

COMPREHENSIVE ANNUAL

Financial Report



Parkway School District • C2 • Chesterfield, Missouri For
the Fiscal Year Ended June 30, 2021



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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

Prepared by the Chief Financial Officer's Division

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

CONTENTS

	<u>PAGE</u>
I. INTRODUCTORY SECTION	
TRANSMITTAL LETTER	I - X
PRINCIPAL OFFICIALS	XI
ORGANIZATIONAL CHART	XII
ASBO CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING	XIII
II. FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED	4 - 17
BASIC FINANCIAL STATEMENTS:	
<i>GOVERNMENT-WIDE FINANCIAL STATEMENTS:</i>	
STATEMENT OF NET POSITION	18
STATEMENT OF ACTIVITIES	19
<i>FUND FINANCIAL STATEMENTS:</i>	
BALANCE SHEET – GOVERNMENTAL FUNDS	20
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION	21
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	22
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES	23
STATEMENT OF NET POSITION – PROPRIETARY FUND	24
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUND	25
STATEMENT OF CASH FLOWS – PROPRIETARY FUND	26
<i>NOTES TO BASIC FINANCIAL STATEMENTS</i>	27 - 53

CONTENTS

II. FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION:

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – UNAUDITED	
GENERAL FUND	55
SPECIAL REVENUE FUND	56
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	57
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND EMPLOYER CONTRIBUTIONS – UNAUDITED	58
OTHER POSTEMPLOYMENT BENEFIT OBLIGATION – UNAUDITED	60

SUPPLEMENTARY INFORMATION:

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	
DEBT SERVICE FUND	62
CAPITAL PROJECTS FUND	63

III. STATISTICAL SECTION

SUMMARY OF STATISTICAL INFORMATION	65
NET POSITION BY COMPONENT	66
EXPENSES, PROGRAM REVENUES AND NET (EXPENSE)/REVENUE	67
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION	68
FUND BALANCES, GOVERNMENTAL FUNDS	69
GOVERNMENTAL FUNDS REVENUES	70
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO	71
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	72
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY	73
DIRECT AND OVERLAPPING PROPERTY TAX RATES	74- 75
PRINCIPAL PROPERTY TAXPAYERS	76

CONTENTS

III.	STATISTICAL SECTION	
	PROPERTY TAX LEVIES AND COLLECTIONS	77
	OUTSTANDING DEBT BY TYPE	78
	DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT	79
	LEGAL DEBT MARGIN INFORMATION	80
	DEMOGRAPHIC AND ECONOMIC STATISTICS	81
	PRINCIPAL EMPLOYERS	82
	FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE	83
	OPERATING STATISTICS	84
	TEACHER BASE SALARIES	85

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND
INDEPENDENT AUDITORS' REPORT
PARKWAY C-2 SCHOOL DISTRICT

June 30, 2021

**INTRODUCTORY
SECTION**



December 6, 2021

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, 2021 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 Comprehensive Annual Financial Report is presented in three sections as follows:

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

Profile of the Organization

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

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

Best High Schools in America

All four of Parkway's high schools - Central, North, South and West - were named among the country's "2020 Best High Schools" in America by *U.S. News and World Report*. Also, all four schools were ranked in the top 7% of schools in Missouri.

Best School Districts in Missouri

The Parkway School District was ranked as the fifth-best school district in the state according to Niche.com's rankings. The Best School Districts ranking is based on rigorous analysis of key statistics and millions of reviews from students and parents using data from the U.S. Department of Education.

College Success Award

All four Parkway high schools -- Central, North, South and West -- received a prestigious College Success Award from GreatSchools.org, the nation's leading nonprofit empowering parents to unlock educational opportunities for their children. College Success Award honors schools that excel in ensuring students prepare for college, enroll in college, and succeed once they get there.

National Merit Finalists

Twenty-five Parkway seniors have been named finalists in the 2021 National Merit Scholarship Program. These students represent less than one percent of high school seniors in the United States

National Merit Semifinalists

Twenty-six Parkway high school seniors were named semifinalists in the National Merit Scholarship Program. Semifinalists represent less than one percent of U.S. high school seniors. Approximately 16,000 students nationwide were selected as semifinalists, and 90 percent will go on to become finalists.

College-Sponsored National Merit Scholarship Award

Two Parkway Central High students were selected as College-sponsored National Merit Scholarship winners. College-sponsored Merit Scholarship winners are a part of the distinguished group of about 7,600 high school seniors who will receive National Merit Scholarships for college undergraduate study worth over \$30 million.

National Merit Commended Scholars

Seventeen Parkway seniors were named Commended in the National Merit Scholarship Program. Commended students are recognized for their exceptional academic promise. Commended

students placed among the top 50,000 scores of more than 1.5 million students who entered the 2020 competition by taking the Preliminary SAT/National Merit Scholarship Qualifying Test.

Missouri Scholars 100

A Parkway West High student was selected for the 2021 Missouri Scholars 100 list, a statewide program that honors 100 of Missouri's top academic students in the graduating class of 2021.

Missouri Scholars Academy

Ten Parkway students were elected as 2021 scholars by the Missouri Scholars Academy. Students are selected by GPA's, standardized test scores, IQ's, recommendations and formal essays.

ACT Perfect Scores

Thirteen Parkway students scored a 36 (highest possible score) on the ACT college admissions and placement exam. Nationally, on average, less than one-tenth of one percent of students who take the ACT earn a top score.

All-State Music Choir

Ten talented Parkway student musicians have been selected as members of the 2021 Missouri All-State Choir. The statewide annual honor features the top vocalists at the high school level in the state of Missouri. All state ensembles are one of the highest honors a student can achieve.

2021 Best Communities for Music Education

Parkway has been honored with the Best Communities for Music Education designation from the National Association of Music Merchants Foundation for its outstanding commitment to music education. Parkway is one of only six districts in Missouri to receive this designation and it is the fourth consecutive year being recognized.

Missouri All-State Bands

Four Parkway band members have been selected and recognized within the Missouri All-State Bands. Parkway students have a long history of being included; this year, even with COVID, Parkway received more selections than in recent years.

National High School Press Association Pacemaker Award

Parkway West High School's Yearbook staff has been named one of 51 schools in the country to become finalists for the National Scholastic Press Association Pacemaker award. They are one of only three high schools in Missouri to be recognized.

Quill & Scroll 2021 Writing, Photo and Multimedia Recognition

Five West High students earned national recognition from Quill & Scroll in the 2021 writing, photo and multimedia contest.

Missouri Student Journalist of the Year

A Parkway Central High student was selected as the Missouri Student Journalist of the Year. As the editor-in-chief, she completed a redesign of the newspaper, during a pandemic.

U.S. Senate Youth Program

A West High student has been selected as one of only two students to represent Missouri as a delegate to the United States Senate Youth Program. The mission of the United States Senate Youth Program is to provide a yearly opportunity for selected students to gain an in-depth view of the Senate and the federal government overall as well as a deeper understanding of the interrelationship of the legislative, judicial and executive branches.

National Blue Ribbon Schools

Parkway's 28 schools and 2 preschools are renowned for their achievements with 17 Blue Ribbon Awards from the U.S. Department of Education and 19 Gold Star Awards from the state of Missouri.

National Schools of Character

Parkway has 16 National Schools of Character – Barretts Elementary, Carman Trails Elementary, Craig Elementary, Green Trails Elementary, Hanna Woods Elementary, Highcroft Ridge Elementary, McKelvey Elementary, Oak Brook Elementary, Ross Elementary, Wren Hollow Elementary, Central Middle, Northeast Middle, Southwest Middle, West Middle, Central High and the Early Childhood Center.

In addition Parkway School District was named a School District of Character in 2017.

State Schools of Character

Barretts and Craig elementary schools have been re-certified as State Schools of Character for their dedicated focus on character development which has a positive effect on academic achievement, student behavior and school climate.

Promising Practices Award

Eleven Parkway schools received a Promising Practice award from Character.org. To receive a Promising Practice award, schools must demonstrate how they put one or more of the 11 Principles of Character Education into action. The Parkway schools who received the 2020 Promising Practice award are Barretts Elementary, Craig Elementary, Highcroft Elementary, Mason Ridge Elementary, McKelvey Elementary, North High, Northeast Middle, River Bend Elementary, South High, West High and West Middle.

Best Teachers in Missouri

We have always known that our teachers are special. According to Niche our teachers have been named among the best educators in the state.

Inspiring Teacher Award

Lisa Shipley, a gifted education teacher at Green Trails Elementary, received the Inspiring Teacher award from the Challenger Learning Center. The award recognizes teachers for inspiring their students to pursue a career in STEM. Shipley is one of seven teachers in the St. Louis area to receive the award.

Outstanding Music Educator of the Year

Each year, the National Federation of High Schools awards the Outstanding Music Educator of the Year to one recipient in each state. This year, MSHSAA has recognized Brian Reeves as the 2020-2021 Missouri state award recipient. Reeves is currently in his 29th year as a music educator.

Outstanding Assistant Principal of the Year Award

Megan Gerberding, assistant principal at Mason Ridge Elementary School, has been named "Outstanding Assistant Principal of the Year" by the St. Louis Suburban Elementary Principals Association. The program honors outstanding elementary administrators who ensure that Missouri's children acquire a sound foundation for lifelong learning and achievement.

Missouri Society of Health and Physical Educators

Dave McFarland, PE/health teacher, at South High School received the Helen Manley Award from the Missouri Society of Health and Physical Educators. The award recognizes those who have

demonstrated outstanding service to the Missouri Society of Health and Physical Educators in programming for physical education, health, recreation, dance, and/or allied professions.

Emerson Excellence in Teaching Award

Two Parkway teachers, Lindsay Corsale, Mason Ridge Elementary, and Ryun Deckert, Northeast Middle, have been selected as Emerson's 2020 Excellence in Teaching Award recipients. Deckert teaches eighth-grade math and Corsale is a first-grade teacher. Corsale and Deckert are among nearly 100 teachers from across the St. Louis area who are being recognized this year as examples of truly outstanding educational excellence.

Exceptional Education Leader

Michael Zitzer, assistant principal at Parkway North High School, was recently selected as one of nine exceptional education leaders for The Opportunity Trust's fourth Catalyst Fellowship cohort. The Catalyst Fellowship is a selective program that provides community and support to educators as they imagine, build, and test new ideas and approaches to teaching and learning.

School Nurse Administrator of the Year

Robin Wallin, Parkway's director of health services, was named the St. Louis Suburban School Nurses' Association School Nurse Administrator of the Year. Wallin led the Missouri School Nurse Leader COVID-19 Collaborative, which provided support, education and resources for school nurse leaders throughout the state to prepare them to respond to COVID-19 in the school setting.

Presidential Award for Excellence in Mathematics and Science Teaching

Elegan Kramer, Parkway North High School, is a recipient of the prestigious Presidential Award for Excellence in Mathematics and Science Teaching (PAEMST). The honor is the highest award given by the U.S. government to K-12 teachers of math and science.

National Board Certification

Parkway has 64 National Board Certified teachers. National Board Certified Teachers are highly accomplished educators who meet high, rigorous standards. Like board-certified doctors and accountants, teachers who achieve National Board Certification have done so through intensive study, expert evaluation, self-assessment and peer review.

National Certified School Nurse

Parkway has 20 nationally certified school nurses, the most in Missouri. The NCSN credential is granted to registered nurses who meet educational, employment, and other criteria, and who have successfully passed the national examination managed by the National Board for Certification.

National Certified Administrator of Finance & Operations

Parkway's chief financial officer is a nationally certified administrator of school finance and operations. This prestigious designation is awarded to those individuals who meet high standards of proficiency in school business management as demonstrated by professional experience and education and have successfully passed the rigorous SFO exam.

Parkway Food Pantry

Parkway Schools opened a food pantry in October 2017 to serve the Parkway community. The Parkway Food Pantry provides weekly food bags to over 240 Parkway students. Most of the donations are generated by Parkway schools holding food drives for staff, students and parents to contribute. During the COVID crisis, the Panty distributed large food boxes to families in need so the entire family was supported during these difficult times.

2021 Energy STAR Partner of the Year Award

Parkway received the 2021 ENERGY STAR Partner of the Year award from the U.S. Environmental Protection Agency and the U.S. Department of Energy. Parkway is the only school district in the state to achieve this recognition that honors our comprehensive approach to energy improvements, community engagement and curriculum development.

Certificate of Excellence in Financial Reporting

Parkway was awarded a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) for having met or exceeded the program's high standards for financial reporting and accountability. This was the 18th year Parkway has received this distinction.

AAA Rating from Standard & Poors

Parkway is one of only four school districts in Missouri to earn the 'AAA' rating and one of eighty-four districts across the nation to have this rating. The ranking is based on strong financial performance and management, good financial practices and maintaining low debt levels.

DESE Exemplary Fleet Award/Missouri Highway Patrol Fleet Excellence Award

The Parkway bus fleet passed its annual inspection, conducted by the Missouri State Highway Patrol, with an outstanding score of 99.3% first-time pass rate. The district will once again be recognized with the DESE Exemplary Fleet Award and Missouri Highway Patrol's Fleet Excellence Award. The Parkway bus fleet has scored above 90 percent for 31 of the last 32 years.

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 17,194 students for Fiscal Year 2020-2021. The District provides a full range of public education services at all grade levels ranging from kindergarten through grade twelve. In addition to a superior regular academic curriculum, the District offers a broad range of other programs for students including gifted/talented, English as a second language, fine arts, advanced college placement, interscholastic and intramural athletics, assistance for at-risk students and others. In addition, the District provides services beyond the broad K-12. The District operates three Early Childhood Education centers and multiple classrooms throughout the district buildings, which serves children before they attend kindergarten and a Community Education program for adult

continuing education. Some of the services provided to our students include instructional staff, instructional materials, instructional facilities, administrative and business service support, food service and bus transportation services and facility maintenance.

Accounting System and Budgetary Control

The District's 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,

19 elementary schools and three Early Childhood Development Centers. Parkway is currently accredited with distinction in performance under the Missouri School Improvement Program (MSIP) Standards administered by the State Department of Elementary and Secondary Education. The District is governed by the Board of Education, whose seven members are elected for staggered three-year terms of office.

The population within the District's boundaries is estimated to be 143,296. There were 17,194 children that attended school during the 2020-2021 academic year. The District employed the following full time equivalent staff; 1,423 certificated instructional staff. The current certified staffing created a certified staff to student ratio of 12.08:1 during the past academic year. The staffing ratio and number of certified staff are expected to be similar in the 2021-2022 school year.

