Special Administrative Board Of The Transitional School District Of The City Of St. Louis (St. Louis Public Schools)

Comprehensive Annual Financial Report

For The Year Ended June 30, 2018

St. Louis, Missouri

Report Submitted by

Angie Banks
Chief Financial Officer and Treasurer

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SAINT LOUIS PUBLIC SCHOOLS

Kelvin R. Adams, Ph.D.
Superintendent of Schools

December 6, 2018

Members, Special Administrative Board (SAB) of the Transitional School District of the City of St. Louis and Citizens of City of St. Louis, Missouri
St. Louis, Missouri

Dear Board Members:

In compliance with Section 162.641, Revised Statutes of Missouri, 2007, I am submitting the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This report has been prepared to provide you, representatives of financial institutions, the public and other interested parties information concerning the financial performance of the St. Louis Public Schools ("SLPS, the District").

Responsibility for the accuracy, completeness and clarity of this report rests with me, and the Chief Financial Officer/Treasurer. The report was prepared by the Chief Financial Officer/Treasurer, the Fiscal Control Office and the Budget Office. We believe that the data, as presented, is accurate in all material aspects; that it fairly sets forth the financial position and results of operations of the District as measured by the financial activities on a government-wide basis and of its various funds; and that readers have all disclosures necessary to gain an understanding of the District's financial affairs.

This report has three sections – Introductory**,** Financial and Statistical

1. Introductory section: This transmittal letter, and the District's organizational chart, the 2017 ASBO Certificate of Excellence and the 2017 GFOA Certificate of Achievement.
2. Financial section: Government-wide financial statements; fund financial statements, supplemental information for combined and individual fund financial statements and schedules; the independent auditors' report on the financial statements; and Management's Discussion and Analysis. It is designed to be an objective and easily readable analysis of the District's financial activities.
3. Statistical section: Unaudited tables of both financial and demographic data. This information is for the purpose of presenting social and economic information, financial trends and fiscal capacity of the District presented on a multi-year basis.

The District is required to undergo an annual single audit to conform to the provisions of the Uniform Guidance at 2CFR200, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditors' reports on internal control and compliance with applicable laws and regulations are included in a separate report.

This report includes all funds of the District. The District is a public school system offering full all-day pre-school and kindergarten through grade 12 educational opportunities for all eligible residents within its geographic boundaries.

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GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found in the financial section immediately following the report of the independent auditors.

Summary of Accomplishments and Significant Events in Fiscal Year 2017-2018

Saint Louis Public Schools strives to provide a first-rate, relevant education to every student through high-quality instruction, proper and sufficient resources for schools, and safe and updated school buildings. The District continued to meet these goals during FY2017-2018:

- Mallinckrodt Academy of Gifted Instruction was named a 2017 National Blue Ribbon School, one of only 342 nationwide and eight statewide.

- The District's Gifted and Talented Office adjusted its practices to assess a greater number of children districtwide with added emphasis on North City residents who are traditionally less aware of the program.

- SLPS was selected to take part in Sprint's 1Million Project, Sprint's initiative to provide 1 million electronic devices (hotspot, smartphone or tablet) to districts nationwide. SLPS students received more than 800 smartphones.

- Adams, Cote Brilliante, Gateway, Gateway Michael and Woodward elementary schools received the 2017 Let's Move! Active Schools National Award - the nation's top physical education and physical activity distinction for K-12 schools - for their outstanding efforts in creating an active school environment. This accomplishment inspired a visit by former President Bill Clinton to Gateway and Gateway Michael elementary schools.

- SLPS launched new Love of Learning projects, including the district's first Lego Rumble competition and the inaugural District-Wide Scholastic Chess Tournament, which had hundreds of students participate.

- SLPS had two schools in the top 10 ranked by U.S. News and World Report for the state of the Missouri for 2018. Metro Academic & Classical High School was ranked #1 and McKinley Classical Leadership Academy was ranked #10.

- In support of the District's Transformation Plan, the St. Louis Public Schools Foundation continued to secure robust funding for early childhood education programs, health and wellness initiatives, the cultivation of school leadership and college and career readiness programs for students.

- Longstanding district corporate and community partners, such as Wells Fargo Advisors, Express Scripts and Spire, continued their valuable work in SLPS schools. National Geospatial Intelligence - Agency (NGA) launched its partnership with SLPS, engaging with students at Hodgen, Roosevelt, Vashon and Columbia. Leidos also came on board as a member of the task force for Shenandoah Elementary.

- The Technology Services Department refreshed roughly 6,000 older iPads for staff. The district was able to receive more than $300,000 for 1st generation iPads through a buy-back program.

- The Transportation Department launched a GPS tracking system called EduTracker that enables parents/guardians to follow the location of their child's bus by logging into a parent portal.

Current Initiatives and Accomplishments

SLPS Transformation Plan: Work continues on the district's strategic plan, which has been revised to better meet the needs of students and staff. Transformation Plan 3.0 has five key goals: 1) Creating a system of excellent schools for students; 2) Advancing fairness and equity across the system; 3) Cultivating culturally responsive school leaders, teachers and support personnel; 4) Ensuring all students read to lead and succeed; and 5) Establishing community partners that that support the Transformation Plan. The Transformation Plan is the top priority for all District staff.

Food and Nutrition Services Initiatives: In order to ensure all students start their day with a healthy meal, the district is launching the Breakfast in the Classroom program at all elementary schools. This results in less hunger and improved academic performance, health and behavior. Breakfast Grab 'n' Go Program carts are being added to elementary schools (previously only available in middle and high schools), and SLPS is also rolling out the At-Risk, Afterschool Program, which enables any student to eat a snack and/or supper afterschool for free.

Reading Initiative: A culture of literacy—where reading is <u>the</u> instructional focus—is being established in all schools. Teachers are receiving comprehensive training on literacy teaching practices, including when and how to intervene to address deficits.

Cohort-Model: Teams of teachers will work collaboratively in a PLC-style group for the duration of the school year. The team will write SMART goals, identify measurables, determine how and from where they will learn, and work collaboratively to improve their learning.

Northside Gifted School: Columbia Elementary is continuing its transition into the District's first fully gifted instruction school in North City. It expanded this year to serve gifted students in grades PK4, kindergarten, 1st grade and 2nd grade.

District Technology: Aging copiers and printers were replaced districtwide, along with 700 older iPads. The PaperCut print management system was implemented in order to track and monitor usage, eliminate paper waste and allow for secure document printing.

Tablets: Through Sprint's 1Million program, more than 1,000 tablets were donated to SLPS for distribution to Virtual School Program students.

Cultural Responsiveness: District leadership completed a three-day training session leading into the 2018-2019 year related to culturally responsive practices. Professional development will continue throughout the school year, the practice is key to Transformation Plan 3.0, and additional staff groups will be included in trainings.

Software and Programs: The Finance Department updated its finance software from SAP to Business Plus PowerSchool. The Assessment Department moved from Acuity to Scantron for standardized testing services.

Building Upgrades: Capital Improvement Projects to take place over the school year include painting, tuck-pointing, HVAC, door alarms and landscaping. The Operations Team is also completing lighting upgrades at SLPS schools.

Year End Audit and Financial Results

The final independent audit for the 2018 fiscal year was completed by RubinBrown LLP in December 2018 and is the basis of the audited financials included in the Financial Section of this CAFR.

The District began the year with a $49.2 million General Operating fund surplus and ended the year with a $69.7 million surplus.

Additional comments can be found later in the Management's Discussion and Analysis (MD&A) section of this report.

Profile of Government

The St. Louis Public School District (the "District") encompasses approximately 61 square miles and includes the entire corporate limits of the City of St. Louis, Missouri (the "City"). The present estimated population of the City and, therefore, of the District is 311,404. The District operates as the largest public school system in the State of Missouri. The District was initially organized in 1833. In 1838, the Board opened its first school, and in 1853, the Board opened the first coeducational high school west of the Mississippi River.

Under a March 22, 2007 decision, the Missouri State Board of Education declared St. Louis Public Schools as unaccredited. In accordance with the laws of the State of Missouri, the governance of the school district was transferred from the divested board, except for auditing and reporting matters, and placed with the Special Administrative Board (SAB) of the Transitional School District. The transitional school district is subject to all laws pertaining to "seven member districts," as defined in section 160.011, RSMO. The governing board of the transitional school district shall consist of three members: one shall be a chief executive officer nominated by the state board of education and appointed by the governor with the advice and consent of the senate, one shall be appointed by the mayor of the city not within a county and one shall be appointed by the president of the board of aldermen of the city not within a county. The SAB took full control of the operation of the St. Louis Public School District on June 15, 2007. Pursuant to Missouri Revised Statute §162.1100.4, the SAB is empowered to, among other things, (1) create an academic accountability plan, take corrective action in underperforming schools, and seek relief from state-mandated programs; (2) explore alternative forms of governance for the district; (3) contract with nonprofit corporations to provide for the operation of schools; (4) oversee facility planning, construction, improvement, repair, maintenance, and rehabilitation; (5) establish school site councils to facilitate site-based school management and improve the responsiveness of the schools to the needs of the local geographic attendance region of the school; and (6) submit a proposal to the district voters regarding establishment of neighborhood schools.

Prior to the transfer of governance to the SAB, the District existed as a metropolitan school district organized and governed pursuant to Sections 162.572 through 162.661 of the Revised Statutes of Missouri, 2007, as amended. The Board was responsible for the supervision and governance of the District. The Board also had final control over all school matters except as limited by state law, the courts, and the will of its citizenry as expressed in elections. The Board's responsibilities were generally: to set policy for the District, to ensure efficient operations, to select and evaluate the Superintendent of Schools, to adopt an annual budget and its supporting tax rate, and to foster good community relations and communications. In addition, the Board appointed the Superintendent of Schools to carry out the policies set by the Board.

With the loss of the District's accreditation, and the appointment of a chief executive officer, any powers granted to the existing school board on or before August 28, 1998, were vested with the Special Administrative Board of the Transitional School District as long as the Transitional School District exists, except as otherwise provided in section 162.621

The District has 3,099 full-time employees including 1,555 certified teachers and principals, representing 50% of full-time staff. Another 425 substitute and part-time staff support the District for a total staff count of nearly 3,500.

Enrollment in the District has declined significantly over the past twenty years. Enrollment totaled 108,770 students and 111,233 students in 1960 and 1970, respectively, (kindergarten through 12th grade). The State funded pre-k attendance for unaccredited and provisionally accredited districts in FY2017, including SLPS. Beginning in FY2018, all districts can claim a portion of their eligible pre-k attendance. The average daily attendance in the District over the past eight school years has been:

School Year	**Average Daily Attendance**
2018	20,344
2017	21,422
2016	21,076
2015	22,709
2014	23,317
2013	23,372
2012	20,608
2011	20,880
2010	22,754

The Missouri State Board of Education voted unanimously to re-classify St. Louis Public Schools as Provisionally Accredited as of October 16, 2012. The Provisional Accreditation vote came following a recommendation by Missouri Department of Elementary and Secondary Education Commissioner Dr. Chris Nicastro, who analyzed multiple years of data and indications of district-wide improvements over the prior five years.

In recommending Provisional Accreditation for the District, Commissioner Nicastro requested that the State Board review the District's progress under the standards of MSIP 5 in September of 2013, and each year thereafter until the District achieves full accreditation. Although enough Annual Performance Result points were earned in FY2015, the Missouri Department of Elementary and Secondary Education (DESE) and the Missouri State Board of Education voted not to recommend Full Accreditation for Saint Louis Public Schools.

The District received enough Annual Performance Result points once again in FY2016 and FY2017 for Full Accreditation. A determination on the District's accreditation status was received from DESE and the Missouri State Board of Education in January 2018. The District has achieved Full Accreditation.

The District provides educational programs to students of all ages through its preschool, kindergarten through 12th grades and adult education programs. The District also operates four Community Education Full Service Schools that offer educational and recreational programs to enrollees of all ages. In addition, there are high quality after school programs, which offer tutoring sessions for students.

The grade configuration of the District was reorganized in 1980. Prior to that year, the elementary schools served grades K-8 and the secondary schools served grades 9-12. Under the reorganization, middle schools were established for grades 6-8 and elementary schools serve primarily grades K-5.

Elementary schools (grades PK-5) offer mathematics, communication arts (reading, writing, speaking and listening), science and social studies. Arts and physical education are also provided. Middle schools (grades 6-8) offer mathematics, communication arts, science and social studies. Additionally, the middle schools offer art, business education (in magnet schools), industrial arts, music (vocal and instrumental), physical education, career awareness and orientation, counseling, remedial reading and remedial mathematics.

High schools offer English (complete sequence), mathematics courses (basic mathematics through calculus), science (general science, chemistry and physics), social studies (complete sequence), advanced placement and college readiness courses, career technical education courses, music (vocal and instrumental), physical education, and athletic programs (all sports).
At all grade levels there is a range of services for special education and guidance services. In addition, the District operates alternative programs for students with specialized needs. These initiatives include programs for adjudicated students and students with disciplinary problems; special schools for physically challenged students; and tutoring for students who are hospitalized.

Included within the District's elementary, middle and high schools are magnet schools. In addition to a basic curriculum, magnet schools offer a specific focus, which makes it possible to match a student's unique needs or interests with a compatible teaching method or program.

Economic Condition and Outlook

The Special Administrative Board adopted a Fund Balance Policy in fiscal year 2013 with a 10% target. The purpose of the policy is to establish guidelines that are necessary to ensure that the SLPS maintains an adequate level of unassigned reserves to mitigate financial risk that can arise from unforeseen revenue fluctuations, unforeseen expenditures and similar circumstances. The District fund balance at the 2018 fiscal year end is approximately 22%. There have been no other relevant financial policies that have had a significant impact on the current year's financial statements.

The fiscal condition of the St. Louis Public Schools, which serve the residents of the City of St. Louis, is closely linked to the economic health and population trends of the City of St. Louis and the State of Missouri budgetary constraints. The City continues to manage in an environment of long term population declines. The current population estimate for the city is 308,626, down 3% from 2010 and 30% from 1980. Significant reinvestment in the City over the last 15 years has established a base for the City's future health and growth.

The city is one of the largest metro areas in the state, is home to more than 8% of the jobs and 12% of the total wages in Missouri, and acts as a regional economic hub for the surrounding communities. The city's large tax base will remain relatively stable and diverse given ongoing economic development. City officials report several large development projects are underway including the National Geospatial Intelligence Agency (NGA; $1.75 billion), SSM Health St. Louis University Hospital ($575 million; 316 bed expansion), and City Arch River ($380 million). Other major developments totaling an investment of nearly $1.4 billion focus on revitalization of existing buildings into living spaces, and mixed use and hotel projects. The city continues to act as a regional hub for the healthcare, higher education, manufacturing and finance sectors and further stabilization is provided by the operations of nine Fortune 500 companies including Express Scripts, Inc. which was recently purchased by Cigna Corporation. Additional Fortune 500 companies include The Boeing Company, Wells Fargo Bank, N.A., Centene Corporation, Emerson Electric Company, Monsanto Company, Graybar Electric Company Inc., Ameren Corporation, and Peabody Energy Corporation. The city is also home to Anheuser-Busch Companies, LLC, BJC Health System, numerous universities, colleges, and technical schools.

St. Louis Public Schools faces the challenges of many large urban school districts: high poverty rates, declining enrollment, and high infrastructure related costs. Local property taxes, 70% of general operating revenues, have increased due to a voter approved operating tax increase on April 5, 2016. The District's participation in future economic growth is dependent on development activity, assessed values, tax rates, tax abatement and tax increment financing (TIF) projects.

State Aid represents only 13% of general operating revenues and has been declining for years due to decreasing enrollment. The FY2019 K-12 student enrollment is projected to be at 19,890.

Fiscal Year	**K-12 Enrollment**
2009	26,108
2010	25,046
2011	23,576
2012	22,516
2013	25,200
2014	24,869
2015	24,154
2016	22,506
2017	21,754
2018	20,879

The District's financial position has improved considerably over the past ten years, from a significant operating deficit to a positive fund balance. However, challenges remain and the work is not complete. We will continue to give our best efforts to provide the necessary student resources with the support of the community, partners and other stakeholders.

Charter Schools

The St. Louis Public Schools had been involved in desegregation litigation since 1972, resulting in a court-ordered plan of desegregation originally implemented during the 1980-1981 school years, and a Metropolitan Voluntary Desegregation Settlement Plan involving the Board and 23 County School Districts developed and approved by the Court for implementation in 1983-1984.

Desegregation

The St. Louis Public Schools had been involved in desegregation litigation since 1972, resulting in a court-ordered plan of desegregation originally implemented during the 1980-1981 school years, and a Metropolitan Voluntary Desegregation Settlement Plan involving the Board and 23 County School Districts developed and approved by the Court for implementation in 1983-1984.

In September 1987, as part of the desegregation litigation, the Court approved, ordered, and implemented a Capital Renovations Plan in the amount of $110,306,671; the State of Missouri to pay half and the Board to pay half.

In August 1988, the Court approved a long-range Magnet School Plan. The Plan phased out several magnet schools, relocated and expanded others, and created new and additional magnet schools, bringing the number of magnet seats to 14,000. The Plan also created Unified Funding Formula for all magnet schools. Effective with the 1990-1991 school year, the cost of operating all magnet schools was shared equally by the Board and the State of Missouri.

In its orders, the Court authorized an additional $56,043,801 in Capital Improvements for the magnet schools, including construction of three new facilities. The State of Missouri pays 72% of the cost and the Board pays the balance.

In March 1999, a settlement was reached and approved by the court in this case. This ended the courts supervision and monitoring of St. Louis Public Schools. The District is obligated to provide continuing remedial educational programs "to ensure that the enjoyment of full equality of opportunity by plaintiff school children is not impaired by the effects of past segregation." These obligations include maintaining current court-ordered all-day kindergarten, summer school, college prep and preschool programs; and maintaining the magnet school program, with some modifications for at least ten years. The District also agreed to comply with State standards in many areas such as class size, libraries and counselors, and to establish standards or improvement of student outcomes. There are provisions for school improvement and accountability, giving children in a failing school the right to transfer to a successful school.

The State agreed to pay the District a total of $180 million for construction of new schools to accommodate any increase in enrollment due to any decrease in the number of transfer students. All county districts, with the exception of Ladue, agreed to continue to accept new students unless written notice was provided prior to the 2008-2009 school year. To economize on transportation costs, attendance zones were established for the transfer students. In the event of any phase-out of the transfer program, all city students then enrolled in county schools will have the right to complete high school in the county.

A five-year extension was unanimously approved by the Voluntary Interdistrict Choice Corporation (VICC) Board in June 2007. Then, on October 19, 2012, an additional five-year extension was approved. As a result, new students can continue to be enrolled by participating districts through the 2018-2019 school year. With this extension, in the year 2019-2020, the program will cease accepting any new students, only allowing current students to remain until graduation. In 2031-2032, the program will be terminated.

VICC was established to operate the transfer program and State funding was provided to operate the continuing voluntary transfer plan. Subsequent State education funding cuts have reduced the funds available to VICC for the maintenance of the transfer program.

These same State funding cuts have reduced the State funding available to the St. Louis Public Schools below the levels agreed to in the 1999 settlement case. As a result, both SLPS and VICC joined in a suit against the State for re-instatement of past due amounts. As of June 30, 2005, the District's claims amounted to approximately $112 million.

In addition, one of the provisions called for in Senate Bill 781 was for the voters in the City of St. Louis to approve a city sales tax. On February 2, 1999 the city voters approved a 2/3rd cent sales tax.

As mentioned earlier, during fiscal year 2005, the District secured some flexibility in use of the desegregation funds for Clyde C. Miller and curriculum development. The District was also successful in renegotiating payments to assist with cash flow management.

On November 16, 2011, the District reached an agreement with the Plaintiffs in the desegregation lawsuit to use approximately $96 million of previously restricted funds, to eliminate the debt and fund certain academic programs through FY. Another agreement was reached in September 2015 that continues funding many of the existing desegregation programs in addition to Superintendent initiatives for the District's lowest performing schools. The 2015 agreement will provide over $29 million for FY 2015 through FY 2018 (see additional comments in Note 12).

Capital Renovation Status

In the fall of 1987, the District started an extensive Capital Renovation project involving 100 school facilities as part of the Desegregation Case. The renovations include envelope work (roofs, masonry, and windows), interior modifications and renovation, 43 gym additions and 2 classroom additions; and construction of 4 new magnet schools and one regular elementary school. Prior to interior renovations, each school was scheduled for asbestos abatement to comply with the 1986 AHERA Regulations.

All of the originally scheduled renovations have been completed.

In order to lessen the impact of the St. Louis summer heat and humidity and improve learning conditions, the District undertook a program to air condition certain schools beginning in June 2001.

Schools to be air-conditioned were initially selected to improve conditions where children were performing below average and those offering "Extended Year" programs. This program was initially funded through an $80 million bond issue approved by St. Louis voters November 7, 2000. Additional funding was provided by a Series 2002 $120 million bond issue, $95 million of which was designated for continuation of air conditioning. A $55 million bond was issued in January of 2006 to continue these improvements. During the fiscal year ended June 30, 2009, the District issued additional bonds in the amount of $39,295,000 to finance the cost of more air conditioning projects for school buildings and related facilities. All schools are now air conditioned with either central or window air conditioning.

In June 2009, the District started working on a lead abatement/window replacement project at 25 schools. This project, with a budget of more than $8 million, was substantially completed by August 2010. The goal of the project was to remove the risk of lead hazards in schools with children between 3 - 6 years of age.

The average of the District's instructional facilities is over 75 years of age. The age of each school is included in the Statistical Section on pages 128-129. Capital improvement needs have been estimated at approximately $360 million. In August 2010, the District gained approval of a $155 million no-tax bond to repair and upgrade facilities. The renovations include envelope work (roofs, masonry, and windows), interior modifications and renovations of classrooms, restrooms, auditoriums, computer labs, science labs, kitchens, Pre-K, security, ADA, electrical systems and exterior improvements to playgrounds, parking lots and athletic fields. All projects funded by the bond issue are complete as of June 30 2016.

The Board currently supervises the operation of 77 schools and programs, including 46 elementary schools, 9 middle schools, 14 high schools and 8 special or alternative programs in the District, with an average daily enrollment of over 23,000 preschool-12th grade students. The District will continue to invest in repairs, renovations, improvements and additions as needed to provide safe, well-functioning environments for learning. In fiscal year 2012-2013, as part of an effort to reduce expenses, the District closed two schools. No schools were closed in 2013-14, one was closed in 2014-15, one in 2015-16, and two at the end of 2016-17. The District continues to review facilities and provide recommendations, if appropriate opportunities are available, to close additional buildings or consolidate schools.

Long-Range Planning

The District will continue to take the necessary steps to prevent deficit spending through revenue enhancement measures and cost containment initiatives. The challenge is supporting academic initiatives while addressing the potential for declining enrollment and subsequent losses in State aid. Operating with a leaner budget and resources will require constant vigilance and the elimination of non-essential costs. Monthly cash flow projections, budget to actual reports, utilizing the five-year comprehensive financial planning model, allocating resources to meet the instructional needs of students and forming cost cutting teams are just some of the measures employed by the District as we move toward the goal of sustained financial solvency. Additional plans include efforts to increase the revenue stream through soliciting the support of business leaders; allocating more funds to the classroom; increasing efforts to enroll more students in district schools; and adding more innovative programs that provide for high quality education. St. Louis Public Schools is presently accelerating efforts to continue to improve academic performance of all children in the care of the District.

In addition, the District faces the challenge of educating large concentrations of children and youth, many of whom come from economically depressed backgrounds. According to the 2010 U S Bureau of Economic Analysis, the per capita personal income for the City was $43,577 and more than 87% of students in the District qualify for free or reduced-price school lunches.

Component Unit

The St. Louis Public Schools Foundation is reported as a component unit. It is a separate tax exempt entity that is not controlled by the District. The Foundation provides financial support from corporate contributions to assist the District in achieving its objectives, purposes and programs.

Charter Schools

Charter schools are public, tuition-free schools and receive public money; however, charter schools are not part of St. Louis Public Schools. Each charter school is governed by an independent school board and adheres to rules defined in its charter. This independence allows each school a lot more freedom in how they operate, the curriculum they choose, and how they serve their students. Some schools have themes and/or a geographic enrollment focus. The impact on the District is a loss of students and funding.

Internal and Budgetary Controls

This report consists of management's representations concerning the finances of the District. Consequently, the administration of the District is responsible for establishing and maintaining internal controls, which are designed to ensure that the assets of the Board are protected from loss, theft, and misuse. There is also a responsibility to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Internal control is designed to provide reasonable, but not absolute, assurance that the above objectives are being met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management.

Annual budgets are prepared on a basis consistent with generally accepted accounting principles for the activities of the general fund and special revenue funds (operating funds), capital projects and debt service funds.

