 due to the following items:

| | <u>Increase (Decrease)</u> |
|---|--------------------------------|
| Accounts payable, salaries and other payables | \$ 745,613 |
| Claims payable | 383,797 |
| Unearned revenue | 316,802 |
| Interest payable | 654,258 |
| Net pension liability | (3,997,845) |
| Other postemployment obligation | 11,320,293 |
| Liabilities due within one year | 5,638,476 |
| Liabilities due in more than one year | (955,153) |
| Pension deferrals | <u>(31,346,199)</u> |
| Net decrease | <u><u>\$(17,239,958)</u></u> |

The overall decrease in liabilities and deferred inflows is primarily a result of a decrease in the net difference between projected and actual earnings on the pension plan. The liability related to other postemployment obligations increased primarily as a result of changes in assumptions. Long term liabilities primarily increased due to the issuance of a cross-over refunding bond which was partially offset by principal payments in 2018.

Other financial highlights are as follows:

- The largest source of revenue for the District continues to be locally assessed property taxes. In fiscal year 2018, the assessed valuation increased \$334,621,740 (7.7%) to \$4,705,282,070 from the prior year. The collection rate, on a full accrual basis of accounting, decreased to 96.23% from 96.48% in the prior year. The collection rate is still lower than our historic collection of around 97.0%. The collection rate remains low due to the settlement of protested taxes. Total current property tax revenue received amounted to \$192,649,490.
- 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 \$14,523,403 in general revenues. This was an increase of \$1,340,400 from the prior year. The increase was primarily a result of an increase in financial institution taxes. The District expects that source of revenue to decrease in the future as a result of a move of one of the larger financial institutions in the District.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

FINANCIAL HIGHLIGHTS (concluded)

- State aid is generated from the State of Missouri's School Foundation Formula and is distributed based on a modified per pupil basis. The District is considered a hold harmless district which means that local proceeds mainly support the District's operations. Hold harmless districts receive a minimum per pupil allocation from the State of Missouri. The per weighted average daily attendance rate for fiscal year 2018 was \$562.32. Actual formula funding received was \$9,108,816 or \$89,317 more than prior year.
- Total interest income generated in fiscal year 2018 was \$1,830,114 or \$462,588 higher than prior year. Interest income was higher than the previous year primarily due to a higher interest rate on our depository accounts.
- Charges for services are considered program revenue. The largest revenue source of charges for services is the tuition reimbursement for students living in the City of St. Louis and attending the District. The District received \$7,890,932 in tuition revenue from this source, which is an increase of \$66,582 from the prior year. The child nutrition program also was a large contributor to this revenue category. Fees charged for the nutrition program accounted for \$4,209,014 in revenue, an increase of \$142,251 from the prior year. Other large sources of program revenues include student activity receipts of \$3,970,112. The total increase in charges for services revenue was \$582,416 from the prior year.
- Grants and contributions account for \$11,814,166 in program revenues. The five largest sources of revenue within this category are the adult education and literacy program, \$1,502,252; federally funded child nutrition program, \$2,145,448; state reimbursed transportation aid, \$1,168,043; the federally funded Title I program, \$1,470,709; and contracted educational transportation services, \$2,884,503. These five sources generated \$9,170,955 in program revenue. Total grants and contributions are \$1,218,593 higher than the prior year. The increase is mostly due to the expansion of the AEL program and an increase in contracted transportation reimbursement.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

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

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

Proprietary Funds

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

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

THE DISTRICT AS A WHOLE (continued)

Governmental Activities

As reported in the Statement of Activities, the cost of the District's governmental activities for the year ended June 30, 2018 was \$259,174,149. 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 \$11,814,166 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 \$19,903,167 towards these programs. The remaining amount was financed primarily by the taxpayers of the District through ad valorem, sales, and property tax revenue totaling \$222,613,874. Investment earnings contributed \$1,830,114. State aid and unrestricted grants and contributions accounted for \$9,108,816. The "net cost" statement, on the following page, determines the remaining cost of the various categories and informs the reader how much each program is funded by proceeds other than charges for services and operating grants and contributions.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

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, 2018 to June 30, 2017.

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

| | 2018 | | 2017 | |
|---|---------------------------|-------------------------|---------------------------|-------------------------|
| | Total cost of services | Net cost of services | Total cost of services | Net cost of services |
| Instructional programs | \$ 137.113 | \$ 125.983 | \$ 137.322 | \$ 126.040 |
| Student activities | 4.421 | 0.451 | 4.918 | 1.049 |
| Attendance | 0.646 | 0.646 | 0.616 | 0.616 |
| Guidance | 7.755 | 7.755 | 7.592 | 7.592 |
| Health services | 2.999 | 2.973 | 2.796 | 2.641 |
| Improvements of instruction | 8.083 | 8.083 | 8.252 | 8.252 |
| Professional development | 0.027 | 0.027 | 0.026 | 0.026 |
| Media services | 4.380 | 4.380 | 4.154 | 4.154 |
| Board of education | 0.308 | 0.308 | 0.283 | 0.283 |
| Executive administration | 2.377 | 2.377 | 2.407 | 2.407 |
| Building level administration | 18.455 | 18.455 | 18.418 | 18.418 |
| Operation of plant | 11.901 | 11.869 | 12.626 | 12.607 |
| Pupil transportation | 25.757 | 25.111 | 25.694 | 25.342 |
| Food services | 1.257 | 1.257 | 1.289 | 1.289 |
| Business and central services | 12.185 | 7.842 | 10.199 | 6.713 |
| Security services | 6.511 | 0.117 | 6.471 | 0.219 |
| Adult education | 2.423 | 0.921 | 1.747 | 0.695 |
| Community services | 4.376 | 0.702 | 4.230 | 0.780 |
| Interest and other expenses on long-term debt | 8.200 | 8.200 | 6.860 | 6.860 |
| Total | <u>\$ 259.174</u> | <u>\$ 227.457</u> | <u>\$ 255.900</u> | <u>\$ 225.983</u> |

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

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

THE DISTRICT AS A WHOLE (continued)

Governmental Activities (continued)

Table II compares the District's Net Position as of June 30, 2018 to June 30, 2017 (restated).

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

| | <u>2018</u> | <u>2017</u> |
|----------------------------------|--------------------|--------------------|
| ASSETS | | |
| Current and other assets | \$ 127.244 | \$ 116.429 |
| Capital assets | <u>247.299</u> | <u>239.479</u> |
| Total assets | 374.543 | 355.908 |
| DEFFERED OUTFLOWS OF RESOURCES | 81.780 | 111.796 |
| LIABILITIES | | |
| Other liabilities | 263.529 | 254.107 |
| Noncurrent liabilities | <u>219.969</u> | <u>215.285</u> |
| Total liabilities | 483.498 | 469.392 |
| DEFFERED INFLOWS OF RESOURCES | 14.184 | 45.530 |
| NET POSITION | | |
| Net investment in capital assets | 77.797 | 66.480 |
| Restricted | 10.207 | 14.582 |
| Unrestricted | <u>(129.363)</u> | <u>(128.280)</u> |
| Total net position | <u>\$ (41.359)</u> | <u>\$ (47.218)</u> |

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

THE DISTRICT AS A WHOLE (concluded)

Governmental Activities (concluded)

Table III compares the Changes in Net Position for fiscal year ended June 30, 2018 to June 30, 2017.

| Table III Changes in Net Position for Government-Wide Activities (in millions) Year ended June 30, | | |
|---|-------------|-------------|
| | 2018 | 2017 |
| Program revenues | | |
| Charges for services | \$ 19.903 | \$ 19.321 |
| Operating grants and contributions | 11.814 | 10.596 |
| General revenue | | |
| Property taxes and other county taxes | 207.174 | 190.242 |
| Sales taxes | 15.441 | 15.339 |
| State aid | 9.109 | 9.019 |
| Loss on disposal of assets | (0.024) | |
| Grants and contributions not restricted | 0.004 | 0.041 |
| Loss on extinguishment of debt | (0.217) | |
| Investment earnings | 1.830 | 1.369 |
| Total revenue | 265.034 | 245.927 |
| Program expenses | | |
| Instructional programs | 137.113 | 137.322 |
| Student activities | 4.421 | 4.918 |
| Attendance | 0.646 | 0.616 |
| Guidance | 7.755 | 7.592 |
| Health | 2.999 | 2.796 |
| Improvements of instruction | 8.083 | 8.252 |
| Professional development | 0.027 | 0.026 |
| Media services | 4.380 | 4.154 |
| Board of education | 0.308 | 0.283 |
| Executive administration | 2.377 | 2.407 |
| Building level administration | 18.455 | 18.418 |
| Operation of plant | 11.901 | 12.626 |
| Pupil transportation | 25.757 | 25.694 |
| Food services | 1.257 | 1.289 |
| Business and central services | 12.185 | 10.199 |
| Security services | 6.511 | 6.471 |
| Adult education | 2.423 | 1.747 |
| Community services | 4.376 | 4.230 |
| Debt service | 8.201 | 6.860 |
| Total expense | 259.175 | 255.900 |
| CHANGE IN NET POSITION | \$ 5.859 | \$ (9.973) |
| Ending net position | \$ (41.359) | \$ (47.218) |

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

District Funds

Total sources of revenue for all governmental funds were \$265,274,111 while District expenditures were \$282,338,712. As the District completed its fiscal year ended June 30, 2018, the governmental fund balance was \$102,960,505 as compared to \$96,914,976 on June 30, 2017. The increase was mostly as a result of \$27 million cross-over refunding general obligation bonds issued in fiscal year 2018. After factoring out the change in restricted bond issue and capital projects fund balance of \$3,968,225, the remaining fund balances increased \$2,077,304.

The General Fund actual revenues were higher than budget by \$1,784,828 or 2.07%. Total actual expenditures for the General Fund were below the revised budget estimates by \$197,587 or .23%. The fund balance of \$43,019,139 is \$470,897 lower than the prior year. The decrease is due to planned transfers to the Special Revenue Fund and Capital Projects Fund.

The Special Revenue Fund actual revenues were under the revised budget by \$946,091. Total actual expenditures for the Special Revenue Fund were under revised projections by \$301,153. The fund balance of \$3,473,347 is \$2,548,201 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 funds balances as a percent of expenditures grew to 19.82%, an increase of .35%. The District policy calls for growth in operating funds of at least .25% per year.

The Debt Service Fund actual revenues and other sources of \$53,238,714 and expenditures of \$30,288,089 resulted in an increase in the fund balance of \$22,950,625. The District's long-term plans include general obligation bond debt issuance in the future, which will spend down some of the fund balance.

The Capital Projects Fund actual revenues and other financing sources were \$5,148,020 while expenditures were \$24,130,420, decreasing the fund balance by \$18,982,400. This decrease is due to the spend down of bond funds issued in the prior year.

BUDGETING HIGHLIGHTS

The District's budget is prepared according to the Public School Laws of Missouri. During the course of the fiscal year, the School Board has the opportunity to approve budget adjustments on two separate occasions, once in the Fall and again in the Spring. Missouri Revised Statute 67.030 permits budget amendments to the expenditure budget as long as the changes do not exceed estimated revenues to be received during the year plus the unencumbered balance at the beginning of the fiscal year. The original budget for the School District was adopted June 14, 2017 with amendments being approved on December 6, 2017 and May 9, 2018.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

BUDGETING HIGHLIGHTS – (concluded)

Statements showing the District's original and final budget compared with the actual operating results of the District are provided in this Comprehensive Annual Financial Report (CAFR) on pages 62, 63, 67, and 68. 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, \$43,765,218 was added to the budgets within the General, Special Revenue, and Capital Projects Funds. Of this amount, \$36,295,832 for the bond issue and bond issue fees, \$5,504,343 for an increase in capital projects related to bond issues and \$1,965,043 in funds carried forward from the previous year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2018, the District had \$503,679,671 invested in land, buildings, furniture, equipment, vehicles, buses and construction projects in process. Of this amount, \$256,380,248 has been taken in depreciation. The District currently has a net book value of \$247,299,423 or 49.10% of the all capital assets' 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 \$23,036,446 of capital assets were capitalized while \$193,881 were retired. Depreciation for the year ended June 30, 2018, was \$15,157,452. Accumulated depreciation on the retired assets was \$135,000.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION – (concluded)

Table IV
Capital Assets
June 30,

| | <u>2018</u> | <u>2017</u> |
|-------------------------------------|-----------------------|-----------------------|
| Land and land improvements | \$ 34,877,883 | \$ 34,395,373 |
| Buildings and building improvements | 383,607,647 | 360,986,614 |
| Vehicles and equipment | 34,671,948 | 32,915,419 |
| Construction in progress | <u>50,522,193</u> | <u>52,539,700</u> |
| Total | <u>\$ 503,679,671</u> | <u>\$ 480,837,106</u> |

Debt Administration

On June 30, 2018, the District had \$206,945,000 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 and early retirement incentives. More detailed information on capital assets and debt administration can be found in notes D and F of the notes to the basic financial statements beginning on pages 42 and 43, respectively.

Table V
Outstanding Debt
June 30,

| | <u>2018</u> | <u>2017</u> |
|--------------------------|-----------------------|-----------------------|
| General obligation bonds | | |
| Series 2017 | \$ 22,105,000 | \$ - |
| Series 2016 | 44,000,000 | 44,000,000 |
| Series 2015A | 22,080,000 | 23,080,000 |
| Series 2015B | 50,000,000 | 50,000,000 |
| Series 2012 | 19,705,000 | 23,545,000 |
| Series 2011 | 17,010,000 | 19,555,000 |
| Series 2010 | 30,000,000 | 31,000,000 |
| Series 2009 | <u>2,045,000</u> | <u>10,440,000</u> |
| Total | <u>\$ 206,945,000</u> | <u>\$ 201,620,000</u> |

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

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 2018-2019 includes operating revenues of \$239,490,705, operating expenditures of \$237,222,707 and a transfer to the capital projects fund of \$1,225,000. The result is an anticipated operating fund balance gain for fiscal year 2018-2019 of \$1,042,998.

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

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

The second of the minimum cash requirement reserves is for contingency planning. This reserve is equal to 3.8% of the combined operating expenditure budgets. Due to the age of the buildings within the district, the potential for emergency situations will continue to persist. The District fund balance policy also requires growth in the operating fund balance of .25% per year. This requirement is planned growth in the fund balance in order to eliminate the need for short-term borrowing in the future. 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.

There are a few revenue sources that face uncertainty. Those sources include state transportation funds which have been cut over the last few years. These cuts have led to the District using more local funds for transportation. In addition to transportation, the financial institution tax may decrease significantly. That tax will decrease by an unknown amount as ScottTrade left the District due to its purchase by TD Ameritrade. We are projecting a gradual decrease in the revenue received from the Voluntary Student Transfer Program as we are projecting a decrease in enrollment in the program. The ongoing taxpayer protests of their assessed valuation and the resulting reduction of revenues is anticipated to continue. The mechanism that we can use to partially recover these lost revenues is the recoupment process with using our tax rate levies and the calculation process provided by the Missouri State Auditor's Office. Additionally our Title I revenues decreased by almost \$500,000 for the 2019 fiscal year. This decrease in Title I funds is due to the poverty level in the District shrinking.

PARKWAY C-2 SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2018

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

The District's largest expense is salaries and that is followed by benefits. Salary and benefits account for over 85% of the District operating expenditures. Those expenses are directly tied to enrollment which is gradually increasing. Growth in revenue is currently projected to keep up with the growth in expenditures. The District is not increasing the District paid portion of health and dental insurance in the 2019 fiscal year. The increase was not needed due to the positive performance of the self-funded insurance plan. Not increasing the contribution will save the District over \$500,000 in fiscal year 2019.