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 2022. The District operates on a Mission Statement that focuses on successfully educating all Parkway students and preparing them for the next stage of their lives. The District is actively working on Parkway 3.0 as part of our strategic plan.

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, 2021, long-term general obligation bonds totaled \$243,765,000. This is an increase of \$40,330,000 from the prior fiscal year. The District has remaining bonded debt capacity of \$555,436,010 on June 30, 2021.

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 2020-2021, 2021-2022, and 2022-2023. The Communications Workers of America agreement was extended through the 2021-2022 fiscal year. The Parkway Registered Nurses' Agreement covers covers 2021-2022, 2022-2023, and 2023-2024.

Reserve requirements are set by the Board of Education policy at 17.3% of the current year's operating expenditure budget. These reserves include a 13.5% operating reserve maintained to cover cash flow needs during the first half of the fiscal year and the stabilization reserve of 3.8% of operating expenditures to cover either an unexpected facilities issue or VST program funding issue. The facilities contingency is needed due to the age of District buildings and the documented list of deferred maintenance projects. In order to lessen our need for annual borrowing for Tax Anticipation Notes, the Board has established a policy that operating fund reserves are to grow by at least .75% every three year period.

Independent Audit

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

The District is also required to undergo an annual single audit in conformity with the provisions of Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, and independent auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations is included in a separate single audit report and is available at the School District's Administrative Offices for inspection.

Acknowledgments

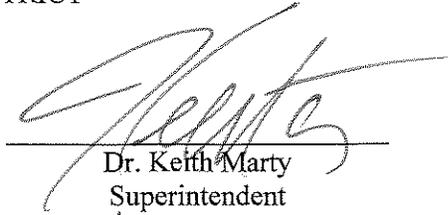
It is our desire that this report contain the necessary information and data that will provide a better understanding of the operations of the District to the District's Board of Education, outside investors and interested local constituents. It is further hoped that this report has been produced in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

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

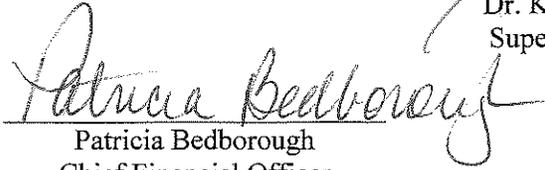
We would also like to express our appreciation to the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectively submitted,

PARKWAY C-2 SCHOOL DISTRICT



Dr. Keith Marty
Superintendent



Patricia Bedborough
Chief Financial Officer



Brian Whittle
Director of Finance

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2021**

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

BOARD OF EDUCATION

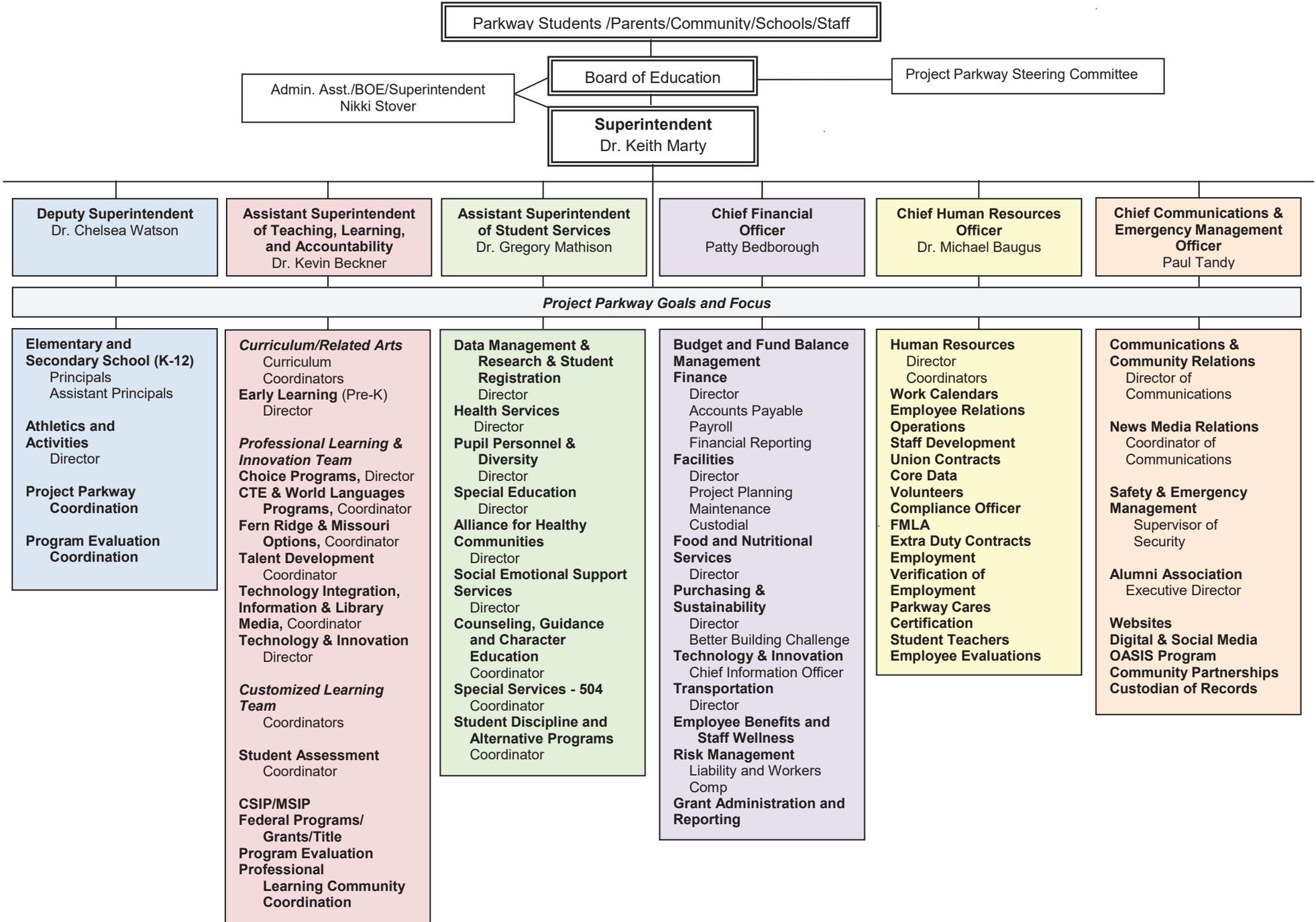
Jeff Todd	President
Deborah Hopper	Vice-President
Pam Hill	Director
Kristy Klein Davis	Director
Matthew Schindler	Director
Dr. Sam Sciortino	Director
Kevin Seltzer	Director

GENERAL ADMINISTRATION

Dr. Keith Marty	Superintendent
Dr. Chelsea Watson	Deputy Superintendent
Dr. Kevin Beckner	Assistant Superintendent, Teaching, Learning and Accountability
Dr. Greg Mathison	Assistant Superintendent, Student Services
Paul Tandy	Chief Communications Officer
Dr. Michael Baugus	Chief Human Resources Officer

FINANCIAL ADMINISTRATION

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, 2020.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



December 2, 2021

Mr. Brian Whittle
Director of Finance
Parkway C-2 School District
455 North Woods Mill Road
Chesterfield, MO 63017

Dear Mr. Whittle:

Congratulations! On behalf of the Association of School Business Officials (ASBO) International, I am pleased to inform you that Parkway C-2 School District has received ASBO's Certificate of Excellence in Financial Reporting for the fiscal year ended 2020. This award represents a significant achievement and reflects your commitment to transparency and high-quality financial reporting. We encourage you to use the [COE recipient's logo](#) to share your achievement in emails and marketing materials.

The Certificate of Excellence (COE) Review Team has provided their comments for the improvement of your Comprehensive Annual Financial Report (CAFR). It is important to review the comments and address them before you prepare next year's CAFR. Your district must include a copy of the original comments and the district's written responses to the comments in next year's application packet.

We hope you will use the attached press release to share this important achievement with your community. Your award certificate is also attached.

Congratulations to you and the members of your staff who worked so hard to earn the COE this year. We look forward to your continued participation in the COE program.

Sincerely,

A handwritten signature in black ink, appearing to read 'David J. Lewis'. The signature is fluid and cursive, with a long horizontal stroke at the end.

David J. Lewis
Executive Director



FOR IMMEDIATE RELEASE
Contact: Susan Lambert
slambert@asbointl.org

School District Awarded for Outstanding Financial Reporting

Ashburn, VA – 2021 – The Association of School Business Officials International (ASBO) is pleased to award Parkway C-2 School District the Certificate of Excellence in Financial Reporting (COE). ASBO International's COE recognizes districts that have met the program's high standards for financial reporting and transparency. The school district earned the Certificate of Excellence for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended 2020.

"The COE's mission is to promote and recognize excellence in financial reporting, specifically through a district's CAFR," ASBO International Executive Director David Lewis says. "The CAFR informs stakeholders about the financial and economic state of the district, making it an important communications tool for building trust and engaging with the school community."

By participating in the COE program, school districts demonstrate their commitment to financial transparency. Applicants submit their CAFR for review by a team of financial professionals who provide feedback to improve future documents. If the CAFR meets the requirements of the program, the document may receive the Certificate of Excellence. A district's participation in the COE program can facilitate bond rating and continuing bond disclosure processes.

The COE is proudly sponsored by ASBO International Strategic Partner American Fidelity.

#

About ASBO International

Founded in 1910, the Association of School Business Officials International (ASBO) is a nonprofit organization that, through its members and affiliates, represents approximately 30,000 school business professionals worldwide. ASBO International is committed to providing programs, services, and a global network that promote the highest standards in school business. Its members support student achievement through effective resource management in various areas ranging from finance and operations to food services and transportation. Learn more at asbointl.org.

About American Fidelity

American Fidelity provides employer cost-savings solutions and supplemental insurance benefits to specific industries. Acting as an extension of the HR department, we educate, enroll, and support the development of robust, competitive insurance packages—all while ensuring seamless administration and employee satisfaction. As experts in employer benefit solutions, our salaried account managers deliver year-round support, help employers overcome benefit administrative challenges, and always offer a different perspective – a different opinion.

**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, 2021, 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2021 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.

Keiter, Eck & Braeckel LLP

St. Louis, Missouri
December 6, 2021

Parkway C-2 School District
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

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, 2021. The intent of this MD&A is to look at the District’s financial performance. Readers should also review the Transmittal Letter, financial statements and the accompanying notes to the financial statements to enhance their understanding of the District’s financial performance.

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

FINANCIAL HIGHLIGHTS

Key financial highlights for the Fiscal Year 2020-2021 include the following:

- Net position decreased by \$22,792,565 for the year ended June 30, 2021. The net decrease was comprised of the following elements:

	<u>Increase / (Decrease)</u>
Invested in capital assets, net of related debt	\$ (40,551,132)
Restricted for:	
Capital Projects	35,677,339
Debt service	2,493,566
Certificated employee compensation and benefits	4,422,588
Unrestricted	<u>(24,834,926)</u>
Net decrease	<u>\$ (22,792,565)</u>

“Unrestricted net position” decreased \$24,834,926 mostly due to an increase in pension expense of \$18,804,228, an increase in OPEB expense of \$9,072,176, and proprietary fund balance decreasing by \$2,344,871. The increase was partially offset by an increase in operating revenues exceeding operating expenses by \$9,807,453. 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” decreased as a result of \$60,463,329 in debt issued related to capital assets. Capital assets, net of accumulated depreciation increased \$3,655,478 while existing long-term debt related to capital assets, decreased \$16,256,719. Amounts restricted for capital projects increased by \$35,677,339 as a result of bond funds issued and not fully spent down.

Parkway C-2 School District
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

“Net position restricted for debt service” increased primarily as a result of dedicated debt revenues exceeding payments for non-cross over general obligation bonds.

- Total assets and deferred outflows increased by \$70,613,326 attributed to the following elements:

	<u>Increase / (Decrease)</u>
Cash and investments - restricted and unrestricted	\$ 46,550,612
Receivables	(402,408)
Prepaid expenses and inventory items	1,011,002
Capital assets, net of depreciation	3,655,478
Deferred OPEB outflows	474,610
Deferred pension contributions	<u>19,324,032</u>
Net increase	<u>\$ 70,613,326</u>

The increase in cash and investments is a result of a few different elements. The biggest contributors to the increase was \$60.5 million issued in general obligation debt paid and an increase in operating fund balances. This was offset by approximately \$28.7 million was spent from the capital project fund for bond projects in the current year and a decrease in proprietary funds.

There was a net increase in capital assets of \$3,655,478. This is primarily made up of current year additions of \$22,987,515 mainly due to the capital projects activity noted above less \$18,753,233 in depreciation. The deferred pension contributions increased as a result of an improvement in the net difference between projected and actual earnings on pension plan investments.

Parkway C-2 School District
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

- Total liabilities and deferred inflows of resources increased by \$93,405,891 due to the following items:

	<u>Increase / (Decrease)</u>
Accounts payable, salaries and other payables	\$ (643,376)
Claims payable	244,203
Unearned revenues	2,006,323
Interest payable	226,544
Net pension liability	41,702,190
Other postemployment obligation	4,240,160
Liabilities due within one year	1,140,313
Liabilities due in more than one year	42,756,838
Pension deferrals	(3,573,930)
OPEB deferrals	<u>5,306,626</u>
Net increase	<u>\$ 93,405,891</u>

Approximately half of the increase is related to the \$55,000,000 general obligation bonds issued during the year. The bond issue was partially offset by \$14,670,000 in general obligation bond payments. The net pension liability increase was determined by the Public School Retirement System of Missouri of which the District shares approximate 2.5% of the total system liability. Deferred outflows related to other postemployment obligations decreased primarily as a result of changes in assumptions. Deferred outflows related to pension deferrals increased primarily as a result of differences between expected and actual experience. The changes are detailed in Note F and Note G in the notes to the financial statements.