In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the SAB.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Budgetary control is maintained at the sub-function level for management purposes; however, the legal level of budgetary control is at the fund level for all budgeted funds. Variances from the budget will be reported to the District's management on a monthly basis. Encumbrances outstanding in special revenue funds and capital projects and expendable trust funds do not lapse at year-end and are reported as reservations of fund balances.

Single Audit

As a recipient of federal, state and county financial assistance, the District also is responsible for ensuring that an adequate internal control is in place to provide compliance with applicable laws and regulations related to those programs. This internal control structure is subject to continuing periodic evaluation by management.

As a part of the District's single audit, described above, tests are made to determine the adequacy of internal control, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The result of the District's single audit for the fiscal year ended June 30, 2018 is presented in a separate report.

Fund Accounting

The District maintains its records through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. The funds are accounted for on the modified accrual basis of accounting for all governmental funds types and similar fiduciary fund types. All of the District's funds are presented in this report.

Independent Audit

The Revised Statutes of the State of Missouri require an independent annual audit of the books of accounts, financial records, and transactions of all funds of the District. This requirement has been complied with and the independent auditors' report has been included in this document.

Awards

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This was the 34^{th} consecutive year for the ASBO and 30^{th} consecutive year for the GFOA that the District has received these awards. The Certificates indicate that the District published an easily readable and efficiently organized comprehensive annual financial report. Such a report satisfied both generally accepted accounting principles and applicable legal documents.

The Certificates are valid for a period of one year only. The District believes that this current CAFR continues to meet both the Certificate programs' requirements and will be submitted to ASBO and GFOA to determine its eligibility for another certificate.

Acknowledgement

The preparation of this report could not have been accomplished without the cooperation and efficient and dedicated services of the entire administrative staff of the District. We would especially like to express our appreciation to the Board members for their interest and support in the financial affairs of the St. Louis Public Schools during the 2017-2018 fiscal year.

Respectfully Submitted,

Kelvin R. Adams, Ph.D.
Superintendent of Schools

Angela Banks
Chief Financial Officer/Treasurer

PRINCIPAL OFFICIALS

Special Administrative Board

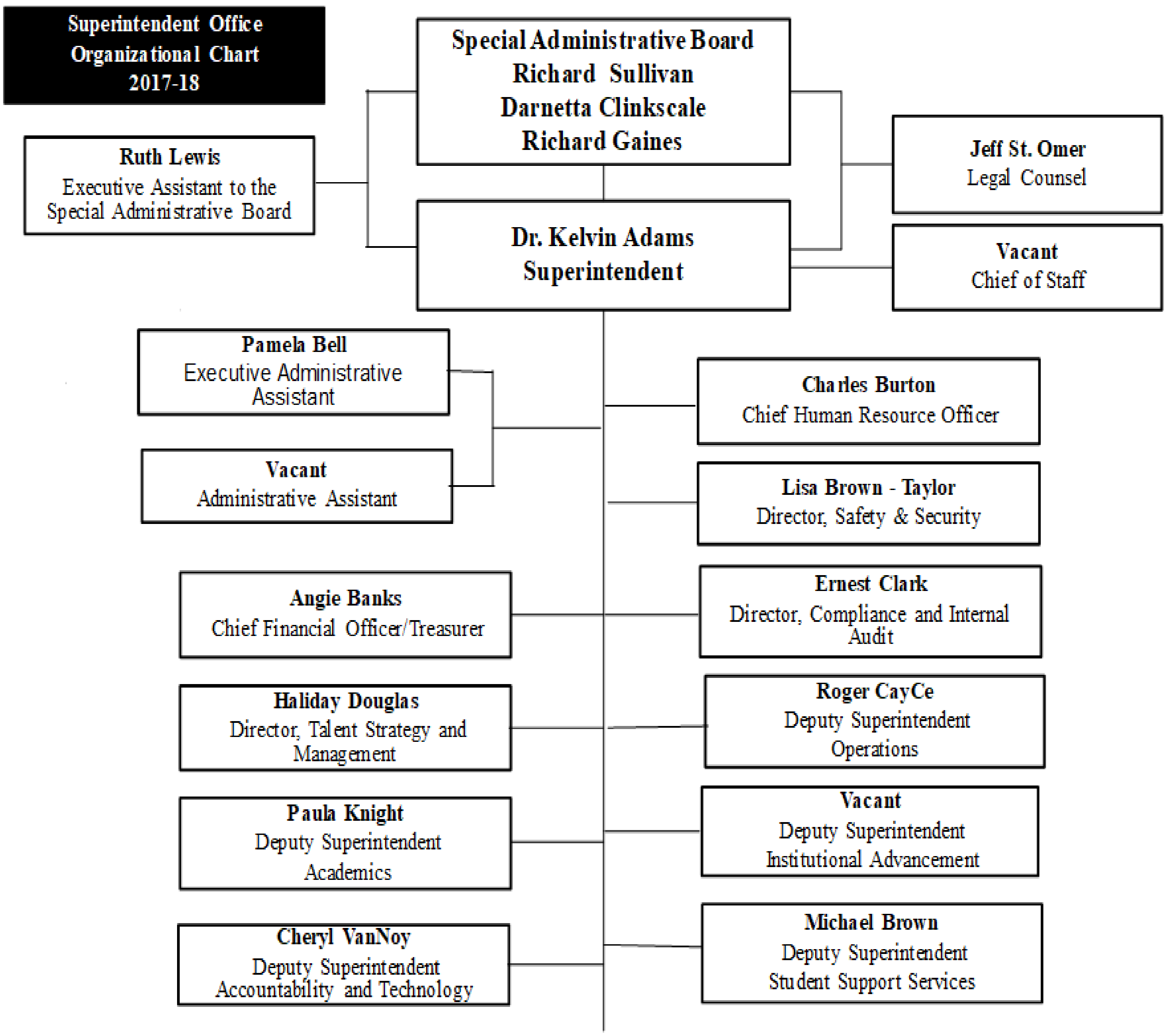
Mr. Rick Sullivan
Ms. Darnetta Clinkscale
Mr. Richard K. Gaines

Senior Administration

Kelvin R. Adams, Ph.D., Superintendent of Schools
Angela Banks, Chief Financial Officer / Treasurer

Elected Board

Ms. Susan Jones, President
Ms. Katherine Wessling, Vice President
Ms. Natalie Vowell, Secretary
Ms. Charli Cooksey
Mr. William Haas
Ms. Donna Jones
Ms. Dorothy Rohde-Collins


Superintendent Office Organizational Chart 2017-18
Special Administrative Board
Richard Sullivan
Darnetta Clinkscale
Richard Gaines
Ruth Lewis
Executive Assistant to the Special Administrative Board
Jeff St. Omer
Legal Counsel
Dr. Kelvin Adams
Superintendent
Vacant
Chief of Staff
Pamela Bell
Executive Administrative Assistant
Vacant
Administrative Assistant
Charles Burton
Chief Human Resource Officer
Lisa Brown - Taylor
Director, Safety & Security
Angie Banks
Chief Financial Officer/Treasurer
Ernest Clark
Director, Compliance and Internal Audit
Haliday Douglas
Director, Talent Strategy and Management
Roger CayCe
Deputy Superintendent
Operations
Paula Knight
Deputy Superintendent
Academics
Vacant
Deputy Superintendent
Institutional Advancement
Cheryl VanNoy
Deputy Superintendent
Accountability and Technology
Michael Brown
Deputy Superintendent
Student Support Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Special Adminstrative Board

of the Transitional School District

of the City of St. Louis, Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Special Administrative Board of the Transitional School District of the City of St. Louis

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

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

CERTIFICATE OF EXCELLENCE
IN FINANCIAL REPORTING

Charles E. Peterson, Jr.

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President

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Independent Auditors' Report

To the Honorable Mayor, Members of the Board of Education
and Members of the Special Administrative Board of the
Transitional School District of the City of St. Louis

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Special Administrative Board of the Transitional School District of the City of St. Louis (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 did not audit the financial statements of St. Louis Public Schools Foundation, which is reported as a discretely presented component unit, as described in Note 1. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the report of the other auditor. 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 from material misstatement. The financial statements of St. Louis Public Schools Foundation were not audited in accordance with *Government Auditing Standards*.

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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Special Administrative Board of the Transitional School District of the City of St. Louis as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change In Accounting Principle

As discussed in Note 1 to the financial statements in 2018, the District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Our opinion is not modified with respect to this matter.

Emphasis Of Matter Relating To Restatement

As discussed in Notes 4 and 10 to the financial statements, the net position balance as of July 1, 2017 financial statements have been restated to correct errors that relate to capital assets balances and accumulated depreciation. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules of Selected Pension Information, and the Schedule of Selected Other Post Employment Benefits 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 District's basic financial statements. The introductory section, combining and individual non major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section 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 13, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant 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 the District's internal control over financial reporting and compliance.

RubinBrown LLP

December 13, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For The Fiscal Year Ended June 30, 2018

INTRODUCTION

As management of the St. Louis Public Schools (the District), we are providing an overview of the District's financial position and results of operations for the fiscal year ended June 30, 2018. It should be read in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is a required component of the reporting model compiled in accordance with the Governmental Accounting Standards Board (GASB) Statements No. 34, 37 and 38. The MD&A provides you, the reader, with a brief discussion of the basic financial statements, a summary of the financial information in the statements, events concerning capital assets and long-term debt, and disclosures of known future events that may have a material impact on the future finances of the District. Comparative information between the current year and the prior year is required to be presented in the MD&A for the government-wide financial statements.

FINANCIAL HIGHLIGHTS

- Prior to the end of fiscal year 2012 the District had been designated by the Department of Elementary and Secondary Education (DESE) as financially stressed under the provisions of Section 161.520, RSMO for nine consecutive years. In the State of Missouri, a school district has to have a combined unrestricted balance remaining in the incidental and teachers funds of less than 3% of the amount expended from those funds during the year to be designated as financially stressed. In previous years, the District had depleted its unrestricted general operating fund balance, and thus had been classified as financially stressed. However, as noted below and in the notes section, the recent 2011 Desegregation Agreement, which provided funding to restore the unassigned fund balance, along with other cost savings/containment initiatives, has proven to be a significant step toward improving the District's financial condition, both in the near term and in the long-term. In fiscal year 2012, the District generated its first unassigned surplus in nine years, in the amount of $3.3 million. As of June 30, 2013, unassigned fund surplus in the Incidental Fund was approximately $17.9 million, an increase of $14.6 million over fiscal year 2012. Fiscal year 2014 yielded more positive results with an additional $7.2 million Incidental Fund increase to the unassigned fund balance of $25.1 million. During fiscal year 2015 the unassigned fund balance decreased by $6.7 million to $18.4 million due to charter school legal settlements and capital improvements funded from the Incidental fund. As of fiscal year 2016 the unassigned fund balance increased by $2.4 million to $19.2 million due to expenses coming in under budget. At the end of fiscal year 2017 the unassigned fund balance increased by $30 million to $49.2 million mainly due to the tax rate increase and expenses coming in under budget. As of fiscal year 2018 the unassigned fund balance increased by $20.5 million to $69.7 million due to revenues exceeding budget and expenses coming in under budget.

- In fiscal year 2013, the District capitalized on historically low interest rates in the bond market by refunding approximately $75 million in outstanding debt. The interest savings to be realized is approximately $5 million. No bonds were issued or refunded in fiscal year 2014 or 2015. In fiscal year 2016 the District refunded approximately $24.1 million in outstanding debt. The interest savings to be realized is approximately $1.2 million. No bonds were issued or refunded in fiscal year 2017. In fiscal year 2018 the District refunded approximately $63.4 million in outstanding debt. The interest savings to be realized is approximately $3.3 million.

Pooled cash reserves provided adequate funds for day-to-day operations such that we did not need to use Tax Anticipation Notes (TANS) during the 2017-18 fiscal year. The assets and deferred outflows of resources for the District exceeded liabilities and deferred inflows by negative $186.2 million on the government-wide financial statements. Of this amount, there is a negative $300 million in unrestricted net position, compared to negative $147.1 million in unrestricted net position in FY 2017. The District's total net position, when compared to fiscal year 2017, decreased by $209 million. The main reason for this decrease was higher expenses and prior period adjustments.

- On the fund financial statements, the net change in fund balances was $43.5 million as compared to a $20.4 million from fiscal year 2017. This can be attributed to revenues exceeding expenses and the bond refinancing. The total fund balance reported for the District's total governmental funds was $137.5 million.

- The largest portion of the District's net position is amounts restricted for debt service at $50.8 million. The second largest portion of the District's net position reflects a net investment of $49.5 million in capital assets (i.e. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to pay for these liabilities.

- As in prior years, the District continues to monitor the potential for lost revenues as a result of enrollment shifts associated with a transient student population and increasing charter school enrollments.

- The voters of the City of St. Louis at the June 1993 election approved an indefinite waiver of a tax rollback. The voters of the City of St. Louis at the April 2016 election approved a tax rate increase of $0.75 for general operating expenses. Assessed valuation of $4.488 billion represents an increase from the preceding year. The increase was due mainly to increases in residential and personal property valuations. The tax levy, per $100 assessed valuation of tangible taxable property, for each of the District's last two calendar years was as follows:

	2016	2017	Change
General fund	$ 4.5000	$ 4.4131	($ 0.0869)
Debt service fund	.6211	.6211	-
	$ 5.1211	$ 5.0342	($ 0.0869)

Our financial statements provide further insights into the results of this year's operations.

The MD&A is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

All of the District's activities, except the fiduciary activities, are reported in the government-wide financial statements, including instruction, building services, administration, instructional support, non-instructional support, transportation and food and community services. Property taxes, state aid, interest and investment earnings finance most of these activities. In addition, depreciation on all capital assets and interest expense on debt financing activities are reported here.

Fund Financial Statements

A fund is a grouping of related accounts that is considered a separate accounting entity with self-balancing accounts. It is used to maintain control over resources that have been segregated for specific objectives or activities. The District, similar to other state and local governments, uses fund accounting to ensure and demonstrate compliance with various finance related legal requirements. All of these funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for the functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements. Since the governmental fund financial statements are presented on a modified accrual basis, and the government-wide statements on an accrual basis of accounting, reconciliation information detailing the differences is provided.

The major funds required for presentation are the general fund, teachers' fund, debt service fund, early childhood fund, and the settlement fund. Information on the non-major funds is combined under the caption Other Governmental Funds.

Proprietary Funds

The District has one proprietary fund (Internal Service). Proprietary funds account for activities similar to the private sector. The proprietary fund financial statements provide information for the District's services established to accumulate and provide resources for the payment of health and welfare benefits primarily on behalf of and for the benefit of the District's employees, retirees and their dependents and to account for the costs of the District's self-insurance program. Provided are the Statement of Net Position; Statement of Revenues, Expenses and Changes in Fund Net Position; and a Statement of Cash Flows. These statements use the accrual basis of accounting, similar to the government-wide statement.

Fiduciary Funds

The District has one fund used to report activity in which the District acts in a fiduciary capacity for another party (agency fund). The resources from these funds are not available to support District operations. Therefore, fiduciary activities are not included in the government-wide statements.

Notes to Financial Statements

The Notes to Financial Statements complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, certain required supplementary information (RSI) can be found following the Notes.

Supplementary Information

The combining and individual fund statements and schedules are presented immediately following the required supplementary information.

GOVERNMENT–WIDE ANALYSIS

This is the fifteenth year for government-wide financial statements using the full accrual basis of accounting. A comparative analysis with the data from the prior year is being provided in this section.

	Governmental Activities		
	June 30,		
	2017	**2018**	**Change**
Assets and Deferred Outflows of Resources			
Current and other assets	$142.3	$191.2	$48.9
Capital assets, net	409.2	335.4	(73.8)
Total Assets	551.5	526.6	(24.9)
Deferred outflows on bond refunding	4.1	5.0	0.9
Deferred outflows related to assumption changes OPEB	0.0	0.8	0.8
Deferred outflows related to pension contribution	17.1	18.4	1.3
Difference between expected and actual experience – pension	3.7	2.5	(1.2)
Deferred amount related to assumption changes	40.5	245.7	205.2
Deferred amount for difference between projected and actual investment earnings for pension	62.3	40.7	(21.6)
Total Deferred Outflows of Resources	127.7	313.1	185.4
Total Assets and Deferred Outflows of Resources	679.2	839.7	160.5

Current liabilities	26.1	27.4	1.3
Long-term liabilities	620.6	944.9	324.3
Total Liabilities	646.7	972.3	325.6
Difference between actual and expected experience-pension	4.3	7.0	2.7
Change in proportional share-pension	5.4	8.8	3.4
Deferred amount for difference between projected and actual investment earnings for pension	0.0	37.8	37.8
Total Deferred Inflows of Resources	9.7	53.6	43.9
Total Liabilities and Deferred Inflows of Resources	656.4	1,025.9	369.5
Net Position			
Net investment in capital assets	127.8	49.5	(78.3)
Restricted for capital projects	5.1	5.3	0.2
Restricted for debt service	25.5	50.8	25.3
Restricted for desegregation settlement program	11.1	7.4	(3.7)
Restricted for endowments, nonexpendable	0.4	0.4	0.0
Unrestricted	(147.1)	(299.6)	(152.5)
Total Net Position	$22.8	($186.2)	($209.0)

Changes in Net Position from Operating Results (In Millions)

	For The Years Ended June 30,		
	2017	**2018**	**Change**
Revenues			
Program Revenues:			
Charges for services	$0.7	$0.6	($0.1)
Operating grants and contributions	84.1	80.0	(4.1)
Capital grants and contributions	1.8	0.6	(1.2)
Total Program Revenues	86.6	81.2	(5.4)
General Revenues:			
Taxes	274.5	285.7	11.2
Federal and state aid not restricted to specific purposes	35.3	29.8	(5.5)
Earnings on investments	0.1	1.6	1.5
Miscellaneous	5.2	5.2	0.0
Total General Revenues	315.1	322.3	7.2
Total Revenues	401.7	403.5	1.8

Expenses			
Instruction	220.8	308.4	87.6
Building services	42.1	42.0	(0.1)
School administration	34.1	35.3	1.2
Instructional support	29.3	31.6	2.3
Non-instructional support	16.4	16.3	(0.1)
Transportation	25.3	27.0	1.7
Food and community services	34.5	34.8	0.3
Interest expense	9.1	6.6	(2.5)
Bond issuance costs	0.0	0.6	0.6
Total Expenses	411.6	502.6	91.0
Change In Net Position	(9.9)	(99.1)	(89.2)
Net Position - Beginning Of Year	37.6	22.8	(14.8)
Prior Period Adjustment - Effect of GASB 75 Adoption	0.0	(58.2)	(58.2)
Prior Period Adjustment - Capital assets and Accumulated Depreciation, net	(4.9)	(51.7)	(46.8)
Net Position - End Of Year	$22.8	($186.2)	($209.0)

Total net position for the District decreased $209 million from the prior year due primarily to higher expenses and prior period adjustments. Current and other assets increased by $48.9 million as cash has increased due to saving cash for future salary increases. Capital assets decreased by $73.8 million due to additional depreciation and the prior period adjustment. Current liabilities increased by $1.3 million as a result of increases in accounts payable. Total long-term liabilities increased $324.3 million, primarily due to the increase in other post employee benefits liability and assumption changes that impacted the net pension liability.

The District is able to report positive balances in the following categories of net position for the government as a whole: (1) *net investment in capital assets and (2) restricted net position*.

Total revenues increased by $1.8 million of which local tax revenue increased by $11.2 million while operating grants and state and federal revenue decreased $9.6 million. Expenses increased by $91 million.

FUND STATEMENTS

The following schedule represents a summary of the revenue and other financial sources for the governmental funds for the period ended June 30, 2018. It also depicts the amount and percentage increases and decreases in relation to prior year revenues and other financial sources from fiscal year 2017.

Revenue Source (In Millions)	**2017 Amount**	**2018 Amount**	**Increase (Decrease) Over 2017**	**Percentage Increase (Decrease) Over 2017**
Local	$281.8	$292.3	$10.5	3.7
County	4.0	4.0	0.0	0.0
State	56.4	51.9	(4.5)	(8.0)
Federal	58.9	54.4	(4.5)	(7.6)
Total	$401.1	$402.6	$1.5	0.4

Local revenues increased by $10.5 million due to higher property tax collections. State revenues decreased by $4.5 million due to lower basic formula revenue because of lower enrollment and Early Childhood Special Education reimbursements increased due to additional bus monitors. Federal revenue also decreased by $4.5 million due to reduction in Title II appropriation.

The following schedule represents a summary of the expenditures for the governmental funds by function for the period ended June 30, 2018. It also depicts the amount and percentage increases and decreases in relation to prior year amount.

Expenditures (In Millions)

	2017 Amount	**Percent Of Total**	**2018 Amount**	**Percent Of Total**	**Increase (Decrease) From 2017**	**Percentage Increase (Decrease) From 2017**
Instruction	$ 167.6	43.9	$ 170.3	44.2	$ 2.7	1.6
Building service	38.0	10.0	39.1	10.1	1.1	2.9
Administration	33.6	8.8	35.2	9.1	1.6	4.8
Instructional support	32.7	8.6	33.2	8.6	0.5	1.5
Non-instructional support	16.4	4.3	16.3	4.2	(0.1)	(0.6)
Transportation	25.2	6.6	27.0	7.0	1.8	7.1
Food and community	34.5	9.0	34.8	9.0	0.3	0.9
Capital outlay	5.0	1.3	1.2	0.3	(3.8)	(76.0)
Debt service	28.4	7.4	28.6	7.4	0.2	0.7
Total	$ 381.4	100.0	$ 385.7	100.0	$ 4.3	1.1

The District experienced an overall expenditure increase of $4.3 million from the prior year. Individual fund information is as follows:

General Fund

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $69.7 million. Expenses increased by $6 million. Instruction increased by $3.1 million due to more teaching assistants. Building services increased by $1.3 million due to an increase in the custodians' work schedule, lead testing water fountains and weatherproofing buildings. Administration increased by $1.8 million. Instructional support decreased by $344 thousand due to a reduction in support staff. Non-instructional support increased by $805 thousand due to the transfer of expenditures for a grant that ended. Transportation increased by $673 thousand due to an increase in the contract rates. Food and community services programs increased by $440 thousand due to teachers' aide cost increases Capital outlays decreased by $1.8 million.

Debt Service Fund

The Debt Service Fund expenditures exceeded revenues by nearly $1.4 million in 2018 and by $2.7 million in 2017. This is primarily due to federal sequestration that reduced the interest subsidy on the Proposition S bonds payments and higher bond payments due to an advance refunding this year.

Settlement Fund

The Settlement Fund is a restricted capital project funds set up in connection with the Desegregation Settlement Agreement and transferred approximately $71 million to the general fund for the restoration of fund balance, payout of debt, and the funding for specific programs in 2012. Another Desegregation Settlement Agreement began in fiscal year 2015 and extended through fiscal year 2018 expending most of the funds. $3.8 million of unspent funds from the 2015 Agreement were returned to the Settlement fund, including $602 thousand from the current year. The Settlement fund ended fiscal year 2018 with a $7.4 million fund balance.

Teachers' Fund

The Teachers' Fund is supplemented by the General Fund and therefore maintains a zero fund balance. Revenue decreased by $4.4 million. The school district trust fund revenue increased by $1 million due to higher tax collections. Basic formula revenue decreased by $5.6 million as we had a decline in student enrollment. Expenses increased by $6 million. Instruction increased by $5 million from a lower teacher vacancy rate, increased pension costs, salary increases and increased local tax effort expenses. Food and community service increased by $1.3 million due to preschool teacher salary and pension increases.

Early Childhood Special Education Fund

The Early Childhood Fund is a fund used to account for financial resources and expenditures for early childhood special education services. Revenues increased by $1.3 million as we had increased expenditures. Expenses increased by $1.4 million. Instruction increased by $338 thousand due to healthcare insurance cost increases and more students covered by the program. Transportation increased $1.1 million as our contract rates increased and we added more monitors to the busses. The fund maintains a zero fund balance.

CAPITAL ASSETS

At June 30, 2018, the District had $335.4 million invested in a broad range of capital assets, including land, building and improvements, and equipment.

	Primary Government (In Thousands)					
	June 30, 2017 Balance	Prior Period Adjustment	June 30, 2017 Balance As Restated	Additions And Transfers In	Deletions And Transfers Out	June 30, 2018 Balance
Land	$ 24,575	$ —	$ 24,575	$ —	$ (261)	$ 24,314
Construction in progress	267	—	267	461	(267)	461
Impaired assets	11,421	—	11,421	4,308	(3,406)	12,323
Building and non-movable equipment	770,242	—	770,242	2,676	(13,390)	759,528
Movable equipment	37,873	242	38,115	319	(23,115)	15,319
Total Capital Assets	844,377	242	844,620	7,764	(40,439)	811,945
Less: Accumulated depreciation	435,209	51,979	487,188	21,778	(32,458)	476,508
Totals	$ 409,168	$ (51,737)	$ 357,432	$ (14,014)	$ (7,981)	$ 335,437

Additional information on capital assets can be found in Note 4 to the Basic Financial Statements.