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

Patricia Bedborough
Chief Financial Officer

Brian Whittle
Director of Finance

PARKWAY C-2 SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2018

| | Governmental activities |
|---|------------------------------------|
| ASSETS | |
| Cash and investments | \$ 71,713,691 |
| Restricted cash and investments | 46,675,233 |
| Other receivables | |
| Local | 1,688,012 |
| State | 2,634,777 |
| Federal | 643,796 |
| Prepaid items | 2,703,061 |
| Inventories | 1,184,967 |
| Land | 3,457,837 |
| Construction in progress | 50,522,193 |
| Depreciable capital assets, net of accumulated depreciation | 193,319,393 |
| Total assets | 374,542,960 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred charge on refunding | 907,207 |
| Deferred OPEB related outflows | 9,436,014 |
| Deferred pension outflows | 71,437,193 |
| Total deferred outflows of resources | 81,780,414 |
| LIABILITIES | |
| Accounts payable | 6,712,890 |
| Salaries payable | 3,275,779 |
| Medical and dental benefits payable | 2,331,849 |
| Unearned revenue | 2,104,198 |
| Interest payable | 2,578,845 |
| Net pension liability | 205,507,516 |
| OPEB liability | 41,018,184 |
| Noncurrent liabilities | |
| Due within one year | 18,900,173 |
| Due in more than one year | 201,068,491 |
| Total liabilities | 483,497,925 |
| DEFERRED INFLOWS OF RESOURCES | |
| Pension deferrals | 14,183,944 |
| NET POSITION | |
| Net investment in capital assets | 77,797,419 |
| Restricted for: | |
| Debt service | 6,734,140 |
| Certificated employees' compensation and benefits | 3,473,347 |
| Unrestricted | (129,363,401) |
| Total net position | \$ (41,358,495) |

The accompanying notes are an integral part of this statement.

PARKWAY C-2 SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year ended June 30, 2018

| 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 | \$ 137,113,065 | \$ 8,327,655 | \$ 2,802,274 | \$ - | \$ (125,983,136) |
| Student activities | 4,421,230 | 3,970,112 | - | - | (451,118) |
| Attendance | 645,840 | - | - | - | (645,840) |
| Guidance | 7,754,796 | - | - | - | (7,754,796) |
| Health services | 2,998,818 | - | 26,000 | - | (2,972,818) |
| Improvement of instruction | 8,083,012 | - | - | - | (8,083,012) |
| Professional development | 27,084 | - | - | - | (27,084) |
| Media services | 4,380,178 | - | - | - | (4,380,178) |
| Board of Education services | 307,945 | - | - | - | (307,945) |
| Executive administration | 2,376,932 | - | - | - | (2,376,932) |
| Building level administration | 18,454,743 | - | - | - | (18,454,743) |
| Business and central services | 11,901,273 | 32,476 | - | - | (11,868,797) |
| Operation of plant | 25,756,638 | 351,814 | 293,330 | - | (25,111,494) |
| Security services | 1,257,314 | - | - | - | (1,257,314) |
| Pupil transportation | 12,184,788 | - | 4,342,601 | - | (7,842,187) |
| Food services | 6,510,660 | 4,209,014 | 2,185,055 | - | (116,591) |
| Adult basic education | 1,566,125 | - | 1,502,252 | - | (63,873) |
| Adult continuing education | 856,818 | - | - | - | (856,818) |
| Community services | 4,376,422 | 3,012,096 | 662,654 | - | (701,672) |
| Debt service | | | | | |
| Interest and other expenses | 8,200,468 | - | - | - | (8,200,468) |
| Total governmental activities | \$ 259,174,149 | \$ 19,903,167 | \$ 11,814,166 | \$ - | (227,456,816) |
| General revenues | | | | | |
| Taxes | | | | | |
| Property and all other Ad Valorem taxes | | | | | 207,172,893 |
| Sales taxes | | | | | 15,440,981 |
| State aid | | | | | 9,108,816 |
| Loss on disposal of assets | | | | | (23,662) |
| Grants and contributions not restricted to specific programs | | | | | 3,973 |
| Loss on extinguishment of debt | | | | | (216,517) |
| Investment earnings | | | | | 1,830,114 |
| Total general revenues | | | | | 233,316,598 |
| CHANGE IN NET POSITION | | | | | 5,859,782 |
| Net position at July 1, 2017, as restated | | | | | (47,218,277) |
| Net position at June 30, 2018 | | | | | <u>\$ (41,358,495)</u> |

The accompanying notes are an integral part of this statement.

PARKWAY C-2 SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2018

| | General | Special Revenue | Debt Service | Capital Projects | Total Governmental Funds |
|--|----------------------|---------------------|----------------------|----------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and investments | \$ 42,191,720 | \$ 1,385,967 | \$ 7,539,391 | \$ 6,632,731 | \$ 57,749,809 |
| Restricted cash and investments | - | - | 29,178,812 | 17,496,421 | 46,675,233 |
| Other receivables | | | | | |
| Local | 1,619,309 | 68,703 | - | - | 1,688,012 |
| State | - | 2,634,777 | - | - | 2,634,777 |
| Federal | 407,431 | 236,365 | - | - | 643,796 |
| Prepaid items | 1,702,965 | - | - | 1,000,096 | 2,703,061 |
| Inventories | 1,184,967 | - | - | - | 1,184,967 |
| Total assets | \$ 47,106,392 | \$ 4,325,812 | \$ 36,718,203 | \$ 25,129,248 | \$ 113,279,655 |
| LIABILITIES | | | | | |
| Accounts payable | \$ 1,270,685 | \$ 42,773 | \$ 218 | \$ 5,379,214 | \$ 6,692,890 |
| Salaries payable | 2,466,087 | 809,692 | - | - | 3,275,779 |
| Unearned revenue | 350,481 | - | - | - | 350,481 |
| Total liabilities | 4,087,253 | 852,465 | 218 | 5,379,214 | 10,319,150 |
| FUND BALANCES | | | | | |
| Non-spendable | | | | | |
| Prepaid items | 1,702,965 | - | - | 1,000,096 | 2,703,061 |
| Inventory | 1,184,967 | - | - | - | 1,184,967 |
| Restricted | | | | | |
| Teachers' salaries and benefits | - | 3,473,347 | - | - | 3,473,347 |
| Debt service | - | - | 36,717,985 | - | 36,717,985 |
| Capital improvements | - | - | - | 17,496,421 | 17,496,421 |
| Assigned | | | | | |
| Other capital projects | - | - | - | 1,253,517 | 1,253,517 |
| Student activities | 1,640,353 | - | - | - | 1,640,353 |
| Unassigned | 38,490,854 | - | - | - | 38,490,854 |
| Total fund balances | 43,019,139 | 3,473,347 | 36,717,985 | 19,750,034 | 102,960,505 |
| Total liabilities and fund balances | \$ 47,106,392 | \$ 4,325,812 | \$ 36,718,203 | \$ 25,129,248 | \$ 113,279,655 |

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, 2018

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

| | | |
|--|---------------|-------------------------------|
| Total fund balance - governmental funds | | \$ 102,960,505 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$503,679,671 and the accumulated depreciation is \$256,380,248 | | 247,299,423 |
| To recognize interest accrued on general obligation bonds and obligations under capital leases | | (2,578,845) |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statements of net position | | 9,858,316 |
| 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 charge on refunding | | 907,207 |
| Deferred pension contributions | | 71,437,193 |
| OPEB related outflows | | 9,436,014 |
| Deferred inflow of resources | | (14,183,944) |
| 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 | (215,753,585) | |
| Share of state net pension obligation | (205,507,516) | |
| Compensated absences | (1,502,251) | |
| Early retirement payable | (902,168) | |
| OPEB obligation | (41,018,184) | |
| Capital lease obligation | (1,810,660) | (466,494,364) |
| Total | | <u><u>\$ (41,358,495)</u></u> |
| 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, 2018

| | General | Special Revenue | Debt Service | Capital Projects | Total Governmental Funds |
|---|--------------------|--------------------|-------------------|---------------------|--------------------------------|
| Revenues | | | | | |
| Local | \$ 73,372,167 | \$ 131,670,989 | \$ 22,185,774 | \$ 2,622,563 | \$ 229,851,493 |
| County | 1,099,067 | 2,200,627 | 642,409 | 53,759 | 3,995,862 |
| State | 3,311,460 | 8,964,254 | - | - | 12,275,714 |
| Federal | 3,316,778 | 1,820,576 | - | 290,055 | 5,427,409 |
| Interest | 766,159 | 31,960 | 729,102 | 302,893 | 1,830,114 |
| Other - student activities | 3,623,837 | - | - | 378,750 | 4,002,587 |
| VICC - cost reimbursement | 2,367,280 | 5,523,652 | - | - | 7,890,932 |
| Total revenues | 87,856,748 | 150,212,058 | 23,557,285 | 3,648,020 | 265,274,111 |
| Expenditures | | | | | |
| Current | | | | | |
| Instruction | 8,411,551 | 119,295,416 | - | 320,559 | 128,027,526 |
| Student activities | 3,884,870 | 184,382 | - | 96,799 | 4,166,051 |
| Attendance | 462,959 | 178,122 | - | - | 641,081 |
| Guidance | 996,144 | 6,701,509 | - | - | 7,697,653 |
| Health services | 2,850,442 | 126,279 | - | - | 2,976,721 |
| Improvement of instruction | 2,523,954 | 5,301,647 | - | 7,640 | 7,833,241 |
| Professional development | 26,539 | 545 | - | - | 27,084 |
| Media services | 609,126 | 3,723,316 | - | 15,460 | 4,347,902 |
| Board of Education services | 307,945 | - | - | - | 307,945 |
| Executive administration | 1,649,866 | 707,643 | - | 118 | 2,357,627 |
| Building level administration | 7,589,164 | 10,784,280 | - | 52,844 | 18,426,288 |
| Business and central services | 10,135,656 | 398,693 | - | 379,274 | 10,913,623 |
| Operation of plant | 23,396,711 | - | - | 617,790 | 24,014,501 |
| Security services | 1,248,049 | - | - | - | 1,248,049 |
| Pupil transportation | 10,150,553 | - | - | 1,352,461 | 11,503,014 |
| Food services | 6,298,476 | - | - | 136,759 | 6,435,235 |
| Adult basic education | 1,539,578 | 15,006 | - | - | 1,554,584 |
| Adult continuing education | 849,294 | - | - | 1,210 | 850,504 |
| Community services | 2,394,164 | 1,747,019 | - | 96,611 | 4,237,794 |
| Capital outlay | - | - | - | 20,902,626 | 20,902,626 |
| Debt service | | | | | |
| Principal retirement | - | - | 15,690,000 | - | 15,690,000 |
| Interest | 34,823 | - | 7,854,876 | 150,269 | 8,039,968 |
| Other | 3,000 | - | 136,695 | - | 139,695 |
| Total expenditures | 85,362,864 | 149,163,857 | 23,681,571 | 24,130,420 | 282,338,712 |
| Excess of revenues over (under) expenditures | 2,493,884 | 1,048,201 | (124,286) | (20,482,400) | (17,064,601) |
| Other financing sources (uses) | | | | | |
| Transfers | (3,000,000) | 1,500,000 | - | 1,500,000 | - |
| Proceeds from refunding bonds issued | - | - | 27,405,000 | - | 27,405,000 |
| Premium on issuance of bonds | - | - | 2,276,429 | - | 2,276,429 |
| Payments to refunded bond escrow agent | - | - | (6,606,518) | - | (6,606,518) |
| Sale of other property | 35,219 | - | - | - | 35,219 |
| Total other financing sources (uses) | (2,964,781) | 1,500,000 | 23,074,911 | 1,500,000 | 23,110,130 |
| NET CHANGE IN FUND BALANCE | (470,897) | 2,548,201 | 22,950,625 | (18,982,400) | 6,045,529 |
| Fund balances at July 1, 2017 | 43,490,036 | 925,146 | 13,767,360 | 38,732,434 | 96,914,976 |
| Fund balances at June 30, 2018 | \$ 43,019,139 | \$ 3,473,347 | \$ 36,717,985 | \$ 19,750,034 | \$ 102,960,505 |

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, 2018**

| | | |
|--|---------------------|-------------------------|
| Net change in fund balances - total governmental funds | \$ | 6,045,529 |
| 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 | 23,036,446 | |
| Depreciation expense | <u>(15,157,452)</u> | 7,878,994 |
| 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 and bond refunding | (27,405,000) | |
| Repayment of bond principal | 22,080,000 | |
| Repayment of capital lease obligation | 416,355 | |
| Bond issuance premium | (2,276,429) | |
| Amortization on bond premium | <u>1,540,660</u> | (5,644,414) |
| Total | | |
| 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 | | (69,382) |
| Decrease in early retirement | | 1,030,473 |
| Net increase in accrued interest | | (654,258) |
| Pension expense | | (3,200,316) |
| Deferred charge on refunding | | (907,207) |
| OPEB expense | | (1,884,280) |
| 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. | | |
| | | 3,323,524 |
| 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. | | |
| Loss on disposal of capital assets | | <u>(58,881)</u> |
| Change in net position of governmental activities | \$ | <u>5,859,782</u> |

The accompanying notes are an integral part of this statement.

PARKWAY C-2 SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUND

June 30, 2018

| | Governmental Activities - Internal Service Fund |
|-------------------------------------|--|
| CURRENT ASSETS | |
| Cash | \$ 13,963,882 |
| CURRENT LIABILITIES | |
| Accounts payable | 20,000 |
| Medical and dental benefits payable | 2,331,849 |
| Unearned revenue | 1,753,717 |
| Total liabilities | 4,105,566 |
| NET POSITION | |
| Unrestricted | \$ 9,858,316 |

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, 2018

| | Governmental Activities - Internal Service Fund |
|---------------------------------|--|
| Operating revenues | |
| Contributions by employees | \$ 8,645,822 |
| Contributions by employer | 25,737,719 |
| Other income | 2,469,659 |
| Total operating revenues | 36,853,200 |
| Operating expenses | |
| Claims | 30,245,934 |
| Excess loss insurance | 912,956 |
| Administrative | 2,015,362 |
| Other | 355,424 |
| Total operating expenses | 33,529,676 |
| CHANGE IN NET POSITION | 3,323,524 |
| Net position at July 1, 2017 | 6,534,792 |
| Net position at June 30, 2018 | \$ 9,858,316 |

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, 2018

| | Governmental Activities - Internal Service Fund |
|--|--|
| Cash flows from operating activities | |
| Cash received from employer contributions | \$ 8,727,152 |
| Cash received from employee contributions | 25,888,134 |
| Cash received from insurance | 2,469,659 |
| Cash payments to suppliers for claims and services | <u>(33,130,175)</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES AND INCREASE IN CASH | 3,954,770 |
| Cash at July 1, 2017 | <u>10,009,112</u> |
| Cash at June 30, 2018 | <u>\$ 13,963,882</u> |
| Reconciliation of operating income to net cash provided by operating activities | |
| Operating income | \$ 3,323,524 |
| Change in accounts payable | 15,704 |
| Change in medical and dental benefits payable | 383,797 |
| Change in unearned revenue | <u>231,745</u> |
| Net cash provided by operating activities | <u>\$ 3,954,770</u> |

The accompanying notes are an integral part of this statement.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

1. Principles Determining the Scope of Reporting Entity

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

2. Fund Accounting

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

2. Fund Accounting (continued)

Governmental Funds

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

General (Incidental) Fund

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

Special Revenue (Teachers') Fund

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

2. Fund Accounting (concluded)

Capital Projects Fund

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

Proprietary Funds

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

Internal Service Fund

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

3. Fund Balances – Governmental Funds

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

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

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

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

3. Fund Balances – Governmental Funds (concluded)

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

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

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

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

4. Basis of Presentation

Government-Wide Financial Statements

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

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

4. Basis of Presentation (concluded)

Government-Wide Financial Statements (concluded)

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

Fund Financial Statements

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

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

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

PARKWAY C-2 SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

5. Basis of Accounting

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

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

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

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

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

5. Basis of Accounting (concluded)

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

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

6. Property Taxes

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

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

The District 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 2017 and 2016 for purposes of local taxation were \$4,705,282,070 and \$4,370,660,330, respectively.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

6. Property Taxes (concluded)

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2017 and 2016 for purposes of local taxation were:

| | December 31, | |
|-----------------------|------------------|------------------|
| | 2017 | 2016 |
| General Fund | \$ 1.3003 | \$ 1.3511 |
| Special Revenue Fund | 2.4146 | 2.5093 |
| Debt Service Fund | 0.4900 | 0.4900 |
| Capital Projects Fund | 0.0500 | - |
| Total | <u>\$ 4.2549</u> | <u>\$ 4.3504</u> |

The receipts of current property taxes during the fiscal year ended June 30, 2018, aggregated approximately 96% of the current assessment computed on the basis of the levy as shown above.

7. Pooled Cash and Temporary Investments

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

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

Investments in external investment pools and certificates of deposit 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.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

8. Restricted Cash and Investments

Restricted cash and investments represent amounts whose use is limited by legal requirements and consist of unexpended bond proceeds and amounts escrowed for future general obligation bond principal and interest payments.

9. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

10. Inventory

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

11. Capital Assets

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

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their 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.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

11. Capital Assets (concluded)

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

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

12. Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The District reported three deferred outflows of resources in this year's financial statements. One is a deferred amount arising from the refunding of general obligation bonds. The other 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 projected and actual earnings and changes in assumptions in the plans are required to be reported as deferred outflows of resources. The deferred refunding amount is being amortized over the remaining life of the refunding bonds as part of interest expense. No deferred outflows of resources affect the governmental funds financial statements in the current year.

13. Compensated Absences

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

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

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

15. Deferred Inflows of Resources

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

16. Net Position

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

17. Operating Revenues and Expenses

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

18. Interfund Activity

Interfund transfers are reported as other financing sources (uses) in governmental funds. The District transferred \$1,500,000 to the Special Revenue Fund and \$1,500,000 to the Capital Projects Fund from the General Fund during year ended June 30, 2018.

19. Estimates

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

NOTE B – CASH AND INVESTMENTS

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE B – CASH AND INVESTMENTS (continued)

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2018, the carrying amount of the deposits under District control was \$86,249,966 and the bank balance was \$88,840,655. 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, 2018, the District had the following investments and maturities.

| Type | Fair Value | Investment Maturities | |
|---------------------------------------|----------------------|-----------------------|----------------------|
| | | 0 to 1 year | 1 to 3 years |
| External investment pools -MOSIP | \$ 7,805 | \$ 7,805 | \$ - |
| U.S. Government and agency securities | 29,178,812 | 721,373 | 28,457,439 |
| Commercial Paper | 2,950,454 | 2,950,454 | - |
| | <u>\$ 32,137,071</u> | <u>\$ 3,679,632</u> | <u>\$ 28,457,439</u> |

Investments in external investment pools and certificates of deposit 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. The fair market value of U.S. Government and agency securities is valued using level 1 inputs and commercial paper is valued using Level 2 inputs.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE B – CASH AND INVESTMENTS (continued)

Interest Rate Risk

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

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in U.S. government agency securities were rated Aaa (long-term) or Aa2 by Moody's Investors Service. The District's investment in MOSIP is rated AAAm and the District's investments in Commercial Paper was rated A1 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. Investments in any one issuer representing 5% of 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) are as follows:

| <u>Issuer</u> | <u>Investment Type</u> | <u>Percentage</u> |
|--------------------------|------------------------|-------------------|
| JP Morgan Securities LLC | Commercial Paper | 9% |

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, 2018, the District's investments were held by the investment's counterparty.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE B – CASH AND INVESTMENTS (concluded)

Summary

The cash deposits and investments are summarized and presented in the financial statements as follows as of June 30, 2018:

| | |
|--|------------------------------|
| Cash on hand | \$ 1,887 |
| Carrying amount of deposits | 86,249,966 |
| Investments | <u>32,137,071</u> |
| | <u><u>\$ 118,388,924</u></u> |
| | |
| Cash and investments - governmental funds | \$ 57,749,809 |
| Restricted cash and investments - governmental funds | 46,675,233 |
| Cash - proprietary funds | <u>13,963,882</u> |
| | |
| Total reporting entity | <u><u>\$ 118,388,924</u></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

The District had no property taxes receivable as of June 30, 2018.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE D – CAPITAL ASSETS

The following is a summary of changes occurring in capital assets for the year ended June 30, 2018:

| | Balance July 1, 2017 | Transfers | Additions | Deletions | Balance June 30, 2018 |
|--|-------------------------|--------------|---------------------|------------------|--------------------------|
| Governmental activities | | | | | |
| Capital assets that are not depreciated | | | | | |
| Land | \$ 3,457,837 | \$ - | \$ - | \$ - | \$ 3,457,837 |
| Construction in progress | 52,539,700 | (23,170,613) | 21,153,106 | - | 50,522,193 |
| Capital assets that are depreciated | | | | | |
| Land improvements | 30,937,536 | 451,483 | 31,027 | - | 31,420,046 |
| Buildings | 164,857,542 | - | - | - | 164,857,542 |
| Building improvements | 196,129,072 | 22,719,130 | - | 98,097 | 218,750,105 |
| Vehicles and equipment | 32,915,419 | - | 1,852,313 | 95,784 | 34,671,948 |
| Totals at estimated historical cost | 480,837,106 | - | 23,036,446 | 193,881 | 503,679,671 |
| Accumulated depreciation | | | | | |
| Land improvements | 12,902,893 | - | 1,445,144 | - | 14,348,037 |
| Buildings | 113,353,810 | - | 1,788,001 | 73,409 | 115,068,402 |
| Building improvements | 96,000,990 | - | 9,421,874 | - | 105,422,864 |
| Vehicles and equipment | 19,100,103 | - | 2,502,433 | 61,591 | 21,540,945 |
| Total accumulated depreciation | 241,357,796 | - | 15,157,452 | 135,000 | 256,380,248 |
| Governmental activities capital assets, net | \$ 239,479,310 | \$ - | \$ 7,878,994 | \$ 58,881 | \$ 247,299,423 |

Depreciation was charged to functions of the District at follows:

| | |
|-------------------------------|----------------------|
| Instruction | \$ 8,941,656 |
| Student activities | 224,253 |
| Improvement of instruction | 191,621 |
| Executive administration | 1,803 |
| Building level administration | 46,239 |
| Business services | 906,633 |
| Operation of plant | 3,825,884 |
| Transportation | 884,541 |
| Food service | 27,653 |
| Community services | 107,169 |
| | <u>\$ 15,157,452</u> |

No interest was capitalized during 2018; interest incurred and charged to expenses totaled \$8,694,226.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE E – TAX ANITICIPATION NOTE

The District issues tax anticipation notes to provide funds for the use of operations due to timing of property tax collections. The District issued and redeemed \$14,500,000 in a tax anticipation note during the year ended June 30, 2018.

NOTE F – CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes occurring in long-term liabilities for the year ended June 30, 2018:

| | Balance July 1, 2017 | Additions | Reductions | Balance June 30, 2018 | Amounts due within one year |
|---|----------------------------|---------------|-----------------|-----------------------------|-----------------------------------|
| Governmental activities | | | | | |
| Bonds payable | | | | | |
| General obligation bonds | \$ 201,620,000 | \$ 27,405,000 | \$ (22,080,000) | \$ 206,945,000 | \$ 16,185,000 |
| Deferred amounts for issuance premium | 8,072,816 | 2,276,429 | (1,540,660) | 8,808,585 | - |
| Total bonds payable, net | 209,692,816 | 29,681,429 | (23,620,660) | 215,753,585 | 16,185,000 |
| Obligations under capital leases | 2,227,015 | - | (416,355) | 1,810,660 | 424,777 |
| Accrued vacation payable | 1,432,869 | 2,895,693 | (2,826,311) | 1,502,251 | 1,502,251 |
| Early retirement payable | 1,932,641 | 234,711 | (1,265,184) | 902,168 | 788,145 |
| Total governmental activity long-term liabilities | \$ 215,285,341 | \$ 32,811,833 | \$ (28,128,510) | \$ 219,968,664 | \$ 18,900,173 |

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

PARKWAY C-2 SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

Bonds Payable

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

Bonds payable consist of the following at June 30, 2018:

| Date Issued | Maturity Date | Rate of Interest | Original Issue Amount | Balance at June 30, 2018 |
|----------------|------------------|---------------------|-----------------------------|--------------------------------|
| 3/1/09 | 3/1/2025 | 2.125% - 3.75% | \$ 60,660,000 | \$ 2,045,000 |
| 11/10/10 | 3/1/2020 | 2.50% - 5.35% | 34,000,000 | 30,000,000 |
| 9/21/11 | 3/1/2024 | 2.00% - 4.00% | 27,120,000 | 17,010,000 |
| 3/14/12 | 3/1/2022 | 2.00% - 5.00% | 25,220,000 | 17,580,000 |
| 9/6/12 | 3/1/2020 | 1.00% - 3.00% | 6,250,000 | 2,125,000 |
| 3/4/15 | 3/1/2025 | 1.50% - 5.00% | 27,080,000 | 22,080,000 |
| 3/25/15 | 3/1/2035 | 3.00% - 4.00% | 50,000,000 | 50,000,000 |
| 10/12/16 | 3/1/2036 | 2.125% - 3.00% | 44,000,000 | 44,000,000 |
| 10/11/17 | 3/1/2023 | 2.00% - 5.00% | 27,405,000 | 22,105,000 |
| | | | <u>\$ 301,735,000</u> | <u>\$206,945,000</u> |

The annual requirements to amortize bonded debt outstanding as of June 30, 2018, are as follows:

| Year ending June 30, | Principal | Interest | Total |
|----------------------|-----------------------|----------------------|-----------------------|
| 2019 | \$ 16,185,000 | \$ 7,423,549 | \$ 23,608,549 |
| 2020 | 14,325,000 | 6,902,323 | 21,227,323 |
| 2021 | 12,315,000 | 6,473,060 | 18,788,060 |
| 2022 | 13,105,000 | 6,104,085 | 19,209,085 |
| 2023 | 11,240,000 | 5,514,435 | 16,754,435 |
| 2024-2028 | 33,805,000 | 21,996,953 | 55,801,953 |
| 2029-2033 | 57,860,000 | 13,868,933 | 71,728,933 |
| 2034-2036 | 48,110,000 | 2,965,860 | 51,075,860 |
| | <u>\$ 206,945,000</u> | <u>\$ 71,249,198</u> | <u>\$ 278,194,198</u> |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

Early Extinguishment and Advanced Refundings

On October 11, 2017, the District defeased \$6,390,000 of outstanding Series 2009 general obligation bonds. \$6,606,518 was placed in an irrevocable trust fund to purchase government obligations. The principal and interest to be earned on the government obligations will be in an amount sufficient for the payment of the principal and interest on the call date of March 1, 2019. The refunding was undertaken to reduce total debt service payments by \$587,897 which resulted in an economic gain of \$256,055 (the difference between the present value of the debt service payments on the old and new debt).

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the District's financial statements. As of June 30, 2018, the total debt outstanding that is considered to be defeased is \$35,810,000.

Cross Over Refunding

On October 11, 2017, the District issued general obligation refunding bonds in the amount of \$27,405,000. The proceeds of the bond issue will be used to refund part of the District's Series 2010 Build America Bonds. The District will refund \$28,000,000 on March 1, 2020. The new bond issue will decrease debt service payments by approximately \$5,429,106 over the next twelve years. This results in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$4,857,575.

Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen (15%) percent of the assessed valuation of the District (including State assessed railroad and utility). The legal debt margin, computed excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2018, was:

| | |
|---------------------------------------|------------------------------|
| Constitutional debt limit | \$ 705,792,311 |
| General obligation bonds payable | (206,945,000) |
| Amount available in Debt Service Fund | <u>36,717,985</u> |
| Legal debt margin | <u><u>\$ 535,565,296</u></u> |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

Capital Lease Payable

The District leases certain equipment under agreements classified as capital leases. The cost for such equipment as of June 30, 2018 was \$9,101,360 and the accumulated depreciation was \$7,551,242.

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, 2018.

| Year ending June 30, | |
|--|----------------------------|
| 2019 | \$ 461,632 |
| 2020 | 395,305 |
| 2021 | 328,981 |
| 2022 | 328,981 |
| 2023 | 284,419 |
| 2024 | <u>119,928</u> |
| Total future minimum lease payments | 1,919,246 |
| Less amount representing interest | <u>108,586</u> |
| Present value of future minimum lease payments | <u><u>\$ 1,810,660</u></u> |

NOTE G – RETIREMENT PLAN

Public School and Education Employee Retirement Systems of Missouri

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

Plan Description

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

Plan Description (concluded)

The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the “2/3’s statute.” PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members’ benefits are further calculated at two-thirds the normal benefit amount.

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 PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri.

Benefits Provided

PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the “Rule of 80” (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the “Rule of 80” but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

Benefits Provided (concluded)

PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at www.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 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 2016, 2017 and 2018. 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.

PARKWAY C-2 SCHOool DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2016, 2017, and 2018. 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 \$18,091,793 and \$2,721,961, respectively, for the year ended June 30, 2018.

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

At June 30, 2018, the District recorded a liability of \$187,109,719 for its proportionate share of PSRS' net pension liability and \$18,397,797 for its proportionate share of PEERS' net pension liability. In total, the District recorded net pension liabilities of \$205,507,516. The net pension liability for the plans in total was measured as of June 30, 2017 and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PSRS and PEERS of \$17,724,887 and \$2,658,401, respectively, for the year ended June 30, 2017, relative to the actual contributions of \$684,085,861 for PSRS and \$110,244,418 for PEERS from all participating employers. At June 30, 2017, the District's proportionate share was 2.5910% for PSRS and 2.4114% for PEERS.

For the year ended June 30, 2018, the District recognized pension expense of \$20,748,530 for PSRS and \$3,236,708 for PEERS, its proportionate share of the total pension expense.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

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

At June 30, 2018, 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 | \$ 11,114,005 | \$ 293,351 | \$ 11,407,356 |
| Changes in assumptions | 29,522,728 | 3,167,390 | 32,690,118 |
| Net difference between projected and actual earnings on pension plan investments | 3,870,643 | 395,853 | 4,266,496 |
| Changes in proportion and differences between Employer contributions and proportionate share of contributions | 2,236,229 | 23,240 | 2,259,469 |
| Employer contributions subsequent to the measurement date | 18,091,793 | 2,721,961 | 20,813,754 |
| Total | <u>\$ 64,835,398</u> | <u>\$ 6,601,795</u> | <u>\$ 71,437,193</u> |

At June 30, 2018, 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 | \$ 11,913,666 | \$ 745,291 | \$ 12,658,957 |
| Changes in proportion and differences between Employer contributions and proportionate share of contributions | 1,104,253 | 420,734 | 1,524,987 |
| Total | <u>\$ 13,017,919</u> | <u>\$ 1,166,025</u> | <u>\$ 14,183,944</u> |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

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

Deferred outflows of resources to PSRS and PEERS resulting from contributions subsequent to the measurement date of June 30, 2017 will be recognized as a reduction to the net pension liability in the year ended June 30, 2019.

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,:

| | <u>PSRS</u> | <u>PEERS</u> | <u>District Total</u> |
|------------|----------------------|---------------------|-----------------------|
| 2019 | \$ 3,939,998 | \$ 787,921 | \$ 4,727,919 |
| 2020 | 16,720,408 | 1,898,877 | 18,619,285 |
| 2021 | 9,850,753 | 875,746 | 10,726,499 |
| 2022 | (2,940,273) | (848,735) | (3,789,008) |
| 2023 | 5,330,110 | - | 5,330,110 |
| Thereafter | <u>824,690</u> | <u>-</u> | <u>824,690</u> |
| | <u>\$ 33,725,686</u> | <u>\$ 2,713,809</u> | <u>\$ 36,439,495</u> |

Actuarial Assumptions

Actuarial valuations of the Systems involve assumptions about 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 June 2016. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the studies and effective with the June 30, 2016 valuation. For the June 30, 2017 valuations, the investment rate of return was reduced from 7.75% to 7.6% and the assumption for the annual cost-of-living adjustments was updated in accordance with the funding policies amended by the Board of Trustees at their November 2017 meeting. Significant actuarial assumption and methods, including changes from the prior year resulting from changes in Board policy, are detailed below. For additional information please refer to the Systems' Comprehensive Annual Financial Report (CAFR). The next experience studies are scheduled for 2021.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

Actuarial Assumptions (continued)

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

Measurement Date – June 30, 2017

Valuation Date – June 30, 2017

Expected Return on Investments – 7.60% net of investment expenses and including 2.25% inflation.

Inflation – 2.25%

Total Payroll Growth PSRS – 2.75% per annum consisting of 2.25% 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.

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

Future Salary Increases PSRS – 3.00% - 9.50%, depending on service and including 2.25% inflation, 0.25% real wage growth due to the inclusion of health care costs in pension earnings, and .25% of real wage growth due to productivity.

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

Cost-of-Living Increases PSRS & PEERS – The annual COLA assumed in the valuation increases from 1.20% to 1.65% over nine years, beginning January 1, 2019. The COLA reflected for January 1, 2018 is 1.63%, in accordance with the actual COLA approved by the Board. This COLA assumption reflects an assumption that general inflation will increase from 1.80% to a normative inflation assumption of 2.25% over nine years. It is also based on the current policy of the Board to grant a COLA on each January 1 as noted in the COLA section.

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 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

Actuarial Assumptions (continued)

Mortality Assumption –

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

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

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

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

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

Changes in Actuarial Assumptions and Methods:

PSRS and PEERS – The investment return and COLA assumptions were updated by the Board as follows based on changes to the Board’s funding policy adopted at the November 3, 2017 meeting:

The investment return assumption was lowered from 7.75% to 7.60% per year.