Other financial highlights are as follows:

- The largest source of revenue for the District continues to be locally assessed property taxes. In fiscal year 2021, the assessed valuation increased \$66,192,920 (1.28%) to \$5,234,810,070 from the prior year. The collection rate, on a full accrual basis of accounting, decreased to 96.8% from 98.8% in the prior year. The collection rate is slightly lower than our historic collection of around 97.0%. The collection rate decrease was expected as in the prior year there were fewer protested tax settlement dragging down the collection rate. Those settlements returned to a normal level in fiscal year 2021. Total property tax revenue received amounted to \$208,955,577.
- Other local Ad Valorem tax revenues, such as county stock insurance, M&M surtax, financial institution taxes and locally assessed railroad and utility taxes are collected and distributed by the St. Louis County Department of Revenue. These taxes accounted for \$10,533,612 in general revenues. This was a decrease of \$827,087 from the prior year. The decrease was primarily a result of a reduction in M&M revenues.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

- 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 2021 was \$559.75. Actual formula funding received was \$8,756,418 or \$173,110 more than the prior year.
- Total interest income generated in fiscal year 2021 was \$584,057 or \$2,083,004 lower than prior year. Interest income was lower as a result of lower interest rates available in our depositor accounts and in investment options. This decrease was budgeted for and the District is planning on lower investment returns for the near future.
- 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 \$7,187,346 in tuition revenue from this source, which is a decrease of \$253,544 from the prior year. This revenue source is projected to continue to decrease due to the program reducing new entrants. The child nutrition program also was a large contributor to this revenue category. Fees charged for the nutrition program accounted for \$211,425 in revenue, a decrease of \$3,011,612 from the prior year. The decrease is a result of school closures due to the pandemic and federal reimbursement for meals which allowed school lunches to be offered free of charge to all students. Other large sources of program revenues include student activity receipts of \$1,286,851. That was a decrease of \$1,599,295 as a result of the school closures and limited after school activities and programs. The total decrease in charges for services revenue was \$6,248,304 from the prior year. The decrease is primarily a result of closures due to the pandemic. Charges for services revenues are likely to be low again in the FY22 school year compared to historical revenues but are estimate to be higher than FY21 collections.
- Grants and contributions account for \$9,725,678 in program revenues. The historically four largest sources of revenue within this category are the adult education and literacy program, \$1,307,856; federally funded child nutrition program, \$2,471,369; state reimbursed transportation aid, \$1,402,473; the federally funded Title programs, \$1,086,755. These four sources generated \$6,268,453 in program revenue an increase of \$581,321 from those sources. Total grants and contributions are \$2,491,846 higher than the prior year. The overall increase was a result of CARES Act funding totaling 2,500,068, which was a new source of funding in FY21. As a result of ESSER funding, grants are expected to grow in FY22.

Parkway C-2 School District
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

THE DISTRICT AS A WHOLE

The Statement of Net Position and Statement of Activities

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

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

Fund Financial Statements

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

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

THE DISTRICT AS A WHOLE

Fund Financial Statements

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

Proprietary Funds

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

Governmental Activities

As reported in the Statement of Activities on page 19, the net cost of the District's governmental activities for the year ended June 30, 2021 was \$263,094,834. 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 \$9,725,678 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 \$12,161,107 towards these programs. The remaining amount was financed primarily by the taxpayers of the District through ad valorem, and property tax revenue totaling \$236,756,939. Investment earnings contributed \$584,057. State aid and unrestricted grants and contributions accounted for \$8,756,418. 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
June 30, 2021

Governmental Activities

Table I compares the Total and Net Costs of Governmental Activities for Fiscal Year ended June 30, 2021 to June 30, 2020.

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

	<u>2021</u>		<u>2020</u>	
	Total cost of services	Net cost of services	Total cost of services	Net cost of services
Instructional programs	\$ 154.890	\$ 143.641	\$ 147.598	\$ 137.920
Student activities	2.640	1.353	3.595	0.709
Attendance	0.616	0.616	0.597	0.597
Guidance	10.697	10.697	9.206	9.206
Health Services	3.391	3.279	3.124	3.004
Improvements of instruction	6.321	6.321	6.289	6.289
Professional Development	0.023	0.023	0.065	0.065
Media services	5.276	5.276	4.876	4.876
Board of Education	0.256	0.256	0.269	0.269
Executive Administration	2.735	2.735	2.539	2.539
Building level administration	19.134	19.134	18.783	18.783
Business and central services	13.148	13.148	14.929	14.929
Operation of plant	33.678	33.014	24.617	24.006
Security services	1.343	1.343	1.202	1.202
Pupil transportation	10.379	7.955	11.926	8.597
Food services	5.103	2.420	6.133	1.224
Adult education	1.536	0.228	1.608	0.107
Community services	6.882	4.722	6.342	3.733
Debt services	6.934	6.934	6.870	6.870
Total	\$ 284.982	\$ 263.095	\$ 270.568	\$ 244.925

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
June 30, 2021

Governmental Activities

Table II compares the District’s Net Position as of June 30, 2021 to June 30, 2020.

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

	<u>2021</u>	<u>2020</u>
Assets		
Current and other assets	\$ 186.465	\$ 139.305
Capital assets	276.404	272.749
Total assets	462.869	412.054
Deferred outflows of resources	86.752	66.953
Liabilities		
Other liabilities	\$ 316.556	\$ 268.780
Noncurrent liabilities	260.061	216.164
Total liabilities	576.617	484.944
Deferred inflow of resources	13.434	17.496
Net position		
Net investment in capital assets	18.847	59.398
Restricted	95.556	52.962
Unrestricted	(154.833)	(135.793)
Total net position	<u>\$ (40.430)</u>	<u>\$ (23.433)</u>

Parkway C-2 School District
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

Governmental Activities

Table III compares the Changes in Net Position for fiscal year ended June 30, 2021 to June 30, 2020.

Table III
Changes in Net Position for Government-Wide Activities
(in millions)
Year ended June 30,

	<u>2021</u>	<u>2020</u>
Program revenues		
Charges for services	\$ 12.161	\$ 18.409
Operating grants and contributions	9.726	7.234
General revenue		
Property taxes and other county taxes	219.490	225.559
Sales taxes	17.268	16.069
State aid	8.756	8.583
Investment earnings	0.584	2.667
Total revenue	<u>267.985</u>	<u>278.521</u>
Program expenses		
Instructional programs	\$ 154.890	\$ 147.598
Student activities	2.640	3.595
Attendance	0.616	0.597
Guidance	10.697	9.206
Health Services	3.391	3.124
Improvements of instruction	6.321	6.289
Professional Development	0.023	0.065
Media services	5.276	4.876
Board of Education	0.256	0.269
Executive Administration	2.735	2.539
Building level administration	19.134	18.783
Business and central services	13.148	14.929
Operation of plant	33.678	24.617
Security services	1.343	1.202
Pupil transportation	10.379	11.926
Food services	5.103	6.133
Adult education	1.536	1.608
Community services	6.882	6.342
Debt services	6.934	6.870
Total Expense	<u>284.982</u>	<u>270.568</u>
Increase (decrease) in net position	<u>\$ (16.997)</u>	<u>\$ 7.953</u>
Ending net position	<u>\$ (40.430)</u>	<u>\$ (23.433)</u>

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

District Funds

Total sources of revenue for all governmental funds were \$267,984,199 while District expenditures were \$280,565,455. As the District completed its fiscal year ended June 30, 2021, the governmental fund balance was \$152,400,670 as compared to \$104,503,743 on June 30, 2020. The increase was mostly as a result of one factor: \$60.4 million in bond issue funds received in 2021 and only partially spend in 2021.

The General Fund actual revenues were lower than budget by \$1,920,939 or -2.24%. Total actual expenditures for the General Fund were below the revised budget estimates by \$8,149,241 or 9.76%. The fund balance of \$53,431,181 is \$5,384,865 higher than the prior year. While the District plans to grow operating fund balances every year, this year's increase was also a result of lowered expenditures while the District was closed.

The Special Revenue Fund actual revenues were over the revised budget by \$62,092. Total actual expenditures for the Special Revenue Fund were under revised projections by \$1,571,296. The fund balance of \$12,170,810 is \$4,422,588 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 28.63%, an increase of 4.78%. The District policy calls for growth in operating funds of at least .75% over three years.

The Debt Service Fund actual revenues and other sources of \$25,496,409 and expenditures of \$22,776,299 resulted in a increase in the fund balance of \$2,720,110. The debt service schedule for bond payments will lead to the debt service fund increasing in some years and lowering in other years. The increase in 2021 was a result of planned bond payments in 2021 being lower than received revenues.

The Capital Projects Fund actual revenues and other financing sources were \$64,039,991 while expenditures were \$28,670,427, increasing the fund balance by \$35,369,364. The increase is a result of \$60.4 million in issued general obligation debt and premiums on issuance.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

BUDGETING HIGHLIGHTS

The District's budget is prepared according to the Public School Laws of Missouri. During the course of the fiscal year, the School Board has the opportunity to approve budget adjustments on at least two separate occasions, once in the fall and again in the spring. Missouri Revised Statute 67.030 permits budget amendments to the expenditure budget as long as the changes do not exceed estimated revenues to be received during the year plus the unencumbered balance at the beginning of the fiscal year. The original budget for the School District was adopted June 10, 2020 with amendments being approved on November 18, 2020 and April 14, 2021.

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 55, 56, 62, and 63. 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, \$684,747 was reduced from the budgets within the General, Special Revenue, Debt Service and Capital Projects Funds. The decreases in operating funds due to reduced spending as a result of school closures. Both the Capital Projects and Debt Service fund increased their budget as a result of the general obligation bond issue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2021, the District had \$575,316,414 invested in land, buildings, furniture, equipment, vehicles, buses and construction projects in process. Of this amount, \$298,912,349 has been taken in depreciation. The District currently has a net book value of \$276,404,065 or 48.04% of the all capital asset's original cost. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year and depreciation of assets for the year.

During the current year, additions of \$22,987,515 of capital assets were capitalized while \$2,427,116 were deleted or retired. Depreciation for the year ended June 30, 2021 was \$18,753,233. Accumulated depreciation on the retired assets was \$1,848,312.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

Table IV
Capital Assets
June 30,

	<u>2021</u>	<u>2020</u>
Land and land improvements	\$ 37,792,158	\$ 37,823,705
Buildings and building improvements	456,354,632	444,691,188
Vehicles and equipment	31,044,951	30,087,559
Construction in progress	50,124,673	42,153,563
	<hr/>	<hr/>
Totals	<u>\$ 575,316,414</u>	<u>\$ 554,756,015</u>

Debt Administration

On June 30, 2021, the District had \$243,765,000 in outstanding general obligation bonds. These bonds were originally issued for the purpose of capital improvements, building additions, and technology system advancements.

Note: Other long-term obligations include accrued compensated absences, obligations under capital leases, other postemployment benefit obligations and early retirement incentives. More detailed information on capital assets and debt administration can be found in notes D and E of the notes to the basic financial statements beginning on pages 38 and 39, respectively.

Table V
Outstanding Debt
June 30,

	<u>2021</u>	<u>2020</u>
General obligation bonds		
Series 2020	\$ 55,000,000	\$ -
Series 2019	52,645,000	55,000,000
Series 2017	6,205,000	11,205,000
Series 2016	44,000,000	44,000,000
Series 2015A	21,080,000	21,080,000
Series 2015B	50,000,000	50,000,000
Series 2012	5,860,000	11,405,000
Series 2011	8,975,000	11,745,000
	<hr/>	<hr/>
Total	<u>\$ 243,765,000</u>	<u>\$ 204,435,000</u>

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

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 2021-2022 includes operating revenues of \$248,598,437, operating expenditures of \$246,127,281. The result is an anticipated operating fund balance gain for fiscal year 2021-2022 of \$2,471,156.

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

As a result of the pandemic and other factors, there is uncertainty in both revenues and expenditures. The District's largest source of revenue is property taxes and there is uncertainty related to the collection rate and assessed valuations in future years. Reassessment occurs in odd calendar years in Missouri. Valuations in Missouri increased \$357.7 million or 6.8% based on the most recent valuation. Local food service revenues collected for lunches and breakfast are expected to be lower by almost \$4 million compared to full normal school year. This drop is expected to be offset by federal grant funding. The total additional loss from food services compared to a normal year is forecasted to be around \$1 million. Grants related to the CARES/ESSER Act are projected to bring in approximately \$5.6 million in new revenues in FY22 and a similar amount in FY23. The District is structuring the expenditures of one-time federal grant revenue in a way that minimizes on-going expenditures. Those steps are being taken to avoid a 'fiscal cliff' when the revenues are no longer available.

The District's largest expense is salaries and that is followed by benefits. Salary and benefits account for over 85.6% 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 slightly increasing the District paid portion of health and dental insurance in the 2022 fiscal year.

Parkway C-2 School District
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
June 30, 2021

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, 2021

	Governmental activities
ASSETS	
Cash and investments	\$ 119,175,704
Restricted cash and investments	59,277,102
Other receivables	
Local	25,000
State	3,418,998
Federal	627,367
Prepaid items	2,936,680
Inventories	1,003,815
Land	3,457,837
Construction in progress	50,124,673
Depreciable capital assets, net of accumulated depreciation	222,821,555
Total assets	<u>462,868,731</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred OPEB related outflows	14,391,290
Deferred pension outflows	72,360,964
Total deferred outflows of resources	<u>86,752,254</u>
LIABILITIES	
Accounts payable	4,350,504
Salaries payable	9,259,073
Medical and dental benefits payable	2,083,740
Unearned revenue	4,509,194
Interest payable	2,702,497
Noncurrent liabilities	
Due within one year	17,907,696
Due in more than one year	242,153,372
Net pension liability	250,537,030
OPEB liability	43,114,299
Total liabilities	<u>576,617,405</u>
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals	11,968,074
Deferred OPEB related inflows	7,260,701
Total deferred inflows of resources	<u>19,228,775</u>
NET POSITION	
Net investment in capital assets	18,846,676
Restricted for:	
Capital Projects	72,108,318
Debt service	11,277,002
Certificated employees' compensation and benefits	12,170,810
Unrestricted	<u>(160,628,001)</u>
Total net position	<u>\$ (46,225,195)</u>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF ACTIVITIES
Year ended June 30, 2021