LONG-TERM DEBT

As of June 30, 2018, the District had $303.8 million in debt compared to $296 million last year. This $7.8 million increase in long-term obligations was attributable to the issuance of refunding bonds and claims payable.

	For The Years Ended June 30,		
	2017	2018	Change
Changes In Long-Term Debt (In Thousands)			
Compensated absences	$ 1,790	$ 1,822	$ 32
Claims payable	8,159	10,257	2,098
Remediation liability	564	743	179
General obligation school building and refunding bonds	277,879	280,799	2,920
Less: Capital appreciation to maturity on bonds	2,111	1,840	(271)
Plus: Unamortized premium on bonds	9,710	11,997	2,287
Totals	$ 295,991	$ 303,778	$ 7,787

Additional information on long-term debt can be found in Note 5 to the Basic Financial statements.

BUDGET REQUIREMENTS AND VARIANCES

The District's practice for amending the original budget is governed by District policy that states, "All requests for additional appropriations require Board approval…" District policy also states, "any transfer of appropriations between funds shall require approval of the Board."

General Fund Budget	Original	Final	Increase (Decrease) Over Original
Revenue	$241.2	$248.9	$7.7
Expenses	$129.5	$134.5	$5.0

The general fund original and final budgets revenue increased by $7.7 million due to higher real property tax collections, lower merchants and manufacturers tax collections and higher transportation revenues. The expense budget increased by $5.0 million for increased retirement contribution costs, new ERP system, facilities repairs and transportation costs.

General fund actual revenues were $4.4 million higher than the final budget due to higher financial institution tax, classroom trust and surcharge taxes. General fund actual expenditures were lower by $2.9 million as compared to the final budget due to group medical and professional and technical salaries coming in under budget.

ECONOMIC OUTLOOK

The District has made steady academic and financial progress over the past five years by moving from provisional to full accreditation and improving the unrestricted fund balance from 9% to 22%. These two important measures were accomplished with the stable leadership the District has maintained with the SAB and Superintendent.

One of the biggest threats the District faces is the loss of students to charter schools and surrounding districts. The District was down over 750 K-12 students in fiscal year 2017 and another 875 in fiscal year 2018. The loss of students is a loss of revenue. Beginning in fiscal year 2018, all districts can claim a portion of their preschool attendance for eligible students. The District and St. Louis Public Schools Foundation revitalized their partnership in fiscal year 2014 increasing corporate donations and in-kind support over $19 million in four focus areas: Early Childhood Education, School Leadership, Student Wellbeing, and College and Career Readiness. The Transformation Plan 3.0 will be the District's strategic plan to address enrollment and other pressing issues and high priority initiatives over the next three to five years.

The District has made progress, but similar to many urban districts, has more challenges to overcome. More families will be attracted to the District as the Transformation Plan enhancements and academic and financial progress are communicated. More information pertaining to the District's economic outlook can be found in the letter of transmittal and the Basic Financial Statements.

REQUEST FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

St. Louis Public Schools
Chief Financial Officer
801 N. 11th St.
St. Louis, MO 63101

Basic Financial Statements

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

STATEMENT OF NET POSITION
June 30, 2018

		Governmental Activities
Assets		
Cash and short-term investments	$	134,692,124
Investments		15,633,261
Receivables (net):		
Grants		18,310,635
Taxes		19,594,503
Other		2,960,666
Capital assets:		
Land		24,313,740
Construction in progress		460,521
Impaired assets		12,323,334
Depreciable buildings, movable and nonmovable equipment, net		298,339,335
Total Assets		526,628,119
Deferred Outflows Of Resources		
Deferred amount on bond refunding		5,019,763
Deferred amount related to assumption changes-OPEB		832,064
Deferred amount related to pension contributions		18,381,410
Difference between expected and actual experience-pension		2,444,141
Deferred amount related to assumption changes-pension		245,722,620
Deferred amount for difference between projected and actual investment earnings for pension		40,708,290
Total Deferred Outflows Of Resources		313,108,288
Liabilities		
Accounts payable		17,107,262
Accrued interest		2,520,567
Unearned revenue		5,372,476
Deposits and escrow funds		2,448,175
Long-term liabilities:		
Long-term obligations due within one year		27,495,536
Long-term obligations due in more than one year		276,282,268
Net pension liability		567,306,446
Net OPEB liability		73,815,442
Total Liabilities		972,348,172
Deferred Inflows		
Deferred Inflows Of Resources		
Difference between actual and expected experience-pension		7,023,972
Change in proportional share-pension		8,755,480
Deferred amount for difference between projected and actual investment earnings for pension		37,798,264
Total Deferred Inflows Of Resources		53,577,716
Net Position		
Net investment in capital assets		49,501,256
Restricted:		
Expendable:		
Capital projects		5,330,440
Debt service		50,843,935
Desegregation settlement programs		7,396,442
Endowments, nonexpendable		352,344
Unrestricted		(299,613,898)
Total Net Position	$	(186,189,481)

STATEMENT OF FINANCIAL POSITION
June 30, 2018

Assets

	Unrestricted	Temporarily Restricted	Total 2018
Current Assets			
Cash and cash equivalents	$ 1,401,190	$ 619,026	$ 2,020,216
Investments	—	4,233,134	4,233,134
Unconditional promises to give	—	52,000	52,000
Prepaid expenses	6,932	—	6,932
Total Current Assets	1,408,122	4,904,160	6,312,282
Unconditional Promises to Give	—	10,000	10,000
Property And Equipment	3,001	—	3,001
Total Assets	$ 1,411,123	$ 4,914,160	$ 6,325,283

Liabilities And Net Assets

	Unrestricted	Temporarily Restricted	Total 2018
Current Liabilities			
Accounts payable	$ 42,029	$ —	$ 42,029
Accrued expenses	51,537	—	51,537
Due to District	673,669	—	673,669
Total Current Liabilities	767,235	—	767,235
Net Assets			
Unrestricted:			
Unrestricted	586,553	—	586,553
Unrestricted - Board designated	57,335	—	57,335
Temporarily restricted	—	4,914,160	4,914,160
Total Net Assets	643,888	4,914,160	5,558,048
Total Liabilities And Net Assets	$ 1,411,123	$ 4,914,160	$ 6,325,283

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2018

		Program Revenues			Net (Expense) Revenue And Changes In Net Position
Functions	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Governmental Activities					
Instruction	$ 308,364,412	$ 1,811	$ 33,084,489	$ 637,738	$ (274,640,374)
Building services	41,960,940	—	275,881	—	(41,685,059)
School administration	35,318,133	—	512,883	—	(34,805,250)
Instructional support	31,656,733	—	11,926,841	—	(19,729,892)
Noninstructional support	16,318,304	—	1,591,483	—	(14,726,821)
Transportation	27,006,959	1,827	6,697,334	—	(20,307,798)
Food and community services	34,805,444	600,579	25,852,350	—	(8,352,515)
Interest expense	6,652,399	—	—	—	(6,652,399)
Bond issuance costs	552,209	—	—	—	(552,209)
Total Governmental Activities	$ 502,635,533	$ 604,217	$ 79,941,261	$ 637,738	(421,452,317)
General Revenues					
Property taxes levied for:					
General purposes					206,058,944
Debt service					26,456,466
Sales taxes					53,164,510
Federal and state aid not restricted to specific purposes					29,796,963
Earnings on investments					1,612,777
Other revenues					5,258,512
Total General Revenues					322,348,172
Change In Net Position					(99,104,145)
Net Position - Beginning Of Year, As Previously Stated					22,811,343
Prior Period Adjustment - Effect Of GASB 75 Adoption					(58,159,779)
Prior Period Adjustment - Capital Assets And Accumulated Depreciation, Net					(51,736,900)
Net Position - Beginning Of Year, As Restated					(87,085,336)
Net Position - End Of Year					$ (186,189,481)

STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	Totals 2018
Operating Activities			
Revenue, gains and other support			
Contributions	$ 373,092	$ 419,940	$ 793,032
Grants	496,428	1,019,607	1,516,035
Special events	85,240	—	85,240
In-kind contributions	14,004	—	14,004
Investment income	57,995	—	57,995
Other	40,118	—	40,118
Net assets released from restrictions	1,539,904	(1,539,904)	—
Total Revenue, Gains And Other Support	2,606,781	(100,357)	2,506,424
Expenses			
Program services	2,225,951	—	2,225,951
Supporting activities			
Management and general	112,956	—	112,956
Fundraising	198,618	—	198,618
Total Supporting Activities	311,574	—	311,574
Total Expenses	2,537,525	—	2,537,525
Change In Net Assets	69,256	(100,357)	(31,101)
Net Assets - Beginning Of Year	574,632	5,014,517	5,589,149
Net Assets - End Of Year	$ 643,888	$ 4,914,160	$ 5,558,048

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2018

	General	Teachers	Early Childhood Special Education	Debt Service	Capital Projects: Building	Capital Projects: Vocational Education	Capital Projects: Settlement	Nonmajor Governmental Funds	Total Governmental Funds
Assets									
Cash and investments:									
Cash and short-term investments	$ 59,219,498	$ —	$ —	$ 40,013,600	$ —	$ 525,853	$ 7,396,442	$ 10,879,924	$ 118,035,317
Other investments	—	—	—	—	—	—	—	5,126,830	5,126,830
Investments held for bonded indebtedness by trustee	—	—	—	10,506,431	—	—	—	—	10,506,431
Total Cash And Investments	59,219,498	—	—	50,520,031	—	525,853	7,396,442	16,006,754	133,668,578
Receivables:									
Grants	—	16,348	8,277,759	—	—	—	—	10,016,528	18,310,635
Taxes	22,022,748	—		2,364,088	—	—	—	—	24,386,836
Other	703,568	—	—	964	42,430	—	—	1,090,833	1,837,795
Total Receivables	22,726,316	16,348	8,277,759	2,365,052	42,430	—	—	11,107,361	44,535,266
Due from other funds	16,509,989	7,572,313	—	—	—	—	—	277,152	24,359,454
Total Assets	$ 98,455,803	$ 7,588,661	$ 8,277,759	$ 52,885,083	$ 42,430	$ 525,853	$ 7,396,442	$ 27,391,267	$ 202,563,298

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2018

					Capital Projects				
	General	Teachers	Early Childhood Special Education	Debt Service	Building	Vocational Education	Settlement	Nonmajor Governmental Funds	Total Governmental Funds
Liabilities, Deferred Inflows Of Resources And Fund Balances									
Liabilities									
Accounts payable	$ 6,819,715	$ 7,588,661	$ 74,834	$ —	$ 7,078	$ —	$ —	$ 1,994,796	$ 16,485,084
Due to other funds	7,572,313	—	8,202,925	—	17,260	—	—	8,566,956	24,359,454
Deposits and escrow funds	—	—	—	—	—	—	—	2,448,175	2,448,175
Unearned revenue	—	—	—	—	—	—	—	5,372,476	5,372,476
Total Liabilities	14,392,028	7,588,661	8,277,759	—	24,338	—	—	18,382,403	48,665,189
Deferred Inflows Of Resources									
Property taxes	14,400,293	—	—	1,959,695	—	—	—	—	16,359,988
Fund Balances									
Nonspendable									
Permanent fund principal	—	—	—	—	—	—	—	352,344	352,344
Total Nonspendable	—	—	—	—	—	—	—	352,344	352,344
Restricted for:									
Bonded indebtedness	—	—	—	50,925,388	—	—	—	—	50,925,388
Capital projects	—	—	—	—	—	525,853	—	4,804,587	5,330,440
Desegregation settlement programs	—	—	—	—	—	—	7,396,442	—	7,396,442
Total Restricted	—	—	—	50,925,388	—	525,853	7,396,442	4,804,587	63,652,270
Assigned to:									
School lunchroom	—	—	—	—	—	—	—	3,025,554	3,025,554
Community development agency	—	—	—	—	—	—	—	114,775	114,775
Adult education	—	—	—	—	—	—	—	711,604	711,604
Total Assigned	—	—	—	—	—	—	—	3,851,933	3,851,933
Unassigned	69,663,482	—		—	18,092	—	—	—	69,681,574
Total Fund Balances	69,663,482	—	—	50,925,388	18,092	525,853	7,396,442	9,008,864	137,538,121
Total Liabilities And Fund Balances	$ 98,455,803	$ 7,588,661	$ 8,277,759	$ 52,885,083	$ 42,430	$ 525,853	$ 7,396,442	$ 27,391,267	$ 202,563,298

See the notes to basic financial statements.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2018

Total Fund Balance - Governmental Funds	$ 137,538,121
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $811,945,842 and the accumulated depreciation is $476,508,912	335,436,930
Certain changes in the net pension liability are amortized over time and are not reported in the funds	253,678,745
Certain changes in the net OPEB liability are amortized over time and are not reported in the funds	832,064
Some of the District's property taxes will be collected after the 60-day availability period and are deferred inflows of resources in the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements, net of allowance for uncollectible amounts totaling $4,792,333	11,567,655
Internal service funds are used by management to charge the costs of certain insurance and other employee benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	6,900,353
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as liabilities within the fund financial statements. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported on the government-wide statement of net position. Bond discounts and premiums are reported in the governmental fund financial statements when the debt was issued whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements.	
Balances as of June 30, 2018 are:	
Accrued interest on outstanding debts	(2,520,567)
Bonds and notes payable	(278,958,891)
Unamortized deferred outflow on bond refunding	5,019,763
Unamortized bond premium	(11,996,546)
Accrued compensated absences	(1,822,281)
Other post-employment benefits liability	(73,815,442)
Remediation liability	(742,939)
Net pension liability	(567,306,446)
Total Net Position - Governmental Activities	$ (186,189,481)

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For The Year Ended June 30, 2018

					Capital Projects				
	General	Teachers	Early Childhood Special Education	Debt Service	Building	Vocational Education	Settlement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues									
Local:									
Current taxes	$ 224,518,406	$ 25,504,597	$ —	$ 25,245,919	$ —	$ —	$ —	$ —	$ 275,268,922
Delinquent taxes	8,245,029	—	—	1,238,460	—	—	—	—	9,483,489
Investment income (loss)	941,191	—	—	417,468	218	5,947	—	247,954	1,612,778
Other	2,272,009	137,448	—	1,971	20,300	—	—	3,521,772	5,953,500
County	3,243,565	247,599	—	456,500	—	—	—	—	3,947,664
State:									
Basic formula	—	30,097,942	—	—	—	—	—	—	30,097,942
Categorical aid	12,339,292	123,375	7,063,852	—	—	—	—	234,335	19,760,854
Other	1,478,684	—	—	—	—	—	—	531,709	2,010,393
Federal	206,805	479,037	993,331	—	—	—	—	52,739,165	54,418,338
Total Revenues	253,244,981	56,589,998	8,057,183	27,360,318	20,518	5,947	—	57,274,935	402,553,880
Expenditures									
Current:									
Instruction	18,248,146	130,024,366	5,848,059	—	—	—	—	16,140,324	170,260,895
Building service	37,391,819	335,081	—	—	1,390,212	—	—	10,121	39,127,233
School administration	20,085,096	14,900,313	—	—	—	—	—	216,195	35,201,604
Instructional support	13,070,185	10,052,491	—	—	—	—	—	10,022,145	33,144,821
Noninstructional support	14,560,108	963,068	—	—	103	—	—	794,661	16,317,940
Transportation	23,988,399	—	2,429,700	—	—	—	—	588,172	27,006,271
Food and community services	4,054,182	5,328,583	—	—	—	—	—	25,420,413	34,803,178
Capital outlay	222,551	—	—	—	212,071	—	—	795,626	1,230,248
Debt service:									
Principal retirement	—	—	—	20,670,000	—	—	—	—	20,670,000
Interest charges	—	—	—	7,413,782	—	—	—	—	7,413,782
Bond issuance costs	—	—	—	552,209	—	—	—	—	552,209
Total Expenditures	131,620,486	161,603,902	8,277,759	28,635,991	1,602,386	—	—	53,987,657	385,728,181
Excess (Deficiency) Of Revenues Over Expenditures	121,624,495	(105,013,904)	(220,576)	(1,275,673)	(1,581,868)	5,947	—	3,287,278	16,825,699
Other Financing Sources (Uses)									
Transfers in	5,436,277	105,013,904	220,576	—	1,549,960	—	3,836,821	310,905	116,368,443
Transfers out	(110,932,166)	—	—	(27,913)	—	—	(3,234,878)	(2,173,486)	(116,368,443)
Issuance of refunding bonds	—	—	—	61,945,000	—	—	—	—	61,945,000
Proceeds from sale of capital assets	—	—	—	—	50,000	—	—	—	50,000
Payment to refunding escrow agent	—	—	—	(41,605,260)	—	—	—	—	(41,605,260)
Premium on issuance of bonds	—	—	—	6,241,008	—	—	—	—	6,241,008
Total Other Financing Sources (Uses)	(105,495,889)	105,013,904	220,576	26,552,835	1,599,960	—	601,943	(1,862,581)	26,630,748
Net Change In Fund Balances	16,128,606	—	—	25,277,162	18,092	5,947	601,943	1,424,697	43,456,447
Fund Balances - Beginning Of Year	53,534,876	—	—	25,648,226	—	519,906	6,794,499	7,584,167	94,081,674
Fund Balances - End Of Year	$ 69,663,482	$ —	$ —	$ 50,925,388	$ 18,092	$ 525,853	$ 7,396,442	$ 9,008,864	$ 137,538,121

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2018

Net Change In Fund Balances - Total Governmental Funds		$ 43,456,447
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than $5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	$ 3,189,178	
Depreciation expense	(21,777,764)	
		(18,588,586)
In the statement of activities, the gain or loss on the sale or disposal of capital assets and any impairment loss is recognized. The fund financial statements recognize only the proceeds from these sales.		(3,405,737)
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 amounts presented represent the change in these accrued liabilities for the current year.		
Accrued compensated absences		(32,237)
Remediation liability		(178,652)
Desegregation settlement liability		100,000
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Proceeds from refunding bonds	(61,945,000)	
Proceeds from premium on bonds	(6,241,008)	
Repayment of bond principal	20,670,000	
Payment to escrow agent for refunded bonds	41,605,260	
Accrued interest - general obligation bonds	(551,097)	
Amortization of premium, deferred outflow on bond refunding and capital appreciation bonds	1,312,480	
OPEB Expense	(8,044,140)	
Pension expense	(109,679,683)	
		(122,873,188)
Revenues in the statement of activities (net of allowance for uncollectible amounts) that do not provide current financial resources are not reported as revenues in the fund financial statements.		927,508
Internal service funds are used by the District to charge the costs of insurance to individual funds. The net income of the internal service funds is reported with governmental activities.		1,490,300
Change In Net Position Of Governmental Activities		$ (99,104,145)

STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2018

	Governmental Activity
	Internal Service
Assets	
Current Assets:	
Cash	$ 16,656,807
Receivables-other	1,122,871
Total Assets	17,779,678
Liabilities	
Current Liabilities:	
Accounts payable	622,178
Claims payable	3,525,223
Total Current Liabilities	4,147,401
Noncurrent Liabilities:	
Claims payable	6,731,924
Total Liabilities	10,879,325
Net Position	
Unrestricted	$ 6,900,353

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUND For The Year Ended June 30, 2018

	Governmental Activity
	Internal Service
Operating Revenues	
Interfund services provided	$ 47,806,423
Operating Expenses	
Claims	5,782,832
Insurance premiums	40,553,921
Total Operating Expenses	46,336,753
Operating Income	1,469,670
Nonoperating Revenue	
Interest	20,630
Change In Net Position	1,490,300
Net Position - Beginning Of Year	5,410,053
Net Position - End Of Year	$ 6,900,353

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
For The Year Ended June 30, 2018

	Governmental Activity
	Internal Service
Cash Flows From Operating Activities	
Cash receipts from interfund services provided	$ 46,705,763
Cash payments to suppliers for goods and services	(44,290,024)
Net Cash Provided By Operating Activities	2,415,739
Cash Flows Provided By Investing Activities	
Cash from interest received	20,630
Net Increase In Cash	2,436,369
Cash - Beginning Of Year	14,220,438
Cash - End Of Year	$ 16,656,807
Reconciliation Of Operating Income To Net Cash Provided By Operating Activities	
Operating income	$ 1,469,670
Change in assets and liabilities:	
Increase in accounts receivable	(1,100,660)
Decrease in accounts payable	(51,417)
Increase in claims payable	2,098,146
Net Cash Provided By Operating Activities	$ 2,415,739

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2018

Assets	
Cash and short-term investments	$ 26,223,225
Liabilities	
Accounts payable	$ 542,399
Unexpended balance of grants	716,261
Deposits and escrow funds	24,964,565
Total Liabilities	$ 26,223,225

1. Summary Of Significant Accounting Policies

The Special Administrative Board of the Transitional School District of the City of St. Louis (the District) is a metropolitan school district created by Missouri state statute as a separate governmental entity for the express purpose of supervising and governing the public schools' property within the boundaries of the City of St. Louis, Missouri.

As discussed in Note 12 to the basic financial statements, one of the provisions of Senate Bill 781 was the possible appointment of a three (3) member board if the school district failed to receive accreditation from the state. This Special Administrative Board (SAB) would take over the authority granted to the elected Board of Education for the operation of all or part of the duties. Effective June 15, 2007, the SAB became the governing body of the District.

The District receives significant financial assistance from the State of Missouri (the State) under various State programs established to support public education at school districts throughout the State. Resources appropriated for this purpose are administered by the Missouri Department of Elementary and Secondary Education (the Department). The District is subject to various reporting and compliance requirements in order to obtain and retain continued funding from the Department.

The accounting policies of the District conform to generally accepted accounting principles applicable to governmental entities. The following is a summary of the more significant accounting policies:

Reporting Entity: The District defines its financial reporting entity in accordance with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units - an amendment of GASB Statement No. 14* and GASB Statement No. 61*, the Financial Reporting Entity - Omnibus*. The requirements for inclusion of component units are based primarily upon whether the District's governing body is considered financially accountable for the potential component units. The District is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or there is the potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on, the District.

The Saint Louis Public Schools Foundation (the Foundation) is a legally separate tax-exempt entity which meets the criteria set forth for component units under GASB Statement No. 39. The Foundation provides financial support for the objectives, purposes, and programs of the District. Although the District does not control the timing, purpose, or amount of receipts from the Foundation, the resources (and income thereon) which the Foundation holds and invests are restricted to the activities of the District. Because these resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

The Foundation is a private nonprofit organization that reports under generally accepted accounting principles set forth by the Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from Governmental Accounting Standards Board revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial report for these differences. The Foundation's significant notes are summarized in Note 14.

During the year ended June 30, 2018, the Foundation distributed $155,022 to the District for restricted and unrestricted purposes.

Complete financial statements can be obtained by sending a written request to: Saint Louis Public Schools Foundation, 801 N. 11th Street, Third Floor, Saint Louis, MO 63101.

Basis Of Presentation: The District's basic financial statements consist of government-wide statements, which include a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements to minimize the duplication of internal activities with the exception of interfund services provided and used.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements: Following the government-wide financial statements are separate financial statements for governmental funds, a proprietary fund (internal service), and fiduciary funds (agency). The activity of the fiduciary funds is excluded from the government-wide financial statements while the activity of the internal service fund is included. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds."

Fund Accounting: The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses. The various funds are summarized by type in the basic financial statements. A description of the activities of the various major governmental funds is provided below.

Governmental Funds: Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the District's major funds:

- General - To account for all financial resources except those required to be accounted for in another fund.
- Teachers - This is a special revenue fund used to account for financial resources and expenditures for certified employees involved in administration and instruction. It includes revenues restricted by the State of Missouri and taxes allocated to the fund based on the District's tax levy to be used for the payment of teachers' salaries, related benefits and tuition for students.
- Early Childhood Special Education- This is a fund used to account for financial resources and expenditures for early childhood special education services. It includes revenues restricted by the Federal government and the State of Missouri to be used for the payment of instruction and transportation for early childhood special education students.
- Debt Service - Used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- Building - This is a capital projects fund used to account for financial resources and expenditures related to the acquisition or improvement of land, buildings and equipment.
- Vocational Education - This is a capital projects fund used to account for financial resources and expenditures related to the Capital Settlement Vocational Education Plan, court approved on March 12, 1999.
- Settlement - This is a capital projects fund used to account for financial resources and expenditures related to the Court approved Settlement Plan Agreement with the State of Missouri for construction and site acquisition costs to accommodate any reasonably anticipated net enrollment increase caused by the elimination of the Desegregation Plan. Beginning July 1, 1999 and each July 1 thereafter ending July 1, 2009, the State has paid specified sums to the District as a result of the settlement. (See Note 12 for additional information)

The other governmental funds of the District are considered nonmajor. They are special revenue and permanent funds, which account for grants and other resources whose use is restricted to a particular purpose.