The Board adopted a new COLA policy on November 3, 2017 resulting in a change to the future COLA assumption from an increasing assumption of 1.05% - 1.50% over nine years to an increasing assumption of 1.20% - 1.65% over nine years beginning January 1, 2019.

Fiduciary Net Positions: The Systems issue a publicly available financial report that can be obtained at www.psrs-peers.org.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (continued)

Actuarial Assumptions (continued)

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, 2017 are summarized below along with the long-term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminated the effects created by cash flows.

| Asset Class | Target Asset Allocation | Long-term Expected Real Return Arithmetic Basis | Weighted Long-Term Expected Real Return Arithmetic Basis |
|------------------------|-------------------------|---|--|
| U.S. Public Equity | 27.00% | 5.16% | 1.39% |
| Public Credit | 7.00% | 2.17% | 0.15% |
| Hedged Assets | 6.00% | 4.42% | 0.27% |
| Non-U.S. Public Equity | 15.00% | 6.01% | 0.90% |
| U.S. Treasuries | 16.00% | 0.96% | 0.15% |
| U.S. TIPS | 4.00% | 0.80% | 0.03% |
| Private Credit | 4.00% | 5.60% | 0.22% |
| Private Equity | 12.00% | 9.86% | 1.18% |
| Private Real Estate | 9.00% | 3.56% | 0.00% |
| Total | <u>100.00%</u> | | <u>4.61%</u> |
| | | Inflation | <u>2.25%</u> |
| | | Long Term arithmetical nominal return | <u>6.86%</u> |
| | | effect of covariance matrix | <u>0.74%</u> |
| | | Long term expected geometric return | <u>7.60%</u> |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE G – RETIREMENT PLAN (concluded)

Actuarial Assumptions (concluded)

Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.6% as of June 30, 2017, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return was 8.0% from 1980 through fiscal year 2016. The Board of Trustees adopted a new actuarial assumed rate of return of 7.75% effective with the June 30, 2016 valuation based on the actuarial experience studies and asset-liability study conducted during the 2016 fiscal year. As previously discussed, the Board of Trustees further reduced the assumed rate of return to 7.6% effective with the June 30, 2017 valuation. 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 actuarial 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.

Discount Rate Sensitivity

The sensitivity of the District's net pension liability to changes in the discount rate is presented below. The District's net pension liability calculated using the discount rate of 7.60% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.60%) or 1.0% higher (8.60%) than the current rate.

| Discount Rate | <u>1% Decrease 6.60%</u> | <u>Current Rate 7.60%</u> | <u>1% Increase 8.60%</u> |
|--|------------------------------|-------------------------------|------------------------------|
| Proportionate Share of the Net Position Liability | | | |
| PSRS | \$ 332,317,233 | \$ 187,109,719 | \$ 66,389,555 |
| PEERS | \$ 33,891,032 | \$ 18,397,797 | \$ 5,402,213 |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE H – 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. Administrators who are eligible for normal or early retirement receive a subsidy for the employee portion of their premium depending on years of service with the District. The administrative retirees with 10 to 15 years of service receive the subsidy for one year, those with 15-25 years receive the subsidy for two years and those with more than 25 years receive the subsidy for 3 years.

Employees covered by benefit terms at January 1, 2018:

| | <u>Number</u> | <u>Average Age</u> | <u>Average Service</u> |
|---|---------------------|--------------------|------------------------|
| Actives | 2,377 | 45.2 | 10.3 |
| Inactive Currently Receiving Benefit Payments | <u>680</u> | 68.4 | |
| Total | <u><u>3,057</u></u> | | |

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 2018, claims paid for retirees totaled \$4,786,100. Retirees contributed \$3,468,926 through premiums, the remaining \$1,317,174 was paid by the District.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

Total OPEB Liability

The District's total OPEB liability of \$41,018,184 was measured as of December 31, 2017, 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, 1.00% real GDP growth and 1.00% medical technology

Discount Rate - 3.16% for determining June 30, 2018 disclosure and estimated fiscal 2019 expense; 3.71% for determining June 30, 2017 liability and fiscal 2018 expense.

Salary Increase Rate – 3.0%, based on actual and anticipated experience.

Healthcare cost trend rates – 7.50% for medical in 2018 decreasing to an ultimate rate of 4.50% for 2038 and beyond. Dental at 5.00%. Vision at 3.00%

Mortality rates – RP-2014 Combined Mortality Table backed off to 2006 and projected generationally with scale MP-2017.

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

Changes in Total OPEB Liability

The components of the total OPEB liability of the District at June 30, 2018 are as follows:

| | <u>Total OPEB Liability</u> |
|-------------------------------|---------------------------------|
| Balances at December 31, 2016 | \$ 29,697,891 |
| Service cost | 1,099,555 |
| Interest | 1,077,358 |
| Employee contributions | 3,468,926 |
| Benefits paid | (4,786,100) |
| Changes in assumptions | <u>10,460,554</u> |
| Balances at December 31, 2017 | <u><u>\$ 41,018,184</u></u> |

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.

| | <u>2.16%</u> | <u>3.16%</u> | <u>4.16%</u> |
|----------------------|---------------|---------------|---------------|
| Total OPEB liability | \$ 46,550,784 | \$ 41,018,184 | \$ 36,408,443 |

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.

| | <u>1% Decrease 6.50%</u> | <u>Current Rate 7.50%</u> | <u>1% Increase 8.50%</u> |
|----------------------|------------------------------|-------------------------------|------------------------------|
| Total OPEB liability | \$ 35,948,469 | \$ 41,018,184 | \$ 47,176,521 |

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized OPEB expense of \$3,201,453. At June 30, 2018, the City reported deferred outflows of resources related to OPEB of \$9,436,014 related to changes in assumptions.

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

| <u>Year ending June 30</u> | <u>Net Outflows of Resources</u> |
|--------------------------------|--------------------------------------|
| 2019 | \$ 1,024,540 |
| 2020 | 1,024,540 |
| 2021 | 1,024,540 |
| 2022 | 1,024,540 |
| 2023 | 1,024,540 |
| Thereafter | <u>4,313,314</u> |
| Total | <u>\$ 9,436,014</u> |

NOTE I – RISK MANAGEMENT

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

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

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE I – RISK MANAGEMENT (concluded)

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

| | 2018 | 2017 |
|-----------------------------------|---------------------|---------------------|
| Unpaid claims, beginning of year | \$ 1,948,052 | \$ 2,242,295 |
| Incurred claims (including IBNRs) | 30,629,731 | 30,436,672 |
| Claim payments | <u>(30,245,934)</u> | <u>(30,730,915)</u> |
| Unpaid claims, end of year | <u>\$ 2,331,849</u> | <u>\$ 1,948,052</u> |

The District purchases specific reinsurance with an attachment point of \$325,000 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 J – COMMITMENTS AND CONTINGENCIES

Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2018.

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.

PARKWAY C-2 SCHOOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE J – COMMITMENTS AND CONTINGENCIES (concluded)

Contracts

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

Capital Commitments

The District's remaining commitment for uncompleted work under its construction contracts totaled approximately \$5.4 million as of June 30, 2018.

NOTE K – 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 \$1,537,147 as a result of these abatements for year ended June 30, 2018. These tax abatements are considered immaterial to the overall financial statements.

NOTE L – CHANGE IN ACCOUNTING PRINCIPAL

Net position as of July 1, 2017 has been restated as follows based on the measurement date at June 30, 2017, for the implementation of GASB Statement No. 74, *“Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”* and GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”*.

| | |
|---|-------------------------------|
| Net Position as previously reported at June 30, 2017 | \$ (25,815,486) |
| To eliminate the other postemployment benefit obligation prior to GASB Statement No. 75 | 8,295,100 |
| To record the net liability for other postemployment benefits at the beginning of the year according to GASB No. 75 | <u>(29,697,891)</u> |
| Net position as restated at June 30, 2017 | <u><u>\$ (47,218,277)</u></u> |

PARKWAY C-2 SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION **June 30, 2018**

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, 2018

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

| Year Ended | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Actual Covered Member Payroll | Net Pension Liability as a Percentage of Covered Payroll | Fiduciary Net Position as a Percentage of Total Pension Liability |
|------------|---|--|-------------------------------|--|---|
| 6/30/2015 | 2.5468% | \$104,484,390 | \$113,918,340 | 91.72% | 89.34% |
| 6/30/2016 | 2.5546% | 147,473,484 | 116,481,879 | 126.61% | 85.78% |
| 6/30/2017 | 2.5504% | 189,766,308 | 118,578,027 | 160.03% | 82.18% |
| 6/30/2018 | 2.5910% | 187,109,719 | 123,019,129 | 152.10% | 83.77% |

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

| Year Ended | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Actual Covered Member Payroll | Net Pension Liability as a Percentage of Covered Payroll | Fiduciary Net Position as a Percentage of Total Pension Liability |
|------------|---|--|-------------------------------|--|---|
| 6/30/2015 | 2.5181% | \$9,195,244 | \$36,719,724 | 25.04% | 91.33% |
| 6/30/2016 | 2.5327% | 13,395,606 | 37,976,766 | 35.27% | 88.28% |
| 6/30/2017 | 2.4602% | 19,739,053 | 37,990,743 | 51.96% | 83.32% |
| 6/30/2018 | 2.4114% | 18,397,797 | 38,752,166 | 47.48% | 85.35% |

Schedule of Employer Contributions – PSRS

| Year Ended | Contractually Required Contribution | Actual Employer Contributions | Contribution Excess/ (Deficiency) | Actual Covered Member Payroll | Contributions as a Percentage of Covered Payroll |
|------------|-------------------------------------|-------------------------------|-----------------------------------|-------------------------------|--|
| 6/30/2013 | \$16,249,325 | \$16,249,325 | \$ - | \$112,997,382 | 14.38% |
| 6/30/2014 | 16,400,693 | 16,400,693 | - | 113,918,340 | 14.40% |
| 6/30/2015 | 16,773,087 | 16,773,087 | - | 116,481,879 | 14.40% |
| 6/30/2016 | 17,084,375 | 17,084,375 | - | 118,578,027 | 14.41% |
| 6/30/2017 | 17,724,887 | 17,724,887 | - | 123,019,129 | 14.41% |

Schedule of Employer Contributions – PEERS

| Year Ended | Contractually Required Contribution | Actual Employer Contributions | Contribution Excess/ (Deficiency) | Actual Covered Member Payroll | Contributions as a Percentage of Covered Payroll |
|------------|-------------------------------------|-------------------------------|-----------------------------------|-------------------------------|--|
| 6/30/2013 | \$2,538,978 | \$2,538,978 | \$ - | \$37,011,337 | 6.86% |
| 6/30/2014 | 2,518,972 | 2,518,972 | - | 36,719,724 | 6.86% |
| 6/30/2015 | 2,605,206 | 2,605,206 | - | 37,976,766 | 6.86% |
| 6/30/2016 | 2,606,166 | 2,606,166 | - | 37,990,743 | 6.86% |
| 6/30/2017 | 2,658,401 | 2,658,401 | - | 38,752,166 | 6.86% |

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

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

PARKWAY C-2 SCHOOL DISTRICT

OTHER POSTEMPLOYMENT BENEFIT OBLIGATION - UNAUDITED **Year ended June 30, 2018**

Schedule of Changes in Total OPEB Liability

| | <u>2018</u> |
|---|---------------------------------|
| Total OPEB liability | |
| Service cost | \$ 1,099,555 |
| Interest cost | 1,077,358 |
| Changes in assumptions | 10,460,554 |
| Employee contributions | 3,468,926 |
| Benefit payments | <u>(4,786,100)</u> |
| Net change in total OPEB liability | 11,320,293 |
| Total OPEB liability at beginning of year | <u>29,697,891</u> |
| Total OPEB liability at end of year | <u><u>\$ 41,018,184</u></u> |
| Covered payroll (for fiscal year 2017) | \$ 121,793,891 |
| Total OPEB liability as a percentage of covered payroll | 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, 2018

| | Budgeted amounts | | | Variance with final budget positive (negative) |
|---|---------------------|-----------------------|----------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Local | \$ 22,761,260 | \$ 22,289,876 | \$ 22,185,774 | \$ (104,102) |
| County | 591,929 | 561,523 | 642,409 | 80,886 |
| Interest | 505,192 | 505,192 | 729,102 | 223,910 |
| Total revenues | 23,858,381 | 23,356,591 | 23,557,285 | 200,694 |
| Expenditures | | | | |
| Debt service | | | | |
| Principal retirement | 10,390,000 | 46,139,050 | 15,690,000 | 30,449,050 |
| Interest | 7,456,700 | 7,883,482 | 7,854,876 | 28,606 |
| Other | 17,000 | 137,000 | 136,695 | 305 |
| Total expenditures | 17,863,700 | 54,159,532 | 23,681,571 | 30,477,961 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 5,994,681 | (30,802,941) | (124,286) | 30,678,655 |
| Other financing sources (uses) | | | | |
| Proceeds from refunding bonds issued | - | 27,405,000 | 27,405,000 | - |
| Premium on issuance of bonds | - | 2,276,430 | 2,276,429 | (1) |
| Payments to refunded bond escrow agent | - | (6,606,518) | (6,606,518) | - |
| Total other financing sources (uses) | - | 23,074,912 | 23,074,911 | (1) |
| NET CHANGE IN FUND BALANCE | \$ 5,994,681 | \$ (7,728,029) | \$ 22,950,625 | \$ 30,678,654 |
| Fund balance at July 1, 2017 | | | 13,767,360 | |
| Fund balance at June 30, 2018 | | | \$ 36,717,985 | |

PARKWAY C-2 SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND Year ended June 30, 2018

| | Budgeted amounts | | | Variance with final budget positive (negative) |
|---|------------------------|------------------------|---------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Local | \$ - | \$ 2,424,478 | \$ 2,622,563 | \$ 198,085 |
| County | - | - | 53,759 | 53,759 |
| Federal | 290,000 | 290,000 | 290,055 | 55 |
| Other - student activities | 250,000 | 250,000 | 378,750 | 128,750 |
| Interest | 160,000 | 160,000 | 302,893 | 142,893 |
| Total revenues | 700,000 | 3,124,478 | 3,648,020 | 523,542 |
| Expenditures | | | | |
| Capital outlay | 25,476,028 | 30,980,371 | 23,980,151 | 7,000,220 |
| Debt service | | | | |
| Interest | 167,014 | 167,014 | 150,269 | 16,745 |
| Total expenditures | 25,643,042 | 31,147,385 | 24,130,420 | 7,016,965 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (24,943,042) | (28,022,907) | (20,482,400) | 7,540,507 |
| Other financing sources | | | | |
| Transfer from General Fund | 1,700,000 | 2,000,000 | 1,500,000 | (500,000) |
| NET CHANGE IN FUND BALANCE | \$ (23,243,042) | \$ (26,022,907) | (18,982,400) | \$ 7,040,507 |
| Fund balance at July 1, 2017 | | | 38,732,434 | |
| Fund balance at June 30, 2018 | | | \$ 19,750,034 | |