Function/Program	Expenses	Program revenues			Net (expense)
		Charges for services	Operating grants and contributions	Capital grants and contributions	revenue and changes in net position
					Total Governmental activities
Governmental activities					
Instruction	\$ 160,583,221	\$ 7,557,382	\$ 3,691,870	\$ -	\$ (149,333,969)
Student activities	2,672,872	1,286,851	-	-	(1,386,021)
Attendance	615,739	-	-	-	(615,739)
Guidance	10,789,576	-	-	-	(10,789,576)
Health services	3,391,499	-	112,355	-	(3,279,144)
Improvement of instruction	6,321,387	-	-	-	(6,321,387)
Professional development	23,430	-	-	-	(23,430)
Media services	5,276,236	-	-	-	(5,276,236)
Board of Education services	256,146	-	-	-	(256,146)
Executive administration	2,734,555	-	-	-	(2,734,555)
Building level administration	19,133,536	-	-	-	(19,133,536)
Business and central services	13,199,252	-	-	-	(13,199,252)
Operation of plant	33,585,462	664,199	-	-	(32,921,263)
Security services	1,343,206	-	-	-	(1,343,206)
Pupil transportation	10,420,583	1,020,968	1,402,473	-	(7,997,142)
Food services	5,103,012	211,425	2,471,369	-	(2,420,218)
Adult basic education	1,535,720	-	1,307,856	-	(227,864)
Community services	6,857,017	1,420,282	739,755	-	(4,696,980)
Debt service					
Interest and other expenses	6,934,315	-	-	-	(6,934,315)
Total governmental activities	\$ 290,776,764	\$ 12,161,107	\$ 9,725,678	\$ -	(268,889,979)
General revenues					
Taxes					
Property and all other Ad Valorem taxes 219,489,190					
Sales taxes 17,267,749					
State aid 8,756,418					
Investment earnings 584,057					
Total general revenues 246,097,414					
CHANGE IN NET POSITION (22,792,565)					
Net position at July 1, 2020 (23,432,630)					
Net position at June 30, 2021 \$ (46,225,195)					

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 62,664,443	\$ 9,305,158	\$ 14,178,707	\$ 15,179,396	\$ 101,327,704
Restricted cash and investments	-	-	-	59,277,102	59,277,102
Other receivables					
Local	-	-	-	25,000	25,000
State	-	3,418,998	-	-	3,418,998
Federal	114,801	512,566	-	-	627,367
Prepaid items	2,936,680	-	-	-	2,936,680
Inventories	1,003,815	-	-	-	1,003,815
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 66,719,739	\$ 13,236,722	\$ 14,178,707	\$ 74,481,498	\$ 168,616,666
LIABILITIES					
Accounts payable	\$ 2,666,065	\$ 406	\$ -	\$ 1,662,318	\$ 4,328,789
Salaries payable	9,259,073	-	-	-	9,259,073
Unearned revenue	1,363,420	1,065,506	199,208	-	2,628,134
Total liabilities	<hr/> 13,288,558	<hr/> 1,065,912	<hr/> 199,208	<hr/> 1,662,318	<hr/> 16,215,996
FUND BALANCES					
Non-spendable					
Prepaid items	2,936,680	-	-	-	2,936,680
Inventory	1,003,815	-	-	-	1,003,815
Restricted					
Teachers' salaries and benefits	-	12,170,810	-	-	12,170,810
Debt service	-	-	13,979,499	-	13,979,499
Capital projects	-	-	-	21,852,414	21,852,414
Assigned					
Other capital projects	-	-	-	50,966,766	50,966,766
Student activities	221,850	-	-	-	221,850
Unassigned	49,268,836	-	-	-	49,268,836
Total fund balances	<hr/> 53,431,181	<hr/> 12,170,810	<hr/> 13,979,499	<hr/> 72,819,180	<hr/> 152,400,670
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 66,719,739	\$ 13,236,722	\$ 14,178,707	\$ 74,481,498	\$ 168,616,666

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, 2021

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

Total fund balance - governmental funds	\$	152,400,670
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$575,316,414 and the accumulated depreciation is \$298,912,349		276,404,065
To recognize interest accrued on general obligation bonds and obligations under capital leases		(2,702,497)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position		13,861,485
Certain deferred outflows and inflows represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the governmental funds.		
Deferred pension outflows		72,360,964
Deferred OPEB related outflows		14,391,290
Deferred pension inflows		(11,968,074)
Deferred OPEB related inflows		(7,260,701)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds as follows:		
General obligation bonds, net	(257,557,389)	
Share of state net pension obligation	(250,537,030)	
Compensated absences	(1,766,399)	
Early retirement payable	(26,418)	
OPEB obligation	(43,114,299)	
Capital lease obligation	(710,862)	(553,712,397)
Total		<u>(553,712,397)</u>
	\$	<u>(46,225,195)</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, 2021

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues					
Local	\$ 69,811,120	\$ 141,044,140	\$ 24,717,848	\$ 384,198	\$ 235,957,306
County	1,266,879	2,495,486	729,625	-	4,491,990
State	2,539,581	8,999,370	-	-	11,538,951
Federal	5,939,133	998,564	-	-	6,937,697
Interest	331,954	10,704	48,936	192,464	584,058
Other - student activities	1,286,851	-	-	-	1,286,851
VICC - cost reimbursement	2,515,571	4,671,775	-	-	7,187,346
Total revenues	<u>83,691,089</u>	<u>158,220,039</u>	<u>25,496,409</u>	<u>576,662</u>	<u>267,984,199</u>
Expenditures					
Current					
Instruction	10,394,540	121,260,166	-	160,536	131,815,242
Student activities	1,385,631	767,184	-	61,741	2,214,556
Attendance	369,465	185,062	-	2,817	557,344
Guidance/Social workers	1,225,018	8,543,331	-	5,850	9,774,199
Health services	2,931,707	138,154	-	-	3,069,861
Improvement of instruction	1,043,028	4,543,764	-	-	5,586,792
Professional development	23,430	-	-	-	23,430
Media services	707,787	4,065,971	-	2,099	4,775,857
Board of Education services	256,146	-	-	-	256,146
Executive administration	1,644,693	782,214	-	47,100	2,474,007
Building level administration	5,709,882	11,307,004	-	175,310	17,192,196
Business and central services	10,368,380	380,814	-	445,046	11,194,240
Operation of plant	21,381,115	-	-	1,254,158	22,635,273
Security services	1,215,821	-	-	-	1,215,821
Pupil transportation	6,775,583	-	-	1,986,825	8,762,408
Food services	4,231,846	-	-	118,662	4,350,508
Adult basic education	1,368,751	21,336	-	-	1,390,087
Community services	4,288,255	1,802,451	-	20,958	6,111,664
Capital outlay	-	-	-	24,201,334	24,201,334
Debt service					
Principal retirement	-	-	14,670,000	-	14,670,000
Interest	-	-	8,103,580	29,435	8,133,015
Other	-	-	2,719	158,756	161,475
Total expenditures	<u>75,321,078</u>	<u>153,797,451</u>	<u>22,776,299</u>	<u>28,670,627</u>	<u>280,565,455</u>
Excess of revenues over (under) expenditures	8,370,011	4,422,588	2,720,110	(28,093,965)	(12,581,256)
Other financing sources (uses)					
Transfers	(3,000,000)	-	-	3,000,000	-
Sale of general obligation bonds	-	-	-	55,000,000	55,000,000
Premium on issuance of bonds	-	-	-	5,463,329	5,463,329
Proceeds from sale of other property	14,854	-	-	-	14,854
Total other financing sources (uses)	<u>(2,985,146)</u>	<u>-</u>	<u>-</u>	<u>63,463,329</u>	<u>60,478,183</u>
NET CHANGE IN FUND BALANCE	5,384,865	4,422,588	2,720,110	35,369,364	47,896,927
Fund balances at July 1, 2020	<u>48,046,316</u>	<u>7,748,222</u>	<u>11,259,389</u>	<u>37,449,816</u>	<u>104,503,743</u>
Fund balances at June 30, 2021	<u>\$ 53,431,181</u>	<u>\$ 12,170,810</u>	<u>\$ 13,979,499</u>	<u>\$ 72,819,180</u>	<u>\$ 152,400,670</u>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE STATEMENT OF ACTIVITIES
Year ended June 30, 2021

Net change in fund balances - total governmental funds	\$	47,896,927
<p>Capital outlays are reported as expenditures in the governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:</p>		
Capital asset purchases	22,987,515	
Depreciation expense	<u>(18,753,233)</u>	
		4,234,282
<p>The governmental funds report debt (e.g. bonds) proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Also, governmental funds report the effect of 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:</p>		
Proceeds from bond issue	(55,000,000)	
Repayment of bond principal	14,670,000	
Repayment of capital lease obligation	307,975	
Bond issuance premium	(5,463,329)	
Amortization on bond premium	<u>1,586,719</u>	
Total		(43,898,635)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:</p>		
Increase in compensated absences		(35,113)
Decrease in early retirement		36,597
Net increase in accrued interest		(226,544)
Pension expense		(18,804,228)
OPEB expense		(3,277,031)
<p>The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the Statement of Activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.</p>		
		(2,344,871)
<p>In the Statement of Activities, the loss or gain on the sale or disposal of capital assets is recognized. The fund financial statements recognize only the proceeds from these assets.</p>		
Proceeds from sale of capital assets	14,854	
Net book value of capital assets disposed	<u>(593,658)</u>	
Total		<u>(578,804)</u>
Change in net position of governmental activities	\$	<u>(16,997,420)</u>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2021

	Governmental Activities - Internal Service Fund
	<hr/>
CURRENT ASSETS	
Cash	\$ 17,848,000
 CURRENT LIABILITIES	
Accounts payable	21,715
Medical and dental benefits payable	2,083,740
Unearned revenue	1,881,060
Total liabilities	<hr/> 3,986,515 <hr/>
 NET POSITION	
Unrestricted	 \$ 13,861,485 <hr/> <hr/>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUND
Year ended June 30, 2021

	Governmental Activities - Internal Service Fund
Operating revenues	
Contributions by employees	\$ 8,475,693
Contributions by employer	24,088,030
Other income	6,039,046
Total operating revenues	<u>38,602,769</u>
Operating expenses	
Claims	38,122,082
Excess loss insurance	1,063,565
Administrative	1,504,533
Other	257,460
Total operating expenses	<u>40,947,640</u>
 CHANGE IN NET POSITION	 (2,344,871)
 Net position at July 1, 2020	 <u>16,206,356</u>
 Net position at June 30, 2021	 <u>\$ 13,861,485</u>

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
Year ended June 30, 2021

	Governmental Activities - Internal Service Fund
	<hr/>
Cash flows from operating activities	
Cash received from employer contributions	\$ 8,471,730
Cash received from employee contributions	24,080,845
Cash received from insurance	6,039,046
Cash payments to suppliers for claims and services	<hr/> (40,682,217)
 NET CASH USED IN OPERATING ACTIVITIES AND DECREASE IN CASH	 (2,090,596)
 Cash at July 1, 2020	 <hr/> 19,938,596
 Cash at June 30, 2021	 \$ <hr/> <hr/> 17,848,000
 Reconciliation of operating income to net cash used in operating activities	
Operating income	\$ (2,344,871)
Change in accounts payable	21,220
Change in medical and dental benefits payable	244,203
Change in unearned revenue	<hr/> (11,148)
 Net cash used in operating activities	 \$ <hr/> <hr/> (2,090,596)

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Principles Determining the Scope of Reporting Entity

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

Fund Accounting

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

Governmental Funds

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

General (Incidental) Fund

This fund is the general operating fund of the District and accounts for expenditures for noncertified employees, pupil transportation costs, operation of plant, fringe benefits, student body activities,

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

community services, the food service program, and any expenditure not required or permitted to be accounted for in other funds.

Special Revenue (Teachers') Fund

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

Debt Service Fund

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

Capital Projects Fund

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

Proprietary Funds

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

Internal Service Fund

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

Fund Balances – Governmental Funds

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

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

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

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to limitations imposed by the Board of Education, the District's highest level of

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

decision making authority. Commitments may be modified or rescinded only through ordinances approved by the Board. The District does not have any committed fund balances.

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

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

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

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

Basis of Presentation

Government-Wide Financial Statements

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

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

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

program revenues are presented as general revenues and include all property taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

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

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

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

Basis of Accounting

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

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

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before they can be recognized.

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

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

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

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

Property Taxes

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

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

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

The assessed valuations of the tangible taxable property for the calendar years 2020 and 2019 for purposes of local taxation were \$5,234,810,070 and \$5,168,617,150, respectively.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2020 and 2019 for purposes of local taxation were:

	December 31,	
	<u>2020</u>	<u>2019</u>
General Fund	\$ 1.2783	\$ 1.2354
Special Revenue Fund	2.3741	2.2944
Debt Service Fund	0.4900	0.4900
Capital Projects Fund	-	0.1326
Total	<u>\$ 4.1424</u>	<u>\$ 4.1524</u>

The receipts of current property taxes during the fiscal year ended June 30, 2021, aggregated approximately 96.6% of the current assessment computed on the basis of the levy as shown above.

Pooled Cash and Temporary Investments

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

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

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

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

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

Restricted Cash and Investments

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, 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.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

Inventory

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

Capital Assets

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

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

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

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

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

Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The District reported two deferred outflows of resources in this year's financial statements. The two are deferred outflows of resources for contributions made to the District's defined benefit pension plans and the OPEB plan between the measurement date of the net liabilities from those plans and the end of the District's fiscal year. Additionally, the net difference between projected and actual earnings and changes in assumptions in the plans are required to be reported as deferred outflows of resources. No deferred outflows of resources affect the governmental funds financial statements in the current year.

Compensated Absences

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

Accrued Liabilities, Early Retirement, and Long-Term Obligations

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

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

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

Deferred Inflows of Resources

The District's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period(s). 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 and changes in assumptions for the OPEB plan. This deferred inflow of resources is attributed to pension and OPEB expense over multiple years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The District will not recognize the related revenues until they are available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting.

Net Position

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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.

Interfund Activity

Interfund transfers are reported as other financing sources (uses) in governmental funds. The District transferred \$3,000,000 to the Capital Projects Fund from the General Fund during year ended June 30, 2021. The purpose of the transfer is to build the capital projects fund balance in order to fund future capital needs such as new buses.

Estimates

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

NOTE B | CASH AND INVESTMENTS

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

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2021, the carrying amount of the deposits under District control was \$178,440,961 and the bank balance was \$181,086,713. 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, 2021, the District had the following investments and maturities.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

Type	Fair Value	Investment Maturities	
		0 to 1 year	1 to 3 years
External investment pools -MOSIP	\$ 8,220	\$ 8,220	\$ -

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

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

Interest Rate Risk

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

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District’s 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. Concentration of credit risk is required to be disclosed by the District for any single investment that represents 5% or more of the total investments (excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools and other pooled investments). At June 30, 2021, the District had no concentrations of credit risk required to be disclosed.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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, 2021, the District’s investments were held by the investment’s counterparty.