Additionally, the District reports the following fund types:

Proprietary Fund Types:

Proprietary funds are used to account for ongoing organizations and activities, which are similar to those often found in the private sector. An Internal Service Fund is used to account for costs of the District's limited self-insurance program using a flow of economic resources measurement focus and an accrual basis of accounting and to account for the activities of the St. Louis Public Schools Health Benefits Trust, which accumulates resources for the payment of health and welfare benefits primarily on behalf of and for the benefit of the District's employees, retirees and their dependents.

Fiduciary Fund Type:

Agency Fund - This fund is used to account for transactions related to amounts received in an agency capacity on behalf of individuals, private organizations, and other governmental units. The District has no equity interest in this fund. This fund applies the accrual basis of accounting. The District's agency fund is used to account for monies placed in escrow that represent the District's retirement contribution to the Public School Retirement System of the City of St. Louis.

Measurement Focus, Basis Of Accounting And Financial Statement Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide 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.

Like the government-wide financial statements, the proprietary fund is accounted for using the flow of economic resources measurement focus. Agency funds have no measurement focus. The proprietary fund uses the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included in the statement of net position. The proprietary fund type operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Revenues and expenses for the proprietary fund are divided into operating and non-operating items. Operating revenues generally result from providing services in connection with the operations of the District's internal service fund. The principal operating revenue of the internal service fund is the interfund services provided associated with providing unemployment, workers' compensation, health and welfare insurance on behalf of employees and retirees to other departments and funds. Operating expenses include the costs associated with unemployment and workers' compensation claims, health and welfare benefits and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (Note 3). Revenue from grants, entitlements and donations is recognized in the 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 year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. For the District, available means expected to be received within 60 days of year end for property taxes and 120 days for grants.

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

Unearned Revenue: Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and when certain grants received before eligibility requirements are met are reported 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. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash And Investments: The District employs a cash management program whereby available cash resources of all funds, except certain capital projects, the debt service fund and the permanent fund, are combined to form pools of cash and investments that are managed by the Treasurer of the District. Such investments consist primarily of cash equivalents, such as money market mutual funds, insured cash sweep accounts, banker's acceptances, and short-term U.S. government securities. Interest income earned on pooled funds is distributed to the appropriate funds based on the average daily balance of the cash and investments of each fund.

Investments of the permanent fund consist of marketable equity securities, which are carried at fair value. Short-term investments of the general, special revenue, capital projects and debt service funds consist of short-term U.S. Government Treasury and Agency securities, money market mutual funds, and commercial paper, which are carried at net asset value, contract value or amortized cost, which approximates fair value, or fair value in accordance with GASB Statement 72, *Fair Value Measurement and Application* as amended by GASB 79, *Certain External Investment Pools and Pool Participants.*

The District invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position (See Note 2).

Restricted Investments Held For Bonded Indebtedness: Certain proceeds of the District's bond issuances, as well as certain resources set aside for their repayment, are classified in restricted assets in accordance with the bond indentures.

Inventories: Inventories are recorded at cost on the first-in, first-out basis. Governmental fund types use the consumption method for inventory which means it is recorded as an expenditure when it is used rather than when purchased.

Prepaid Items: Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items on the purchase method. Prepaid items are recorded as expenditures when purchased rather than when consumed.

Capital Assets: Capital assets, which include land, buildings, building improvements and equipment, 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 capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of $5,000. The District does not possess any infrastructure. Improvements are capitalized and the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land, impaired assets, and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Years
Buildings and improvements	20 - 40
Furniture and equipment	5 - 15

The District reviews its capital assets for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property to the standard market value of the property. If the property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property exceeds the fair value of such property.

Compensated Absences: Vacation benefits are available to all salaried employees paid on a 12-month basis. Vacation benefits are recorded as earned. Vacation may be carried over from year to year up to a maximum accumulation of 36 accrued vacation days. Unused vacation days in excess of the 36 carryover days will be lost. Therefore, a liability for accrued vacation is recorded for full accrual purposes in the government-wide financial statements. However, for governmental fund financial statement purposes a liability for these amounts is reported only if the amount is due at fiscal year-end and payable with current resources. Vacation benefits include salary related payments.

On July 1, 2012, the District added a new sick leave policy that allows employees to take up to twelve sick days per year. The number of allowable sick days depends on when an employee was hired and how many months a year they are employed. Unused sick time can be carried over from year to year up to a maximum accumulation of 130 days. Upon retirement, employees have the option of receiving $100 per day for exempt employees or $50 per day for non-exempt employees for unused sick time or employees have the option of converting it to time worked for the retirement plan calculation. Such time is only considered to be vested, and thus accrued, upon retirement.

Long-Term Liabilities: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts and deferred amounts on refunding bonds, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of capital appreciation to maturity and applicable bond premiums and discounts.

In the fund financial statements, governmental funds recognize bond premiums, discounts, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of bond proceeds made to an escrow agent for refunding bonds are reported as other financing uses.

The general, teachers', and federal funds are typically used to liquidate long-term liabilities other than debt, including compensated absences and pension liability based upon where the related salaries are recognized.

Deferred Outflows And Inflows Of Resources: In addition to assets and liabilities, the statement of net position will sometimes include separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent the use or acquisition of net position that applies to a future period or periods and will not be recognized as an outflow or inflow of resources until then. The District has deferred outflows and inflows in the statement of net position that relate to deferred loss on bond refunding and other postemployment benefits and pension related deferrals required by the implementation of GASB Statement No. 75 and 68, respectively. In the governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred inflows of resources.

Pensions: Pension-related expenses, liabilities, deferred outflows of resources and deferred inflows of resources have been determined on the same basis as they are reported by the Public School Retirement System of the City of St. Louis (the System). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balances And Net Position: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable Fund Balance* - Includes amounts not in spendable form, such as inventory, or prepaids, or amounts required to be maintained intact legally or contractually (principal balance of endowment).
- *Restricted Fund Balance* - Includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds) and amounts imposed by law through constitutional provisions or enabling legislation (must be legally enforceable).
- *Committed Fund Balance* - Includes amounts constrained for a specific purpose through formal action by the governments highest level of decision making authority. Fund Balance of the District may be committed for a specific source by resolution of the Special Administrative Board. Amendments or modifications of the committed fund balance must also be approved by formal action of the Special Administrative Board.
- *Assigned Fund Balance* - Includes amounts constrained for a specific purpose by a governing board or by a committee or official that has been delegated authority from the governing body to assign amounts. By adopted Board policy, assignments are made by the Special Administrative Board.
- *Unassigned Fund Balance* - The residual fund balance for the general fund. The unassigned fund may include a negative unassigned fund balance in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District's policy in circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

In the government-wide financial statements net position are classified as follows:

Net investment in capital assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for specific purposes - the component of net position that reports the difference between assets and liabilities of the certain programs that consists of assets with constraints placed on their use by either external parties and/or enabling legislation.

Unrestricted - the difference between the assets and liabilities that are not reported in net position - net investment in capital assets or net position - restricted for specific purposes.

New Accounting Standards Implemented

During the year, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expense associated with other postemployment benefit plans. As a result of the implementation, net position as of July 1, 2017 was restated as follows:

Addition of net OPEB liability calculated pursuant to GASB Statement No. 75	$ 64,939,238
Removal of net other postretirement employee benefit obligation calculated pursuant to GASB Statement No. 45	(6,779,459)
Adjustment to net position as of July 1, 2017	$ 58,159,779

Interfund Balances And Activity: Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses).

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

The District charges indirect costs to certain Federal grant programs as permitted under the terms of the grant agreements. The costs of the District's self-insurance and benefit programs are also charged to various governmental funds by application of a premium rate to gross salary expenditures. These interfund transactions are recorded as interfund services provided or used and are not eliminated because they would be treated as revenues and expenditures or expenses if they involved organizations external to the District. Accordingly, charges for indirect costs and the cost of the District's self-insurance programs are recorded as revenue in the general fund and internal service fund, respectively, and expenditures in the funds charged.

Statement Of Cash Flows: The proprietary fund type considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

Management's Use Of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. These also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Deposits And Investments

A summary of cash and investments as of June 30, 2018 is as follows:

	Cost	Fair Value	Carrying Value
Primary Government:			
Cash	$ 4,520,075	$ 4,520,075	$ 4,520,075
Cash in escrow	26,028,539	26,028,539	26,028,539
Insured cash sweep account	29,266,882	29,266,882	29,266,882
Money market mutual funds	10,506,419	10,506,419	10,506,419
MOSIP liquid series investments pool	28,120,511	28,120,511	28,120,511
MOSIP term investments	6,700,000	6,700,000	6,700,000
Commercial paper	10,000,000	10,000,000	10,000,000
Federal Home Loan Bank DN	20,884,364	20,922,531	20,922,531
Equity securities (endowment)	1,716,352	5,126,830	5,126,830
US Treasury Bills	31,322,865	31,375,888	31,375,888
US Banker's Acceptance	3,959,568	3,980,935	3,980,935
	$ 173,025,575	$ 176,548,610	$ 176,548,610

Cash and investments are presented in the financial statements as follows:

Government-wide:	
Cash and short-term:	
investments	$ 134,692,124
Investments	15,633,261
Fiduciary fund:	
Cash and short-term	
investment	26,223,225
	$ 176,548,610

Investment Policy

General

The District does not have a formal investment policy. The District's investment activity is conducted in accordance with Missouri State Statutes and investment guidelines outlined therein. These guidelines apply to the District's investments that are not held by a trustee in connection with bond indentures or endowments. These guidelines permit the District to invest in obligations of the State of Missouri, obligations of the United States of America, obligations issued or guaranteed by certain agencies of the federal government, certain collateralized repurchase agreements and certificates of deposit, bankers' acceptances, and commercial paper.

Investment Type And Maturities

State Statutes limit maturities for investments in bankers' acceptances and commercial paper to not more than 180 days from the date of purchase of which the District is in compliance. All other investments shall mature and become payable not more than five years from the date of purchase. Weighted average maturity limitations should not exceed three years, with the exception of those related to bond indentures, and should be consistent with investment objectives.

Because of the inherent difficulties in accurately forecasting cash flow requirements, the District allocates a significant portion of the portfolio in readily available funds such as bank deposits, money market funds or insured cash sweep accounts to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Credit Risk

The following table provides information on the credit ratings associated with the District's investments in debt securities, excluding obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government, at June 30, 2018.

	S&P	Moody's	Fair Value
Missouri Direct Deposit Program - Money Market Funds	AAAm	Aaa	$ 10,506,419
Missouri Direct Deposit Program - Commercial paper	A-1+	P-1	10,000,000
Missouri Securities Investment Program - Liquid Series Investment Pool	AAAm	Unavailable	28,120,511
Insured cash sweep account	Unrated	Unrated	29,266,882
Missouri Securities Investment Program - Term Investments	AAAf	Unavailable	6,700,000
US Banker's Acceptance	A-1+	P-1	3,980,888
Federal Home Loan Bank DN	A-1+	Aaa/Prime1	20,922,531

Concentration Of Credit Risk

State Statutes place no limit on the amount the District may invest in any one issuer with respect to U.S. Treasury Securities and collateralized time and demand deposits. Obligations with agencies of the U.S. Government and government-sponsored enterprises are limited to 60% of the portfolio. Those securities that are collateralized repurchased agreements, commercial paper, and bankers' acceptances are limited to 50% of the total portfolio. U.S. Government agency callable securities are limited to 30% of the total portfolio. Securities greater than 5% are:

	Percent Of Total Investments
Missouri Direct Deposit Money Market Funds	7.20%
Federal Home Loan Bank DN	14.33%
Insured cash sweep account	20.05%
Commercial paper	6.85%

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with State Statutes, the District addresses custodial risk by pre-qualifying institutions with which the District places investments, diversifying the investment portfolio, and maintaining a standard of quality for investments.

For deposits, custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution.

Fair Value Measurement And Application

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles pursuant to GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2018:

- Money market mutual funds and US Banker's Acceptances of $10,506,419 and $3,980,935, respectively, are valued using market transactions involving identical or similar groups of assets. (Level 2 Inputs)

- Federal Home Loan Bank Discount Notes of $20,922,531 are valued using benchmark curves, benchmarking of like securities, sector grouping, and matrix pricing approaches to measuring fair value prices. These approaches consider relevant information generated by market transactions involving identical or similar assets or groups of assets. (Level 2 inputs)

- Missouri Securities Investment Program (MOSIP) Term Series Investments of $6,700,000 are measured at net asset value (NAV) per share (or its equivalent). MOSIP Term Series offers investors fixed-term investments with a minimum maturity of 60 days to a maximum maturity of up to 180 days. The investment strategy of MOSIP Term Series is to match the cash flows required to meet investors' planned redemptions, including the projected dividend, with the cash flows of the portfolio. A penalty applies if the investment is redeemed before maturity. The fair values of the investment have been determined using the NAV per share (or its equivalent) of the investment.

- Equity securities of $5,126,830 are valued using quoted market prices. (Level 1 inputs)

- US Treasury Bills of $31,375,888 are valued through government auctions. (Level 2 inputs)

MOSIP Liquid Series Investment Pool and Commercial Paper are not measured at fair value under GASB Statement No. 72 and 79, but are measured at amortized cost or cost.

3. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The Collector of Revenue for the City of St. Louis collects the property tax and remits it to the District. As of June 30, 2018, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2017 or earlier. Delinquent property tax receivables less an allowance for uncollectable taxes totaling $4,792,333 are recognized as revenue in the government-wide financial statements. Only the portion of property taxes receivable that meets the modified-accrual revenue recognition criteria is reported as revenue in the fund financial statements.

Assessed values are established by the Board of Equalization of the City of St. Louis at 19% and 32% of the estimated market value of residential real property and commercial/industrial property, respectively. Personal property is assessed at 33.3% of its value.

The assessed valuation of the tangible taxable property for purposes of local taxation was $4,488,479,488.

The tax levy per $100 of assessed valuation of tangible taxable property for purposes of local taxation for each of the last two calendar years was as follows:

	2017	2016
General fund	$ 4.4131	$ 4.5000
Debt service	0.6211	0.6211
	$ 5.0342	$ 5.1211

The receipts of local current property taxes during the fiscal year ended June 30, 2018 aggregated 91.8% of the current assessed valuation, computed on the basis of the levy as shown above.

4. Capital Assets

Capital asset activity for the year ended June 30, 2018 is as follows:

	Balance - June 30, 2017	Prior Period Adjustment	Balance June 30, 2,017 As Restated	Additions And Transfers In	Deletions And Transfers Out	Balance - June 30, 2018
Governmental activities:						
Capital assets not being depreciated:						
Land	$ 24,574,730	$ —	$ 24,574,730	$ —	$ (260,990)	$ 24,313,740
Construction in progress	266,700	—	266,700	460,521	(266,700)	460,521
Impaired assets	11,420,755	—	11,420,755	4,308,316	(3,405,737)	12,323,334
Total capital assets not being depreciated	36,262,185	—	36,262,185	4,768,837	(3,933,427)	37,097,595
Capital assets being depreciated:						
Buildings and improvements	770,242,043	—	770,242,043	2,676,414	(13,389,536)	759,528,921
Movable equipment	37,873,247	242,456	38,115,703	318,941	(23,115,318)	15,319,326
Total capital assets being depreciated	808,115,290	242,456	808,357,746	2,995,355	(36,504,854)	774,848,247
Less accumulated depreciation for:						
Buildings and improvements	399,119,199	51,931,599	451,050,798	21,305,258	(9,342,212)	463,013,844
Movable equipment	36,090,123	47,757	36,137,880	472,506	(23,115,318)	13,495,068
Total accumulated depreciation	435,209,322	51,979,356	487,188,678	21,777,764	(32,457,530)	476,508,912
Total capital assets being depreciated, net	372,905,968	(51,736,900)	321,169,068	(18,782,409)	(4,047,324)	298,339,335
Governmental activities capital assets, net	$ 409,168,153	$ (51,736,900)	$ 357,431,253	$ (14,013,572)	$ (7,980,751)	$ 335,436,930

It was determined that prior period asset cost for moveable equipment and accumulated depreciation values for moveable equipment and buildings and improvements were understated by approximately $242 thousand and $51.9 million, respectively. The net effect of the overstatement on capital assets was approximately $51.7 million. Thus, the District made a prior period adjustment for approximately $51.7 million net, decreasing the carrying value for buildings and improvements and beginning net position on the government wide financial statements. (Note 10).

As of June 30, 2018, the District has 25 total impaired school buildings, six of which are currently closed and nineteen that are closed and currently being held for sale under a listing agreement. Two new school buildings were deemed to be impaired and written down to fair value during 2018. However, six buildings that were previously impaired were written down further to their fair value as of June 30, 2018. Four of the school buildings that are closed are currently being held for sale under a listing agreement, while two of the school buildings are currently being leased for rent amounts significantly below market value. Fair value for the available-for-sale buildings was determined by reference to the offering prices per the listing agreement, which was less than carrying value. Total impairment losses amounting to $3,405,737 (included in Building Services in the Statement of Activities) has been charged to operations in 2018.

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	$ 20,379,694
Building services	1,208,249
School administration	184,292
Food and community services	2,266
Transportation	688
Noninstructional support	364
Instructional support	2,211
Total governmental activities depreciation expense	$ 21,777,764

5. Long-Term Obligations

Long-term obligations of the District consist of general obligation school building and refunding bonds, claims payable, remediation and personnel related liabilities.

During the fiscal year ended June 30, 2018, the following changes occurred in long-term obligations:

	Balance - June 30, 2017	Additions	Reductions	Balance - June 30, 2018	Due Within One Year
Governmental Activities					
Compensated absences	$ 1,790,044	$ 2,040,294	$ 2,008,057	$ 1,822,281	$ 1,257,374
Claims payable	8,159,001	5,872,032	3,773,886	10,257,147	3,525,223
Remediation liability	564,287	396,442	217,790	742,939	742,939
General obligation school building and refunding bonds, Series 2002A, 2004, 2007A 2009, 2010A, 2010B, 2011A, 2011B 2012, 2013A, 2013B, 2016 and 2017	277,879,000	61,945,000	59,025,000	280,799,000	21,970,000
	$ 288,392,332	$ 70,253,768	$ 65,024,733		$ 27,495,536
Less: Capital appreciation to maturity on bonds				1,840,109	
Add: Unamortized premium on bonds				11,996,546	
				290,955,437	
Total Long-Term Obligations				$ 303,777,804	

General Obligation School Building And Refunding Bonds

Obligation Bonds	Balance - June 30, 2017	Additions	Reductions	Balance - June 30, 2018	Due Within One Year
2002A Series	$ 7,270,000	$ —	$ 7,270,000	$ —	$ —
2004 Series	9,210,000	—	—	9,210,000	9,210,000
2007A Series	28,340,000	—	—	28,340,000	2,750,000
2009 Series	2,925,000	—	2,925,000	—	—
2010A Series	56,644,000	—	—	56,644,000	—
2010B Series	25,000,000	—	—	25,000,000	—
2011A Series	35,000,000	—	—	35,000,000	—
2011B Series	38,355,000	—	38,355,000	—	—
2012 Series	34,820,000	—	1,670,000	33,150,000	1,615,000
2013A Series	9,320,000	—	1,375,000	7,945,000	1,410,000
2013B Series	8,485,000	—	7,430,000	1,055,000	—
2016 Series	22,510,000	—	—	22,510,000	6,960,000
2017 Series	—	61,945,000	—	61,945,000	25,000
Total General Obligation School Building And Refunding Bonds	$ 277,879,000	$ 61,945,000	$ 59,025,000	$ 280,799,000	$ 21,970,000

During the fiscal year ended June 30, 2018, the District issued $61,945,000 in General Obligation Refunding Bonds (Series 2017), with interest rates ranging from 2% to 4% , to refund $63,355,000 of outstanding General Obligation Refunding Bonds. The refunding includes an advance refunding and a crossover component. The advance refunding applies to Series 2011B General Obligation Bonds maturing at various dates through 2027, and the crossover component applies to the refunding of the Series 2010B General Obligation Bonds maturing at various dates through 2030. Refunding bond proceeds for the crossover refunding of Series 2010B were placed in an escrow account to be liquidated on the crossover refunding date of April 1, 2021 and will be removed from the District's long-term liabilities at that date. The total cash flow savings to the District attributable to the refunding of these bonds is $3,976,572 with an economic gain or net present value savings of approximately $3,279,229.

During the fiscal year ended June 30, 2016, the District issued $23,535,000 General Obligation Refunding Bonds (Series 2016), with interest rates ranging from 3% to 5% to refund $24,135,000 of outstanding General Obligation Refunding Bonds (Series 2006A and 2009). The bonds are scheduled to mature at various dates through 2021. As a result of the refunding, the District decreased its total debt service requirements by $1,200,763, which resulted in an economic gain of $1,171,867.

During the fiscal year ended June 30, 2013, the District issued $35,990,000 General Obligation Refunding Bonds (Series 2012), net of $1,820,610 capital appreciation with interest rates ranging from 2% to 4% to advance refund $33,750,000 of outstanding General Obligation Refunding Bonds (Series 2006A). The bonds are scheduled to mature at various dates through April 2024. As a result of the refunding, the District decreased its total debt service requirements by $2,009,641, which resulted in an economic gain of $1,794,051.

During the fiscal year ended June 30, 2013, the District issued $14,620,000 General Obligation Refunding Bonds (Series 2013A) with interest rates ranging from 2% to 4% to advance refund $15,130,000 of outstanding General Obligation Refunding Bonds (Series 2003A). The bonds are scheduled to mature at various dates through April 2023. As a result of the refunding, the District decreased its total debt service requirements by $2,253,566, which resulted in an economic gain of $2,077,139.

During the fiscal year ended June 30, 2013, the District issued $20,210,000 Taxable General Obligation Refunding Bonds (Series 2013B) with interest rates ranging from 1% to 4% to advance refund $20,295,000 of the outstanding General Obligation Refunding Bonds (Series 2004). The bonds are scheduled to mature at various dates through April 2020. As a result of the refunding, the District decreased its total debt service requirements by $791,030, which resulted in an economic gain of $749,199.

During the fiscal year ended June 30, 2012, the District issued Qualified Zone Academy Bonds in the amount of $35,000,000 (Series 2011A) with interest rates ranging from 4.6% to 4.75%. The bond proceeds are being used to finance the cost of constructing, renovating, repairing and improving buildings and related facilities in the District. The bonds are scheduled to mature at various dates through April 2029.

During the fiscal year ended June 30, 2012, the District issued General Obligation Bonds in the amount of $38,355,000 (Series 2011B) with interest rates ranging from 4% to 5%. The bond proceeds are being used to finance the cost of constructing, renovating, repairing and improving buildings and related facilities in the District. The bonds were scheduled to mature April 2027 but were advance refunded in 2018.

During the fiscal year ended June 30, 2011, the District issued Qualified School Construction Bonds in the amount of $56,644,000 (Series 2010A) with interest rates ranging from 5.65% to 6.45%. The bond proceeds are being used to finance the cost of constructing, renovating, repairing and improving buildings and related facilities in the District. The bonds are scheduled to mature at various dates through April 2028.

During the fiscal year ended June 30, 2011, the District issued Build America Bonds in the amount of $25,000,000 (Series 2010B) with interest rates ranging from 6.55% to 6.6%. The bond proceeds are being used to finance the cost of constructing, renovating, repairing and improving buildings and related facilities in the District. The bonds were scheduled to mature April 2030 but will be refunded at the crossover date of April 1, 2021 with proceeds from the Series 2017 Bonds.

During the fiscal year ended June 30, 2009, the District issued General Obligation Bonds in the amount of $39,295,000 (Series 2009) with interest rates ranging from 2.05% to 5%. The bond proceeds are being used to finance the cost of air conditioning for school buildings and related facilities. The maturity of these bonds were advance refunded as part of the Series 2016 issuance. The remaining bonds matured in April 2018.

During the fiscal year ended June 30, 2007, the District issued General Obligation Refunding Bonds in the amount $28,147,782, net of $467,218 capital appreciation (Series 2007A), with interest rates ranging from 4% to 5% and maturing at various dates through April 2021. The bond proceeds were used to advance refund maturities of various bond issuances.

During the fiscal year ended June 30, 2005, the District issued General Obligation Refunding Bonds in the amount $44,115,000 (Series 2004) with interest rates ranging from 2.5% to 5.25%. The bond proceeds were used to advance refund maturities of various bond issuances. A portion of these bonds were advanced refunded in 2013 with the Series 2013B issuance. The remaining bonds are scheduled to mature at various dates through April 2019.

During the fiscal year ended June 30, 2002, the District issued general obligation school building bonds dated February 25, 2002 of $50,002,795, net of $17,282,205 capital appreciation (2002A Series). The debt provides for interest rates ranging from 4.581% to 5.174%. The bond proceeds were used to finance the cost of air conditioning for school buildings and related facilities. A portion of the bonds were refunded through various other issuances. The remaining bonds matured on April 1, 2018.