STATISTICAL SECTION

PARKWAY C-2 SCHOOL DISTRICT

SUMMARY OF STATISTICAL INFORMATION

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

| | Pages |
|---|--------------|
| Financial Trends | 70 - 76 |
| These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time. | |
| Revenue Capacity | 77 - 81 |
| These schedules contain information to help the reader assess the District's most significant local revenue source – property tax. | |
| Debt Capacity | 82 - 84 |
| 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 | 85 - 86 |
| These schedules offer demographic economic indicators to help the reader understand the environment within which the District's financial activities take place. | |
| Operating Information | 87 - 94 |
| 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 | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014-as restricted | 2015 | 2016 | 2017 - as restated | 2018 |
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 92,477,800 | \$ 85,602,907 | \$ 82,176,049 | \$ 82,993,630 | \$ 75,946,520 | \$ 73,255,061 | \$ 69,719,235 | \$ 71,557,667 | \$ 66,479,941 | \$ 77,797,419 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 8,991,083 | 13,726,669 | 16,871,309 | 12,543,962 | 11,855,865 | - | - | - | - | - |
| Debt Service | 8,499,192 | 7,722,154 | 6,604,125 | 3,597,449 | 3,919,725 | 3,092,725 | 4,137,058 | 8,779,831 | 13,657,187 | 6,734,140 |
| Certificated employees' compensation and benefits | 3,127,050 | 1,818,724 | 2,718,463 | 2,760,038 | 10,415,599 | 8,128,641 | 5,907,208 | 5,921,230 | 925,146 | 3,473,347 |
| Unrestricted | 54,516,304 | 45,444,795 | 30,871,731 | 16,547,999 | 12,091,474 | (137,710,136) | (119,166,269) | (102,100,339) | (128,280,551) | (129,363,401) |
| Total net position | <u>\$ 167,611,429</u> | <u>\$ 154,315,249</u> | <u>\$ 139,241,677</u> | <u>\$ 118,443,078</u> | <u>\$ 114,229,183</u> | <u>\$ (53,233,709)</u> | <u>\$ (39,402,768)</u> | <u>\$ (15,841,611)</u> | <u>\$ (47,218,277)</u> | <u>\$ (41,358,495)</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 | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Instruction | \$ 115,444,024 | \$ 120,026,174 | \$ 122,029,859 | \$ 130,009,443 | \$ 123,661,522 | \$ 125,584,139 | \$ 117,419,935 | \$ 125,442,045 | \$ 137,321,600 | \$ 137,113,065 |
| Student activities | 3,630,230 | 3,900,719 | 3,736,873 | 3,966,728 | 3,609,406 | 3,852,639 | 4,223,712 | 4,955,335 | 4,917,661 | 4,421,230 |
| Attendance | 560,529 | 650,152 | 593,816 | 570,127 | 556,748 | 511,726 | 509,567 | 524,130 | 616,445 | 645,840 |
| Guidance | 6,014,889 | 6,460,908 | 6,518,698 | 6,418,774 | 6,514,602 | 6,898,120 | 6,203,939 | 6,708,591 | 7,591,500 | 7,754,796 |
| Health services | 2,128,802 | 2,173,494 | 2,262,503 | 2,419,250 | 2,460,337 | 2,532,294 | 2,507,675 | 2,610,245 | 2,795,830 | 2,998,818 |
| Improvement of Instruction | 6,622,863 | 6,327,627 | 6,499,570 | 6,888,113 | 7,234,987 | 6,689,045 | 6,040,942 | 6,778,701 | 8,251,830 | 8,083,012 |
| Professional development | 155,824 | 122,904 | 87,054 | 45,685 | 25,077 | 20,000 | 25,000 | 27,796 | 26,093 | 27,084 |
| Media Services | 3,466,025 | 3,640,805 | 3,584,568 | 3,742,730 | 3,585,461 | 3,776,908 | 3,310,475 | 3,789,457 | 4,153,826 | 4,380,178 |
| Board of Education services | 611,613 | 351,664 | 483,315 | 505,827 | 439,673 | 413,484 | 556,555 | 264,232 | 283,120 | 307,945 |
| Executive administration | 2,000,079 | 2,197,000 | 2,201,745 | 2,299,609 | 2,170,332 | 2,138,034 | 2,067,720 | 2,323,079 | 2,407,260 | 2,376,932 |
| Building level administration | 17,495,967 | 18,170,997 | 19,773,760 | 20,991,475 | 19,506,447 | 20,444,894 | 17,575,520 | 17,057,694 | 18,418,206 | 18,454,743 |
| Operation of plant | 23,582,821 | 22,989,369 | 25,712,489 | 24,397,041 | 23,103,017 | 25,787,236 | 25,579,658 | 24,718,581 | 25,693,591 | 25,756,638 |
| Pupil transportation | 8,988,331 | 9,030,267 | 9,459,635 | 10,275,583 | 9,551,436 | 9,775,217 | 9,084,146 | 10,376,299 | 10,199,069 | 12,184,788 |
| Food services | 6,207,122 | 6,082,553 | 6,361,047 | 6,614,064 | 6,272,818 | 5,936,786 | 5,953,779 | 1,188,243 | 6,470,989 | 6,510,660 |
| Business and central services | 8,919,444 | 11,580,655 | 13,584,781 | 11,067,084 | 11,958,863 | 10,946,917 | 12,604,100 | 9,153,179 | 12,625,805 | 11,901,273 |
| Security services | 955,763 | 1,119,123 | 1,183,617 | 1,085,827 | 1,011,960 | 1,097,429 | 1,116,659 | 5,683,921 | 1,289,203 | 1,257,314 |
| Adult basic education | 875,157 | 841,527 | 954,540 | 932,559 | 947,725 | 1,055,151 | 994,518 | 980,430 | 1,003,984 | 1,566,125 |
| Adult continuing education | 1,026,185 | 1,051,002 | 897,718 | 975,018 | 990,365 | 992,809 | 753,273 | 598,978 | 743,125 | 856,818 |
| Community services | 3,126,522 | 3,218,247 | 3,198,401 | 3,412,854 | 3,361,226 | 3,464,868 | 3,241,924 | 3,536,280 | 4,230,297 | 4,376,422 |
| Facilities | 4,160,986 | 4,145,737 | - | - | - | - | - | - | - | - |
| Interest and other expenses on long-term | 6,517,429 | 8,318,232 | 7,677,747 | 8,500,097 | 8,571,132 | 8,357,837 | 5,173,860 | 6,442,766 | 6,860,381 | 8,200,468 |
| Total governmental activities | 222,490,605 | 232,399,156 | 236,801,736 | 245,117,888 | 235,533,134 | 240,275,533 | 224,942,957 | 233,159,982 | 255,899,815 | 259,174,149 |
| Program revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Instruction | 12,507,871 | 12,008,255 | 10,737,708 | 7,639,845 | 7,041,429 | 8,648,983 | 8,440,789 | 8,032,181 | 8,288,247 | 8,327,655 |
| Student activities | 3,336,271 | 3,156,117 | 3,136,061 | 3,297,956 | 3,332,439 | 3,246,828 | 3,549,655 | 3,784,750 | 3,868,974 | 3,970,112 |
| Operation of plant | 105,807 | - | - | 130,177 | 91,698 | 167,604 | 254,553 | 355,734 | 351,729 | 351,814 |
| Food services | 4,354,323 | 4,491,029 | 4,141,392 | 4,333,278 | 4,102,670 | 3,916,787 | 3,841,316 | 3,897,398 | 4,066,763 | 4,209,014 |
| Business and central services | 35,614 | 104,617 | 181,162 | 27,044 | 23,364 | 21,050 | 20,614 | 21,018 | 19,218 | 32,476 |
| Community services | 1,917,338 | 1,855,973 | 1,637,554 | 1,745,691 | 1,953,462 | 2,126,675 | 1,970,342 | 2,013,148 | 2,725,820 | 3,012,096 |
| Facilities | 1,444,478 | - | - | - | - | - | - | - | - | - |
| Operating grants and contributions | 10,906,397 | 11,350,240 | 9,074,705 | 11,670,128 | 9,725,456 | 10,199,060 | 10,269,142 | 10,820,449 | 10,595,573 | 11,814,166 |
| Capital grants and contributions | - | - | - | - | - | 1,532,000 | - | - | - | - |
| Total government program revenues | 34,608,099 | 32,966,231 | 28,908,582 | 28,844,119 | 26,270,518 | 29,858,987 | 28,346,411 | 28,924,678 | 29,916,324 | 31,717,333 |
| Net expense | | | | | | | | | | |
| Total government net expense | \$ (187,882,506) | \$ (199,432,925) | \$ (207,893,154) | \$ (216,273,769) | \$ (209,262,616) | \$ (210,416,546) | \$ (196,596,546) | \$ (204,235,304) | \$ (225,983,491) | \$ (227,456,816) |

Source:
Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT

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

| | Fiscal Year | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Net expense | | | | | | | | | | |
| Total primary government net expense | \$ (187,882,506) | \$ (199,432,925) | \$ (207,893,154) | \$ (216,273,769) | \$ (209,262,616) | \$ (210,416,546) | \$ (196,596,546) | \$ (204,235,304) | \$ (225,983,491) | \$ (227,456,816) |
| General revenues and other changes in net position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes and all other Ad Valorem taxes | 166,853,540 | 164,993,061 | 168,980,812 | 171,338,491 | 181,035,962 | 182,737,147 | 187,449,160 | 202,662,578 | 190,242,012 | 207,172,893 |
| Sales Tax | 12,056,004 | 11,552,283 | 11,703,147 | 12,868,762 | 13,273,151 | 14,003,311 | 14,133,967 | 15,176,728 | 15,339,451 | 15,440,981 |
| Grants and contributions not restricted to specific programs | 2,395,045 | 1,044,372 | 2,015,644 | 1,144,654 | 384,209 | 335,968 | 115,222 | 39,396 | 41,128 | 3,973 |
| State Aid | 8,643,373 | 7,221,966 | 8,258,430 | 8,048,341 | 8,429,377 | 8,181,968 | 8,365,479 | 8,766,258 | 9,019,499 | 9,108,816 |
| Loss on disposal of assets | - | - | - | - | - | - | - | - | - | (23,662) |
| Loss on extinguishment of debt | - | - | - | - | - | - | - | - | - | (216,517) |
| Investment earnings | 2,170,463 | 1,324,711 | 1,861,549 | 2,074,922 | 1,926,022 | 1,009,308 | 363,659 | 1,151,501 | 1,367,526 | 1,830,114 |
| Total general revenues | 192,118,425 | 186,136,393 | 192,819,582 | 195,475,170 | 205,048,721 | 206,267,702 | 210,427,487 | 227,796,461 | 216,009,616 | 233,316,598 |
| Changes in net position | \$ 4,235,919 | \$ (13,296,532) | \$ (15,073,572) | \$ (20,798,599) | \$ (4,213,895) | \$ (4,148,844) | \$ 13,830,941 | \$ 23,561,157 | \$ (9,973,875) | \$ 5,859,782 |

Missouri Baptist Medical Center

Source:
Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|------------------------------|------------------------------|------|------|------|------|------|------|------|------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| General fund | | | | | | | | | | |
| Reserved | \$ 5,142,359 | \$ 3,185,541 | | | | | | | | |
| Unreserved | 50,209,204 | 45,413,226 | | | | | | | | |
| Total General fund | <u>55,351,563</u> | <u>48,598,767</u> | | | | | | | | |
| All other governmental funds | | | | | | | | | | |
| Reserved | 51,638,062 | 33,805,316 | | | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Capital projects funds | 8,813,857 | 13,604,067 | | | | | | | | |
| Special revenue funds | 925,166 | 349,340 | | | | | | | | |
| Debt service funds | 11,564,135 | 11,142,512 | | | | | | | | |
| Total all other governmental funds | <u>72,941,220</u> | <u>58,901,235</u> | | | | | | | | |
| Total fund balances | <u><u>\$ 128,292,783</u></u> | <u><u>\$ 107,500,002</u></u> | | | | | | | | |

General Fund

| | | | | | | | | | | |
|------------------------------------|--|--|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Nondisposable | | | | | | | | | | |
| Prepaid Items | | | \$ 1,003,915 | \$ 1,135,083 | \$ 1,202,733 | \$ 1,098,423 | \$ 1,491,678 | \$ 1,370,048 | \$ 1,531,803 | \$ 1,702,965 |
| Inventory | | | 692,049 | 753,558 | 679,587 | 746,788 | 633,453 | 661,929 | 1,685,038 | 1,184,967 |
| Assigned-Student Activities | | | 3,213,129 | 3,373,479 | 2,941,510 | 2,891,235 | 2,793,102 | 2,474,298 | 1,901,386 | 1,640,353 |
| Unassigned | | | 30,517,746 | 19,898,691 | 13,749,123 | 19,764,629 | 26,537,171 | 36,214,159 | 38,371,809 | 38,490,854 |
| Total General Fund | | | <u>35,426,839</u> | <u>25,160,811</u> | <u>18,572,953</u> | <u>24,501,075</u> | <u>31,455,404</u> | <u>40,720,434</u> | <u>43,490,036</u> | <u>43,019,139</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nondisposable | | | | | | | | | | |
| Prepaid Items | | | - | - | - | - | 2,682 | - | - | 1,000,096 |
| Restricted | | | | | | | | | | |
| Teachers Salaries and Benefits | | | 1,814,336 | 1,660,658 | 9,316,219 | 6,504,193 | 3,742,352 | 2,219,018 | 925,146 | 3,473,347 |
| Debt Service | | | 10,278,376 | 7,407,100 | 7,339,380 | 6,626,452 | 6,103,666 | 10,106,755 | 13,767,360 | 36,717,985 |
| Capital Projects | | | 36,263,638 | 16,080,166 | 4,209,727 | - | 43,782,954 | 27,187,026 | 37,106,048 | 17,496,421 |
| Assigned-other capital projects | | | 16,835,317 | 12,547,707 | 11,859,609 | 8,795,536 | 5,574,328 | 357,156 | 1,626,386 | 1,253,517 |
| Total all other governmental funds | | | <u>65,191,667</u> | <u>37,695,631</u> | <u>32,724,935</u> | <u>21,926,181</u> | <u>59,205,982</u> | <u>39,869,955</u> | <u>53,424,940</u> | <u>59,941,366</u> |
| Total fund balances | | | <u><u>\$ 100,618,506</u></u> | <u><u>\$ 62,856,442</u></u> | <u><u>\$ 51,297,888</u></u> | <u><u>\$ 46,427,256</u></u> | <u><u>\$ 90,661,386</u></u> | <u><u>\$ 80,590,389</u></u> | <u><u>\$ 96,914,976</u></u> | <u><u>\$ 102,960,505</u></u> |

Source:

Basic Financial Statements

PARKWAY C-2 SCHOOL DISTRICT

GOVERNMENTAL FUNDS REVENUES

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Federal sources: | | | | | | | | | | |
| Federal grants | \$ 3,238,723 | \$ 2,240,345 | \$ 2,268,982 | \$ 3,133,013 | \$ 2,426,671 | \$ 2,441,585 | \$ 2,519,199 | \$ 3,030,557 | \$ 2,709,703 | \$ 2,571,602 |
| Food services | 1,439,773 | 1,769,416 | 1,556,864 | 1,825,670 | 1,793,618 | 2,019,512 | 1,945,471 | 1,981,208 | 2,146,136 | 2,145,449 |
| Other federal revenue | 854,090 | 2,350,768 | 2,039,733 | 1,549,985 | 949,001 | 2,134,169 | 858,042 | 922,640 | 991,098 | 710,358 |
| Total federal sources | 5,532,586 | 6,360,529 | 5,865,579 | 6,508,668 | 5,169,290 | 6,595,266 | 5,322,712 | 5,934,405 | 5,846,937 | 5,427,409 |
| State sources: | | | | | | | | | | |
| State education finance program | 10,585,750 | 8,775,984 | 8,400,318 | 9,440,473 | 9,678,046 | 9,541,767 | 9,821,384 | 9,961,750 | 10,053,206 | 10,295,209 |
| Food services | 28,443 | 24,119 | 29,885 | 32,210 | 42,798 | 38,618 | 36,829 | 37,586 | 38,640 | 39,607 |
| State grants | 1,204,182 | 908,384 | 678,084 | 1,352,651 | 957,510 | 1,230,429 | 916,115 | 1,178,473 | 1,029,317 | 1,937,685 |
| Other state revenue | 178,722 | - | 11,000 | 3,360 | 13,653 | 33,657 | 88,507 | 257 | 73,462 | 3,213 |
| Total state sources | 11,997,097 | 9,708,487 | 9,119,287 | 10,828,694 | 10,692,007 | 10,844,471 | 10,862,835 | 11,178,066 | 11,194,625 | 12,275,714 |
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | 161,955,316 | 161,812,634 | 166,146,717 | 162,771,247 | 168,958,934 | 169,666,953 | 165,033,942 | 188,479,373 | 186,066,318 | 199,549,780 |
| Sales taxes | 12,056,005 | 11,552,283 | 11,703,147 | 12,868,762 | 13,273,151 | 14,003,311 | 14,133,967 | 15,176,728 | 15,339,451 | 15,440,981 |
| Other taxes | 5,050,845 | 4,894,154 | 5,064,534 | 8,483,395 | 7,925,047 | 9,077,909 | 8,717,677 | 9,443,105 | 9,030,723 | 5,490,786 |
| Food service sales | 4,354,323 | 4,491,029 | 4,141,392 | 4,333,278 | 4,102,670 | 3,916,788 | 3,841,316 | 3,897,398 | 4,066,763 | 4,209,014 |
| Interest income | 2,025,874 | 1,115,517 | 2,167,637 | 1,669,891 | 1,270,350 | 1,009,308 | 4,887,791 | 1,151,501 | 2,041,106 | 4,106,542 |
| Desegregation Aid | 12,278,823 | 10,243,191 | 9,168,396 | 7,410,589 | 6,925,267 | 7,371,277 | 7,694,360 | 7,733,242 | 7,824,350 | 7,890,932 |
| Amounts received from other LEA's | 2,198,809 | 2,458,958 | 2,366,249 | 2,582,036 | 2,300,883 | 2,431,447 | 2,391,324 | 2,293,952 | 2,466,492 | 2,884,503 |
| Other local revenues | 4,451,463 | 4,309,306 | 3,556,848 | 3,646,724 | 5,622,934 | 5,952,711 | 11,805,356 | 4,316,412 | 4,344,562 | 4,002,588 |
| Total local sources | 204,371,458 | 200,877,072 | 204,314,920 | 203,765,922 | 210,379,236 | 213,429,704 | 218,505,733 | 232,491,711 | 231,179,765 | 243,575,126 |
| County sources: | | | | | | | | | | |
| State assessed utilities | 1,992,110 | 2,130,384 | 1,716,890 | 2,840,476 | 2,435,065 | 2,555,766 | 2,649,930 | 2,939,248 | 2,839,138 | 3,023,453 |
| Other county revenues | 1,453,258 | 1,166,833 | 1,074,355 | 960,338 | 1,161,748 | 1,495,193 | 1,409,247 | 1,280,023 | 1,259,260 | 972,409 |
| Total county sources | 3,445,368 | 3,297,217 | 2,791,245 | 3,800,814 | 3,596,813 | 4,050,959 | 4,059,177 | 4,219,271 | 4,098,398 | 3,995,862 |
| Total revenues | \$ 225,346,509 | \$ 220,243,305 | \$ 222,091,031 | \$ 224,904,098 | \$ 229,837,346 | \$ 234,920,400 | \$ 238,750,457 | \$ 253,823,453 | \$ 252,319,725 | \$ 265,274,111 |