Summary

The cash deposits and investments are summarized and presented in the financial statements as follows as of June 30, 2021:

Cash on hand	\$ 3,625
Carrying amount of deposits	178,440,961
Investments	<u>8,220</u>
	<u>\$ 178,452,806</u>
Cash and investments - governmental funds	\$ 101,327,704
Restricted cash and investments - governmental funds	59,277,102
Cash - proprietary funds	<u>17,848,000</u>
Total reporting entity	<u>\$ 178,452,806</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, 2021.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE D | CAPITAL ASSETS

The following is a summary of changes occurring in capital assets for the year ended June 30, 2021:

	Balance July 1, 2020	Transfers	Additions	Deletions	Balance June 30, 2021
Governmental activities					
Capital assets that are not depreciated					
Land	\$ 3,457,837	\$ -	\$ -	\$ -	\$ 3,457,837
Construction in progress	42,153,563	(12,406,851)	20,377,961	-	50,124,673
Capital assets that are depreciated					
Land improvements	32,144,168	2,766,355	324,766	900,968	34,334,321
Buildings	164,857,542	8,233,450	-	-	173,090,992
Building improvements	281,865,164	1,407,046	-	8,570	283,263,640
Vehicles and equipment	30,277,741	-	2,284,788	1,517,578	31,044,951
Totals at estimated historical cost	554,756,015	-	22,987,515	2,427,116	575,316,414
Accumulated depreciation					
Land improvements	17,044,382	-	1,528,180	360,388	18,212,174
Buildings	116,524,765	-	1,470,086	-	117,994,851
Building improvements	129,610,147	-	13,166,879	6,462	142,770,564
Vehicles and equipment	18,828,134	-	2,588,088	1,481,462	19,934,760
Total accumulated depreciation	282,007,428	-	18,753,233	1,848,312	298,912,349
Governmental activities capital assets, net	\$ 272,748,587	\$ -	\$ 4,234,282	\$ 578,804	\$ 276,404,065

Depreciation was charged to functions of the District at follows:

Instruction	\$ 9,152,781
Student activities	229,352
Improvement of instruction	149,259
Executive administration	1,338
Building level administration	46,483
Business services	930,500
Operation of plant	6,792,148
Transportation	1,052,013
Food service	296,690
Community services	102,670
	<u>\$ 18,753,233</u>

No interest was capitalized during 2021; interest incurred and charged to expenses totaled \$8,133,015.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE E | CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes occurring in long-term liabilities for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts due within one year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 203,435,000	\$ 55,000,000	\$ (14,670,000)	\$ 243,765,000	\$ 15,800,000
Deferred amounts for issuance premium	9,915,779	5,463,329	(1,586,719)	13,792,389	-
Total bonds payable, net	213,350,779	60,463,329	(16,256,719)	257,557,389	15,800,000
Obligations under capital leases	1,018,837	-	(307,975)	710,862	314,879
Compensated absences	1,731,286	2,028,180	(1,993,067)	1,766,399	1,766,399
Early retirement payable	63,015	-	(36,597)	26,418	26,418
Total governmental activity long-term liabilities	\$ 216,163,917	\$ 62,491,509	\$ (18,594,358)	\$ 260,061,068	\$ 17,907,696

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

Bonds Payable

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

Bonds payable consist of the following at June 30, 2021:

Date Issued	Maturity Date	Rate of Interest	Original Issue Amount	Balance at June 30, 2021
9/21/11	3/1/2024	2.00% - 4.00%	\$ 27,120,000	\$ 8,975,000
3/14/12	3/1/2022	2.00% - 5.00%	25,220,000	5,860,000
3/4/15	3/1/2025	1.50% - 5.00%	27,080,000	21,080,000
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	6,205,000
4/9/19	3/1/2039	3.00% - 5.00%	55,000,000	52,645,000
10/20/20	3/1/2040	1.250% - 5.00%	55,000,000	55,000,000
			<u>\$ 310,825,000</u>	<u>\$ 243,765,000</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

The annual requirements to amortize bonded debt outstanding as of June 30, 2021, are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 15,800,000	\$ 8,545,056	\$ 24,345,056
2023	14,600,000	7,823,856	22,423,856
2024	15,780,000	7,189,056	22,969,056
2025	15,435,000	6,433,506	21,868,506
2026	9,910,000	5,835,357	15,745,357
2027-2031	45,150,000	22,935,483	68,085,483
2032-2036	75,910,000	13,607,543	89,517,543
2037-2040	51,180,000	3,336,363	54,516,363
	<u>\$ 243,765,000</u>	<u>\$ 75,706,220</u>	<u>\$ 319,471,220</u>

Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen (15%) percent of the assessed valuation of the District (including State assessed railroad and utility). The legal debt margin, computed excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2021, was:

Constitutional debt limit	\$ 785,221,511
General obligation bonds payable	(243,765,000)
Amount available in Debt Service Fund	<u>13,979,499</u>
 Legal debt margin	 <u>\$ 555,436,010</u>

Capital Lease Payable

The District leases certain equipment under agreements classified as capital leases. The cost for such equipment as of June 30, 2021 was \$4,531,422 and the accumulated depreciation was \$3,336,427.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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, 2021.

Year ending June 30,		
2022	\$	328,981
2023		284,419
2024		<u>119,928</u>
Total future minimum lease payments		733,328
Less amount representing interest		<u>22,466</u>
Present value of future minimum lease payments	\$	<u><u>710,862</u></u>

NOTE F | RETIREMENT PLAN

Public School and Education Employee Retirement Systems of Missouri

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

Plan Description

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

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

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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.

PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

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

Cost-of-Living Adjustments ("COLA")

If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted. If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If the CPI decreases, no COLA is provided. For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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 2019, 2020 and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2019, 2020, and 2021. 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 \$18,732,413 and \$2,517,622, respectively, for the year ended June 30, 2021.

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

At June 30, 2021, the District recorded a liability of \$229,572,992 for its proportionate share of PSRS' net pension liability and \$20,964,038 for its proportionate share of PEERS' net pension liability. In total, the District recorded net pension liabilities of \$250,537,030. The net pension liability for the plans in total was measured as of June 30, 2020 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 \$18,610,649 and \$2,666,307, respectively, for the year ended June 30, 2020, relative to the actual contributions of \$732,970,206 for PSRS and \$123,440,288 for PEERS from all participating employers. At June 30, 2020, the District's proportionate share was 2.5706% for PSRS and 2.1600% for PEERS.

For the year ended June 30, 2021, the District recognized pension expense of \$36,291,807 for PSRS and \$3,775,497 for PEERS, its proportionate share of the total pension expense.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

At June 30, 2021, 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	\$ 3,742,156	\$ -	\$ 3,742,156
Changes in assumptions	18,859,061	213,550	19,072,611
Net difference between projected and actual earnings on pension plan investments	24,691,147	2,622,400	27,313,547
Changes in proportion and differences between employer contributions and proportionate share of contributions	982,615	-	982,615
Employer contributions subsequent to the measurement date	18,732,413	2,517,622	21,250,035
Total	<u>\$ 67,007,392</u>	<u>\$ 5,353,572</u>	<u>\$ 72,360,964</u>

At June 30, 2021, 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	\$ 9,412,051	\$ 313,047	\$ 9,725,098
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,249,360	993,616	2,242,976
Total	<u>\$ 10,661,411</u>	<u>\$ 1,306,663</u>	<u>\$ 11,968,074</u>

Deferred outflows of resources to PSRS and PEERS resulting from contributions subsequent to the measurement date of June 30, 2020 will be recognized as a reduction to the net pension liability in the year ended June 30, 2022.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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>
2022	\$ 5,708,591	\$ (466,746)	\$ 5,241,845
2023	13,913,788	311,812	14,225,600
2024	11,418,435	855,678	12,274,113
2025	6,560,570	828,544	7,389,114
2026	12,184	-	12,184
	<u>\$ 37,613,568</u>	<u>\$ 1,529,288</u>	<u>\$ 39,142,856</u>

Actuarial Assumptions

Actuarial valuations of the Systems involve assumptions about the probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of Trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year and from Board policies concerning investments and COLAs. The most recent comprehensive experience studies were completed in 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. For the June 30, 2018 valuation, the investment rate of return assumption was further reduced from 7.60% to 7.50%. No additional assumption changes have occurred. Significant actuarial assumption and methods, including changes from the prior year, are detailed below. For additional information please refer to the Systems' Comprehensive Annual Financial Report (CAFR). The next experience studies are scheduled for 2021.

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

Measurement Date – June 30, 2020

Valuation Date – June 30, 2020

Expected Return on Investments – 7.50% net of investment expenses and including 2.25% inflation.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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, and real wage growth for merit, promotion and seniority of 0.25% to 6.75%

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, and real wage growth for merit, promotion and seniority of 0.75% to 7.75%

Cost-of-Living Increases PSRS & PEERS – The annual COLA assumed in the valuation increases from 1.35% to 1.65% over six years, beginning January 1, 2022. The COLA reflected for January 1, 2021 is 2.00%, in accordance with the actual COLA approved by the Board. This COLA assumption reflects an assumption that general inflation will increase from 1.95% to a normative inflation assumption of 2.25% over six years. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:

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

The COLA applies to service retirements and beneficiary annuities. The COLA does not apply to the benefits for in-service death payable to spouses (where the spouse is over age 60), and does not apply to the spouse with children pre-retirement death benefit, the dependent children pre-retirement death benefit, or the dependent parent death benefit. The total lifetime COLA cannot exceed 80% of the original benefit. PSRS members receive a COLA on the second January after retirement, while PEERS members receive a COLA on the fourth January after retirement.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

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 – There have been no assumption changes since the June 30, 2018 valuations.

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

Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long-term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target allocation as of June 30, 2020 are summarized below.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Return Arithmetic Basis</u>
U.S. Public Equity	23.00%	4.81%
Public Credit	0.00%	80.00%
Hedged Assets	6.00%	2.39%
Non-U.S. Public Equity	16.00%	6.88%
U.S. Treasuries	20.00%	-0.02%
U.S. TIPS	0.00%	0.29%
Private Credit	8.00%	5.61%
Private Equity	16.00%	10.90%
Private Real Estate	11.00%	7.47%
Total	<u>100.00%</u>	

Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.5% as of June 30, 2020, 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, and to 7.5% effective with the June 30, 2018 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 7.50% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.50%) or 1.0% higher (8.50%) than the current rate.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

	1% Decrease <u>6.50%</u>	Current Rate <u>7.50%</u>	1% Increase <u>8.50%</u>
Discount Rate			
Proportionate Share of the Net Position Liability			
PSRS	\$ 389,573,077	\$ 229,572,992	\$ 96,512,406
PEERS	\$ 36,944,695	\$ 20,964,038	\$ 7,555,287

NOTE G | OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

In addition to providing the pension benefits described above, the District provides continuation of medical, dental and vision insurance coverage, including prescription drugs to employees who are eligible for normal or early retirement under PSRS or PEERS under a single employer plan. Retirees may cover spouses and eligible dependent children. Surviving spouses can continue coverage after retiree's death. The District does not have a trust for this plan, and the plan does not issue a standalone report. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the District's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation.

Employees covered by benefit terms at January 1, 2021:

Participants as of January 1, 2020

	<u>Number</u>	<u>Average Age</u>	<u>Average Service</u>
Actives	2,479	45.5	10.3
Inactive Plan Participants	<u>616</u>	69.2	
Total	<u><u>3,095</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 2021, claims paid for retirees totaled \$4,865,370. Retirees contributed \$3,400,531 through premiums, the remaining \$1,464,839 was paid by the District.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

Total OPEB Liability

The District's total OPEB liability of \$43,114,299 was measured as of December 31, 2020, and the total liability used to calculate the total OPEB was determined by an actuarial valuation as of that date.

Actuarial Assumptions

Inflation – 2.50% long-term inflation

Discount Rate – 2.12%

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

Mortality rates – Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2020 for PSRS participants and Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2020 for PEERS participants.

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

Actuarial cost method – Entry age normal

Changes in Total OPEB Liability

The components of the total OPEB liability of the District at June 30, 2021 are as follows:

	<u>Total OPEB Liability</u>
Balances at July 1, 2020	\$ 38,874,139
Service cost	1,259,292
Interest	1,079,588
Employee contributions	3,400,531
Benefits paid	(4,865,370)
Changes in assumptions	<u>3,366,119</u>
Balances at June 30, 2021	<u>\$ 43,114,299</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.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

	1% Decrease <u>1.12%</u>	Current Rate <u>2.12%</u>	1% Increase <u>3.12%</u>
Total OPEB liability	\$ 48,771,757	\$ 43,114,299	\$ 38,330,944

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

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

	1% Decrease <u>6.50%</u>	Current Rate <u>7.50%</u>	1% Increase <u>8.50%</u>
Total OPEB liability	\$ 37,354,655	\$ 43,114,299	\$ 50,098,217

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of \$3,293,084. At June 30, 2021, the District reported deferred outflows of resources related to OPEB of \$3,277,031 related to changes in assumptions.

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

Year ending <u>June 30</u>	Net Outflows of Resources
2021	\$ 954,204
2022	954,204
2023	954,204
2024	954,204
2025	1,442,723
Thereafter	<u>1,871,049</u>
Total	<u>\$ 7,130,588</u>

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE H | RISK MANAGEMENT

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

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

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

	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning of year	\$ 1,839,537	\$ 1,994,265
Incurred claims (including IBNRs)	38,366,285	31,039,537
Claim payments	<u>(38,122,082)</u>	<u>(31,194,265)</u>
Unpaid claims, end of year	<u>\$ 2,083,740</u>	<u>\$ 1,839,537</u>

The District purchases specific reinsurance with an attachment point of \$350,000 annually, per employee, to limit its exposure to catastrophic claims. There have not been any significant reductions in insurance coverage from the prior year.

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

NOTE I | COMMITMENTS AND CONTINGENCIES

Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2021.

Parkway C-2 School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

Litigation

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

Contracts

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

Capital Commitments

The District's remaining commitment for uncompleted work under its construction contracts totaled approximately \$9.4 million as of June 30, 2021.