In prior years, the District has defeased various bond issuances by creating separate irrevocable trust funds. New debt has been issued and the proceeds were used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt has matured and, therefore, the defeased debt was removed as a liability from the District's financial statements. As of June 30, 2018, the amount of prior years' defeased debt outstanding, but removed from the financial statements amounted to $145,720,000.

There were no unspent bond proceeds at June 30, 2018.

Principal And Interest Requirements To Maturity

Obligations related to the general obligation school building and refunding bonds are payable in varying amounts through 2030. The District receives federal interest subsidies of approximately 91.5% on the Series 2010A Qualified School Construction Bonds, 35% on the Series 2010B Build America Bonds and 97.5% on the Series 2011A Qualified Zone Academy Bonds. These federal subsidies are netted against interest expense. In March 2013, pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, the overall interest rate subsidy was reduced by 8.7%. On September 30, 2013, a revision was made amending the interest subsidy reduction by 7.2%. This rate reduction became effective on October 1, 2013. On October 1, 2014, a revision was made amending the interest subsidy reduction by 7.3%. This rate reduction became effective on October 1, 2014. On August 5, 2015, a revision was made amending the interest subsidy reduction by 6.8%. This rate reduction became effective on October 1, 2015. On October 1, 2016, a revision was made amending the interest subsidy reduction by 6.9%. This rate reduction became effective on October 1, 2016.

The Internal Revenue Service announced a decrease in the sequestration rate for refundable credit amounts from 6.9% to 6.6% for payments processed after October 1, 2017 and on or before September 30, 2018.

Annual principal and interest requirements to maturity (including capital appreciation to maturity of $1,840,109 on the general obligation school building and refunding bonds as of June 30, 2018 are as follows:

General Obligation School Building And Refunding Bonds

Year Ending June 30,	Principal	Interest	Total
2019	$ 21,970,000	$ 14,815,658	$ 36,785,658
2020	23,470,000	12,652,100	36,122,100
2021	25,340,000	9,952,900	35,292,900
2022	20,540,000	8,751,300	29,291,300
2023	20,250,000	8,006,600	28,256,600
2024-2028	107,574,000	25,135,350	132,709,350
2029-2030	61,655,000	2,140,300	63,795,300
	$ 280,799,000	$ 81,454,208	$ 362,253,208

Energy Loan

During the fiscal year ended 2016, the District entered into a loan agreement with the Missouri Department of Economic Development/Division of Energy. The purpose of the loan is to provide funds for implementation of energy conservation measures. The loan has a maximum borrowing limit of $1,829,465. The annual interest rate is 2.5%. No borrowings were made throughout the original loan term. The loan expired in December 2016. Since that date, the loan has been extended two times with no change in terms. The latest extension is through February 2019. There have been no borrowings to date.

Remediation Liability

The District has a pollution remediation obligation as a result of the District commencing renovation projects at various SLPS campuses, as identified in the Proposition S Bond Program. Projects include asbestos abatement, lead based paint removal, removal of hazardous chemicals and mold/indoor air quality remediation. Federal law in the form of the Asbestos Hazard Emergency Response Act provides guidance for asbestos abatement projects. Lead based paint removal projects are subject to Missouri statutes RSMo 701.300 through 701.338 and the Code of State Regulations 19 CSR 30-70-630. Hazardous material removal is subject to guidance provided by the US EPA Resource Conservation and Recovery Act.

At June 30, 2018, the District had entered into pollution remediation contracts or committed to, approximating $742,939 which was accrued as a liability as of June 30, 2018. The District expects that the majority of those projects will be completed in fiscal year 2019.

The District utilized actual contract costs to determine an accurate measurement of the District's pollution remediation liability, which includes all remediation work, that the government expects to perform.

6. Retirement Plan

General Information About The Pension Plan

Plan description. Benefit eligible employees of the District are provided with pensions through the Public School Retirement System of the City of St. Louis (the System) - a cost-sharing multiple-employer defined benefit pension plan. The System issues an annual Comprehensive Annual Financial Report (CAFR), a publicly available financial report that can be obtained at www.psrsstl.org.

Benefits provided. The System provides retirement, disability, death and survivor benefits for employees of St. Louis Public Schools, employees of the System, and employees of the Charter Schools located within St. Louis. The specific benefit provisions are set forth in RSMo. Chapters 169.410-.540 and general provisions are set forth in RSMo. Chapters 169.560-.597 and 105.660-.691. The statutes assign responsibility for the administration of the system to an 11-member Board of Trustees. Upon retirement at age 65, or at any age if age plus years of created service equals or exceed 80 (Rule of 80), and after 5 years of service, members receive monthly payments for life of yearly benefits equal to years of credit service multiplied by 2% of average final compensation, but not to exceed 60% of average final compensation for members hired before January 1, 2018. For employees hired on or after January 1, 2018, members receive monthly payments for life of yearly benefits equal to years of credit service multiplied by 1.75% of average final compensation, but not to exceed 60% of average final compensation. Early retirement can occur at age 60 with 5 years of service. The service retirement allowance is reduced five ninths of one percent for each month of commencement prior to age 65 or the age at which the Rule of 80 would have been satisfied had the employee continued working until that age, if earlier.

Contributions. Employees in the System are required to contribute 5.0 percent of their annual covered salary and the District is required to contribute a percentage of its employees' covered compensation as determined annually by an actuarial valuation of the System. Beginning January 1, 2018, the percentage shall increase one-half of one percent annually until such time as the percentage equals nine percent. For any member hired for the first time on or after January 1, 2018, a 9.0 percent contribution of covered salary is required. The District's required contribution rate from July 1, 2017 through December 31, 2017, was 15.73%, and from January 1, 2018 through June 30, 2018 was 19.10%. The District's contributions for the fiscal year ended June 30, 2018 were $37,376,323, including sick leave conversion of $302,222. These contributions were 100% of the requirement contributions for the current year.

Pension Liabilities, Pension Expense, And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At June 30, 2018, the District reported a liability of $567,306,446 as its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

The District's proportion of the net pension liability was based on the District's actual employer's compensation relative to the actual compensation of all participating employers for the System's plan year ended December 31, 2017. At December 31, 2017, the District's portion was 74.74 percent, a decrease from its proportional share of 76.47 percent used to allocate the liability as of December 31, 2016.

There were changes in benefit terms during the System's plan year ended December 31, 2017, that affected the measurement of total pension liability. Changes to benefit terms in the plan for the year ended December 31, 2017 include the following: 1) reduced the "Rule of 85" unreduced retirement from age plus service equal to 85 to 80 (i.e. change to a "Rule of 80"); 2) changed the percent of pay benefit multiplier from 2.00% of Average Final Compensation to 1.75% of Average Final Compensation for members hired on or after January 1, 2018; 3) For employees hired before January 1, 2018, increase the employee contribution requirement from a flat 5.0% of compensation during 2017 to 9.0% in 0.5% annual increments. For employees hired on or after January 1, 2018, the employee contribution requirement will be a flat 9.0% immediately upon entering the system; 4) the employer contribution rate will be set at a flat 16.0% of covered payroll for Plan Year 2018. This contribution rate shall be decreased by 0.5% in each subsequent Plan Year until reaching 9.0% of covered payroll. At this time, the employer contribution rate will remain at 9.0% of covered payroll. Changes to assumptions in valuation reports for the year ended December 31, 2017, include the blended discount rate being changed from 7.5% to 4.78%.

For the year ended June 30, 2018, the District recognized pension expense of $143,631,018. At June 30, 2018, the District reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 2,444,141	$ 7,023,972
Net difference between projected and actual earnings on pension plan investments	40,708,290	37,798,264
Changes in assumptions	245,722,620	—
Amount related to change in proportional share	—	8,755,480
District contributions subsequent to the measurement date of December 31, 2017	18,381,410	—
Total	$ 307,256,461	$ 53,577,716

Deferred outflows of resources of $18,381,410 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the District's fiscal year following the System's fiscal year as follows:

Amortization Schedule

Year	Amount
2019	$ 97,803,165
2020	93,243,543
2021	53,700,359
2022	(9,449,732)
	$ 235,297,335

Actuarial assumptions. The total pension liability as of the measurement date of December 31, 2017, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent, approximate
Salary increases	5.0 percent annually for the first five years and 3.5 percent annually after that, average
Investment rate of return	7.5 percent per year, compounded annually, net after investment expenses and including 2.75% allowance for inflation year

Mortality rates were based on the RP-2014 combined healthy mortality table (rolled back to 2006) for active members, and deferred vested members, projected fully generationally using projection scale MP-2015. RP-2014 combined healthy mortality table (rolled back to 2006) for inactive members receiving benefits adjusted by an additional 10% to account for the higher mortality experienced by the plan, projected fully generationally using projection scale MP-2015.

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of actual experience of the System.

The following is the System's target allocation policy:

Asset Class	Policy Allocation
U.S. Equity	22.0%
Non-U.S. Equity	19.0%
Global Equity	5.0%
Fixed Income	21.0%
Real Estate	7.0%
Private Markets	9.0%
Hedge Funds	7.0%
Global Asset Allocation	10.0%
Total	100.0%

The long-term expected rate of return is determined by discounting 30 Year Nominal returns with a 3% 30-year US CPI assumption. The capital market assumptions as of December 31, 2017 are as follows:

Asset Class	Policy Allocation
U.S. Equity	6.2%
Non-U.S. Equity	7.5%
Global Equity	6.9%
Fixed Income	2.2%
Real Estate	4.6%
Private Markets	7.8%
Hedge Funds	4.1%
Global Asset Allocation	4.6%

Discount rate. The discount rate used to measure the total pension liability was 4.78 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, benefit payments projected to be made from that point forward are discounted using a high-quality municipal bond interest rate. The blended rate is a single equivalent rate that reflects the investment rate of return of 7.5 percent and the high-quality municipal bond interest rate of 3.16 percent. The blended long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

Sensitivity of the District's proportionate share of the NPL

	1% Decrease (3.78%)	Current Discount Rate (4.78%)	1% Increase (5.78%)
District's proportionate share of the net pension liability	$ 718,988,321	$ 567,306,446	$ 441,388,333

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

Payables To The Pension Plan

The District did not report any payables to the System for June 30, 2018.

7. Other Postemployment Benefits

Plan Description:

The Public School Retirement System of the City of St. Louis (the System) provides other postemployment benefits other than pensions (OPEB) to retirees of the District who meet certain criteria. The District, through the System, provides medical, dental and vision benefits to eligible retirees and their dependents through an agent multiple-employer plan. The Revised Statues of the State of Missouri (the Statutes) assign the authority to establish administer and amend plan provisions to the System's Board of Trustees. All active employees who retire directly from the District and meet the eligibility criteria may participate. To be eligible under normal retirement the employee must be at least 65 or any age with 80 points (age plus years of service) or if eligible for early retirement an employee must be at least age 60. Dependents are also eligible to receive benefits. Survivor benefits are available but the District does not participate in cost sharing. 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, less contributions made by the District. Since retirees pay only the portion of the premium not paid directly by the District each year, the remaining share of any premium cost to the District is determined on the basis of a blended rate or implicit rate subsidy calculation. A stand-alone financial report is not available regarding the OPEB benefits provided.

Year Ended June 30, 2018 – Calculated Pursuant to GASB Statement No. 75

Effective July 1, 2017, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on an actuarial valuation prepared in accordance with the parameters of GASB Statement No. 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Employees Covered by Benefit Terms. As of June 30, 2018, the following employees were covered by the benefit terms:

Active employees eligible for coverage	3,307
Inactive employees or beneficiaries currently receiving benefits	3,294
	6,601

Net OPEB Liability. The District's net OPEB liability of $73,815,442 was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2017.

Actuarial Assumptions and Methods. The net OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.98%
Annual Wage Increases	2.75%
Healthcare cost trend rates	7% for 2018, decreasing to an ultimate rate of 4.5% for 2029 and later years

Discount Rate. The District's plan is pay as you go and there is not a trust set up to hold plan assets, therefore the long-term expected rate of return is not a factor in determining the discount rate. The discount rate reflects the yield or index rate for 20-year municipal bonds rate, to the extent that the conditions for use of the long-term expected rate of return are not met. The source of the index rate used for the actuarial valuation is the S&P Municipal Bond 20 Year High Grade Rate Index.

Mortality rates were based are from the RP-2014 Combined Health Mortality Tables, which have been scaled back to 2006 using Scale MP-2014 and projected from 2006 using Scale MP-2015.

The actuarial assumptions used in the July 1,2017, valuation were based on the results on the 2015 experience study.

Changes in the Net OPEB Liability:

Balance at June 30, 2017	$ 64,939,238
Service cost	3,390,849
Interest cost	2,074,164
Changes in Benefit Terms	6,484,761
Changes in Assumptions	1,084,204
Net benefits paid by employer	(4,157,774)
Net Change	8,876,204
Balance at June 30, 2018	$ 73,815,442

The following changes of assumptions are in accordance with GASB 75:

- The discount rate as of the beginning of the fiscal year changed from 4.50% to 3.13% to reflect the adoption of GASB 75.
- The discount rate as of the end of the fiscal year changed from 3.13% to 2.98% based on the change in 20-year municipal bond yields.
- The actuarial cost method changed to the Entry Age Normal method to reflect the adoption of GASB 75.
- The mortality, termination, and retirement rates were updated to reflect the 2015 Retirement System experience study.
- Morbidity rates were updated based on the June 2013 Society of Actuaries Study entitled “Health Care Costs – From Birth to Death”.
- The healthcare cost trend was updated to a graded scale beginning with 7.00% in the 2017/2018 fiscal year grading down to an ultimate rate of 4.50%.
- The participation assumption was updated to 75% based on anticipated future experience.

Sensitivity Results. The following presents the net OPEB liability of the District as of June 30, 2018, 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 (1.98%) or 1-percentage-point higher (3.98%) than the current rate:

	1% Decrease (1.98%)	Current Discount Rate (2.98%)	1% Increase (3.98%)
District's proportionate share of the net OPEB liability	$ 81,829,211	$ 73,815,442	$ 66,968,214

The following presents the net OPEB liability of the District as of June 30, 2018, as well as what the District's net OPEB liability would be if it were calculated using a health care trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

- The current health care trend rate is 7% decreasing by 0.25% annually to an ultimate rate of 4.5%
- The 1% decrease in health care trend rate would be 6% decreasing by 0.5% annually to an ultimate rate of 3.5%
- The 1% increase in health care trend rate would be 8% decreasing by 0.5% annually to an ultimate rate of 5.5%

	1% Decrease (6.0%)	**Current Trend Rate (7.0%)**	**1% Increase (8.0%)**
District's proportionate share of the net OPEB liability	$ 70,393,907	$ 73,815,442	$ 77,772,636

For the year ended June 30, 2018, the District recognized OPEB expense of $12,201,914. At June 30, 2018, the District reported no deferred inflows of resources or deferred outflows of resources related to OPEB contributions.

Payables to the OPEB Plan

As of June 30, 2018, the District had no payables of outstanding healthcare premiums related to the OPEB.

8. Insurance Programs

The District is exposed to various types of risks of loss, including property and equipment, employee performance, workers' compensation, athletics, general liabilities and unemployment of which the majority of these risks are covered through the District's purchase of commercial insurance. The remainder is self-insured.

The District is self-insured with respect to its obligation to provide workers' compensation and unemployment compensation benefits to its employees. The estimated liability for payment of incurred (both reported and unreported) but unpaid claims relating to these matters are recorded in the government-wide and internal service fund financial statements.

The District obtains periodic funding valuations from the claims-servicing companies managing the self-insurance programs and adjusts the charges to the various funds as required to maintain the appropriate level of estimated claims liabilities. Revenue in the internal service fund represents interfund charges as a percentage of payroll to each fund. The District also maintains excess liability insurance coverage for workers' compensation claims. Settled claims did not exceed commercial coverage for the past three fiscal years.

At June 30, 2018, the District's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for workers' compensation and unemployment benefits were $10,013,142 and $244,005, respectively.

Changes in the self-insured claims liabilities at June 30, 2018 and 2017 were as follows:

	Workers' Compensation	Unemployment	Total Self-Insured Liabilities
Balance - June 30, 2016	$ 8,481,296	$ 399,651	$ 8,880,947
Current year claims and changes in estimate	2,507,096	26,873	2,533,969
Claim payments	(3,036,738)	(219,177)	(3,255,915)
Balance - June 30, 2017	7,951,654	207,347	8,159,001
Current year claims and changes in estimate	5,658,485	220,890	5,879,375
Claim payments	(3,596,997)	(184,232)	(3,781,229)
Balance - June 30, 2018	$ 10,013,142	$ 244,005	$ 10,257,147

9. Interfund Balances And Transfers

A summary of amounts due to or from individual funds follows:

Due From/Due To	Interfund Receivables	Interfund Payables
Governmental		
General	$ 16,509,989	$ 7,572,313
Teachers	7,572,313	—
Building	—	17,260
Student Health	—	1,482,781
ECIA Title I	—	4,747,233
Early Childhood Special Education	—	8,202,925
Adult Education And Literacy	—	222,321
Special Education	—	836,791
NCLB	—	410,555
Federal - Other	—	590,123
Permanent	277,152	277,152
	$ 24,359,454	$ 24,359,454

The amounts due to or from individual funds represent interfund borrowings that arise in the normal course of business and are due to either timing differences or to the elimination of negative pooled cash balances within various funds.

A summary of amounts transferred to or from individual funds follows:

Transfers In/Transfers Out	Transfers In	Transfers Out
General fund	$ 5,436,277	$ 110,932,166
Teachers	105,013,904	—
Debt Service	—	27,913
Other Governmental:		
Student Health	—	2,135,266
NCLB	4,125	—
Building	1,549,960	—
Early Childhood Special Education	220,576	—
Settlement	3,836,821	3,234,878
Adult Education and Literacy	1,050	—
Other	45,877	—
Foundation 73	259,853	38,220
	$ 116,368,443	$ 116,368,443

The transfers between the General fund and Settlement fund were to transfer funds for academic program expenditures for the current year, and to transfer unspent funds. These terms were agreed upon in the Desegregation agreement as discussed in footnote 12.

The transfers between the General fund and Student Health fund were to zero out the Student Health fund at the end of the year by transferring excess funds to the General fund. Reversing entries are initiated at the beginning of the year to counter the previous year's interfund transfer that was made to zero out the Student Health fund.

The transfers between the General fund to the Other, Adult Education and Literacy, and Foundation 73 funds were to cover expenditures that were made during the year and to adjust these fund balances to zero.

The transfers between the General fund to the Building fund were made to cover excess expenditures in the Building fund.

The transfers between the General fund to the Teacher's fund were made to cover excess expenditures and adjust the fund balance to zero.

The transfers between the General fund to the Early Childhood Special Education Fund were to cover were to cover expenditures that were made during the year and to adjust these fund balances to zero.

The transfers between the Debt Service fund to the General Fund were to correct the fund in which revenue was recognized.

10. Prior Period Adjustment

The District has restated its beginning balances in fiscal year ending June 30, 2017 to correct an error. The District's year-end asset cost for movable equipment was understated by $242,456 and accumulated depreciation values for buildings and improvements and movable equipment was understated by $51,979,356. The net effect of the adjustment on capital assets was $51,736,900. Thus, the District made a prior period adjustment for these amounts, thereby decreasing the net carrying value for buildings and improvements and net position on the government wide financial statements by $51,736,900. The restatement had a $1,995,133 effect on the change in net position for the year ended June 30, 2017.

The impact of this restatement, is as follows for the year ended June 30, 2017:

Financial Statement Line Item		As Originally Stated		Prior Period Adjustment		As Restated
Net Position - July 1, 2017	$	22,811,343	$	(51,736,900)	$	(28,925,557)
Total Capital Asets Being Depreciated	$	808,115,290	$	242,456	$	808,357,746
Total Accumulated Depreciation	$	435,209,322	$	51,979,356	$	487,188,678
2017 Change in Net Position	$	(9,924,938)	$	1,995,133	$	(7,929,805)

11. Pending Litigation

The District is the defendant in various other lawsuits involving personal injury, employee grievances, and a variety of other matters, including being named as a potentially responsible party in relation to an environmental remediation case.

Each case is being vigorously contested by the District. The District is uninsured with respect to the major portion of liabilities, which may be incurred as a result of these matters. Neither the District nor its legal counsel is able to make a determination, based on the information available, as to the likelihood of these claims resulting in a material liability for the District. Because of these uncertainties, no provision for this litigation has been made in the accompanying financial statements. However, in the event of an unfavorable outcome in one or more of these matters, the impact could be material to the District’s financial position or operating results.

12. Commitments And Contingencies

Desegregation Agreements

The District has been involved in desegregation litigation since 1972, resulting in a court-ordered plan of desegregation, which continued through the 1997-98 year. In August 1998, the Missouri Legislature passed Senate Bill 781. The bill was the first step in an attempt to resolve the desegregation litigation. The bill called for the following: the restructuring of the makeup of the existing elected Board from a twelve (12) member Board elected city-wide to a seven (7) member Board elected city-wide; a requirement that the City of St. Louis hold a referendum before March 15, 1999 on a tax measure to aid the District with revenues when the desegregation case is settled; create a special “overlay” board to put the tax and other measures on the ballots; the appointment of a three (3) member governing board if the District fails to receive accreditation from the state in March of 1999; and the possibility of the appointment of a special administrative board to take over the authority granted to the Board of Education for the operation of all or part of the duties. On March 12, 1999, the Court approved a settlement agreement relating to the plan of desegregation. Under the settlement agreement, the District will receive certain amounts of additional funding for the construction of new schools and for a specified period of time to continue various programs, which were required under the desegregation plan. The settlement plan also contains numerous requirements of the District, generally relating to student achievement. In addition, one of the provisions called for in Senate Bill 781 was for the voters in the City of St. Louis to approve a city sales tax. In February 1999 the tax was approved by the voters.

During fiscal year 2007, the Missouri State Board of Education declared the District as unaccredited. In accordance with the laws of the State of Missouri, the governance of the school district was transferred from the divested board, except for auditing and reporting matters, and placed with the Special Administrative Board of the Transitional School District (SAB). The SAB took full control of the operation of the St. Louis Public School District on June 15, 2007. In 2012, the District became a provisionally accredited school district. In January 2017, the District became fully accredited.

In relation to the financial condition of the District that existed since 2003 the District entered into a settlement agreement with Caldwell/NAACP, Liddell Plaintiffs, the United States Department of Justice, and the State of Missouri regarding the District's planned borrowing from the Capital Account (1999 desegregation settlement fund). The agreement, as amended in January of 2005, allowed the District to borrow up to $49,500,000 during the fiscal year 2004 and to repay these funds over a six-year period, starting in fiscal year 2007. However, the repayment schedule was delayed to 2008 due to the District being designated as "financially stressed" by DESE in 2007. In addition, the District was allowed to continue borrowing from the desegregation funds in future fiscal years, as long as the borrowed funds were repaid by the end of the fiscal year in which they were borrowed. The amended agreement also stated that the District could borrow additional funds prior to June 30, 2006 of up to $10,000,000 for additional expenditures as outlined in the agreement. Approximately $47,100,000 was borrowed in relation to this agreement during the fiscal year ended June 30, 2004. However, the amended agreement allowed the District to use up to $10,600,000 from the desegregation funds to fund construction of the Clyde C. Miller Career Academy, previously paid for by the District, which reduced the amount borrowed from the desegregation funds pursuant to the agreement to approximately $36,500,000.

The fund financial statements at June 30, 2011 showed a $54.7 million deficit in the General Operating Fund due to accumulated deficits from previous years. However, the District reached an additional agreement with the Plaintiffs in the desegregation lawsuit to dedicate approximately $95 million from the 1999 desegregation settlement fund that restored the deficit fund balance, including the forgiveness of the $36.5 million in borrowings, the transfer of $18.2 million to eliminate the remainder of the accumulated deficit, and to fund certain academic programs through FY 2014.

The agreement allowed for an additional $40,182,200 to be allocated from the Settlement fund to the District to fund certain academic programs through fiscal year 2014. These programs include Early Childhood Classroom Education, Early Childhood Before and After Care, High Quality Principal Leadership Initiatives, Magnet School Transportation, Parent Infant and Initiative Program, St. Louis Plan, Technology Support, and the Pilot One-to-One Computing Program. Specifically, up to $16,277,400, $12,777,400 and $11,127,400 could be allocated for fiscal years 2012, 2013 and 2014, respectively.

In September 21, 2015, a consent judgment was granted to appropriate $29,636,443 from the Settlement fund for additional programs over a four-year period beginning in 2015. These programs include Early Childhood Classrooms, Early Childhood Before and After Care, the Parent Infant and Initiative Program, Principal Leadership Initiatives, Technology Support, the St. Louis Plan, the Deseg Task Force, the Extended Teacher Workday, additional support services, additional reading and math facilitators, and additional community specialists.

The remaining unspent funds at June 30, 2018 total $4,575,327. The District transferred the unspent funds from the general fund to the Settlement fund during fiscal year 2018.

Construction In Progress

The District has entered into nine binding contract obligations totaling approximately $460,521 for ongoing construction projects that are currently in progress.