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 | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Instruction | \$ 107,236,197 | \$ 110,117,572 | \$ 111,931,476 | \$ 119,495,234 | \$ 113,832,841 | \$ 115,666,526 | \$ 117,175,106 | \$ 123,560,230 | \$ 125,654,750 | \$ 128,027,526 |
| Student activities | 3,627,665 | 3,900,719 | 3,735,872 | 3,968,004 | 3,604,499 | 3,853,964 | 4,253,069 | 5,186,091 | 4,753,114 | 4,166,051 |
| Attendance | 557,803 | 640,062 | 595,380 | 567,776 | 559,636 | 513,208 | 541,869 | 551,101 | 600,908 | 641,081 |
| Guidance | 6,001,690 | 6,450,948 | 6,506,278 | 6,385,597 | 6,596,288 | 6,867,751 | 7,026,544 | 7,053,805 | 7,400,154 | 7,697,653 |
| Health services | 2,130,861 | 2,180,241 | 2,250,548 | 2,394,781 | 2,500,652 | 2,521,553 | 2,658,874 | 2,744,564 | 2,725,360 | 2,976,721 |
| Improvement of Instruction | 6,413,194 | 6,140,927 | 6,268,650 | 6,670,352 | 7,051,033 | 6,476,646 | 6,452,342 | 6,924,964 | 7,856,784 | 7,833,241 |
| Professional development | 155,824 | 122,904 | 87,054 | 40,670 | 25,077 | 20,000 | 25,000 | 27,796 | 26,093 | 27,084 |
| Media Services | 3,452,498 | 3,626,659 | 3,575,311 | 3,724,674 | 3,632,017 | 3,757,034 | 3,704,162 | 3,982,614 | 4,049,128 | 4,347,902 |
| Board of Education services | 610,337 | 340,522 | 492,351 | 501,876 | 445,058 | 420,332 | 556,555 | 264,232 | 283,120 | 307,945 |
| Executive administration | 1,978,968 | 2,194,723 | 2,210,187 | 2,328,767 | 2,173,991 | 2,137,173 | 2,219,580 | 2,440,665 | 2,343,467 | 2,357,627 |
| Building level administration | 16,944,966 | 17,013,690 | 18,746,737 | 19,237,152 | 18,841,684 | 19,554,208 | 19,087,152 | 17,716,897 | 17,958,587 | 18,426,288 |
| Operation of plant | 22,820,529 | 22,171,803 | 23,024,725 | 23,538,663 | 22,510,599 | 21,909,730 | 22,700,957 | 22,362,669 | 22,665,203 | 24,014,501 |
| Pupil transportation | 8,282,887 | 8,312,423 | 8,807,719 | 9,510,997 | 9,013,820 | 9,110,827 | 8,812,486 | 8,959,210 | 9,393,482 | 11,503,014 |
| Food services | 6,080,865 | 5,987,440 | 6,264,325 | 6,493,473 | 6,318,594 | 5,867,691 | 6,072,444 | 5,945,569 | 6,275,002 | 6,435,235 |
| Business and central services | 8,424,203 | 11,036,157 | 13,121,023 | 11,296,614 | 11,621,235 | 11,185,836 | 11,975,535 | 10,517,277 | 11,875,060 | 10,913,623 |
| Security services | 952,199 | 1,116,808 | 1,182,223 | 1,085,322 | 1,018,749 | 1,098,132 | 1,144,679 | 1,249,388 | 1,256,709 | 1,248,049 |
| Adult basic education | 872,891 | 840,285 | 951,508 | 955,640 | 956,063 | 1,040,255 | 1,067,682 | 1,030,881 | 978,678 | 1,554,584 |
| Adult continuing education | 1,018,695 | 1,051,604 | 899,882 | 972,938 | 986,803 | 991,888 | 785,905 | 629,800 | 724,394 | 850,504 |
| Community services | 3,041,813 | 3,127,706 | 3,104,186 | 3,300,000 | 3,300,197 | 3,368,052 | 3,400,915 | 3,622,191 | 4,033,334 | 4,237,794 |
| Capital Outlay | 14,562,505 | 17,928,692 | 33,940,041 | 21,060,107 | 11,206,586 | 10,522,677 | 9,209,510 | 21,194,358 | 31,195,502 | 20,902,626 |
| Debt service: | | | | | | | | | | |
| Principal retirement | 9,433,458 | 9,394,780 | 10,420,090 | 11,453,424 | 9,267,711 | 8,492,252 | 9,164,235 | 11,099,359 | 11,300,786 | 15,690,000 |
| Interest | 5,192,269 | 7,641,450 | 7,336,949 | 6,879,174 | 6,747,604 | 6,607,080 | 6,500,963 | 6,843,684 | 7,202,892 | 8,039,968 |
| Other expense | 418,622 | 382,851 | 79,195 | 310,005 | 102,192 | 6,492 | 1,056,503 | 17,064 | 149,731 | 139,695 |
| Total Expenditures | \$ 230,210,939 | \$ 241,720,966 | \$ 265,531,710 | \$ 262,171,240 | \$ 242,312,929 | \$ 241,989,307 | \$ 245,592,067 | \$ 263,924,409 | \$ 280,702,238 | \$ 282,338,712 |
| Debt service as a percentage of noncapital expenditures | 7.50% | 8.44% | 8.34% | 8.38% | 7.50% | 6.98% | 7.61% | 7.99% | 8.08% | 10.05% |

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 | | | | | | | | | |
|--|----------------------|------------------------|-----------------------|------------------------|------------------------|-----------------------|----------------------|------------------------|----------------------|---------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Excess of revenues under expenditures | \$ (4,864,430) | \$ (21,477,661) | \$ (43,440,679) | \$ (37,267,142) | \$ (12,475,583) | \$ (7,068,907) | \$ (6,841,610) | \$ (10,100,956) | \$ (28,382,513) | \$ (17,064,601) |
| Other financing sources (uses) | | | | | | | | | | |
| Issuance of general obligation bonds | 60,660,000 | - | 34,000,000 | 52,340,000 | 6,250,000 | - | 77,080,000 | - | 44,000,000 | 27,405,000 |
| Payment to refunded bond escrow agent | (7,744,611) | - | - | (59,276,479) | (6,637,463) | - | (30,708,828) | - | - | (6,606,518) |
| Premium on issuance of bonds | 956,216 | - | 485,400 | 6,420,458 | 459,325 | - | 4,653,700 | - | 673,579 | 2,276,429 |
| Sale of other property | - | 40,031 | - | 21,099 | 50,257 | 58,856 | 50,868 | 29,959 | 33,521 | 35,219 |
| Proceeds from capital lease | 240,092 | 644,849 | 2,073,783 | - | 794,910 | 2,139,420 | - | - | - | - |
| Total other financing sources(uses) | 54,111,697 | 684,880 | 36,559,183 | (494,922) | 917,029 | 2,198,276 | 51,075,740 | 29,959 | 44,707,100 | 23,110,130 |
| Net change in fund balances | <u>\$ 49,247,267</u> | <u>\$ (20,792,781)</u> | <u>\$ (6,881,496)</u> | <u>\$ (37,762,064)</u> | <u>\$ (11,558,554)</u> | <u>\$ (4,870,631)</u> | <u>\$ 44,234,130</u> | <u>\$ (10,070,997)</u> | <u>\$ 16,324,587</u> | <u>\$ 6,045,529</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 | | |
| 2009 | \$ 2,922,442,295 | \$ 1,660,000 | \$ 1,130,807,320 | \$ 627,955,010 | \$ 4,682,864,625 | 3.483 |
| 2010* | 2,715,056,490 | 1,534,500 | 1,134,555,310 | 596,858,410 | 4,448,004,710 | 3.624 |
| 2011 | 2,721,569,570 | 4,286,670 | 1,138,879,980 | 550,634,280 | 4,415,370,500 | 3.757 |
| 2012* | 2,656,692,460 | 673,970 | 1,063,244,550 | 520,270,710 | 4,240,881,690 | 3.905 |
| 2013 | 2,659,506,980 | 687,270 | 1,063,641,920 | 533,187,550 | 4,257,023,720 | 4.108 |
| 2014* | 2,575,731,880 | 657,910 | 1,028,617,830 | 530,509,640 | 4,135,517,260 | 4.279 |
| 2015 | 2,585,648,810 | 587,850 | 1,031,162,640 | 541,145,370 | 4,158,544,670 | 4.298 |
| 2016* | 2,699,945,500 | 777,090 | 1,100,564,190 | 535,320,980 | 4,336,607,760 | 4.488 |
| 2017 | 2,709,242,350 | 778,860 | 1,105,349,770 | 555,289,350 | 4,370,660,330 | 4.350 |
| 2018* | 2,986,427,610 | 1,625,570 | 1,165,892,910 | 551,335,980 | 4,705,282,070 | 4.255 |

NOTE:

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

The above rates for 2009-2018 are blended rates

* Represents a reassessment year

Sources:

Annual Secretary to the Board Report

Annual Report of the County Clerk to State Board of Education

PARKWAY C-2 SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES 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 |
| 2009 | | | | | | | | | | |
| Res | 3.4100 | 0.1900 | 0.0300 | 0.8000 | 0.6150 | 0.2430 | 0.9770 | 0.8260 | 0.8810 | 0.7190 |
| Agr | 4.0434 | 0.1900 | 0.0300 | 0.1000 | 0.0000 | 0.0000 | 1.1640 | 0.0863 | 0.8200 | 0.8290 |
| Com | 3.8832 | 0.1900 | 0.0300 | 0.0700 | 0.6280 | 0.2380 | 1.0160 | 0.9300 | 0.8820 | 0.6310 |
| Per Prop | 4.0779 | 0.1900 | 0.0300 | 0.0000 | 0.6680 | 0.2430 | 1.1310 | 1.0130 | 0.9100 | 0.8200 |
| 2010 | | | | | | | | | | |
| Res | 3.5672 | 0.2000 | 0.0300 | 0.0860 | 0.6150 | 0.2380 | 1.0120 | 0.8650 | 0.8850 | 0.9130 |
| Agr | 3.0900 | 0.2000 | 0.0300 | 0.0910 | 0.0000 | 0.0000 | 1.1880 | 0.8070 | 0.8500 | 0.9990 |
| Com | 4.0523 | 0.2000 | 0.0300 | 0.0830 | 0.6280 | 0.2380 | 1.0440 | 1.0190 | 0.8910 | 0.9090 |
| Per Prop | 4.0779 | 0.2000 | 0.0300 | 0.0000 | 0.6680 | 0.2430 | 1.1550 | 1.0440 | 0.9100 | 0.9900 |
| 2011 | | | | | | | | | | |
| Res | 3.6761 | 0.2000 | 0.0300 | 0.0840 | 0.6030 | 0.2060 | 1.0300 | 0.8420 | 0.8930 | 0.8980 |
| Agr | 5.4600 | 0.2000 | 0.0300 | 0.0910 | 0.0000 | 0.0000 | 1.1880 | 0.7830 | 0.8950 | 0.9740 |
| Com | 4.3860 | 0.2000 | 0.0300 | 0.0790 | 0.6160 | 0.2060 | 1.0910 | 0.9960 | 0.8950 | 0.9220 |
| Per Prop | 4.0779 | 0.2000 | 0.0300 | 0.0000 | 0.6560 | 0.2110 | 1.1550 | 1.0210 | 0.9100 | 0.9650 |
| 2012 | | | | | | | | | | |
| Res | 3.9361 | 0.2000 | 0.0300 | 0.0700 | 0.6130 | 0.1190 | 1.0290 | 0.8290 | 0.8970 | 0.8960 |
| Agr | 5.4598 | 0.2000 | 0.0300 | 0.0750 | 0.0000 | 0.0000 | 1.1880 | 0.7700 | 0.8610 | 0.9710 |
| Com | 4.5515 | 0.2000 | 0.0300 | 0.0750 | 0.6600 | 0.1190 | 1.1090 | 0.9830 | 0.9020 | 0.9190 |
| Per Prop | 4.0779 | 0.2000 | 0.0300 | 0.0000 | 0.6270 | 0.1240 | 1.1550 | 1.0080 | 0.9100 | 0.9620 |
| 2013 | | | | | | | | | | |
| Res | 4.0743 | 0.2000 | 0.0300 | 0.0720 | 0.6140 | 0.2380 | 1.0640 | 0.8290 | 0.9040 | 0.9610 |
| Agr | 5.4600 | 0.2000 | 0.0300 | 0.0920 | 0.0000 | 0.0000 | 1.1880 | 0.7700 | 0.8950 | 1.0090 |
| Com | 4.8924 | 0.2000 | 0.0300 | 0.0770 | 0.6540 | 0.2380 | 1.1370 | 0.9830 | 0.9090 | 0.9810 |
| Per Prop | 4.0779 | 0.2000 | 0.0300 | 0.0000 | 0.6270 | 0.2430 | 1.1550 | 1.0080 | 0.9100 | 1.0000 |
| 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 |

PARKWAY C-2 SCHOOL DISTRICT

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

| Fiscal Year | Overlapping Rates | | | | | | | | | |
|----------------|-------------------|--------------------|-------------------------|------------------------|---------------------|-----------------------|-----------------------------|--------------------------|------------------------------|----------------------------------|
| | Parkway | St Louis County | City of Chesterfield | City of Creve Coeur | City of Kirkwood | City of Manchester | Fire District Metro West | Fire District Monarch | Fire District Creve Coeur | Fire District West County EMS |
| 2015 | | | | | | | | | | |
| Res | 4.4617 | 0.2060 | 0.0000 | 0.0690 | 0.6000 | 0.2370 | 1.0130 | 0.8060 | 1.1550 | 1.2740 |
| Agr | 4.3817 | 0.1790 | 0.0000 | 0.0590 | 0.0000 | 0.0000 | 1.0260 | 0.6940 | 1.1800 | 1.3030 |
| Com | 4.6796 | 0.2050 | 0.0000 | 0.0740 | 0.6160 | 0.2340 | 1.0720 | 0.9420 | 1.1280 | 1.2940 |
| Per Prop | 4.2279 | 0.2090 | 0.0000 | 0.0000 | 0.6240 | 0.2430 | 1.1370 | 1.0080 | 1.1950 | 1.3250 |
| 2016 | | | | | | | | | | |
| Res | 4.2163 | 0.2060 | 0.0000 | 0.0680 | 0.6130 | 0.2380 | 1.0110 | 0.8050 | 1.1790 | 1.2710 |
| Agr | 4.4129 | 0.1790 | 0.0000 | 0.0590 | 0.0000 | 0.0000 | 1.0240 | 0.6940 | 0.0000 | 1.3030 |
| Com | 4.7419 | 0.2050 | 0.0000 | 0.0760 | 0.6370 | 0.2380 | 1.0920 | 0.9420 | 1.1590 | 1.2920 |
| Per Prop | 4.2258 | 0.2090 | 0.0000 | 0.0000 | 0.6210 | 0.2430 | 1.1370 | 1.0080 | 1.2200 | 1.3250 |
| 2017 | | | | | | | | | | |
| Res | 4.2163 | 0.2060 | 0.0000 | 0.0680 | 0.6130 | 0.2380 | 1.0110 | 0.8050 | 1.1790 | 1.2700 |
| Agr | 4.4129 | 0.1790 | 0.0000 | 0.5900 | 0.0000 | 0.0000 | 1.0240 | 0.6940 | 0.0000 | 1.3030 |
| Com | 4.74.19 | 0.2050 | 0.0000 | 0.0760 | 0.6370 | 0.2380 | 1.0920 | 0.9420 | 1.1590 | 1.2920 |
| Per Prop | 4.2258 | 0.2090 | 0.0000 | 0.0000 | 0.6210 | 0.2430 | 1.1370 | 1.0080 | 1.2200 | 1.3250 |
| 2018 | | | | | | | | | | |
| 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 |