NOTE J | TAX ABATEMENT DISCLOSURES

The District is subject to tax abatement agreements granted by St. Louis County and municipalities within the District. District property tax revenues were reduced by \$2,489,241, as a result of these abatements for year ended June 30, 2021. These tax abatements are considered immaterial to the overall financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Parkway C-2 School District
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND - UNAUDITED
Year ended June 30, 2021

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Local	\$ 76,383,510	\$ 71,817,814	\$ 69,811,120	\$ (2,006,694)
County	1,287,104	1,224,608	1,266,879	42,271
State	2,254,027	2,251,282	2,539,581	288,299
Federal	3,699,601	6,649,519	5,939,133	(710,386)
Interest	95,000	95,000	331,954	236,954
Other - student activities	3,500,000	1,500,000	1,286,851	(213,149)
VICC - cost reimbursement	2,103,868	2,073,805	2,515,571	441,766
Total revenues	89,323,110	85,612,028	83,691,089	(1,920,939)
Expenditures				
Current				
Instruction	11,760,464	11,228,923	10,394,540	834,383
Student activities	3,500,000	1,520,000	1,385,631	134,369
Attendance	414,070	414,438	369,465	44,973
Guidance	1,270,060	1,275,855	1,225,018	50,837
Health services	3,285,646	3,278,895	2,931,707	347,188
Improvement of instruction	1,195,103	1,201,735	1,066,458	135,277
Media services	793,237	804,364	707,787	96,577
Board of Education services	287,070	288,859	256,146	32,713
Executive administration	1,843,253	1,872,636	1,644,693	227,943
Building level administration	6,399,535	6,357,956	5,709,882	648,074
Business and central services	11,563,526	11,509,186	10,368,380	1,140,806
Operation of plant	24,065,481	23,896,306	21,381,115	2,515,191
Security services	1,362,604	1,352,364	1,215,821	136,543
Pupil transportation	7,547,124	7,467,708	6,775,583	692,125
Food services	4,742,748	4,694,699	4,231,846	462,853
Adult basic education	1,533,884	1,521,727	1,368,751	152,976
Community services	4,833,734	4,784,668	4,288,255	496,413
Total expenditures	86,397,539	83,470,319	75,321,078	8,149,241
EXCESS OF REVENUES OVER EXPENDITURES	2,925,571	2,141,709	8,370,011	6,228,302
Other financing sources (uses)				
Transfer to capital projects fund	-	(3,000,000)	(3,000,000)	-
Proceeds from sale of other property	42,873	5,359	14,854	9,495
Total other financing sources (uses)	42,873	(2,994,641)	(2,985,146)	9,495
NET CHANGE IN FUND BALANCE	\$ 2,968,444	\$ (852,932)	5,384,865	\$ 6,237,797
Fund balance at July 1, 2020			<u>48,046,316</u>	
Fund balance at June 30, 2021			<u>\$ 53,431,181</u>	

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - UNAUDITED
Year ended June 30, 2021

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Local	\$ 137,178,757	\$ 140,267,853	\$ 141,044,140	\$ 776,287
County	2,658,147	2,386,626	2,495,486	108,860
State	9,220,540	9,157,667	8,999,370	(158,297)
Federal	1,128,350	1,501,922	998,564	(503,358)
Interest	5,000	5,000	10,704	5,704
VICC - Cost reimbursement	4,909,025	4,838,879	4,671,775	(167,104)
Total revenues	155,099,819	158,157,947	158,220,039	62,092
Expenditures				
Current				
Instruction	123,473,899	122,124,039	121,260,166	863,873
Student activities	781,190	775,022	767,184	7,838
Attendance	188,441	211,953	185,062	26,891
Guidance	8,699,299	8,700,615	8,543,331	157,284
Health services	140,676	144,565	138,154	6,411
Improvement of instruction	4,626,715	4,600,186	4,543,764	56,422
Media services	4,140,200	4,117,512	4,065,971	51,541
Executive administration	796,494	795,206	782,214	12,992
Building level administration	11,513,425	11,572,524	11,307,004	265,520
Business and central services	387,766	394,705	380,814	13,891
Community services	1,857,082	1,932,420	1,823,787	108,633
Total expenditures	156,605,187	155,368,747	153,797,451	1,571,296
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,505,368)	\$ 2,789,200	4,422,588	\$ 1,633,388
Fund balance at July 1, 2020			<u>7,748,222</u>	
Fund balance at June 30, 2021			<u>\$ 12,170,810</u>	

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

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, 2021

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

Year Ended	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2014	2.5468%	\$104,484,390	\$113,918,340	91.72%	89.34%
6/30/2015	2.5546%	147,473,484	116,481,879	126.61%	85.78%
6/30/2016	2.5504%	189,766,308	118,578,027	160.03%	82.18%
6/30/2017	2.5910%	187,109,719	123,019,129	152.10%	83.77%
6/30/2018	2.5949%	193,124,303	125,593,894	153.77%	84.06%
6/30/2019	2.5847%	190,752,679	127,560,303	149.54%	84.62%
6/30/2020	2.5706%	229,572,992	129,056,429	177.89%	82.01%

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

Year Ended	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2014	2.5181%	\$9,195,244	\$36,719,724	25.04%	91.33%
6/30/2015	2.5327%	13,395,606	37,976,766	35.27%	88.28%
6/30/2016	2.4602%	19,739,053	37,990,743	51.96%	83.32%
6/30/2017	2.4114%	18,397,797	38,752,166	47.48%	85.35%
6/30/2018	2.3847%	18,426,871	39,678,733	46.44%	86.06%
6/30/2019	2.2861%	18,082,161	39,456,500	45.83%	86.38%
6/30/2020	2.1600%	20,964,038	38,677,344	54.20%	84.06%

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%
6/30/2018	18,091,793	18,091,793	-	125,593,894	14.40%
6/30/2019	18,396,766	18,396,766	-	127,560,303	14.42%
6/30/2020	18,610,649	18,610,649	-	129,056,429	14.42%

Parkway C-2 School District
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND EMPLOYER
CONTRIBUTIONS- UNAUDITED
Year ended June 30, 2021

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%
6/30/2018	2,721,961	2,721,961	-	39,678,733	6.86%
6/30/2019	2,722,245	2,722,245	-	39,456,500	6.90%
6/30/2020	2,666,307	2,666,307	-	38,677,344	6.89%

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, 2021

Schedule of Changes in Total OPEB Liability

	Fiscal year ending June 30,			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 1,259,292	\$ 1,147,551	\$ 1,242,800	\$ 1,099,555
Interest cost	1,079,588	1,602,599	1,308,387	1,077,358
Difference between expected and actual experience	-	(8,692,717)	-	-
Changes in plan provisions	-	(164,992)	-	-
Changes in assumptions	3,366,119	7,835,695	(2,931,113)	10,460,554
Employee contributions	3,400,531	3,344,712	3,526,894	3,468,926
Benefit payments	(4,865,370)	(5,124,298)	(5,239,563)	(4,786,100)
Net change in total OPEB liability	<u>4,240,160</u>	<u>(51,450)</u>	<u>(2,092,595)</u>	<u>11,320,293</u>
Total OPEB liability, beginning	<u>38,874,139</u>	<u>38,925,589</u>	<u>41,018,184</u>	<u>29,697,891</u>
Total OPEB liability, ending	<u><u>\$ 43,114,299</u></u>	<u><u>\$ 38,874,139</u></u>	<u><u>\$ 38,925,589</u></u>	<u><u>\$ 41,018,184</u></u>
Covered payroll	\$ 148,533,882	\$ 147,020,022	\$ 144,739,089	\$ 121,793,891
Total OPEB liability as a percentage of covered payroll	29.03%	26.44%	26.89%	33.68%

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

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

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

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

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

SUPPLEMENTARY INFORMATION

Parkway C-2 School District
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
DEBT SERVICE FUND
Year ended June 30, 2021

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Local	\$ 24,483,926	\$ 24,709,251	\$ 24,717,848	\$ 8,597
County	686,484	704,834	729,625	24,791
Interest	100,000	100,000	48,936	(51,064)
Total revenues	25,270,410	25,514,085	25,496,409	(17,676)
Expenditures				
Debt service				
Principal retirement	14,670,000	14,670,000	14,670,000	-
Interest	7,450,000	8,363,000	8,103,580	259,420
Other	17,000	17,000	2,719	14,281
Total expenditures	22,137,000	23,050,000	22,776,299	273,701
NET CHANGE IN FUND BALANCE	<u>\$ 3,133,410</u>	<u>\$ 2,464,085</u>	2,720,110	<u>\$ 256,025</u>
Fund balance at July 1, 2020			<u>11,259,389</u>	
Fund balance at June 30, 2021			<u>\$ 13,979,499</u>	

The accompanying notes are an integral part of this statement.

Parkway C-2 School District
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND
Year ended June 30, 2021

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Local	\$ 734,648	\$ 538,294	\$ 384,198	\$ (154,096)
County	-	38,545	-	(38,545)
Interest	100,500	250,400	192,464	(57,936)
Total revenues	835,148	827,239	576,662	(250,577)
Expenditures				
Capital outlay	38,242,518	40,677,110	28,482,436	12,194,674
Debt service				
Interest	29,435	160,756	29,435	131,321
Other			158,756	(158,756)
Total expenditures	38,271,953	40,837,866	28,670,627	12,167,239
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(37,436,805)	(40,010,627)	(28,093,965)	11,916,662
Other financing sources				
Sale of general obligation bonds	55,000,000	55,000,000	55,000,000	-
Premium on issuance of bonds	-	5,463,329	5,463,329	-
Transfer from general fund	-	3,000,000	3,000,000	-
Total other financing sources	55,000,000	63,463,329	63,463,329	-
NET CHANGE IN FUND BALANCE	\$ 17,563,195	\$ 23,452,702	35,369,364	\$ 11,916,662
Fund balance at July 1, 2020			37,449,816	
Fund balance at June 30, 2021			\$ 72,819,180	

The accompanying notes are an integral part of this statement.

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	66-72
<p>These schedules contain trend information to help the reader understand how the District’s financial performance and position have changed over time.</p>	
Revenue Capacity	73-77
<p>These schedules contain information to help the reader assess the District’s most significant local revenue source – property tax.</p>	
Debt Capacity	78-80
<p>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.</p>	
Demographic and Economic Information	81-82
<p>These schedules offer demographic economic indicators to help the reader understand the environment within which the District’s financial activities take place.</p>	
Operating Information	83-85
<p>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.</p>	

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									
	2012	2013	2014-as restricted	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 82,993,630	\$ 75,946,520	\$ 73,255,061	\$ 69,719,235	\$ 71,557,667	\$ 66,291,913	\$ 77,797,419	\$ 86,996,815	\$ 59,397,808	\$ 18,846,676
Restricted for:										
Capital projects	12,543,962	11,855,865	-	-	-	-	-	-	36,430,979	72,108,318
Debt Service	3,597,449	3,919,725	3,092,725	4,137,058	8,779,831	13,657,187	6,734,140	5,893,582	8,783,436	11,277,002
Certificated employees' compensation and benefits	2,760,038	10,415,599	8,128,641	5,907,208	5,921,230	925,146	3,473,347	4,132,404	7,748,222	12,170,810
Unrestricted	16,547,999	12,091,474	(137,710,136)	(119,166,269)	(102,100,339)	(106,689,732)	(129,363,401)	(128,409,276)	(135,793,075)	(160,628,001)
Total net position	\$ 118,443,078	\$ 114,229,183	\$ (53,233,709)	\$ (39,402,768)	\$ (15,841,611)	\$ (25,815,486)	\$ (41,358,495)	\$ (31,386,475)	\$ (23,432,630)	\$ (46,225,195)

Parkway C-2 School District
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
Instruction	\$ 130,009,443	\$ 123,661,522	\$ 125,584,139	\$ 117,419,935	\$ 125,442,045	\$ 137,321,600	\$ 137,113,065	\$ 139,981,862	\$ 147,598,352	\$ 160,583,221
Student activities	3,966,728	3,609,406	3,852,639	4,223,712	4,955,335	4,917,661	4,421,230	4,163,378	3,595,061	2,672,872
Attendance	570,127	556,748	511,726	509,567	524,130	616,445	645,840	601,932	597,563	615,739
Guidance	6,418,774	6,514,602	6,898,120	6,203,939	6,708,591	7,591,500	7,754,796	8,274,316	9,206,537	10,789,576
Health services	2,419,250	2,460,337	2,532,294	2,507,675	2,610,245	2,795,830	2,998,818	3,028,579	3,124,499	3,391,499
Improvement of Instruction	6,888,113	7,234,987	6,689,045	6,040,942	6,778,701	8,251,830	8,083,012	6,642,597	6,288,892	6,321,387
Professional development	45,685	25,077	20,000	25,000	27,796	26,093	27,084	51,263	64,852	23,430
Media Services	3,742,730	3,585,461	3,776,908	3,310,475	3,789,457	4,153,826	4,380,178	4,570,001	4,875,704	5,276,236
Board of Education services	505,827	439,673	413,484	556,555	264,232	283,120	307,945	402,685	268,521	256,146
Executive administration	2,299,609	2,170,332	2,138,034	2,067,720	2,323,079	2,407,260	2,376,932	2,421,702	2,539,438	2,734,555
Building level administration	20,991,475	19,506,447	20,444,894	17,575,520	17,057,694	18,418,206	18,454,743	18,522,172	18,782,623	19,133,536
Operation of plant	24,397,041	23,103,017	25,787,236	25,579,658	10,376,299	25,693,591	25,756,638	24,281,982	24,617,278	33,585,462
Pupil transportation	10,275,583	9,551,436	9,775,217	9,084,146	24,718,581	10,199,069	12,184,788	12,115,426	11,925,615	10,420,583
Food services	6,614,064	6,272,818	5,936,786	5,953,779	1,188,243	6,470,989	6,510,660	6,297,332	6,132,665	5,103,012
Business and central services	11,067,084	11,958,863	10,946,917	12,604,100	9,153,179	12,625,805	11,901,273	13,502,424	14,928,726	13,199,252
Security services	1,085,827	1,011,960	1,097,429	1,116,659	5,683,921	1,289,203	1,257,314	1,413,472	1,202,107	1,343,206
Adult basic education	932,559	947,725	1,055,151	994,518	980,430	1,003,984	1,566,125	1,553,378	1,607,805	1,535,720
Adult continuing education	975,018	990,365	992,809	753,273	598,978	743,125	856,818	-	-	-
Community services	3,412,854	3,361,226	3,464,868	3,241,924	3,536,280	4,230,297	4,376,422	5,470,746	6,342,122	6,857,017
Interest and other expenses on long-term del	8,500,097	8,571,132	8,357,837	5,173,860	6,442,766	6,860,381	8,200,468	8,154,315	6,869,660	6,934,315
Total governmental activities	245,117,888	235,533,134	240,275,533	224,942,957	233,159,982	255,899,815	259,174,149	261,449,562	270,568,020	290,776,764
Program revenues										
Governmental activities:										
Charges for services:										
Instruction	7,639,845	7,041,429	8,648,983	8,440,789	8,032,181	8,288,247	8,327,655	7,904,375	7,904,094	7,557,382
Student activities	3,297,956	3,332,439	3,246,828	3,549,655	3,784,750	3,868,974	3,970,112	3,720,575	2,886,146	1,286,851
Health Services	-	-	-	-	-	-	-	26,882	6,048	-
Operation of plant	130,177	91,698	167,604	254,553	355,734	351,729	351,814	448,554	394,174	664,199
Pupil Transportation	-	-	-	-	-	-	-	2,638,361	2,105,430	1,020,968
Food services	4,333,278	4,102,670	3,916,787	3,841,316	3,897,398	4,066,763	4,209,014	4,016,924	3,223,037	2,114,425
Business and central services	27,044	23,364	21,050	20,614	21,018	19,218	32,476	36,206	-	-
Community services	1,745,691	1,953,462	2,126,675	1,970,342	2,013,148	2,725,820	3,012,096	3,027,268	1,890,482	1,420,282
Facilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	11,670,128	9,725,456	10,199,060	10,269,142	10,820,449	10,595,573	11,814,166	8,445,042	7,233,832	9,725,678
Capital grants and contributions	-	-	1,532,000	-	-	-	-	-	-	-
Total government program revenues	28,844,119	26,270,518	29,858,987	28,346,411	28,924,678	29,916,324	31,717,333	30,264,187	25,643,243	21,886,785
Net (expense)/revenue										
Total government net expense	\$ (216,273,769)	\$ (209,262,616)	\$ (210,416,546)	\$ (196,596,546)	\$ (204,235,304)	\$ (225,983,491)	\$ (227,456,816)	\$ (231,185,375)	\$ (244,924,777)	\$ (268,889,979)