Operating Leases

On July 1, 2013 the District entered into a noncancellable Document Services Agreement to lease equipment. The original lease was for a 12-month period with 4 annual renewal terms. The agreement also includes a variety of services including maintenance, on-site personnel, training and support related to all document reproduction needs of the District. The lease was renewed effective July 1, 2018 with an end date no later than June 30, 2023. The agreed upon renewal amount is $4,840,920. Future minimum lease payments at June 30, 2018 were:

Year	Amount
2019	$ 968,184
2020	968,184
2021	968,184
2022	968,184
2023	968,184
	$ 4,840,920

St. Louis Public Schools has entered into several operating leases for vehicles. These leases will expire on various dates through fiscal year 2023. Future minimum lease payments at June 30, 2018 were:

Year	Amount
2019	$ 275,876
2020	275,501
2021	270,313
2022	145,893
2023	72,380
	$ 1,039,962

Letter Of Credit

During the District's normal course of operations, letters of credit are issued. At June 30, 2018, a letter of credit for $2,225,000 was outstanding as required for the Districts Workers' Compensation activities being self funded. The amount remains unchanged from the prior year as there were no current year borrowings or other activity.

Federal And State Grants

Revenues received from federal and state governments in the current and prior years are subject to audits by the granting agencies. The District believes that adjustments, which may arise from these audits, if any, will not be significant.

13. Tax Abatements

During 2017, the District implemented the disclosure requirements of GASB Statement No. 77, *Tax Abatement Disclosures.*

Tax Abatements Entered Into By Other Governments

As of June 30, 2018, the District's property tax revenues were reduced by four programs that are utilized by the City of St. Louis (the "City"), as follows:

- The Urban Redevelopment Corporations Law provides real property tax abatement to encourage the redevelopment of blighted areas throughout the State under Chapter 353 of the Revised Statutes of Missouri, as amended. The amount abated under this program totaled $8,087,563.

- Under Section 99.700 to 99.715 of the Revised Statutes of Missouri, as amended, the Land Clearance for Redevelopment Authority (the "Authority") was created to assist with the redevelopment of blighted or insanitary areas for residential, recreational, commercial, industrial, or public uses. Real property taxes are abated by setting the assessed value when the agreement is entered into, and requiring the payment of tax based on the agreed upon assessed value. The amount abated under this program totaled $8,168,467.

- Under Section 135.950 to 135.973 of the Revised Statutes of Missouri, as amended, the Enhanced Enterprise Zone Incentive Program provides real property tax abatements to new or expanding businesses in certain specified geographic areas designated by local governments and certified by the Missouri Department of Economic Development. The amount abated under this program totaled $2,119,430.

- The City is authorized to issue Industrial Development Bonds (also referred to as "Chapter 100 Bonds") under Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended. The bonds finance industrial development projects for private corporations, partnerships and individuals ("the recipient"). The types of projects that can be financed include the costs of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, industrial plants, and facilities for other commercial purposes, including land, buildings, fixtures and machinery. The recipient coveys to the City fee simple title to the site, improvements, and/or equipment related to the industrial development project. At the same time, the City will lease the site, improvements, and/or equipment back to the recipient pursuant to a lease agreement. The lease agreement requires the recipient to use the proceeds of the bonds to purchase and construct the project or equipment. The recipient is obligated to make lease payments in amounts that are sufficient to pay the principal and interest on the bonds as they become due. Thus, the City acts as a conduit for the financing. Because the City has ownership of the project, no real and/or personal property taxes are owed. The amount abated under this program totaled $923,905.

In total, the amount of City property taxes effecting the District abated by these arrangements during the year ended June 30, 2018 was approximately $19,299,365.

14. St. Louis Public Schools Foundation

The following pertains to the District's discretely presented component unit- the Foundation.

Organization

St. Louis Public Schools Foundation (the "Foundation") is a nonprofit organization founded in 1998 to fund projects and activities that will have a measurable impact on academic achievement, high school graduation rates, and successful transition to post-secondary goals, such as college or entry into the work force, for students in the St. Louis Public Schools. The Foundation is a discretely presented component unit of the District.

Basis Of Presentation

The accompanying financial statements have been prepared in accordance with the provisions of Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified into three categories of net assets, as applicable, and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Board designated funds are established by the Board of Directors and represent unrestricted net assets that have been set aside for future expenses.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations required to be maintained permanently by the Foundation. The income earned on any related investments would also be subject to donor-imposed stipulations. At June 30, 2018, there were no permanently restricted net assets.

Investments

A summary of the cost and fair value of the Foundation's investments as of June 30, 2018 is as follows:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Certificates of deposit	$ 4,244,000	$ —	$ (10,866)	$ 4,233,134

Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods at June 30, 2018 as follows:

Purpose Restrictions	
College and career readiness	$ 1,411,439
Early childhood education	2,790,281
School leadership	142,983
Health and wellness	24,277
School funds	525,180
Total Purpose Restrictions	$ 4,894,160
Time Restrictions	
Year ended June 30, 2019	$ 10,000
Year ended June 30, 2020	10,000
Total Time Restrictions	$ 20,000
Total Temporary Restrictions of Net Assets	$ 4,914,160

Net assets were released from donor-imposed restrictions as follows:

Satisfaction of purpose restrictions	$ 1,529,904
Satisfaction of time restrictions	10,000
	$ 1,539,904

Required Supplementary Information

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND
For The Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
Local:				
Current taxes	$ 214,350,569	$ 220,350,569	$ 224,518,406	$ 4,167,837
Delinquent taxes	8,800,933	8,800,933	8,245,029	(555,904)
Investment income	127,091	127,091	941,191	814,100
Other	3,039,333	3,039,333	2,272,009	(767,324)
County	4,036,865	4,036,865	3,243,565	(793,300)
State:				
Categorical aid	9,517,638	10,617,638	12,339,292	1,721,654
Other	1,297,708	1,397,708	1,478,684	80,976
Federal	—	500,000	206,805	(293,195)
Total Revenues	241,170,137	248,870,137	253,244,981	4,374,844
Expenditures				
Current:				
Instruction	13,714,536	17,061,280	18,248,146	(1,186,866)
Building service	39,215,479	39,255,101	37,391,819	1,863,282
School administration	17,884,423	20,655,017	20,085,096	569,921
Instructional support	9,581,250	13,097,674	13,070,185	27,489
Noninstructional support	19,978,393	16,789,241	14,560,108	2,229,133
Transportation	26,504,850	24,216,813	23,988,399	228,414
Food and community services	1,962,393	3,064,062	4,054,182	(990,120)
Capital outlay	692,108	358,127	222,551	135,576
Total Expenditures	129,533,432	134,497,315	131,620,486	2,876,829
Excess (Deficiency) Of Revenues Over Expenditures	111,636,705	114,372,822	121,624,495	7,251,673
Other Financing Sources (Uses)				
Transfers in	3,234,878	5,723,116	5,436,277	(286,839)
Transfers out	(113,480,597)	(112,931,637)	(110,932,166)	1,999,471
Total Other Financing Sources (Uses)	(110,245,719)	(107,208,521)	(105,495,889)	1,712,632
Net Change In Fund Balance	$ 1,390,986	$ 7,164,301	$ 16,128,606	$ 8,964,305

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - TEACHERS FUND
For The Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
Local:				
Current taxes	$ 24,967,104	$ 24,967,104	$ 25,504,597	$ 537,493
Other	—	—	137,448	137,448
County	—	—	247,599	247,599
State:				
Basic formula	28,692,659	32,092,659	30,097,942	(1,994,717)
Categorical aid	—	—	123,375	123,375
Other	7,500	7,500	—	(7,500)
Federal	445,875	445,875	479,037	33,162
Total Revenues	54,113,138	57,513,138	56,589,998	(923,140)
Expenditures				
Current:				
Instruction	127,279,498	124,549,456	130,024,366	(5,474,910)
Building service	447,548	448,425	335,081	113,344
School administration	14,429,647	14,570,731	14,900,313	(329,582)
Instructional support	10,367,071	10,551,526	10,052,491	499,035
Noninstructional support	6,151,028	9,958,112	963,068	8,995,044
Food and community services	2,454,786	4,595,584	5,328,583	(732,999)
Total Expenditures	161,129,578	164,673,834	161,603,902	3,069,932
Excess (Deficiency) Of Revenues Over Expenditures	(107,016,440)	(107,160,696)	(105,013,904)	2,146,792
Other Financing Sources				
Transfers in	107,016,440	107,160,696	105,013,904	(2,146,792)
Net Change In Fund Balance	$ —	$ —	$ —	$ —

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL – EARLY CHILDHOOD SPECIAL EDUCATION
For The Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
State:				
Categorical aid	$ 8,904,885	$ 8,904,885	$ 7,063,852	$ (1,841,033)
Federal	819,899	819,899	993,331	173,432
Total Revenues	9,724,784	9,724,784	8,057,183	(1,667,601)
Expenditures				
Current:				
Instruction	6,238,058	6,296,173	5,848,059	448,114
Transportation	3,415,666	3,417,166	2,429,700	987,466
Capital outlay	71,060	11,445	—	11,445
Total Expenditures	9,724,784	9,724,784	8,277,759	1,447,025
Excess (Deficiency) Of Revenues Over Expenditures	—	—	(220,576)	(220,576)
Other Financing Sources (Uses)				
Transfers in	—	—	220,576	220,576
Net Change In Fund Balance	$ —	$ —	$ —	$ —

1. Budgetary Data

The District's budgetary practices are intended to conform to Chapter 67 of Revised Missouri State Statutes and are prepared on a basis consistent with accounting principles generally accepted in the United States of America. The following procedures are used in establishing the budgetary data reflected in the financial statements.

A. The Administration prepares and submits to the SAB a proposed annual operating budget for all current governmental funds for the subsequent fiscal year prior to July 1 each year. Certain operating funds called the "General Operating Budget (GOB)" are monitored on a combined basis. The GOB consists of the General, Teachers', Building Capital and Student Health Funds.

B. Public budget and tax rate hearings are conducted and the proposed budget is available for public review at the District offices.

C. Revisions to the annual operating budget subsequent to its formal adoptions are made throughout the fiscal year subject to the following limitations:
   a. The total amount of appropriations by fund may not be increased without the approval of the governing body.
   b. All transfers of appropriations between funds require approval of the governing body.

D. For management purposes only, budgetary control over appropriations is exercised at the sub-function level for all governmental funds providing significant sources of revenue for the District. However, the legal level of control at which actual expenditures may not exceed budgeted appropriations is established by state statute at the fund level.

   Budgeted amounts as reflected in the financial statements are as originally adopted and as revised by the SAB.

E. All appropriations lapse at fiscal year end for the general and special revenue - operating funds. Unencumbered appropriations lapse at fiscal year-end for all other special revenue funds.

A budget was not adopted for the Settlement Fund.

SCHEDULE OF SELECTED PENSION INFORMATION

Schedule of District's Proportionate Share of Net Pension Liability

	Measurement Date As Of December 31:			
Actuarial valuation date	**2017**	**2016**	**2015**	**2014**
District's proportion of the net pension liability	74.74%	76.47%	78.05%	79.13%
District's proportionate share of the net pension liability	$ 567,306,445	$ 317,871,856	$ 251,514,787	$ 209,748,023
District's covered-employee payroll	175,741,386	173,412,355	175,851,589	173,926,365
District's proportionate share of net pension liability as a percentage of its covered-employee payroll	322.81%	183.30%	143.03%	120.60%
Plan fiduciary net position as a percentage of the total pension liability	54.63%	67.16%	72.94%	77.95%

Schedule of District's Contributions

	Fiscal year ending June 30:			
Fiscal year	**2018**	**2017**	**2016**	**2015**
Required contribution	$ 30,701,207	$ 30,220,928	$ 31,722,987	$ 31,072,850
Contributions in relation to the required contribution	30,701,207	30,220,928	31,722,987	31,072,850
Districts' covered-employee payroll	178,544,973	183,444,217	180,325,734	183,083,926
Contributions as a percentage of covered-employee payroll	17.20%	16.47%	17.59%	16.97%

Notes: Above schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

SCHEDULE OF SELECTED OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Schedule Of Selected Other Postemployment Benefits Information

Schedule Of District's Of OPEB Liability

	Measurement Date As Of June 30: 2018
Service cost	$ 3,390,849
Interest cost	2,074,164
Changes in Benefit Terms	6,484,761
Changes in Assumptions	1,084,204
Net benefits paid by employer	(4,157,774)
Net change in total OPEB liability	8,876,204
Total OPEB liability - beginning of year	64,939,238
Total OPEB liability - end of year	$ 73,815,442
Covered employee payroll	147,334,881
Total OPEB liability as a percentage of covered employee payroll	50.10%

Schedule Of Contributions

	Fiscal Year End As Of June 30: 2018
Required contribution	$ 4,157,774
Less: Contributions in relation to the required contribution	4,157,774
Contribution deficiency	—
District's covered-employee payroll	147,334,881
Contributions as a percentage of covered-employee payroll	2.82%

Changes In Assumptions

Changes in assumptions in the plan for the year ended June 30, 2018 include the following: 1) The discount rate as of the beginning of the fiscal year changed from 4.50% to 3.13% to reflect the adoption of GASB 75; 2) The discount rate as of the end of the fiscal year changed from 3.13% to 2.98% based on the change in 20 year municipal bond yields; 3) The actuarial cost method changed to the Entry Age Normal method to reflect the adoption of GASB 75; 4) The mortality, termination, and retirement rates were updated to reflect the 2015 Retirement System experience study; 5) Morbidity rates were updated based on the June 2013 Society of Actuaries Study entitled “Health Care Costs – From Birth to Death”; 6) The healthcare cost trend was updated to a graded scale beginning with 7.00% in the 2017/2018 fiscal year grading down to an ultimate rate of 4.50%; 7) The participation assumption was updated to 75% based on anticipated future experience.

Supplementary Information

Combining and Individual Fund Statements and Schedules

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

COMBINING BALANCE SHEET - BY FUND TYPE
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue	Permanent	Total Nonmajor Governmental Funds
Assets			
Cash and short-term investments	$ 8,274,897	$ 2,605,027	$ 10,879,924
Other investments	—	5,126,830	5,126,830
Total Cash and Investments	8,274,897	7,731,857	16,006,754
Receivables:			
Grants	10,016,528	—	10,016,528
Other	1,047,585	43,248	1,090,833
Total Receivables	11,064,113	43,248	11,107,361
Due from other funds	—	277,152	277,152
Total Assets	$ 19,339,010	$ 8,052,257	$ 27,391,267
Liabilities And Fund Balances			
Liabilities:			
Accounts payable	$ 1,984,483	$ 10,313	$ 1,994,796
Due to other funds	8,289,804	277,152	8,566,956
Deposits and escrow funds	2,448,175	—	2,448,175
Unearned revenue	2,764,615	2,607,861	5,372,476
Total Liabilities	15,487,077	2,895,326	18,382,403
Fund balances:			
Nonspendable:			
Permanent fund principal	—	352,344	352,344
Restricted for:			
Capital projects	—	4,804,587	4,804,587
Assigned	3,851,933	—	3,851,933
Total Fund Balances	3,851,933	5,156,931	9,008,864
Total Liabilities And Fund Balances	$ 19,339,010	$ 8,052,257	$ 27,391,267

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY FUND TYPE NONMAJOR GOVERNMENTAL FUNDS

For The Year Ended June 30, 2018

	Special Revenue	Permanent	Total Nonmajor Governmental Funds
Revenues			
Local:			
Investment income	$ 5,252	$ 242,702	$ 247,954
Other	3,395,215	126,557	3,521,772
State:			
Categorical aid	234,335	—	234,335
Other	531,709	—	531,709
Federal	52,739,165	—	52,739,165
Total Revenues	56,905,676	369,259	57,274,935
Expenditures			
Current:			
Instruction	16,101,986	38,338	16,140,324
Building service	10,121	—	10,121
School administration	189,648	26,547	216,195
Instructional support	10,022,145	—	10,022,145
Noninstructional support	784,911	9,750	794,661
Transportation	584,147	4,025	588,172
Food and community services	25,420,413	—	25,420,413
Capital outlay	717,012	78,614	795,626
Total Expenditures	53,830,383	157,274	53,987,657
Excess Of Revenues Over Expenditures	3,075,293	211,985	3,287,278
Other Financing Sources (Uses)			
Transfers in	310,905	—	310,905
Transfers out	(2,173,486)	—	(2,173,486)
Total Other Financing Sources (Uses)	(1,862,581)	—	(1,862,581)
Net Change In Fund Balances	1,212,712	211,985	1,424,697
Fund Balance - Beginning Of Year	2,639,221	4,944,946	7,584,167
Fund Balance - End Of Year	$ 3,851,933	$ 5,156,931	$ 9,008,864

NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2018

Operating:

Established to account for legally restricted financial resources and expenditures related to general activities of the Board.

Federal:

Established to account for financial resources and expenditures for major governmental programs related to various elementary, secondary, and post-secondary education programs, and certain other less significant federal grant programs.

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2018

	Operating	Federal	Total
Assets			
Cash and short-term investments	$ 7,441,324	$ 833,573	$ 8,274,897
Receivables:			
Grants	2,486,796	7,529,732	10,016,528
Other	923,760	123,825	1,047,585
Total Receivables	3,410,556	7,653,557	11,064,113
Total Assets	$ 10,851,880	$ 8,487,130	$ 19,339,010
Liabilities And Fund Balances			
Liabilities:			
Accounts payable	$ 1,139,685	$ 844,798	$ 1,984,483
Due to other funds	1,482,781	6,807,023	8,289,804
Deposits and escrow funds	2,448,175	—	2,448,175
Unearned revenue	2,755,685	8,930	2,764,615
Total Liabilities	7,826,326	7,660,751	15,487,077
Fund balances:			
Assigned	3,025,554	826,379	3,851,933
Total Liabilities And Fund Balances	$ 10,851,880	$ 8,487,130	$ 19,339,010

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2018

	Operating	Federal	Total
Revenues			
Local:			
Investment income	$ —	$ 5,252	$ 5,252
Other	2,971,167	424,048	3,395,215
State:			
Categorical aid	117,782	116,553	234,335
Other	196,092	335,617	531,709
Federal	20,840,429	31,898,736	52,739,165
Total Revenues	24,125,470	32,780,206	56,905,676
Expenditures			
Current:			
Instruction	1,337,986	14,764,000	16,101,986
Building Service	10,121	—	10,121
School administration	188,386	1,262	189,648
Instructional support	2,600,835	7,421,310	10,022,145
Noninstructional support	238,819	546,092	784,911
Transportation	21,529	562,618	584,147
Food and community services	16,324,581	9,095,832	25,420,413
Capital outlay	281,092	435,920	717,012
Total Expenditures	21,003,349	32,827,034	53,830,383
Excess (Deficiency) Of Revenues Over Expenditures	3,122,121	(46,828)	3,075,293
Other Financing Sources (Uses)			
Transfers in	259,853	51,052	310,905
Transfers out	(2,173,486)	—	(2,173,486)
Total Other Financing Sources (Uses)	(1,913,633)	51,052	(1,862,581)
Net Change In Fund Balances	1,208,488	4,224	1,212,712
Fund Balances - Beginning Of Year	1,817,066	822,155	2,639,221
Fund Balance - End Of Year	$ 3,025,554	$ 826,379	$ 3,851,933

NONMAJOR SPECIAL REVENUE FUNDS - OPERATING FUNDS
For The Year Ended June 30, 2018

School Lunchroom:

Established to account for financial resources and expenditures related to the operation of the District's food service activities. While the majority of revenues originate from a federally-funded program, the lunchroom program is a part of the daily operations of the District regardless of the funding sources and, therefore, is presented as an operating fund.

Student Health:

Established to account for financial resources and expenditures related to revenues generated from Medicaid services provided by the District.

Foundation 73 And 16:

Established to account for financial resources and expenditures related to various state programs and private donations.

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - OPERATING FUNDS
June 30, 2018

	School Lunchroom	Student Health	Foundation 73	Foundation 16	Total
Assets					
Cash and short-term investments	$ 3,058,062	$ —	$ 1,853,113	$ 2,530,149	$ 7,441,324
Receivables:					
Grants	681,379	1,482,781	322,636	—	2,486,796
Other	259,269	—	664,491	—	923,760
Total Assets	$ 3,998,710	$ 1,482,781	$ 2,840,240	$ 2,530,149	$ 10,851,880
Liabilities And Fund Balances					
Liabilities:					
Accounts payable	$ 973,156	$ —	$ 84,555	$ 81,974	$ 1,139,685
Due to other funds	—	1,482,781	—	—	1,482,781
Deposits and escrow funds	—	—	—	2,448,175	2,448,175
Unearned revenue	—	—	2,755,685	—	2,755,685
Total Liabilities	973,156	1,482,781	2,840,240	2,530,149	7,826,326
Fund balances:					
Assigned	3,025,554	—	—	—	3,025,554
Total Liabilities And Fund Balances	$ 3,998,710	$ 1,482,781	$ 2,840,240	$ 2,530,149	$ 10,851,880

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - OPERATING FUNDS
For The Year Ended June 30, 2018

	School Lunchroom	Student Health	Foundation 73	Foundation 16	Total
Revenues					
Local:					
Other	$ 677,805	$ —	$ 2,293,362	$ —	$ 2,971,167
State:					
Categorical aid	117,782	—	—	—	117,782
Other	—	—	196,092	—	196,092
Federal	17,056,995	3,332,233	451,201	—	20,840,429
Total Revenues	17,852,582	3,332,233	2,940,655	—	24,125,470
Expenditures					
Current:					
Instruction	161,751	—	1,176,235	—	1,337,986
Building Service	—	—	10,121	—	10,121
School administration	22	—	188,364	—	188,386
Instructional support	—	1,196,967	1,403,868	—	2,600,835
Noninstructional support	—	—	238,819	—	238,819
Transportation	—	—	21,529	—	21,529
Food and community services	16,281,784	—	42,797	—	16,324,581
Capital outlay	200,537	—	80,555	—	281,092
Total Expenditures	16,644,094	1,196,967	3,162,288	—	21,003,349
Excess (Deficiency) Of Revenues Over Expenditures	1,208,488	2,135,266	(221,633)	—	3,122,121
Other Financing Sources (Uses)					
Transfers in	—	—	259,853	—	259,853
Transfers out	—	(2,135,266)	(38,220)	—	(2,173,486)
Total Other Financing Sources (Uses)	—	(2,135,266)	221,633	—	(1,913,633)
Net Change In Fund Balances	1,208,488	—	—	—	1,208,488
Fund Balances - Beginning Of Year	1,817,066	—	—	—	1,817,066
Fund Balances - End Of Year	$ 3,025,554	$ —	$ —	$ —	$ 3,025,554

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS - OPERATING FUNDS
For The Year Ended June 30, 2018

	School Lunchroom			Student Health			Foundation 73		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Revenues									
Local:									
Other	$ 724,366	$ 677,805	$ (46,561)	$ —	$ —	$ —	$ 4,940,842	$ 2,293,362	$ (2,647,480)
State:									
Categorical aid	121,559	117,782	(3,777)	—	—	—	—	—	—
Other	—	—	—	—	—	—	150,000	196,092	46,092
Federal	16,504,412	17,056,995	552,583	3,939,063	3,332,233	(606,830)	—	451,201	451,201
Total Revenues	17,350,337	17,852,582	502,245	3,939,063	3,332,233	(606,830)	5,090,842	2,940,655	(2,150,187)
Expenditures									
Current:									
Instruction	162,985	161,751	1,234	509,573	—	509,573	1,200,000	1,176,235	23,765
School administration	—	22	(22)	—	—	—	889,477	188,364	701,113
Building Service	—	—	—	—	—	—	10,121	10,121	—
Instructional support	—	—	—	941,252	1,196,967	(255,715)	2,577,438	1,403,868	1,173,570
Noninstructional support	—	—	—	—	—	—	239,000	238,819	181
Transportation	—	—	—	—	—	—	43,285	21,529	21,756
Food and community services	16,902,148	16,281,784	620,364	—	—	—	47,207	42,797	4,410
Capital outlay	200,537	200,537	—	—	—	—	84,314	80,555	3,759
Total Expenditures	17,265,670	16,644,094	621,576	1,450,825	1,196,967	253,858	5,090,842	3,162,288	1,928,554
Excess (Deficiency) Of Revenues Over Expenditures	84,667	1,208,488	1,123,821	2,488,238	2,135,266	(352,972)	—	(221,633)	(221,633)
Other Financing Sources (Uses)									
Transfers in	—	—	—	—	—	—	—	259,853	259,853
Transfers out	—	—	—	(2,488,238)	(2,135,266)	352,972	—	(38,220)	(38,220)
Total Other Financing Sources (Uses)	—	—	—	(2,488,238)	(2,135,266)	352,972	—	221,633	221,633
Net Change In Fund Balance	$ 84,667	$ 1,208,488	$ 1,123,821	$ —	$ —	$ —	$ —	$ —	$ —

NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL FUNDS
For The Year Ended June 30, 2018

Federal:

Established to account for financial resources and expenditures for major governmental programs related to various elementary, secondary and post-secondary education programs, and certain other less significant federal grant programs. Each federal program fund may include activity of both a current year fund and one or more prior year carryover funds.