Source:
St. Louis County Department of Revenue website

PARKWAY C-2 SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

| Principal Taxpayers | 2018 Taxable Assessed Value | Percentage of Total Taxable Value | 2009 Taxable Assessed Value | Percentage of Total Taxable Value |
|--|--------------------------------------|--|--------------------------------------|--|
| Chapter 100 St Louis County | \$ 62,145,590 | 1.32% | \$ - | 0.00% |
| RNSI City Place Owner LLC (formerly Cornerstone Opportunity Ventures LLC) | 37,538,350 | 0.80% | 32,756,730 | 0.70% |
| Emerson Rd LLC | 23,922,050 | 0.51% | - | 0.00% |
| WPP LLC | 17,491,590 | 0.37% | - | 0.00% |
| Ramco Gershenson Properties LP | 17,438,970 | 0.37% | - | 0.00% |
| St Louis County Missouri | 17,250,940 | 0.37% | - | 0.00% |
| Missouri American Water Company | 17,110,410 | 0.36% | - | 0.00% |
| US Bank National Association Trustee | 16,884,290 | 0.36% | - | 0.00% |
| Chapter 100 St Louis Co Port Authority | 15,893,340 | 0.34% | - | 0.00% |
| Waterfront Creve Mo LLC | 13,151,750 | 0.28% | - | 0.00% |
| Chesterfield Mall LLC | - | 0.00% | 28,974,300 | 0.62% |
| Pfizer, Inc | - | 0.00% | 68,908,190 | 1.47% |
| Duke Weeks Realty Limited Partnership | - | 0.00% | 42,508,110 | 0.91% |
| I & G Direct Real Estate | - | 0.00% | 20,099,550 | 0.43% |
| Edward D. Jones & Co. | - | 0.00% | 21,785,780 | 0.47% |
| US Reif Westport Plaza Fee LLC | - | 0.00% | 21,945,530 | 0.47% |
| Scott Properties | - | 0.00% | 18,185,180 | 0.39% |
| Scottrade Financial Services Inc. | - | 0.00% | 17,566,200 | 0.38% |
| Ameren UE | - | 0.00% | 16,574,120 | 0.35% |
| Total | <u>\$ 238,827,280</u> | 5.08% | <u>\$ 289,303,690</u> | 6.18% |

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 |
| 2009 | \$ 163,122,906 | \$ 157,557,607 | 96.59% | \$ 1,015,269 | \$ 158,572,876 | 97.21% |
| 2010* | 161,195,691 | 156,455,450 | 97.06% | 1,952,058 | 158,407,508 | 98.27% |
| 2011 | 165,903,131 | 161,479,241 | 97.33% | 1,281,154 | 162,760,395 | 98.11% |
| 2012* | 165,593,707 | 161,008,043 | 97.23% | - | 161,008,043 | 97.23% |
| 2013 | 174,878,534 | 169,734,753 | 97.06% | - | 169,734,753 | 97.06% |
| 2014* | 176,936,717 | 168,557,361 | 95.26% | - | 168,557,361 | 95.26% |
| 2015 | 178,738,408 | 174,262,717 | 97.50% | 700,215 | 174,962,932 | 97.89% |
| 2016* | 194,310,332 | 186,108,212 | 95.78% | - | 186,108,212 | 95.78% |
| 2017 | 190,141,207 | 183,452,796 | 96.48% | - | 183,452,796 | 96.48% |
| 2018* | 200,205,047 | 192,649,490 | 96.23% | - | 192,649,490 | 96.23% |

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 | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Capital leases | \$ 2,839,118 | \$ 2,605,584 | \$ 3,486,132 | \$ 1,922,248 | \$ 1,897,737 | \$ 3,215,053 | \$ 3,098,912 | \$ 2,635,121 | \$ 2,227,015 | \$ 1,810,660 |
| General obligation bonds | 150,210,280 | 141,881,194 | 166,847,217 | 155,497,217 | 147,033,678 | 145,296,147 | 189,647,590 | 177,493,275 | 209,692,816 | 215,753,585 |
| DNR note | 557,253 | 369,942 | 177,065 | - | - | - | - | - | - | - |
| Total primary government | <u>\$ 153,606,651</u> | <u>\$ 144,856,720</u> | <u>\$ 170,510,414</u> | <u>\$ 157,419,465</u> | <u>\$ 148,931,415</u> | <u>\$ 148,511,200</u> | <u>\$ 192,746,502</u> | <u>\$ 180,128,396</u> | <u>\$ 211,919,831</u> | <u>\$ 217,564,245</u> |
| Estimated actual value of taxable property | \$ 4,682,864,625 | \$ 4,448,004,710 | \$ 4,415,370,500 | \$ 4,240,881,690 | \$ 4,257,023,720 | \$ 4,135,517,260 | \$ 4,158,544,670 | \$ 4,336,607,760 | \$ 4,370,660,330 | \$ 4,705,282,070 |
| % of general bonded debt to estimated actual value of taxable property | 3.21% | 3.19% | 3.78% | 3.67% | 3.45% | 3.51% | 4.56% | 4.09% | 4.80% | 4.59% |
| Personal Income | 7,148,290,536 | 7,363,882,979 | 7,585,977,689 | 7,814,770,777 | 8,050,464,263 | 8,293,266,265 | 8,543,391,176 | 8,801,059,853 | 9,066,499,819 | 9,339,945,454 |
| % of Personal Income | 2.1489% | 1.9671% | 2.2477% | 2.0144% | 1.8500% | 1.7907% | 2.2561% | 2.0467% | 2.3374% | 2.3294% |
| Population | 146,394 | 146,852 | 147,312 | 141,555 | 141,998 | 142,442 | 142,888 | 143,336 | 143,784 | 144,234 |
| Per Capita | \$ 1,049 | \$ 986 | \$ 1,157 | \$ 1,112 | \$ 1,049 | \$ 1,043 | \$ 1,349 | \$ 1,257 | \$ 1,474 | \$ 1,508 |

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, 2018**

| <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>\$ 217,564,245</u> | 100.00% | <u>\$ 217,564,245</u> |
| <u>Overlapping</u> | | | |
| St. Louis County | 102,415,000 | 19% | 19,271,297 |
| City of Chesterfield | 3,805,000 | 44% | 1,691,970 |
| City of Kirkwood | 1,030,000 | 18% | 182,542 |
| City of Manchester | 570,000 | 8% | 47,983 |
| Fire District-Metro West | 3,520,000 | 43% | 1,500,041 |
| Fire District-West County EMS | <u>15,565,000</u> | 18% | <u>2,821,280</u> |
| Subtotal of Overlapping Debt | <u>126,905,000</u> | | <u>25,515,112</u> |
| Total | <u><u>\$ 344,469,245</u></u> | | <u><u>\$ 243,079,357</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 2016

| | | |
|---------------------------------------|----|--------------------|
| Assessed value | \$ | 4,705,282,070 |
| Debt limit (15% of assessed value) | | 705,792,311 |
| Debt applicable to limit | | (206,945,000) |
| Amount available in Debt Service Fund | | 36,717,985 |
| Legal debt margin | \$ | <u>535,565,296</u> |

| | Fiscal Year | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Debt Limit | \$ 702,429,694 | \$ 667,200,707 | \$ 662,305,575 | \$ 636,132,254 | \$ 638,553,558 | \$ 620,327,589 | \$ 623,781,701 | \$ 650,491,164 | \$ 655,599,050 | \$ 705,792,311 |
| Total net debt applicable to limit | <u>138,646,145</u> | <u>130,738,682</u> | <u>156,568,839</u> | <u>148,090,117</u> | <u>139,694,547</u> | <u>131,915,222</u> | <u>173,631,583</u> | <u>158,688,494</u> | <u>187,852,640</u> | <u>170,227,015</u> |
| Legal debt margin | <u>\$ 563,783,549</u> | <u>\$ 536,462,025</u> | <u>\$ 505,736,736</u> | <u>\$ 488,042,137</u> | <u>\$ 498,859,011</u> | <u>\$ 488,412,367</u> | <u>\$ 450,150,118</u> | <u>\$ 491,802,670</u> | <u>\$ 467,746,410</u> | <u>\$ 535,565,296</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 19.74% | 19.60% | 23.64% | 23.28% | 21.88% | 21.27% | 27.84% | 24.40% | 28.65% | 24.12% |

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) |
|------------------|------------|--------------------|-------------------------------------|-------------------------|
| 2009 | 145,937 | \$ 7,148,290,536 | \$ 48,982 | 9.70% |
| 2010 | 146,394 | 7,363,882,979 | 50,302 | 9.30% |
| 2011 | 146,852 | 7,585,977,689 | 51,657 | 8.90% |
| 2012 | 141,555 | 7,814,770,777 | 55,207 | 6.80% |
| 2013 | 141,998 | 8,050,464,263 | 56,694 | 7.30% |
| 2014 | 142,442 | 8,293,266,265 | 58,222 | 6.50% |
| 2015 | 142,888 | 8,543,391,176 | 59,791 | 5.80% |
| 2016 | 143,336 | 8,801,059,854 | 61,402 | 4.60% |
| 2017 | 143,784 | 9,066,499,819 | 63,056 | 3.90% |
| 2018 | 144,234 | 9,339,945,454 | 64,756 | 3.40% |

(1) St. Louis only

Sources:

Missouri Census Data Center Demographic Profile

Missouri Economic Research and Information Center (MERIC)

PARKWAY C-2 SCHOOL DISTRICT

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

| Employer | 2018 | | 2009 | |
|--|-----------|--------------------------------|-----------|--------------------------------|
| | Employees | Percentage of Total Employment | Employees | Percentage of Total Employment |
| Parkway School District | 2,300 | 0.43% | 2,400 | 0.46% |
| Schnucks Markets, Inc. | 15,600 | 2.89% | 10,750 | 2.04% |
| St. John's Mercy Medical Center (Mercy Health System) | 8,800 | 1.63% | 5,971 | 1.13% |
| Dierberg's Markets, Inc. | 4,126 | 0.76% | 5,000 | 0.95% |
| Coldwell Banker Gundaker | 2,555 | 0.47% | 3,600 | 0.68% |
| Solutia Inc | 3,400 | 0.63% | 4,570 | 0.87% |
| St. Luke's Health Corporation | 3,100 | 0.57% | 2,300 | 0.44% |
| Monsanto Company | 20,500 | 3.79% | 3,000 | 0.57% |
| Spectrum | 3,000 | 0.56% | - | 0.00% |
| Reinsurance Group of America (RGA) | 2,201 | 0.41% | - | 0.00% |
| Pfizer Global Research & Development | - | 0.00% | 1,200 | 0.23% |
| Missouri Baptist Medical Center | - | 0.00% | 2,878 | 0.55% |
| Total | 65,582 | 12.29% | 41,669 | 7.92% |

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 | | | | | | | | | |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Supervisory | | | | | | | | | | |
| Instructional administrators | 8 | 9 | 9 | 10 | 10 | 10 | 6 | 7 | 7 | 7 |
| Non-instructional administrators | 8 | 8 | 8 | 7 | 7 | 5 | 8 | 12 | 12 | 14 |
| Consultants/supervisors of instruction | 18 | 20 | 19 | 19 | 18 | 18 | 32 | 34 | 21 | 22 |
| Principals | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 27 | 28 | 28 |
| Assistant principals | 35 | 35 | 36 | 39 | 38 | 40 | 38 | 39 | 47 | 48 |
| Total Supervisory | 97 | 100 | 100 | 103 | 101 | 101 | 112 | 119 | 115 | 119 |
| Instruction | | | | | | | | | | |
| Elementary teachers | 503 | 494 | 503 | 495 | 522 | 528 | 468 | 524 | 512 | 517 |
| Middle school teachers | 269 | 255 | 259 | 261 | 256 | 267 | 275 | 280 | 284 | 287 |
| High school teachers | 371 | 394 | 398 | 390 | 361 | 365 | 359 | 351 | 362 | 354 |
| ESL teachers | 19 | 22 | 23 | 22 | 22 | 22 | 24 | 24 | 26 | 30 |
| Other instructional teachers | 129 | 118 | 118 | 125 | 87 | 78 | 148 | 114 | 118 | 115 |
| Aides | 63 | 69 | 74 | 83 | 73 | 66 | 121 | 133 | 117 | 108 |
| Total Instruction | 1,353 | 1,352 | 1,375 | 1,376 | 1,321 | 1,326 | 1,394 | 1,426 | 1,419 | 1,411 |
| Student Services | | | | | | | | | | |
| Guidance counselors | 69 | 69 | 70 | 68 | 70 | 70 | 72 | 71 | 73 | 70 |
| Social workers | 7 | 8 | 8 | 6 | 6 | 6 | 12 | 9 | 14 | 16 |
| Librarians | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 |
| Nursing Staff | 39 | 38 | 38 | 39 | 39 | 39 | 38 | 38 | 40 | 40 |
| Total Student Services | 146 | 146 | 147 | 144 | 146 | 146 | 152 | 148 | 157 | 157 |
| Support and Administration | | | | | | | | | | |
| Managers | 7 | 6 | 6 | 6 | 6 | 6 | 5 | 4 | 5 | 9 |
| Clerical Support | 102 | 99 | 100 | 97 | 91 | 88 | 41 | 37 | 19 | 17 |
| Secretarial Staff | 224 | 227 | 226 | 224 | 208 | 185 | 193 | 196 | 191 | 178 |
| Service workers | 139 | 250 | 250 | 247 | 240 | 233 | 325 | 340 | 335 | 333 |
| Skilled crafts | 158 | 49 | 49 | 48 | 47 | 44 | 44 | 46 | 40 | 37 |
| Mechanical/Transportation | 168 | 168 | 165 | 172 | 172 | 172 | 178 | 174 | 168 | 169 |
| Other Support Staff | 79 | 82 | 93 | 69 | 68 | 66 | 92 | 90 | 114 | 110 |
| Total support and administration | 877 | 881 | 889 | 863 | 832 | 793 | 878 | 887 | 872 | 853 |
| Total | 2,473 | 2,480 | 2,511 | 2,485 | 2,400 | 2,366 | 2,536 | 2,580 | 2,563 | 2,540 |