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (expense)/revenue										
Total primary government net expense	\$ (216,273,769)	\$ (209,262,616)	\$ (210,416,546)	\$ (196,596,546)	\$ (204,235,304)	\$ (225,983,491)	\$ (227,456,816)	\$ (231,185,375)	\$ (244,924,777)	\$ (268,889,979)
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes and all other Ad Valorem taxes	171,338,491	181,035,962	182,737,147	187,449,160	202,662,578	190,242,012	207,172,893	215,134,148	225,559,508	219,489,190
Sales Tax	12,868,762	13,273,151	14,003,311	14,133,967	15,176,728	15,339,451	15,440,981	16,059,749	16,068,745	17,267,749
Grants and contributions not restricted to specific programs	1,144,654	384,209	335,968	115,222	39,396	41,128	3,973	-	-	-
State Aid	8,048,341	8,429,377	8,181,968	8,365,479	8,766,258	9,019,499	9,108,816	8,847,452	8,583,308	8,756,418
Loss on disposal of assets	-	-	-	-	-	-	(23,662)	(1,470,169)	-	-
Loss on extinguishment of debt	-	-	-	-	-	-	(216,517)	-	-	-
Investment earnings	2,074,922	1,926,022	1,009,308	363,659	1,151,501	1,367,526	1,830,114	2,586,215	2,667,061	584,057
Total general revenues	195,475,170	205,048,721	206,267,702	210,427,487	227,796,461	216,009,616	233,316,598	241,157,395	252,878,622	246,097,414
Changes in net position	\$ (20,798,599)	\$ (4,213,895)	\$ (4,148,844)	\$ 13,830,941	\$ 23,561,157	\$ (9,973,875)	\$ 5,859,782	\$ 9,972,020	\$ 7,953,845	\$ (22,792,565)

Source:
Basic Financial Statements

Parkway C-2 School District
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable										
Prepaid Items	\$ 1,135,083	\$ 1,202,733	\$ 1,098,423	\$ 1,491,678	\$ 1,370,048	\$ 1,531,803	\$ 1,702,965	\$ 2,225,280	\$ 1,955,329	\$ 2,936,680
Inventory	753,558	679,587	746,788	633,453	661,929	1,685,038	1,184,967	699,285	974,164	1,003,815
Assigned-Student Activities	3,373,479	2,941,510	2,891,235	2,793,102	2,474,298	1,901,386	1,640,353	1,431,068	320,630	253,993
Unassigned	19,898,691	13,749,123	19,764,629	26,537,171	36,214,159	38,371,809	38,490,854	39,941,182	44,796,193	49,236,693
Total General Fund	25,160,811	18,572,953	24,501,075	31,455,404	40,720,434	43,490,036	43,019,139	44,296,815	48,046,316	53,431,181
All Other Governmental Funds										
Nonspendable										
Prepaid Items	-	-	-	2,682	-	-	1,000,096	-	-	-
Restricted										
Teachers Salaries and Benefits	1,660,658	9,316,219	6,504,193	3,742,352	2,219,018	925,146	3,473,347	4,132,404	7,748,222	12,170,810
Debt Service	7,407,100	7,339,380	6,626,452	6,103,666	10,106,755	13,767,360	36,717,985	36,159,219	11,259,389	13,979,499
Capital Projects	16,080,166	4,209,727	-	43,782,954	27,187,026	37,106,048	-	56,152,760	37,449,816	72,819,180
Assigned-other capital projects	12,547,707	11,859,609	8,795,536	5,574,328	357,156	1,626,386	18,749,938	9,572,874	-	-
Total all other governmental funds	37,695,631	32,724,935	21,926,181	59,205,982	39,869,955	53,424,940	59,941,366	106,017,257	56,457,427	98,969,489
Total fund balances	\$ 62,856,442	\$ 51,297,888	\$ 46,427,256	\$ 90,661,386	\$ 80,590,389	\$ 96,914,976	\$ 102,960,505	\$ 150,314,072	\$ 104,503,743	\$ 152,400,670

Source:
Basic Financial Statements

Parkway C-2 School District
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Federal sources:										
Federal grants	\$ 3,133,013	\$ 2,426,671	\$ 2,441,585	\$ 2,519,199	\$ 3,030,557	\$ 2,709,703	\$ 2,571,602	\$ 1,839,628	\$ 1,642,729	\$ 3,712,488
Food services	1,825,670	1,793,618	2,019,512	1,945,471	1,981,208	2,146,136	2,145,449	2,108,374	1,572,289	2,306,005
Other federal revenue	1,549,985	949,001	2,134,169	858,042	922,640	991,098	710,358	863,796	954,079	919,204
Total federal sources	6,508,668	5,169,290	6,595,266	5,322,712	5,934,405	5,846,937	5,427,409	4,811,798	4,169,097	6,937,697
State sources:										
State education finance program	9,440,473	9,678,046	9,541,767	9,821,384	9,961,750	10,053,206	10,295,209	10,095,786	9,838,228	10,179,796
Food services	32,210	42,798	38,618	36,829	37,586	38,640	39,607	37,871	41,637	39,261
State grants	1,352,651	957,510	1,230,429	916,115	1,178,473	1,029,317	1,937,685	1,749,210	1,551,053	1,319,893
Other state revenue	3,360	13,653	33,657	88,507	257	73,462	3,213	-	-	-
Total state sources	10,828,694	10,692,007	10,844,471	10,862,835	11,178,066	11,194,625	12,275,714	11,882,867	11,430,918	11,538,950
Local sources:										
Ad valorem taxes	162,771,247	168,958,934	169,666,953	165,033,942	188,479,373	186,066,318	199,549,780	208,863,940	214,198,809	208,955,577
Sales taxes	12,868,762	13,273,151	14,003,311	14,133,967	15,176,728	15,339,451	15,440,981	16,059,749	16,068,745	17,267,749
Other taxes	8,483,395	7,925,047	9,077,909	8,717,677	9,443,105	9,030,723	5,490,786	11,986,303	6,676,205	6,184,297
Food service sales	4,333,278	4,102,670	3,916,788	3,841,316	3,897,398	4,066,763	4,209,014	4,016,924	3,223,037	211,426
Interest income	1,669,891	1,270,350	1,009,308	4,887,791	1,151,501	2,041,106	4,106,542	2,586,215	2,667,061	584,057
Desegregation Aid	7,410,589	6,925,267	7,371,277	7,694,360	7,733,242	7,824,350	7,890,932	7,635,466	7,440,890	7,187,346
Amounts received from other LEA's	2,582,036	2,300,883	2,431,447	2,391,324	2,293,952	2,466,492	2,884,503	299,184	2,160,062	1,049,898
Other local revenues	3,646,724	5,622,934	5,952,711	11,805,356	4,316,412	4,344,562	4,002,588	537,153	5,534,759	64,053,395
Total local sources	203,765,922	210,379,236	213,429,704	218,505,733	232,491,711	231,179,765	243,575,126	251,984,934	257,969,568	305,493,745
County sources:										
State assessed utilities	2,840,476	2,435,065	2,555,766	2,649,930	2,939,248	2,839,138	3,023,453	3,117,174	3,126,871	3,142,626
Other county revenues	960,338	1,161,748	1,495,193	1,409,247	1,280,023	1,259,260	972,409	1,094,978	1,825,411	1,349,365
Total county sources	3,800,814	3,596,813	4,050,959	4,059,177	4,219,271	4,098,398	3,995,862	4,212,152	4,952,282	4,491,991
Total revenues	\$ 224,904,098	\$ 229,837,346	\$ 234,920,400	\$ 238,750,457	\$ 253,823,453	\$ 252,319,725	\$ 265,274,111	\$ 272,891,751	\$ 278,521,865	\$ 328,462,383

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction	\$ 119,495,234	\$ 113,832,841	\$ 115,666,526	\$ 117,175,106	\$ 123,560,230	\$ 125,654,750	\$ 128,027,526	\$ 130,102,046	\$ 131,731,663	\$ 131,914,461
Student activities	3,968,004	3,604,499	3,853,964	4,253,069	5,186,091	4,753,114	4,166,051	3,927,890	3,212,945	2,182,249
Attendance	567,776	559,636	513,208	541,869	551,101	600,908	641,081	601,125	571,025	557,344
Guidance/Social Workers	6,385,597	6,596,288	6,867,751	7,026,544	7,053,805	7,400,154	7,697,653	8,263,207	8,797,684	9,682,427
Health services	2,394,781	2,500,652	2,521,553	2,658,874	2,744,564	2,725,360	2,976,721	3,024,513	2,985,744	3,069,861
Improvement of Instruction	6,670,352	7,051,033	6,476,646	6,452,342	6,924,964	7,856,784	7,833,241	6,465,410	5,853,412	5,586,707
Professional development	40,670	25,077	20,000	25,000	27,796	26,093	27,084	51,263	64,852	23,420
Media Services	3,724,674	3,632,017	3,757,034	3,704,162	3,982,614	4,049,128	4,347,902	4,563,866	4,659,180	4,775,857
Board of Education services	501,876	445,058	420,332	556,555	264,232	283,120	307,945	402,685	268,521	256,146
Executive administration	2,328,767	2,173,991	2,137,173	2,219,580	2,440,665	2,343,467	2,357,627	2,417,115	2,425,212	2,474,007
Building level administration	19,237,152	18,841,684	19,554,208	19,087,152	17,716,897	17,958,587	18,426,288	18,450,508	17,905,021	17,192,474
Operation of plant	23,538,663	22,510,599	21,909,730	22,700,957	22,362,669	22,665,203	24,014,501	24,304,493	23,087,371	22,727,240
Pupil transportation	9,510,997	9,013,820	9,110,827	8,812,486	8,959,210	9,393,482	11,503,014	11,492,833	10,814,403	8,720,952
Food services	6,493,473	6,318,594	5,867,691	6,072,444	5,945,569	6,275,002	6,435,235	6,235,024	5,583,628	4,350,508
Business and central services	11,296,614	11,621,235	11,185,836	11,975,535	10,517,277	11,875,060	10,913,623	12,560,135	13,329,532	11,143,731
Security services	1,085,322	1,018,749	1,098,132	1,144,679	1,249,388	1,256,709	1,248,049	1,411,574	1,148,723	1,215,821
Adult basic education	955,640	956,063	1,040,255	1,067,682	1,030,881	978,678	1,554,584	1,534,898	1,536,404	1,389,986
Adult continuing education	972,938	986,803	991,888	785,905	629,800	724,394	850,504	-	-	-
Community services	3,300,000	3,300,197	3,368,052	3,400,915	3,622,191	4,033,334	4,237,794	5,374,360	5,962,323	6,136,440
Capital Outlay	21,060,107	11,206,586	10,522,677	9,209,510	21,194,358	31,195,502	20,902,626	19,429,528	32,746,028	24,201,334
Debt service:										
Principal retirement	11,453,424	9,267,711	8,492,252	9,164,235	11,099,359	11,300,786	15,690,000	16,185,000	42,325,000	14,670,000
Interest	6,879,174	6,747,604	6,607,080	6,500,963	6,843,684	7,202,892	8,039,968	8,050,206	9,324,155	8,133,015
Other expense	310,005	102,192	6,492	1,056,503	17,064	149,731	139,695	609,435	4,727	161,475
Total Expenditures	\$ 262,171,240	\$ 242,312,929	\$ 241,989,307	\$ 245,592,067	\$ 263,924,409	\$ 280,702,238	\$ 282,338,712	\$ 285,457,114	\$ 324,337,553	\$ 280,565,455
Debt service as a percentage of noncapital expenditures	8.38%	7.50%	6.98%	7.61%	7.99%	8.08%	10.05%	10.30%	21.53%	9.84%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess of revenues over (under) expenditures	\$ (37,267,142)	\$ (12,475,583)	\$ (7,068,907)	\$ (6,841,610)	\$ (10,100,956)	\$ (28,382,513)	\$ (17,064,601)	\$ (12,565,363)	\$ (45,815,688)	\$ (12,581,256)
Other financing sources (uses)										
Issuance of general obligation bonds	52,340,000	6,250,000	-	77,080,000	-	44,000,000	27,405,000	55,000,000	-	55,000,000
Payment to refunded bond escrow agent	(59,276,479)	(6,637,463)	-	(30,708,828)	-	-	(6,606,518)	-	-	-
Premium on issuance of bonds	6,420,458	459,325	-	4,653,700	-	673,579	2,276,429	4,876,057	-	5,463,329
Sale of other property	21,099	50,257	58,856	50,868	29,959	33,521	35,219	42,873	5,359	14,854
Proceeds from capital lease	-	794,910	2,139,420	-	-	-	-	-	-	-
Total other financing sources(uses)	(494,922)	917,029	2,198,276	51,075,740	29,959	44,707,100	23,110,130	59,918,930	5,359	60,478,183
Net change in fund balances	\$ (37,762,064)	\$ (11,558,554)	\$ (4,870,631)	\$ 44,234,130	\$ (10,070,997)	\$ 16,324,587	\$ 6,045,529	\$ 47,353,567	\$ (45,810,329)	\$ 47,896,927