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL FUNDS
June 30, 2018

	ECIA Title I	NCLB	Adult Education And Literacy	Special Education	Community Development Agency	Adult Education	Other	Total
Assets								
Cash and short-term investments	$ —	$ —	$ —	$ —	$ 103,632	$ 729,941	$ —	$ 833,573
Receivables:								
Grants	4,816,503	470,605	257,545	1,225,057	11,143	—	748,879	7,529,732
Other	—	—	—	—	—	123,825	—	123,825
Total Receivables	4,816,503	470,605	257,545	1,225,057	11,143	123,825	748,879	7,653,557
Total Assets	$ 4,816,503	$ 470,605	$ 257,545	$ 1,225,057	$ 114,775	$ 853,766	$ 748,879	$ 8,487,130
Liabilities And Fund Balances								
Liabilities:								
Accounts payable	$ 69,270	$ 60,050	$ 35,224	$ 388,266	$ —	$ 142,162	$ 149,826	$ 844,798
Due to other funds	4,747,233	410,555	222,321	836,791	—	—	590,123	6,807,023
Unearned revenue	—	—	—	—	—	—	8,930	8,930
Total Liabilities	4,816,503	470,605	257,545	1,225,057	—	142,162	748,879	7,660,751
Fund balances:								
Assigned	—	—	—	—	114,775	711,604	—	826,379
Total Liabilities And Fund Balances	$ 4,816,503	$ 470,605	$ 257,545	$ 1,225,057	$ 114,775	$ 853,766	$ 748,879	$ 8,487,130

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL FUNDS
For The Year Ended June 30, 2018

	ECIA Title I	NCLB	Adult Education And Literacy	Special Education	Community Development Agency	Adult Education	Other	Total
Revenues								
Local:								
Investment income	$ —	$ —	$ —	$ —	$ —	$ 5,252	$ —	$ 5,252
Other	—	6,100	—	—	—	417,948	—	424,048
State:								
Categorical aid	—	—	—	—	—	116,553	—	116,553
Other	—	—	123,250	—	—	—	212,367	335,617
Federal	16,077,271	1,473,119	2,067,022	7,269,999	41,220	—	4,970,105	31,898,736
Total Revenues	16,077,271	1,479,219	2,190,272	7,269,999	41,220	539,753	5,182,472	32,780,206
Expenditures								
Current:								
Instruction	3,028,164	454,083	792,033	7,240,987	—	—	3,248,733	14,764,000
School administration	—	—	1,262	—	—	—	—	1,262
Instructional support	5,753,376	602,128	—	—	—	—	1,065,806	7,421,310
Noninstructional support	—	—	—	—	—	—	546,092	546,092
Transportation	404,572	—	1,501	9,947	—	1,827	144,771	562,618
Food and community services	6,804,528	385,497	1,180,636	—	44,573	528,454	152,144	9,095,832
Capital outlay	86,631	41,636	215,890	19,065	—	1,895	70,803	435,920
Total Expenditures	16,077,271	1,483,344	2,191,322	7,269,999	44,573	532,176	5,228,349	32,827,034
Excess (Deficiency) Of Expenditures Over Revenues	—	(4,125)	(1,050)	—	(3,353)	7,577	(45,877)	(46,828)
Other Financing Sources								
Transfers in	—	4,125	1,050	—	—	—	45,877	51,052
Total Other Financing Sources	—	4,125	1,050	—	—	—	45,877	51,052
Net Change In Fund Balances	—	—	—	—	(3,353)	7,577	—	4,224
Fund Balances - Beginning Of Year	—	—	—	—	118,128	704,027	—	822,155
Fund Balances - End Of Year	$ —	$ —	$ —	$ —	$ 114,775	$ 711,604	$ —	$ 826,379

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL FUNDS
Page 1 Of 2
For The Year Ended June 30, 2018

	ECIA - Title I			NCLB			Adult Education And Literacy		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Revenues									
Local:									
Other	$ —	$ —	$ —	$ 6,100	$ 6,100	$ —	$ —	$ —	$ —
State:									
Other	—	—	—	—	—	—	123,250	123,250	—
Federal	17,291,236	16,077,271	(1,213,965)	2,277,562	1,473,119	(804,443)	2,543,121	2,067,022	(476,099)
Total Revenues	17,291,236	16,077,271	(1,213,965)	2,283,662	1,479,219	(804,443)	2,666,371	2,190,272	(476,099)
Expenditures									
Current:									
Instruction	3,509,800	3,028,164	481,636	646,005	454,083	191,922	792,033	792,033	—
School administration	—	—	—	—	—	—	—	1,262	(1,262)
Instructional support	6,359,239	5,753,376	605,863	763,802	602,128	161,674	—	—	—
Noninstructional support	—	—	—	96,374	—	96,374	—	—	—
Transportation	405,000	404,572	428	—	—	—	2,500	1,501	999
Food and community services	6,854,243	6,804,528	49,715	807,879	385,497	422,382	1,653,748	1,180,636	473,112
Capital outlay	162,954	86,631	76,323	41,636	41,636	—	218,090	215,890	2,200
Total Expenditures	17,291,236	16,077,271	1,213,965	2,355,696	1,483,344	872,352	2,666,371	2,191,322	475,049
(Excess) Deficiency Of Expenditures Over Revenues	—	—	—	(72,034)	(4,125)	67,909	—	(1,050)	(1,050)
Other Financing Sources									
Transfers in	—	—	—	—	4,125	4,125	—	1,050	1,050
Net Change In Fund Balance	$ —	$ —	$ —	$ (72,034)	$ —	$ 72,034	$ —	$ —	$ —

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL

NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL FUNDS

Page 2 Of 2

For The Year Ended June 30, 2018

	Special Education			Community Development Agency			Adult Education			Other		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Revenues												
Local:												
Investment income	$ —	$ —	$ —	$ —	$ —	$ —	$ 5,252	$ 5,252	$ —	$ —	$ —	$ —
Other	—	—	—	—	—	—	1,002,954	417,948	(585,006)	—	—	—
State:												
Categorical aid	—	—	—	—	—	—	116,553	116,553	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	178,992	212,367	33,375
Federal	7,548,059	7,269,999	(278,060)	50,000	41,220	(8,780)	—	—	—	6,459,052	4,970,105	(1,488,947)
Total Revenues	7,548,059	7,269,999	(278,060)	50,000	41,220	(8,780)	1,124,759	539,753	(585,006)	6,638,044	5,182,472	(1,455,572)
Expenditures												
Current:												
Instruction	7,518,159	7,240,987	277,172	—	—	—	—	—	—	3,898,404	3,248,733	649,671
Instructional support	—	—	—	—	—	—	—	—	—	1,759,763	1,065,806	693,957
Noninstructional support	—	—	—	—	—	—	—	—	—	555,428	546,092	9,336
Transportation	10,000	9,947	53	—	—	—	1,850	1,827	23	182,985	144,771	38,214
Food and community services	—	—	—	50,000	44,573	5,427	1,052,909	528,454	524,455	160,555	152,144	8,411
Capital outlay	19,900	19,065	835	—	—	—	70,000	1,895	68,105	80,909	70,803	10,106
Total Expenditures	7,548,059	7,269,999	278,060	50,000	44,573	5,427	1,124,759	532,176	592,583	6,638,044	5,228,349	1,409,695
Excess (Deficiency) Of Expenditures Over Revenues	—	—	—	—	(3,353)	(3,353)	—	7,577	7,577	—	(45,877)	(45,877)
Other Financing Sources (Uses)												
Transfers in	—	—	—	—	—	—	—	—	—	—	45,877	45,877
Transfers out	—	—	—	—	—	—	—	—	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—	—	—	—	—	—	—	45,877	45,877
Net Change In Fund Balance	$ —	$ —	$ —	$ —	$ (3,353)	$ (3,353)	$ —	$ 7,577	$ 7,577	$ —	$ —	$ —

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - DEBT SERVICE FUND
For The Year Ended June 30, 2018

	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues			
Local:			
Current taxes	$ 23,965,756	$ 25,245,919	$ 1,280,163
Delinquent taxes	1,424,207	1,238,460	(185,747)
Investment income	316,376	417,468	101,092
Other	323,630	1,971	(321,659)
County	480,000	456,500	(23,500)
Total Revenues	26,509,969	27,360,318	850,349
Expenditures			
Debt service:			
Principal retirement	19,085,907	20,670,000	(1,584,093)
Interest charges	10,543,690	7,413,782	3,129,908
Bond issuance costs	—	552,209	(552,209)
Total Expenditures	29,629,597	28,635,991	993,606
Excess (Deficiency) Of Revenues Over Expenditures	(3,119,628)	(1,275,673)	1,843,955
Other Financing Sources (Uses)			
Transfers out	—	(27,913)	(27,913)
Issuance of refunding bonds	61,945,000	61,945,000	—
Payment to refunding escrow agent	(68,000,000)	(41,605,260)	26,394,740
Premium on issuance of bonds	6,241,008	6,241,008	—
Total Other Financing Sources (Uses)	186,008	26,552,835	26,366,827
Net Change In Fund Balance	$ (2,933,620)	$ 25,277,162	$ 28,210,782

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - BUILDING FUND
For The Year Ended June 30, 2018

	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues			
Local:			
Investment income	$ —	$ 218	$ 218
Other	—	20,300	20,300
Total Revenues	—	20,518	20,518
Expenditures			
Current:			
Building service	1,591,200	1,390,212	200,988
Noninstructional support	—	103	(103)
Capital outlay	329,743	212,071	117,672
Total Expenditures	1,920,943	1,602,386	318,557
Excess (Deficiency) Of Revenues Over Expenditures	(1,920,943)	(1,581,868)	339,075
Other Financing Sources			
Transfers in	1,870,943	1,549,960	(320,983)
Proceeds from sale of capital assets	50,000	50,000	—
Total Other Financing Sources	1,920,943	1,599,960	(320,983)
Net Change In Fund Balance	$ —	$ 18,092	$ 18,092

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
VOCATIONAL EDUCATION FUND
For The Year Ended June 30, 2018

	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues			
Local:			
Investment income	$ 6,000	$ 5,947	$ (53)
Net Change In Fund Balance	$ 6,000	$ 5,947	$ (53)

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND - AGENCY FUND
For The Year Ended June 30, 2018

	Balance - July 1, 2017	Additions	Deductions	Balance - June 30, 2018
Assets				
Cash and short-term investments	$ 23,149,252	$ 84,855,066	$ 81,781,093	$ 26,223,225
Liabilities				
Accounts payable	$ 608,435	$ 542,399	$ 608,435	$ 542,399
Deposits and escrow funds	21,875,078	79,013,681	75,924,194	24,964,565
Unexpended grant balances	665,739	50,522	—	716,261
Total Liabilities	$ 23,149,252	$ 79,606,602	$ 76,532,629	$ 26,223,225

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES BY SOURCE - ALL GOVERNMENTAL FUNDS
Page 1 Of 2
For The Year Ended June 30, 2018

		Special Revenue								
	General	Teachers	School Lunchroom	Student Health Fund	Early Childhood Special Education	Federal	Debt Service	Capital Projects	Foundation And Permanent Funds	Total
Local:										
Current Taxes:										
Real property	$ 133,178,554	$ —	$ —	$ —	$ —	$ —	$ 18,834,300	$ —	$ —	$ 152,012,854
Personal property	33,573,999	—	—	—	—	—	4,725,207	—	—	38,299,206
Surplus commissions	1,905,595	—	—	—	—	—	268,203	—	—	2,173,798
Merchant and manufacturers	7,411,963	—	—	—	—	—	1,043,198	—	—	8,455,161
Financial institution	2,664,565	—	—	—	—	—	375,011	—	—	3,039,576
Surcharge	18,123,817	—	—	—	—	—	—	—	—	18,123,817
Sales tax	27,659,913	—	—	—	—	—	—	—	—	27,659,913
Sales tax-Prop C	—	25,504,597	—	—	—	—	—	—	—	25,504,597
Delinquent taxes	8,245,029	—	—	—	—	—	1,238,460	—	—	9,483,489
Investment income	866,482	—	—	—	—	5,252	406,953	6,165	242,702	1,527,554
Other:										
Interest and protested taxes	74,709	—	—	—	—	—	10,515	—	—	85,224
Tuition	—	—	—	—	—	417,867	—	—	—	417,867
School Lunch Program	—	—	186,301	—	—	—	—	—	—	186,301
School Lunch Nonprogram	—	—	185,819	—	—	—	—	—	—	185,819
Indirect costs recovered	737,188	—	—	—	—	—	—	—	—	737,188
Sundry	1,534,821	137,448	305,685	—	—	6,181	1,971	20,300	2,419,919	4,426,325
Total local	235,976,635	25,642,045	677,805	—	—	429,300	26,903,818	26,465	2,662,621	292,318,689
County:										
Fines and forfeitures	—	247,599	—	—	—	—	—	—	—	247,599
Utility and railroad taxes	3,243,565	—	—	—	—	—	456,500	—	—	3,700,065
Total county	3,243,565	247,599	—	—	—	—	456,500	—	—	3,947,664

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHEDULE OF REVENUES BY SOURCE - ALL GOVERNMENTAL FUNDS
Page 2 Of 2
For The Year Ended June 30, 2018

		Special Revenue								
	General	Teachers	School Lunchroom	Student Health Fund	Early Childhood Special Education	Federal	Debt Service	Capital Projects	Foundation And Permanent Funds	Total
State:										
Basic formula	$ —	$ 30,097,942	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 30,097,942
Categorical aid:										
Transportation	3,479,752	—	—	—	—	—	—	—	—	3,479,752
Exceptional pupil	—	—	—	—	7,063,852	—	—	—	—	7,063,852
Free and reduced	8,859,540	—	—	—	—	—	—	—	—	8,859,540
Vocational aid	—	123,375	—	—	—	116,553	—	—	—	239,928
School lunch program	—	—	117,782	—	—	—	—	—	—	117,782
Other	1,478,684	—	—	—	—	335,617	—	—	196,092	2,010,393
Total state	13,817,976	30,221,317	117,782	—	7,063,852	452,170	—	—	196,092	51,869,189
Federal:										
State administered:										
ECIA - Chapter 1	11,004	—	—	—		16,077,271	—	—	—	16,088,275
Education of the Handicapped Act (Public Law 94-142)	—	—	—	—		7,269,999	—	—	—	7,269,999
National School Breakfast/ Lunch Program	—	—	17,056,995	—		—	—	—	—	17,056,995
Local and direct grants:										
Other	195,801	479,037	—	3,332,233	993,331	8,551,466	—	—	451,201	14,003,069
Total federal	206,805	479,037	17,056,995	3,332,233	993,331	31,898,736	—	—	451,201	54,418,338
Total Revenues	$ 253,244,981	$ 56,589,998	$ 17,852,582	$ 3,332,233	$ 8,057,183	$ 32,780,206	$ 27,360,318	$ 26,465	$ 3,309,914	$ 402,553,880

Part III - Statistical Section (Unaudited)

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

Contents **Page**

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	$ 243,534,249	$ 220,741,507	$ 198,696,409	$ 183,591,491	$ 161,497,960	$ 147,191,285	$ 143,933,444	$ 136,820,383	$ 127,830,747	$ 49,501,256
Restricted:										
Capital Projects	131,137,630	119,455,742	122,361,425	60,638,297	36,843,180	38,561,927	26,549,995	5,783,606	5,112,508	5,330,440
Debt Service	29,395,789	28,138,082	32,191,615	32,435,384	34,808,230	31,194,471	29,473,576	28,193,248	25,494,954	50,843,935
Desegregation Settlement Programs	—	—	—	—	10,961,282	—	1,623,447	16,982,956	11,094,358	7,396,442
Endowments, Nonexpendable	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344
Unrestricted	(61,481,909)	(66,217,293)	(53,164,655)	14,633,602	20,679,302	21,863,913	(143,300,568)	(150,456,733)	(147,073,568)	(299,613,898) (1)
Total Primary Government Net Position	$ 342,938,103	$ 302,470,382	$ 300,437,138	$ 291,651,118	$ 265,142,298	$ 239,163,940	$ 58,632,238	$ 37,675,804	$ 22,811,343	$ (186,189,481)

(1) GASB 68, Pension Liability was implemented in 2015. GASB 75, Other Post Employee Benefits was implemented in 2018.

Source: St. Louis Public School Financial Statements

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

EXPENSES, PROGRAM REVENUES AND NET EXPENSE (REVENUE) LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
Instruction	$ 229,680,393	$ 224,146,573	$ 212,515,070	$ 207,895,286	$ 213,811,656	$ 204,035,308	$ 199,844,051	$ 201,529,250	$ 220,835,851	$ 308,364,412
Building Service	48,234,478	61,923,729	45,437,217	35,400,040	49,988,321	42,441,240	39,799,722	44,823,673	42,131,729	41,960,940
School Administration	47,952,938	41,716,823	29,993,491	32,715,917	34,305,350	40,387,519	33,504,175	39,618,463	34,081,716	35,318,133
Instructional Support	38,310,839	34,492,445	36,067,256	35,509,506	36,045,545	42,964,336	34,152,869	32,044,884	29,243,134	31,656,733
Noninstructional Support	19,028,351	26,292,783	13,009,401	15,407,490	29,100,933	22,177,539	19,351,585	16,794,147	16,391,456	16,318,304
Transportation	29,334,971	29,496,425	22,822,432	22,203,156	22,719,483	22,857,795	24,981,686	24,409,439	25,264,106	27,006,959
Food and Community Services	20,005,532	20,208,582	19,324,339	19,750,891	21,599,028	22,842,317	36,185,288	37,320,604	34,524,224	34,805,444
Interest Expense	11,475,002	11,583,276	11,060,829	12,683,830	11,448,067	10,700,832	10,177,771	9,191,546	9,126,528	6,652,399
Bond Issuance Costs	—	—	—	—	—	—	—	—	—	552,209
Total Primary Government Expenses	444,022,504	449,860,636	390,230,035	381,566,116	419,018,383	408,406,886	397,997,147	405,732,006	411,598,744	502,635,533
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	295,200	—	—	—	24,098	—	—	390,527	1,986	1,811
Transportation	—	—	—	—	—	—	—	789	—	1,827
Food and Community Services	2,168,631	1,872,758	1,459,337	1,460,577	929,995	714,313	577,878	242,462	667,014	600,579
Total Charges For Services	2,463,831	1,872,758	1,459,337	1,460,577	954,093	714,313	577,878	633,778	669,000	604,217
Operating Grants and Contributions:										
Instruction	48,838,515	59,988,926	58,794,013	51,766,739	51,589,365	47,619,764	44,625,982	38,349,087	39,093,105	33,084,489
Building Services	259,749	16,180	189,615	1,160,971	219,281	213,410	541,656	515,247	305,847	275,881
School Administration	8,124,836	5,742,176	5,345,111	4,519,472	2,916,395	4,567,848	565,258	3,538,266	398,456	512,883
Instructional Support	11,175,763	16,333,786	16,919,388	16,514,157	13,995,306	15,746,577	11,497,210	10,148,405	8,787,182	11,926,841
Noninstructional Support	870,476	1,246,508	3,951,776	1,037,419	419,381	579,894	1,420,093	3,727,693	2,301,576	1,591,483
Transportation	12,118,877	7,362,660	5,785,437	5,014,063	5,168,502	5,287,367	8,024,136	7,266,111	6,401,350	6,697,334
Food and Community Services	15,673,847	17,101,032	16,154,035	17,182,516	18,737,822	22,056,457	28,590,992	28,480,856	26,797,423	25,852,350
Total Operating Grants and Contributions	97,062,063	107,791,268	107,139,375	97,195,337	93,046,052	96,071,317	95,265,328	92,025,665	84,084,939	79,941,261
Capital Grants and Contributions										
Instruction	10,939,745	9,273,710	921,159	641,933	926,359	402,309	3,732,745	4,844,474	1,836,885	637,738
Total Primary Government Program Revenue	110,465,639	118,937,736	109,519,871	99,297,847	94,926,504	97,187,939	99,575,951	97,503,917	86,590,824	81,183,216
Total Primary Government Net Expense	$ (333,556,865)	$ (330,922,900)	$ (280,710,164)	$ (282,268,269)	$ (324,091,879)	$ (311,218,947)	$ (298,421,196)	$ (308,228,089)	$ (325,007,920)	$ (421,452,317)

Source: St. Louis Public School Financial Statements

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Total Primary Government Net Expense	$ (333,556,865)	$ (330,922,900)	$ (280,710,164)	$ (282,268,269)	$ (324,091,879)	$ (311,218,947)	$ (298,421,196)	$ (308,228,089)	$ (325,007,920)	$ (421,452,317)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes Levied For:										
General Purposes	154,627,840	154,526,449	158,349,365	160,442,394	173,134,850	164,645,342	166,184,530	166,764,750	197,535,701	206,058,944
Debt Service	26,915,994	26,375,224	26,418,051	24,681,140	25,891,679	24,857,383	24,885,346	24,953,995	24,969,815	26,456,466
Sales Taxes	47,686,826	44,330,464	45,676,880	44,853,111	44,471,936	50,635,946	52,211,429	53,169,188	52,027,178	53,164,510
Unrestricted Federal and State Aid	71,833,520	61,255,667	39,900,358	38,109,006	47,513,223	40,662,390	42,788,585	39,645,537	35,332,610	29,796,963
Investment Earnings	1,329,434	831,077	2,118,690	855,231	717,535	981,363	(722,376)	1,089,267	22,520	1,612,777
Other Revenues	4,656,391	6,146,928	5,869,172	4,541,367	5,853,836	5,674,276	7,087,868	3,896,134	5,195,158	5,258,512
Total Primary Government	307,050,005	293,465,809	278,332,516	273,482,249	297,583,059	287,456,700	292,435,382	289,518,871	315,082,982	322,348,172
Change in Net Position	(26,506,860)	(37,457,091)	(2,377,648)	(8,786,020)	(26,508,820)	(23,762,247)	(5,985,814)	(18,709,218)	(9,924,938)	(99,104,145)
Prior Period Adjustments	(22,022,596)	(1,677,588)	1,906,302	—	—	—	—	(2,247,216)	(4,939,523)	(109,896,679)
Change In Net Position - Primary Government	$ (48,529,456)	$ (39,134,679)	$ (471,346)	$ (8,786,020)	$ (26,508,820)	$ (23,762,247)	$ (5,985,814)	$ (20,956,434)	$ (14,864,461)	$ (209,000,824)

Source: St. Louis Public School Financial Statements

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	$ 637,350	$ 131,985	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Unreserved	(45,387,598)	(65,697,010)	—	—	—	—	—	—	—	—
Nonspendable	—	—	139,025	312,484	365,599	407,948	852,735	438,461	—	—
Restricted	—	—	—	8,589,574	10,961,282	—	1,623,447	3,679,872	4,299,859	—
Unassigned	—	—	(54,661,562)	3,278,736	17,905,297	25,063,678	18,418,132	19,170,299	49,235,017	69,663,482
Total General Fund	$ (44,750,248)	$ (65,565,025)	$ (54,522,537)	$ 12,180,794	$ 29,232,178	$ 25,471,626	$ 20,894,314	$ 23,288,632	$ 53,534,876	$ 69,663,482
All Other Governmental Funds										
Reserved	$ 69,730,172	$ 67,565,297	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Unreserved, reported in:										
Capital Projects Funds	91,345,911	94,025,010	—	—	—	—	—	—	—	—
Special Revenue Funds	4,066,649	1,113,996	—	—	—	—	—	—	—	—
Nonspendable	—	—	36,858,401	352,344	352,344	352,344	352,344	352,344	352,344	352,344
Restricted	—	—	190,490,702	202,463,450	125,755,029	86,226,151	59,225,438	47,391,540	37,555,233	63,652,270
Unassigned	—	—	—	—	—	—	—	—	—	18,092
Assigned	—	—	926,175	814,209	1,966,068	3,766,708	5,367,214	2,658,516	2,639,221	3,851,933
Total All Other Governmental Funds	$ 165,142,732	$ 162,704,303	$ 228,275,278	$ 203,630,003	$ 128,073,441	$ 90,345,203	$ 64,944,996	$ 50,402,400	$ 40,546,798	$ 67,874,639