Source:
Basic Personnel Staffing Budgets

PARKWAY C-2 SCHOOL DISTRICT

**OPERATING STATISTICS
LAST TEN FISCAL YEARS**

| Fiscal Year | Enrollment | Operating Expenditures | Cost Per Pupil | Percentage Change | Government Wide Expenses | Cost Per Pupil | Percentage Change | Certificated Instructional Staff | Pupil-Teacher Ratio | Percentage of Students Receiving Free or Reduced-Price Meals |
|-------------|------------|------------------------|----------------|-------------------|--------------------------|----------------|-------------------|----------------------------------|---------------------|--|
| 2009 | 17,439 | \$ 184,037,361 | \$ 10,553 | 5.15% | \$ 230,210,939 | \$ 13,201 | 2.12% | 1,323 | 13.18 | 16.70% |
| 2010 | 17,370 | 188,782,385 | 10,868 | 2.99% | 241,720,966 | 13,916 | 5.42% | 1,315 | 13.21 | 18.60% |
| 2011 | 17,234 | 195,849,665 | 11,364 | 4.56% | 236,801,736 | 13,740 | -1.26% | 1,407 | 12.25 | 20.00% |
| 2012 | 17,156 | 220,338,529 | 12,843 | 13.02% | 245,117,888 | 14,288 | 3.98% | 1,443 | 11.89 | 21.30% |
| 2013 | 17,104 | 212,097,237 | 12,400 | -3.45% | 235,533,134 | 13,771 | -3.62% | 1,334 | 12.82 | 20.30% |
| 2014 | 17,231 | 197,973,460 | 11,489 | -7.35% | 241,245,785 | 14,001 | 1.67% | 1,311 | 13.15 | 20.60% |
| 2015 | 17,279 | 202,015,622 | 11,691 | 1.76% | 224,942,957 | 13,018 | -7.02% | 1,399 | 12.35 | 20.10% |
| 2016 | 17,314 | 205,828,265 | 11,888 | 1.68% | 233,159,982 | 13,467 | 3.44% | 1,375 | 12.59 | 19.40% |
| 2017 | 17,498 | 228,099,184 | 13,036 | 9.65% | 255,899,815 | 14,625 | 8.60% | 1,379 | 12.69 | 20.00% |
| 2018 | 17,928 | 214,456,535 | 11,962 | -8.24% | 259,174,149 | 14,456 | -1.15% | 1,388 | 12.92 | 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> |
|------------------------|---------------------------|---------------------------|--------------------------------------|---|
| 2009 | \$ 36,000 | \$ 81,186 | \$ 54,026 | \$ 44,249 |
| 2010 | 37,000 | 83,743 | 55,743 | 45,148 |
| 2011 | 37,000 | 85,050 | 55,999 | 45,312 |
| 2012 | 39,000 | 87,300 | 56,929 | 45,709 |
| 2013 | 40,500 | 89,100 | 57,717 | 46,234 |
| 2014 | 41,500 | 91,000 | 53,229 | 46,756 |
| 2015 | 41,500 | 92,200 | 57,001 | 47,393 |
| 2016 | 41,800 | 93,400 | 59,753 | 47,955 |
| 2017 | 42,400 | 95,400 | 60,461 | 48,619 |
| 2018 | 42,600 | 95,650 | 60,901 | n/a |

n/a - information not available

Sources:

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

PARKWAY C-2 SCHOOL DISTRICT

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

| | Fiscal Year | | | | | | | | | |
|-----------------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| <u>Elementary Schools:</u> | | | | | | | | | | |
| Barretts(1895) | | | | | | | | | | |
| Square Feet | 67,585 | 75,072 | 75,072 | 68,587 | 67,208 | 68,587 | 68,587 | 68,204 | 68,204 | 68,204 |
| Capacity | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 |
| Enrollment | 408 | 402 | 397 | 387 | 361 | 383 | 364 | 400 | 403 | 377 |
| Bellerive(1968) | | | | | | | | | | |
| Square Feet | 62,460 | 67,623 | 67,623 | 61,260 | 67,553 | 61,260 | 61,260 | 61,260 | 61,260 | 61,260 |
| Capacity | 423 | 423 | 423 | 423 | 423 | 423 | 423 | 423 | 423 | 423 |
| Enrollment | 406 | 410 | 400 | 384 | 365 | 378 | 366 | 391 | 388 | 402 |
| Carman Trails(1977) | | | | | | | | | | |
| Square Feet | 65,252 | 65,252 | 65,252 | 65,949 | 65,949 | 65,949 | 65,949 | 65,952 | 65,952 | 65,952 |
| Capacity | 472 | 472 | 472 | 472 | 472 | 472 | 472 | 472 | 472 | 472 |
| Enrollment | 399 | 425 | 432 | 432 | 445 | 433 | 457 | 455 | 455 | 445 |
| Claymont(1962) | | | | | | | | | | |
| Square Feet | 65,715 | 65,716 | 65,716 | 65,716 | 65,716 | 67,458 | 67,458 | 67,580 | 67,580 | 67,580 |
| Capacity | 601 | 601 | 601 | 601 | 601 | 601 | 601 | 601 | 601 | 601 |
| Enrollment | 430 | 449 | 442 | 462 | 469 | 481 | 511 | 496 | 499 | 502 |
| Craig(1966) | | | | | | | | | | |
| Square Feet | 50,215 | 50,215 | 50,215 | 50,215 | 50,215 | 50,215 | 50,215 | 50,225 | 50,225 | 50,225 |
| Capacity | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 |
| Enrollment | 453 | 499 | 543 | 475 | 454 | 472 | 452 | 441 | 438 | 488 |
| Green Trails(1965) | | | | | | | | | | |
| Square Feet | 59,196 | 59,196 | 59,196 | 59,193 | 59,193 | 59,193 | 59,193 | 59,174 | 59,174 | 59,174 |
| Capacity | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 |
| Enrollment | 429 | 418 | 394 | 420 | 411 | 419 | 415 | 431 | 441 | 414 |
| Hanna Woods(1970) | | | | | | | | | | |
| Square Feet | 57,242 | 57,242 | 57,242 | 57,242 | 57,242 | 57,242 | 57,242 | 58,019 | 58,019 | 58,019 |
| Capacity | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 |
| Enrollment | 384 | 379 | 354 | 379 | 391 | 400 | 448 | 444 | 448 | 458 |
| Henry(1967) | | | | | | | | | | |
| Square Feet | 55,631 | 91,443 | 91,443 | 55,631 | 55,634 | 55,631 | 55,631 | 63,286 | 63,286 | 63,286 |
| Capacity | 592 | 592 | 592 | 592 | 592 | 592 | 592 | 592 | 592 | 592 |
| Enrollment | 410 | 412 | 412 | 429 | 434 | 486 | 517 | 531 | 530 | 604 |

PARKWAY C-2 SCHOOL DISTRICT

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

| | Fiscal Year | | | | | | | | | |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| <u>Elementary Schools(con't):</u> | | | | | | | | | | |
| Highcroft Ridge(1977) | | | | | | | | | | |
| Square Feet | 65,252 | 65,252 | 65,252 | 66,022 | 65,252 | 66,022 | 66,022 | 66,175 | 66,175 | 66,175 |
| Capacity | 381 | 381 | 381 | 381 | 381 | 381 | 381 | 381 | 381 | 381 |
| Enrollment | 350 | 327 | 331 | 312 | 314 | 327 | 322 | 331 | 325 | 353 |
| Mason Ridge(1948) | | | | | | | | | | |
| Square Feet | 64,574 | 65,982 | 65,982 | 64,650 | 63,544 | 64,650 | 64,650 | 63,573 | 63,573 | 63,573 |
| Capacity | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 | 508 |
| Enrollment | 401 | 387 | 374 | 393 | 390 | 426 | 427 | 491 | 489 | 468 |
| McKelvey(1966) | | | | | | | | | | |
| Square Feet | 64,765 | 64,765 | 64,765 | 64,765 | 64,765 | 64,765 | 64,765 | 64,922 | 64,922 | 68,564 |
| Capacity | 677 | 677 | 677 | 677 | 677 | 677 | 677 | 677 | 677 | 677 |
| Enrollment | 562 | 557 | 612 | 510 | 485 | 508 | 542 | 597 | 597 | 653 |
| Oak Brook(1989) | | | | | | | | | | |
| Square Feet | 69,468 | 69,480 | 69,480 | 67,812 | 69,480 | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 |
| Capacity | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| Enrollment | 487 | 488 | 488 | 495 | 490 | 516 | 499 | 500 | 500 | 493 |
| Pierremont(1966) | | | | | | | | | | |
| Square Feet | 64,458 | 64,458 | 64,458 | 57,657 | 64,459 | 57,657 | 57,657 | 57,650 | 57,650 | 57,650 |
| Capacity | 529 | 529 | 529 | 529 | 529 | 529 | 529 | 529 | 529 | 529 |
| Enrollment | 349 | 378 | 397 | 400 | 411 | 407 | 433 | 447 | 449 | 448 |
| River Bend(1968) | | | | | | | | | | |
| Square Feet | 50,818 | 51,818 | 51,818 | 51,272 | 51,818 | 51,272 | 51,272 | 51,623 | 51,623 | 51,623 |
| Capacity | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 |
| Enrollment | 221 | 246 | 243 | 400 | 413 | 411 | 410 | 410 | 417 | 445 |
| Ross(1962) | | | | | | | | | | |
| Square Feet | 54,772 | 54,773 | 54,773 | 54,773 | 54,773 | 54,773 | 54,773 | 54,775 | 54,775 | 54,775 |
| Capacity | 402 | 402 | 402 | 402 | 402 | 402 | 402 | 402 | 402 | 402 |
| Enrollment | 444 | 441 | 438 | 437 | 416 | 413 | 409 | 392 | 385 | 385 |
| Shenandoah Valley(1974) | | | | | | | | | | |
| Square Feet | 64,239 | 64,620 | 64,620 | 64,620 | 64,620 | 64,620 | 64,620 | 64,970 | 64,970 | 64,970 |
| Capacity | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Enrollment | 412 | 410 | 418 | 473 | 439 | 441 | 467 | 459 | 448 | 484 |

PARKWAY C-2 SCHOOL DISTRICT

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

| | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| <u>Elementary Schools(con't)</u> | | | | | | | | | | |
| Sorrento Springs(1972) | | | | | | | | | | |
| Square Feet | 57,908 | 57,907 | 57,907 | 57,908 | 57,908 | 57,908 | 57,908 | 58,202 | 58,202 | 58,202 |
| Capacity | 474 | 474 | 474 | 474 | 474 | 474 | 474 | 474 | 474 | 474 |
| Enrollment | 387 | 385 | 356 | 360 | 352 | 350 | 329 | 316 | 310 | 261 |
| Wren Hollow(1974) | | | | | | | | | | |
| Square Feet | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 | 68,248 |
| Capacity | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| Enrollment | 377 | 403 | 411 | 412 | 405 | 426 | 405 | 417 | 418 | 412 |
| <u>Middle Schools:</u> | | | | | | | | | | |
| Central Middle(1956) | | | | | | | | | | |
| Square Feet | 160,153 | 146,153 | 146,153 | 156,153 | 160,153 | 156,153 | 156,153 | 160,209 | 160,209 | 160,209 |
| Capacity | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Enrollment | 931 | 897 | 848 | 840 | 873 | 920 | 946 | 903 | 910 | 902 |
| Northeast Middle(1971) | | | | | | | | | | |
| Square Feet | 154,251 | 156,013 | 156,013 | 156,038 | 154,967 | 156,038 | 156,038 | 159,851 | 159,851 | 159,851 |
| Capacity | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| Enrollment | 996 | 1,009 | 929 | 936 | 901 | 870 | 815 | 818 | 821 | 868 |
| South Middle(1962) | | | | | | | | | | |
| Square Feet | 127,145 | 127,470 | 127,470 | 127,470 | 127,470 | 127,470 | 127,470 | 127,518 | 127,518 | 127,518 |
| Capacity | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| Enrollment | 623 | 579 | 604 | 610 | 608 | 593 | 574 | 582 | 579 | 585 |
| Southwest Middle(1994) | | | | | | | | | | |
| Square Feet | 146,267 | 147,212 | 147,212 | 147,212 | 147,212 | 147,212 | 147,212 | 147,212 | 147,212 | 147,212 |
| Capacity | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Enrollment | 692 | 653 | 642 | 649 | 668 | 665 | 687 | 695 | 697 | 673 |
| West Middle(1969) | | | | | | | | | | |
| Square Feet | 173,172 | 173,172 | 173,172 | 173,172 | 173,172 | 173,172 | 173,172 | 171,510 | 171,510 | 171,510 |
| Capacity | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 | 1,598 |
| Enrollment | 852 | 825 | 877 | 933 | 954 | 987 | 1,016 | 1,033 | 1,039 | 1,058 |

PARKWAY C-2 SCHOOL DISTRICT

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

| | Fiscal Year | | | | | | | | | |
|--|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| <u>High Schools:</u> | | | | | | | | | | |
| Central High(1960) | | | | | | | | | | |
| Square Feet | 270,551 | 263,533 | 263,533 | 296,621 | 296,621 | 296,621 | 296,621 | 298,694 | 298,694 | 298,694 |
| Capacity | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 |
| Enrollment | 1,277 | 1,264 | 1,285 | 1,279 | 1,287 | 1,316 | 1,252 | 1,220 | 1,274 | 1,274 |
| Fern Ridge High(1949) | | | | | | | | | | |
| Square Feet | 44,088 | 44,088 | 44,088 | 23,065 | 23,065 | 23,065 | 23,065 | 23,067 | 23,067 | 23,067 |
| Capacity | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Enrollment | 90 | 92 | 110 | 92 | 63 | 83 | 81 | 81 | 84 | 81 |
| North High(1971) | | | | | | | | | | |
| Square Feet | 255,752 | 255,451 | 255,451 | 251,539 | 255,451 | 254,739 | 254,739 | 257,916 | 257,916 | 268,886 |
| Capacity | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| Enrollment | 1,522 | 1,505 | 1,540 | 1,479 | 1,388 | 1,311 | 1,208 | 1,149 | 1,103 | 1,093 |
| South High(1975) | | | | | | | | | | |
| Square Feet | 318,777 | 325,896 | 325,896 | 340,615 | 335,915 | 340,615 | 340,615 | 336,931 | 336,931 | 336,931 |
| Capacity | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Enrollment | 2,014 | 1,948 | 1,913 | 1,803 | 1,740 | 1,727 | 1,716 | 1,766 | 1,678 | 1,690 |
| West High(1967) | | | | | | | | | | |
| Square Feet | 313,482 | 386,981 | 386,981 | 315,625 | 316,981 | 315,625 | 315,625 | 321,098 | 321,098 | 321,098 |
| Capacity | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Enrollment | 1,306 | 1,307 | 1,232 | 1,261 | 1,252 | 1,208 | 1,263 | 1,354 | 1,378 | 1,420 |
| <u>Preschools:</u> | | | | | | | | | | |
| Early Childhood Center(1970) | | | | | | | | | | |
| Square Feet | 49,080 | 52,114 | 52,114 | 52,204 | 52,114 | 52,204 | 52,204 | 52,390 | 52,390 | 52,390 |
| Capacity | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 454 |
| Enrollment | 180 | 79 | 67 | 84 | 97 | 86 | 98 | 115 | 122 | 136 |
| Instructional Services Center(1968)(1) | | | | | | | | | | |
| Square Feet | 17,084 | 19,464 | 19,464 | 30,943 | 32,563 | 30,943 | 30,943 | 32,123 | 32,123 | 14,802 |
| Capacity | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 54 |
| Enrollment | 0 | 81 | 81 | 81 | 85 | 98 | 50 | 51 | 67 | 59 |
| Pre-School North(2015) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | 7,171 | 7,170 | 7,170 | 7,170 |
| Capacity | - | - | - | - | - | - | 96 | 96 | 96 | 90 |
| Enrollment | - | - | - | - | - | - | 81 | 82 | 85 | 89 |

PARKWAY C-2 SCHOOL DISTRICT

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

| | Fiscal Year | | | | | | | | | |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| <u>Other Buildings:</u> | | | | | | | | | | |
| Administration(1963) | | | | | | | | | | |
| Square Feet | 18,100 | 18,061 | 18,061 | 18,061 | 18,061 | 18,061 | 18,061 | 18,062 | 18,062 | 18,062 |
| Facilities/Operations(1966) | | | | | | | | | | |
| Square Feet | 35,960 | 35,494 | 35,494 | 35,494 | 48,955 | 35,494 | 35,494 | 35,869 | 35,869 | 35,869 |
| Fern Ridge Grounds Storage | | | | | | | | | | |
| Square Feet | - | - | - | 21,218 | 21,218 | 21,218 | 21,218 | 21,218 | 21,218 | 21,218 |
| Instructional Services Center(1968)(1) | | | | | | | | | | |
| Square Feet | 34,169 | 34,808 | 34,808 | 20,629 | 21,709 | 20,629 | 20,629 | 19,465 | 19,465 | 19,465 |
| Transportation(1961) | | | | | | | | | | |
| Square Feet | 12,373 | 12,880 | 12,880 | 13,838 | 13,838 | 13,838 | 13,838 | 12,013 | 12,013 | 12,013 |
| Service Bays | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Buses | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 148 | 149 | 149 |
| <u>Athletics:</u> | | | | | | | | | | |
| Football Fields | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Soccer Fields | 24 | 24 | 24 | 24 | 29 | 29 | 29 | 29 | 29 | 29 |
| Running Tracks | 12 | 12 | 12 | 12 | 22 | 22 | 22 | 22 | 22 | 22 |
| Baseball/Softball | 36 | 36 | 36 | 36 | 35 | 35 | 35 | 35 | 35 | 35 |
| Swimming Pools | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Playgrounds | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 |

(1) The Instructional Services Center is used for both administrative offices and instructional. The square footage for this site was based upon space dedicated for instructional purposes.

Sources:

DESE Annual Report of School Data

District Blueprints

District Archives

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