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		
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
2019	3,002,746,860	1,627,220	1,105,532,790	575,071,200	4,684,978,070	4.387
2020*	3,333,067,190	1,507,050	1,237,697,960	596,344,950	5,168,617,150	4.152
2021	3,350,306,140	1,502,410	1,253,543,820	629,457,700	5,234,810,070	4.142

NOTE:

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

* Represents a reassessment year

Sources:

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

Parkway C-2 School District
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	Overlapping Rates									
	Parkway	St Louis County	City of Chesterfield	City of Creve Coeur	City of Kirkwood	City of Manchester	Fire District Metro West	Fire District Monarch	Fire District Creve Coeur	Fire District West County EMS
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
2015										
Res	4.4617	0.2060	0.0000	0.0690	0.6000	0.2370	1.0130	0.8060	1.1550	1.2740
Agr	4.3817	0.1790	0.0000	0.0590	0.0000	0.0000	1.0260	0.6940	1.1800	1.3030
Com	4.6796	0.2050	0.0000	0.0740	0.6160	0.2340	1.0720	0.9420	1.1280	1.2940
Per Prop	4.2279	0.2090	0.0000	0.0000	0.6240	0.2430	1.1370	1.0080	1.1950	1.3250
2016										
Res	4.2163	0.2060	0.0000	0.0680	0.6130	0.2380	1.0110	0.8050	1.1790	1.2710
Agr	4.4129	0.1790	0.0000	0.0590	0.0000	0.0000	1.0240	0.6940	0.0000	1.3030
Com	4.7419	0.2050	0.0000	0.0760	0.6370	0.2380	1.0920	0.9420	1.1590	1.2920
Per Prop	4.2258	0.2090	0.0000	0.0000	0.6210	0.2430	1.1370	1.0080	1.2200	1.3250
2017										
Res	3.9857	0.1950	0.0000	0.1450	0.5920	0.0660	0.9680	0.7630	1.1260	1.1900
Agr	2.2709	0.1570	0.0000	0.1160	0.0000	0.0000	0.9940	0.5830	0.0000	1.3200
Com	4.8958	0.1980	0.0000	0.1580	0.6170	0.0690	1.0190	0.8990	1.1770	1.2450
Per Prop	4.3589	0.2090	0.0000	0.0820	0.6340	0.0740	1.1480	1.0080	1.2380	1.3250

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
2018										
Res	4.0640	0.1950	0.0000	0.1650	0.6200	0.3210	1.1010	0.8800	1.0920	1.1900
Agr	2.2559	0.1570	0.0000	0.1160	0.0000	0.0000	1.1000	0.8660	0.0000	1.3180
Com	5.2247	0.1980	0.0000	0.1650	0.6480	0.3210	1.2090	0.9400	1.1690	1.2490
Per Prop	4.3874	0.2090	0.0000	0.0820	0.6410	0.3300	1.2850	1.0080	1.2020	1.3250
2019										
Res	3.7661	0.1760	0.0000	0.1570	0.4630	0.3170	1.0440	0.8360	1.0000	1.1070
Agr	2.4353	0.1570	0.0000	0.1050	0.0000	0.0000	1.1960	0.8590	0.0000	1.3050
Com	5.1407	0.1860	0.0000	0.1590	0.5100	0.3170	1.1670	0.9160	1.0960	1.2240
Per Prop	4.2609	0.2090	0.0000	0.0820	0.5570	0.3300	1.2990	1.0080	1.2120	1.3250
2020										
Res	3.8330	0.1760	0.0000	0.1570	0.4930	0.3170	1.0390	0.9050	1.0280	1.1060
Agr	2.4389	0.1570	0.0000	0.1050	0.0000	0.0000	1.1930	0.8720	0.0000	1.3050
Com	4.9077	0.1860	0.0000	0.1580	0.5560	0.3170	1.1640	0.9770	1.1240	1.2240
Per Prop	4.2608	0.2090	0.0000	0.0820	0.6390	0.3300	1.2960	1.0790	1.2400	1.3250
2021										
Res	3.6390	0.1650	0.0000	0.1410	0.4620	0.3150	0.9310	0.8960	0.9750	1.0560
Agr	3.1397	0.1460	0.0000	0.0920	0.0000	0.0000	0.9320	0.8210	0.0000	1.3270
Com	4.8988	0.1860	0.0000	0.1480	0.5240	0.3150	1.0810	0.9330	1.1540	1.2240
Per Prop	4.2608	0.2090	0.0000	0.0680	0.6390	0.3300	1.2360	1.0970	1.2400	1.3200

Source:
St. Louis County Department of Revenue website

**Parkway C-2 School District
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Principal Taxpayers	2021 Taxable Assessed Value	Percentage of Total Taxable Value	2012 Taxable Assessed Value	Percentage of Total Taxable Value
Chapter 100 St Louis County	\$ 86,827,680	1.68%	\$ -	0.00%
RNSI City Place Owner LLC (formerly Conerstone Opportunity Ventures LLC)	38,615,220	0.75%	31,043,900	0.70%
Monsanto Company(owned by Bayer AG)	36,409,680	0.70%	32,535,810	0.74%
Emerson Rd LLC	23,511,170	0.45%	-	0.00%
Missouri American Water Company	21,884,210	0.42%	-	0.00%
Edward D. Jones & Co.	19,871,960	0.38%	26,762,840	0.61%
WPP LLC (formerly)US Reif Westport Plaza Fee LLC	16,903,000	0.33%	19,140,220	0.43%
Ameren UE	15,777,560	0.31%	16,864,090	0.38%
Pembroke TCM Maryville LLC	13,729,950	0.27%	-	0.00%
TKG Manchester Highlands Shopping Center	11,576,220	0.22%	-	0.00%
Chesterfield Mall LLC	-	0.00%	28,801,730	0.65%
Duke Weeks Realty Limited Partnership	-	0.00%	26,510,410	0.60%
I & G Direct Real Estate	-	0.00%	18,783,100	0.43%
Scott Properties (also Scott Family Properties LP)	-	0.00%	16,023,320	0.36%
Scotttrade Financial Services Inc.	-	0.00%	18,180,810	0.41%
Total	<u>\$ 285,106,650</u>	5.45%	<u>\$ 234,646,230</u>	5.53%

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		Collections (Payments) in Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy Amount	Percentage of Levy		Amount	Percentage of Levy
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	172,079,412	97.25%	(3,522,051)	168,557,361	95.26%
2015	178,738,408	174,262,717	97.50%	700,215	174,962,932	97.89%
2016*	194,310,332	189,464,922	97.51%	(3,353,710)	186,111,212	95.78%
2017	190,141,207	185,075,125	97.34%	(1,622,329)	183,452,796	96.48%
2018*	200,205,047	195,161,263	97.48%	(2,511,773)	192,649,490	96.23%
2019	208,152,234	200,745,151	96.44%	(1,846,975)	198,898,176	95.55%
2020*	214,621,659	212,270,426	98.90%	2,225,753	214,496,179	99.94%
2021	216,846,772	209,884,659	96.79%	(929,082)	208,955,577	96.36%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Capital leases	\$ 1,922,248	\$ 1,897,737	\$ 3,215,053	\$ 3,098,912	\$ 2,635,121	\$ 2,227,015	\$ 1,810,660	\$ 1,385,523	\$ 1,018,836	\$ 710,861
General obligation bonds	155,497,217	147,033,678	145,296,147	189,647,590	177,493,275	209,692,816	215,753,585	245,760,000	203,435,000	257,557,389
Total primary government	<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>	<u>\$ 247,145,523</u>	<u>\$ 204,453,836</u>	<u>\$ 258,268,250</u>
Estimated actual value of taxable property	\$ 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	\$ 4,684,978,070	\$ 5,168,617,150	\$ 5,234,810,070
% of general bonded debt to estimated actual value of taxable property	3.67%	3.45%	3.51%	4.56%	4.09%	4.80%	4.59%	5.25%	3.94%	4.92%
Personal Income	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	9,621,638,208	9,911,826,817	10,210,767,514
% of Personal Income	2.0144%	1.8500%	1.7907%	2.2561%	2.0467%	2.3374%	2.3294%	2.5686%	2.0627%	2.5294%
Population	141,555	141,998	142,442	142,888	143,336	143,784	144,234	144,685	145,138	145,592
Per Capita	\$ 1,112	\$ 1,049	\$ 1,043	\$ 1,349	\$ 1,257	\$ 1,474	\$ 1,508	\$ 1,708	\$ 1,409	\$ 1,774

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, 2021

Taxing Body	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
<u>Direct</u>			
Parkway School District	\$ 258,268,251	100.00%	\$ 258,268,251
<u>Overlapping</u>			
St. Louis County	85,514,000	18%	15,083,953
City of Creve Coeur	9,640,109	23%	2,211,351
City of Manchester	15,393,255	9%	1,368,542
Fire District-Metro West	5,350,000	45%	2,411,446
Fire District-West County EMS	9,520,000	19%	1,841,682
Subtotal of Overlapping Debt	\$ 125,417,364		\$ 22,916,974
Total	\$ 383,685,615		\$ 281,185,225

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 2021

Assessed value	\$ 5,234,810,070
Debt limit (15% of assessed value)	785,221,511
Debt applicable to limit	(243,765,000)
Amount available in Debt Service Fund	13,979,499
Legal debt margin	<u>\$ 555,436,010</u>

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 636,132,254	\$ 638,553,558	\$ 620,327,589	\$ 623,781,701	\$ 650,491,164	\$ 655,599,050	\$ 705,792,311	\$ 702,746,711	\$ 775,292,573	\$ 785,221,511
Total net debt applicable to limit	<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>	<u>209,600,781</u>	<u>192,175,611</u>	<u>229,785,501</u>
Legal debt margin	<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>	<u>\$ 493,145,930</u>	<u>\$ 583,116,962</u>	<u>\$ 555,436,010</u>
Total net debt applicable to the limit as a percentage of debt limit	23.28%	21.88%	21.27%	27.84%	24.40%	28.65%	24.12%	29.83%	24.79%	29.26%

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)
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%
2019	144,685	9,621,638,208	66,501	3.40%
2020	145,138	9,911,826,817	68,292	9.70%
2021	145,592	10,210,767,514	70,133	5.30%

(1) St. Louis only

Sources:

Fred Economic Data

Missouri Census Data Center Demographic Profile

Missouri Economic Research and Information Center (MERIC)

**Parkway C-2 School District
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2021		2012	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Parkway School District	2,420	0.45%	2,485	0.47%
Schnucks Markets, Inc.	14,000	2.63%	10,750	2.02%
St. John's Mercy Medical Center (Mercy Health System)	8,800	1.65%	5,971	1.12%
Centene Corporation	5,500	1.03%	0	0.00%
Dierberg's Markets, Inc.	5,000	0.94%	4,000	0.75%
St. Luke's Health Corporation	4,600	0.86%	2,300	0.43%
Bayer Monsanto	4,400	0.83%	4,100	0.77%
Solutia Inc	3,400	0.64%	3,400	0.64%
Missouri Baptist Medical Center	2,517	0.47%	2,878	0.54%
Charter Communications LLC	1,800	0.34%	2,500	0.47%
Fru-Con Construction	0	0.00%	2,000	0.38%
Total	52,437	9.84%	40,384	7.59%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Supervisory										
Instructional administrators	10	10	10	6	7	7	7	8	8	9
Non-instructional administrators	7	7	5	8	12	12	14	14	14	12
Consultants/supervisors of instruction	19	18	18	32	34	21	22	21	27	19
Principals	28	28	28	28	27	28	22	27	27	27
Assistant principals	39	38	40	38	39	47	48	48	47	47
Total Supervisory	103	101	101	112	119	115	113	118	123	114
Instruction										
Elementary teachers	495	522	528	468	524	512	517	514	530	555
Middle school teachers	261	256	267	275	280	284	287	282	292	288
High school teachers	390	361	365	359	351	362	354	362	354	351
ESL teachers	22	22	22	24	24	26	30	30	31	34
Other instructional teachers	125	87	78	148	114	118	115	118	90	104
Aides	83	73	66	121	133	117	108	100	114	95
Total Instruction	1,376	1,321	1,326	1,395	1,426	1,419	1,411	1,406	1,411	1,427
Student Services										
Guidance counselors	68	70	70	72	71	73	70	72	79	83
Social workers/Behavior Support Specialists	6	6	6	12	9	14	16	20	13	19
Librarians	31	31	31	31	31	31	31	31	31	32
Nursing Staff	39	39	39	38	38	40	40	40	39	41
Total Student Services	144	146	146	153	149	158	157	163	162	175
Support and Administration										
Managers	6	6	6	5	4	5	9	10	12	8
Clerical Support	97	91	88	41	37	19	17	18	16	14
Secretarial Staff	224	208	185	193	196	191	178	174	167	159
Service workers	247	240	233	325	340	335	333	334	311	254
Skilled crafts	48	47	44	44	46	40	37	37	36	32
Mechanical/Transportation	172	172	172	178	174	168	169	168	172	138
Other Support Staff	69	68	66	92	90	114	110	109	99	98
Total support and administration	863	832	794	878	887	872	853	850	813	703
Total	2,486	2,400	2,367	2,538	2,581	2,564	2,534	2,537	2,508	2,419

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
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%	1,370	12.48	20.30%
2014	17,231	197,973,460	11,489	-7.35%	241,245,785	14,001	1.67%	1,346	12.80	20.60%
2015	17,279	202,015,622	11,691	1.76%	224,942,957	13,018	-7.02%	1,435	12.04	20.10%
2016	17,314	205,828,265	11,888	1.68%	233,159,982	13,467	3.44%	1,411	12.27	19.40%
2017	17,498	228,099,184	13,036	9.65%	255,899,815	14,625	8.60%	1,415	12.37	20.00%
2018	17,928	214,456,535	11,962	-8.24%	259,174,149	14,456	-1.15%	1,424	12.59	18.70%
2019	17,928	217,014,547	12,105	1.19%	262,844,453	14,661	1.42%	1,421	12.62	19.20%
2020	17,534	216,790,748	12,364	2.14%	270,568,020	15,431	5.25%	1,423	12.32	18.60%
2021	17,194	216,744,295	12,606	1.96%	284,981,619	16,574	7.41%	1,423	12.08	19.70%

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>
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	49,300
2019	42,800	97,200	61,692	51,220
2020	43,000	98,000	62,589	51,980
2021	44,000	99,000	63,622	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