Source: St. Louis Public School Financial Statements
Note: Effective July 1, 2010, the District adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Federal Sources:										
Federal Grants	$ 60,345,261	$ 98,466,970	$ 91,011,064	$ 72,495,756	$ 69,914,888	$ 66,754,939	$ 68,382,240	$ 64,955,725	$ 58,943,809	$ 54,418,338
State Sources:										
Basic Formula	72,559,111	44,468,613	33,331,874	38,493,945	47,993,155	41,073,121	43,220,793	40,045,997	35,689,505	30,097,942
Categorical Aid	25,400,729	21,066,501	18,820,621	20,019,444	18,735,282	21,634,247	20,816,533	19,172,451	18,259,168	19,760,854
Other	15,302,753	10,817,354	1,085,653	590,119	1,770,065	3,361,239	3,693,977	4,025,501	2,416,639	2,010,393
Total State Sources	113,262,593	76,352,468	53,238,148	59,103,508	68,498,502	66,068,607	67,731,303	63,243,949	56,365,312	51,869,189
Local Sources:										
Current Taxes	219,993,681	215,246,084	222,118,852	218,417,488	232,685,796	230,247,415	233,221,227	236,080,339	264,690,012	275,268,922
Delinquent Taxes	7,980,308	11,106,895	10,745,965	7,584,647	12,291,375	10,593,578	10,597,830	9,449,872	9,302,750	9,483,489
Investment Income (Loss)	1,291,877	623,239	2,110,230	855,231	717,324	981,363	(722,376)	1,089,266	22,521	1,612,778
Other	9,981,067	8,509,612	7,674,155	7,569,998	7,398,999	6,882,512	9,443,264	8,607,935	7,791,694	5,953,500
Total Local Sources	239,246,933	235,485,830	242,649,202	234,427,364	253,093,494	248,704,868	252,539,945	255,227,412	281,806,977	292,318,689
County Sources	3,366,619	3,301,623	3,501,022	3,761,731	3,816,264	3,818,547	3,934,366	4,187,338	4,020,601	3,947,664
Total Revenues	$ 416,221,406	$ 413,606,891	$ 390,399,436	$ 369,788,359	$ 395,323,148	$ 385,346,961	$ 392,587,854	$ 387,614,424	$ 401,136,699	$ 402,553,880

GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction	$ 209,185,315	$ 208,547,473	$ 198,025,082	$ 190,869,698	$ 196,091,503	$ 184,367,041	$ 184,337,765	$ 171,860,832	$ 167,562,215	$ 170,260,895
Building Service	42,175,149	45,469,575	43,924,937	52,054,542	54,738,848	35,711,266	35,120,425	37,290,219	37,955,593	39,127,233
School Administration	47,415,902	40,272,984	30,648,641	32,915,195	34,510,541	33,875,490	39,097,293	39,596,739	33,630,536	35,201,604
Instructional Support	42,512,402	36,452,206	35,843,736	34,202,964	35,476,531	38,097,954	33,756,468	32,299,389	32,729,579	33,144,821
Noninstructional Support	21,177,316	19,248,981	17,196,329	19,975,616	20,921,691	24,771,470	21,959,258	19,401,899	16,366,203	16,317,940
Transportation	29,115,240	29,119,856	22,730,117	22,132,643	22,644,514	22,856,679	24,981,196	24,409,099	25,214,974	27,006,271
Food and Community Services	19,974,360	20,162,449	19,295,949	19,732,371	21,580,355	22,824,630	36,167,484	37,302,947	34,475,107	34,803,178
Capital Outlay	42,521,234	6,576,531	5,487,694	5,567,318	41,449,414	37,596,787	19,891,584	10,850,229	5,042,998	1,230,248
Debt Service:										
Principal Retirement	14,342,645	14,541,805	13,752,000	14,245,000	15,925,000	16,735,000	17,685,000	18,640,000	19,640,000	20,670,000
Interest Charges	8,950,787	9,912,027	9,843,329	11,118,858	9,631,735	9,999,434	9,568,896	8,584,241	8,801,028	7,413,782
Bond Issuance Costs	390,986	—	588,461	646,566	661,336	—	—	261,861	—	552,209
Payments to Escrow Agent	4,927,979	4,878,622	—	—	—	—	—	—	—	—
Total Expenditures	$ 482,689,315	$ 435,182,509	$ 397,336,275	$ 403,460,771	$ 453,631,468	$ 426,835,751	$ 422,565,369	$ 400,497,455	$ 381,418,233	$ 385,728,181
Debt Service as a percentage of noncapital expenditures	5.3%	5.7%	6.0%	6.8%	6.6%	7.4%	7.3%	7.5%	8.2%	7.9%

Note: Capital outlay is stated on a fund basis
and is not included in the percentage above.

Source: St. Louis Public School Financial Statements

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCE LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Excess of revenues over/(under) expenditures	$ (66,467,909)	$ (21,575,618)	$ (6,936,839)	$ (33,672,412)	$ (58,308,320)	$ (41,488,790)	$ (29,977,515)	$ (12,883,031)	$ 19,718,466	$ 16,825,699
Other Financing Sources (Uses)										
Operating transfers in	77,214,803	79,109,989	85,958,357	155,948,464	112,739,619	125,283,079	116,802,067	95,560,645	103,919,952	116,368,443
Operating transfers out	(77,214,803)	(79,109,989)	(85,958,357)	(155,948,464)	(112,739,619)	(125,283,079)	(116,802,067)	(95,560,645)	(103,919,952)	(116,368,443)
Proceeds from G.O. bonds	39,295,000	—	81,644,000	79,455,000	—	—	—	—	—	—
Payment to refunding escrow agent	—	—	—	(6,263,382)	(77,296,756)	—	—	(26,603,386)	—	(41,605,260)
Premium on issuance of bonds	1,837,685	—	—	2,538,850	8,520,206	—	—	3,335,053	—	6,241,008
Proceeds from sale of capital assets	—	—	—	—	—	—	—	2,715,302	672,176	50,000
Proceeds from refunding bonds	—	—	—	—	68,579,695	—	—	23,535,000	—	61,945,000
Total other financing sources (uses)	41,132,685	—	81,644,000	75,730,468	(196,855)	—	—	2,981,969	672,176	26,630,748
Net change in fund balance	(25,335,224)	(21,575,618)	74,707,161	42,058,056	(58,505,175)	(41,488,790)	(29,977,515)	(9,901,062)	20,390,642	43,456,447
Prior period adjustment	750,000		1,906,302	—	—	—	—	(2,247,216)	—	—
Adjusted net change in fund balance	$ (24,585,224)	$ (21,575,618)	$ 76,613,463	$ 42,058,056	$ (58,505,175)	$ (41,488,790)	$ (29,977,515)	$ (12,148,278)	$ 20,390,642	$ 43,456,447

Source: St. Louis Public School Financial Statements

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

		Actual Value				
Fiscal Year	Total Assessed Value	Residential Real Property	Personal Property	Commercial Property	Total Taxable Value	Total Direct Rate (1)
2009	$ 4,250,211,130	$ 10,111,094,805	$ 3,788,812,669	$ 3,335,714,056	$ 17,235,621,531	3.8028
2010	4,321,388,787	9,900,355,458	3,083,016,775	4,417,739,575	17,401,111,808	3.8943
2011	4,397,270,564	10,030,769,852	3,346,044,258	4,303,723,606	17,680,537,717	3.9865
2012	4,144,977,723	9,529,649,205	2,914,314,456	4,262,117,688	16,706,081,349	4.1743
2013	4,160,066,572	9,594,228,426	2,990,317,024	4,191,836,256	16,776,381,706	4.4071
2014	3,937,987,680	8,548,034,232	2,978,080,916	4,131,750,722	15,657,865,869	4.3711
2015	4,210,986,731	9,154,646,016	3,143,999,961	4,452,037,503	16,750,683,480	4.3711
2016	4,273,669,654	9,410,085,374	3,180,797,787	4,457,961,781	17,048,844,942	4.3711
2017	4,224,304,398	9,591,977,400	2,884,552,730	4,503,976,978	16,980,507,108	5.1211
2018	4,488,479,488	10,718,384,132	2,917,235,943	4,626,709,169	18,262,329,243	5.0342

(1) Per $100 assessed valuation

Source: Assessor's Office - City of St. Louis

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	District Direct Rates				Overlapping Rates									
Fiscal Year	General Purposes	Capital Purposes	Debt Purposes	Total	State Blind Person	St. Louis Community College	MSD	Sheltered Workshop Dist.	St. Louis Public Library	Comm. Mental Health	Comm. Child Serv Fund	Senior Services Fund	Zoo and Museum District	City of St. Louis
2009	3.1817	0.000	0.6211	$3.8028	0.0300	0.2013	0.0000	0.1295	0.4938	0.0777	0.1775	0.0000	0.2344	1.3225
2010	3.2732	0.000	0.6211	$3.8943	0.0300	0.2136	0.0000	0.1346	0.5019	0.0800	0.1827	0.0000	0.2493	1.3601
2011	3.3654	0.000	0.6211	$3.9865	0.0300	0.2179	0.0790	0.1372	0.5208	0.0823	0.1880	0.0000	0.2546	1.4224
2012	3.5532	0.000	0.6211	$4.1743	0.0300	0.2200	0.0818	0.1445	0.5435	0.0867	0.1900	0.0000	0.2671	1.4691
2013	3.7860	0.000	0.6211	$4.4071	0.0300	0.2200	0.0821	0.1460	0.5814	0.0876	0.1900	0.0000	0.2684	1.4848
2014	3.7500	0.000	0.6211	$4.3711	0.0300	0.2200	0.0874	0.1500	0.5600	0.0900	0.1900	0.0000	0.2797	1.6092
2015	3.7500	0.000	0.6211	$4.3711	0.0300	0.2200	0.0879	0.1500	0.5600	0.0900	0.1900	0.0000	0.2797	1.6063
2016	3.7500	0.000	0.6211	$4.3711	0.0300	0.2176	0.0876	0.1500	0.5600	0.0900	0.1900	0.0000	0.2777	1.6158
2017	4.5000	0.000	0.6211	$5.1211	0.0300	0.2185	0.1196	0.1500	0.5600	0.0900	0.1900	0.0000	0.2795	1.6231
2018	4.4131	0.000	0.6211	$5.0342	0.0300	0.2112	0.1159	0.1472	0.5496	0.0883	0.1865	0.0500	0.2694	1.5933

Source: Assessor's Office - City of St. Louis

PRINCIPAL PROPERTY TAXPAYERS
CURRENT CALENDAR YEAR AND NINE YEARS AGO

	Calendar Year 2017			Calendar Year 2008		
Tax Payer by Industry Classification (1)	Taxable Assessed Value	Rank	Percentage Of Assessed Value	Taxable Assessed Value	Rank	Percentage Of Assessed Value
Utilities	$ 97,111,000	1	2.20%	$ 85,254,000	2	1.94%
Gaming	73,953,000	2	1.68%	83,949,000	3	1.91%
Financial Services	71,410,000	3	1.62%	40,896,000	5	0.93%
Telecommunications	59,893,000	4	1.36%	66,217,000	4	1.51%
Manufacturing	58,850,000	5	1.34%	94,890,000	1	2.16%
Utilities	57,558,000	6	1.31%	29,983,000	6	0.68%
Property Management	29,996,000	7	0.68%			
Manufacturing	28,562,000	8	0.65%	27,146,000	10	0.62%
Retail	26,614,000	9	0.60%			
Property Management	23,927,000	10	0.54%			
Transportation				29,856,000	7	0.68%
Healthcare				29,836,000	8	0.68%
Financial Services				27,485,000	9	0.63%
Total	$ 527,874,000		11.98%	$ 515,512,000		11.74%

Source : Assessor's Office and Collector of Revenue - City of St. Louis

Note:
(1) Taxpayer confidentiality prevents the disclosure of amounts by company name. The above information is individual taxpayers within the noted industry categories.

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of The Levy		Collection In Subsequent Years	Total Collections to Date	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
2009	$ 161,627,029	$ 148,434,501	91.84%	$ 13,194,674	$ 161,629,175	100.00%
2010	168,287,844	160,525,095	95.39%	7,764,798	168,289,893	100.00%
2011	175,297,191	162,648,139	92.78%	10,543,474	173,191,613	98.80%
2012	173,023,805	162,483,083	93.91%	10,540,722	173,023,805	100.00%
2013	183,338,294	174,974,825	95.44%	8,363,469	183,338,294	100.00%
2014	172,133,379	166,047,312	96.46%	6,086,067	172,133,379	100.00%
2015	184,066,441	168,779,538	91.69%	8,942,711	177,722,249	96.55%
2016	186,806,374	170,337,074	91.18%	7,945,090	178,282,165	95.44%
2017	216,330,853	199,230,819	92.10%	5,489,295	204,720,114	94.63%
2018	225,959,034	207,397,151	91.79%	—	207,397,151	91.79%

Source: Board of Education annual financial reports for the respective years

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities						
Fiscal Year	Net G.O. School Building And Refunding Bonds	Energy Loan Payable	Capital Lease Obligations	Total Primary Government	Percentage Of Personal Income (a)	Net G.O. Debt Per Capita (a)	Net Ratio Of G.O. Debt To Estimated Actual Property Value (b)
2009	$ 227,246,900	$ —	$ 588,442	$ 227,835,342	2.09	$ 715	0.0132
2010	210,041,918	—	281,637	210,323,555	1.84	661	0.0121
2011	274,162,385	—	—	274,162,385	2.51	860	0.0155
2012	333,567,457	—	—	333,567,457	2.93	1,046	0.0200
2013	316,519,616	—	—	316,519,616	2.67	995	0.0189
2014	309,082,988	—	—	309,082,988	2.54	971	0.0197
2015	293,162,485	—	—	293,162,485	2.35	924	0.0175
2016	277,525,956	—	—	277,525,956	2.11	879	0.0163
2017	259,982,936	—	—	259,982,936	2.03	835	0.0153
2018	240,111,502	—	—	240,111,502	1.79	778	0.0131

Notes:
(a) See Demographic and Economic Statistics Table for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
(b) See Assessed Value and Actual Value of Taxable Property Statistics Table for estimated actual property value

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Board of Education City of St. Louis (1); General Obligation Debt	$ 240,111,502	100%	$ 240,111,502
Metropolitan St. Louis Sewer District (2)	1,575,869,000	9.06% *	142,829,179
St. Louis Public Library (3)	50,000,000	100.00%	50,000,000
Junior College District of St. Louis (4)	52,110,000	18.94% *	9,870,000
Subtotal Overlapping Debt	1,918,090,502		442,810,681
City of St. Louis Direct Debt (5)	952,572,000	100%	952,572,000
Subtotal Direct Debt	952,572,000		952,572,000
Total Direct and Overlapping Debt	$ 2,870,662,502		$ 1,395,382,681

Sources: (1) Board of Education City of St. Louis
(2) Metropolitan St. Louis Sewer District
(3) St. Louis Public Library
(4) Junior College District of St. Louis
(5) Notes to Basic Financial Statements

Note:
* Based on assessed property value

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Value	$ 4,488,479,488
Debt Limit (15% of assessed valuation)	673,271,923
Debt applicable to limit	240,111,502
Legal debt margin	$ 433,160,421

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	$ 637,531,670	$ 648,208,318	$ 659,590,585	$ 621,746,658	$ 624,009,986	$ 590,698,152	$ 631,648,010	$ 641,050,448	$ 633,645,660	$ 673,271,923
Total net debt applicable to limit	227,246,900	210,041,918	274,162,385	333,567,457	316,519,616	309,082,988	293,162,485	277,525,956	259,982,936	240,111,502
Legal debt margin	$ 410,284,770	$ 438,166,400	$ 385,428,200	$ 288,179,201	$ 307,490,370	$ 281,615,164	$ 338,485,525	$ 363,524,492	$ 373,662,724	$ 433,160,421
Total net debt applicable to the limit as a percentage of debt limit	35.64%	32.40%	41.57%	53.65%	50.72%	52.34%	46.41%	43.29%	41.03%	35.66%

Source: County Clerk's Report
District Records

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population	(1) Personal Income (thousands of dollars)	(1) Per Capita Personal Income	(2) Unemployment Rate
2008	317,959	$ 10,925,710	$ 34,362	7.8%
2009	317,955	11,453,476	36,022	11.7%
2010	318,842	10,928,301	34,275	8.7%
2011	319,008	11,369,625	35,641	7.8%
2012	318,069	11,842,448	37,232	7.4%
2013	318,416	12,151,780	38,163	7.2%
2014	317,419	12,484,968	39,333	5.7%
2015	315,685	13,142,730	41,632	5.0%
2016	311,404	12,786,566	41,061	4.0%
2017	308,626	13,448,883	43,577	3.8%

Notes:
(1) Source: U.S. Bureau of Economic Analysis

(2) Data provided by the U.S. Bureau of Labor Statistics

PRINCIPAL EMPLOYERS
CURRENT CALENDAR YEAR AND NINE YEARS AGO

Employer	Calendar Year 2017 Employees	2017 Rank	2017 Percentage Of Total City Employment	Calendar Year 2008 Employees	2008 Rank	2008 Percentage Of Total City Employment
Washington University	17,031	1	3.68%	13,538	2	3.05%
BJC Health Systems	14,869	2	3.21%	15,864	1	3.58%
St. Louis University	9,954	3	2.15%	9,603	3	2.17%
City of St. Louis	8,227	4	1.78%	9,272	4	2.09%
Defense Finance & Acct Services	6,545	5	1.41%			
A G Edwards/Wells Fargo	5,447	6	1.18%			
St. Louis Board of Education	4,820	7	1.04%	5,477	5	1.24%
U.S. Postal Service	4,485	8	0.97%	4,560	9	1.03%
SSM Health SLUH	4,181	9	0.90%			
State of Missouri	3,940	10	0.85%	4,912	6	1.11%
AT&T Services				4,609	8	1.04%
Anheuser Busch				4,718	7	1.06%
National Finance Center				4,460	10	1.01%
Total	79,499		17.17%	77,013		17.38%

Source: Collector of Revenue - City of St. Louis
St. Louis City Comptrollers Office

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Supervisory										
Administrators and Managers	169	111	146	164	142	143	145	138	147	149
Principals	78	74	72	72	71	73	72	68	74	67
Asst. Principals-Nonteaching	54	48	23	23	32	34	35	35	31	30
Total Supervisory	301	233	241	259	245	250	252	241	252	246
Instruction										
Elem. Classroom Teachers	1,418	1,343	1,050	982	899	1,321	1,280	1,102	1,096	981
Sec. Classroom Teachers	609	593	653	717	733	514	477	418	425	415
Other Classroom Teachers	544	37	36	32	27	80	59	53	60	62
Total instruction	2,571	1,973	1,739	1,731	1,659	1,915	1,816	1,573	1,581	1,458
Student Services										
Guidance counselors	96	87	83	82	76	82	91	85	89	81
Psychological	35	68	22	21	19	22	17	16	15	18
Librarians, Audio-Visual	56	51	33	19	15	14	13	11	11	5
Consultants/Inst. Supervisors	87	—	—	—	—	—	—	—	—	—
Other Professionals	119	114	29	44	54	69	67	77	79	66
Teacher Aides	338	172	361	461	143	575	358	356	381	558
NLR Teachers	—	212	262	238	325	209	326	312	249	186
Technicians	—	—	—	—	—	—	—	—	—	—
Total Student Services	731	704	790	865	632	971	872	857	824	914
Support and Administration										
Clerical/Technical	213	194	150	158	161	151	145	139	147	136
Service Workers	326	147	135	338	352	366	366	348	321	345
Skilled Crafts	—	—	—	—	—	—	—	—	—	—
Unskilled Laborers	—	—	—	—	—	—	—	—	—	—
Total support and Administration	539	341	285	496	513	517	511	487	468	481
Total	4,142	3,251	3,055	3,351	3,049	3,653	3,451	3,158	3,125	3,099

Source: St. Louis Public Schools Department of Human Resources

LEVEL OF SERVICE
LAST TEN FISCAL YEARS

Function/activity	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction:										
Student enrollment K-12	26,108	25,046	23,576	22,516	25,200	24,869	24,154	22,506	21,754	20,879
Building services:										
Number of schools	88	76	76	76	76	78	76	72	72	77
Transportation:										
Number of students Transported	26,784	27,671	26,902	27,506	31,307	30,303	29,838	27,163	25,952	24,521

Source: District Records

SPECIAL ADMINISTRATIVE BOARD OF THE TRANSITIONAL SCHOOL DISTRICT OF THE CITY OF ST. LOUIS (ST. LOUIS PUBLIC SCHOOLS)

SCHOOL BUILDING INFORMATION

SCHOOL BUILDING INFORMATION

SCHOOL CODE	Elementary Schools	*Program Capacity*	Year	Square Feet	*FY 18 Enrollment*
4990	Academy of ES and Math (Carver)-499	277	1956	51,790	216
4000	Adams-400	321	1878	72,800	234
4250	Ames-VPA-425	425	1956	93,712	336
4060	Ashland-406	388	1909	74,146	242
4180	Bryan Hill-418	256	1912	63,991	164
4200	Buder-420	397	1920	64,973	303
4360	Clay CEC-436	222	1905	57,297	123
4400	Cole-440	361	1931	55,233	353
4420	Columbia CEC-442	251	1930	59,663	150
4470	Dewey International Studies-447	420	1918	59,392	376
4480	Dunbar-448	275	1912	72,784	123
4580	Farragut Accelerated-458	279	1906	65,479	124
4630	Ford CEC-463	352	1964	81,700	186
4660	Froebel-466	350	1895	82,828	199
4730	Gateway Math & Science Elem.-473	542	1995	96,206	513
5520	Gateway-Michael SpEd-552	86	1995	14,640	47
4780	Hamilton CEC-478	364	1918	65,110	293
4880	Henry-488	335	1906	71,645	241
4900	Herzog CEC-490	407	1937	48,231	270
4890	Hickey-489	237	1966	62,222	180
4920	Hodgen-492	398	1884	51,000	187
4960	Humboldt School of Higher Learning-496	314	N/A	74,628	214
5020	Jefferson-502	251	1960	89,976	176
5030	Kennard CJA-503	325	1930	53,151	324
5060	Laclede-506	307	1915	69,020	172
5100	Lexington-510	397	1996	58,554	318
5180	Lyon ABI-518	441	1910	88,397	342
5240	Mallinckrodt ABI-524	297	1940	43,044	258
5260	Mann-526	354	1902	61,983	260
5340	Mason-534	494	1921	67,000	343
5500	Meramec-550	215	1909	45,278	197
5560	Monroe-556	359	1899	48,498	214
5590	Mullanphy-559	448	1915	103,904	401
5610	Nance-561	373	2002	61,000	312
4970	Nahed Chapman New American Academy	560		69,657	348
5600	Oak Hill-560	338	1908	54,531	226
5620	Peabody -562	340	1957	86,866	129
5780	Shaw VPA-CEC-578	439	1908	69,961	400
5800	Shenandoah-580	211	1926	40,344	140
5860	Sigel CEC-586	310	1906	67,605	199
5930	Stix ECC 1-593	475	1921	79,000	284
5960	Walbridge ECC-ACC-596	367	1924	79,077	199
6010	Washington Montessori-601	360	1956	73,849	256
6030	Wilkinson ECC 1-603	302	1920	52,683	174
5970	Woerner-597	410	1932	62,623	386
6120	Woodward-612	406	1922	61,510	281

SCHOOL BUILDING INFORMATION *(Continued)*

		Program Capacity	Year	Square Feet	Enrollment
	Middle Schools				
3250	**Academy Envt' Sci/Math Middle-325**	N/A	N/A	N/A	286
3050	**Busch-305**	379	1953	52,112	341
3070	**Carr Lane VPA-307**	695	1959	114,191	543
3390	**Compton Drew ILC-339**	662	1996	92,000	487
3140	**Fanning-314**	401	1907	81,367	217
3260	**Long-326**	364	1923	71,467	176
1570	**McKinley-157**	546	1903	115,108	335
2080	**Yeatman-Liddell-352**	513	1967	77,030	301
	Junior Prep Academies				
3230	**Gateway Math & Science Peparatory-323**	649	1995	133,154	535
	Small High Schools				
1500	**Carnahan High School of the Future-193**	398	2003	73,500	361
1540	**Trans & Law Academy @ Northwest-194**	709	1964	170,460	243
	High Schools				
1680	**Roosevelt-168**	1,272	1925	294,464	423
1800	**Sumner-180**	829	1910	170,468	272
1830	**Vashon-183**	930	2002	240,000	422
1440	**Cleveland NJROTC-144**	524	1955	104,048	299
1510	**Collegiate School of Medicine/Bioscience-151**	130	N/A	16,743	245
1222	**Nottingham CAJT-114**	140	1953	41,823	133
1860	**Central VPA-186 @Southwest Complex**	731	1937	143,653	400
1100	**Clyde Miller Career Academy-117**	1,003	2004	141,000	602
1220	**Gateway Stem High-111**	1,850	1956	470,891	1,075
1560	**Metro A&C-156**	381	1997	56,726	352
1730	**Soldan International Studies-173**	1,056	1909	293,097	551
1570	**McKinley Leadership Academy-157**	245	1903	51,715	273
	Other Schools				
1250	**Beaumont CTE High School-125**	1,243	1926	274,599	583
1015	**Griscom-668**	N/A	N/A	N/A	11
	Total St. Louis Public Schools				20,879

N/A = NOT AVAILABLE

Source: DESE Website