
**Board of Education Of The City Of St. Louis, Missouri
(St. Louis Public Schools)**

Comprehensive Annual Financial Report

For The Year Ended June 30, 2020



St. Louis, Missouri

Report Submitted by

***Angie Banks
Chief Financial Officer and Treasurer***

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Part I - Introductory Section



Dr. Kelvin R. Adams
Superintendent of Schools
Saint Louis Public Schools

December 18, 2020

Members, Board Of Education 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, 2020. 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 Grants 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 2019 ASBO Certificate of Excellence and the 2019 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.

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 2019-2020

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 FY2019-2020:

- SLPS had three schools in the top 10 ranked by U.S. News and World Report for the state of the Missouri for 2020, including the top overall school: Metro Academic & Classical High School (#1), McKinley Classical Leadership Academy (#6) and Collegiate School of Medicine and Bioscience (#8).
- The Frontline Insights platform used to manage professional development was extended to every employee in the District system. Now all staff and related service staff are able to track, record and evaluate professional learning and growth. These records are able to be archived and shared with the Department of Elementary and Secondary Education for those areas that require the documentation for certification verification and upgrades. The system is also used to manage Individual Professional Development Plans, Mentor Logs and Observations Forms of classroom instruction.
- The District established the Consortium Partnership Network (CPN) with two pilot elementary schools: Meramec and Ashland. The model ensures local control and teacher voice while leveraging district expertise and implementing charter school-like autonomies.
- The District distributed more than 11,000 iPads and 2,500 hot spots to students during the last quarter of the school year due to the COVID-19 pandemic.
- All District cell phones were migrated to the FirstNet system, a public safety communications platform with extended coverage designed for and with first responders.
- SLPS Virtual School students received more than 1,000 Samsung J3 Believe smartphones through Sprint's 1Million Project, Sprint's initiative to provide 1 million electronic devices (hotspot, smartphone or tablet) to districts nationwide. FY 2019-2020 was the third year of the partnership.
- Eleven SLPS schools were named to the 2019 list of America's Healthiest Schools by the Alliance for a Healthier Generation. Gateway Michael Elementary received national recognition—Gold Award Level—for its commitment to students' health and well-being—the first school in Missouri ever to reach this status.
- Local consulting, planning, training and coaching firm Emerging Wisdom led all District stakeholders—students, parents/guardians, staff, community partners—through a series of meetings to discuss the prospects of consolidating the number of schools in the District to align with enrollment. The process was put on hold as a result of the COVID-19 pandemic and is expected to resume during the 2020-2021 school year.

- The District actively participated in a series of federal programs, starting in March 2020, to allow for the distribution of free meals to the community, recognizing many in the community are out of work or struggling economically due to COVID-19.
- 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.
- Corporate and community partners, such as Wells Fargo Advisors, The Little Bit Foundation, Boeing, Spire and the National Geospatial-Intelligence Agency (NGA), continued—and in many cases expanded—their valuable work in SLPS schools.
- Renovations were completed at the Gateway STEM High School athletic field, including upgrades to the locker rooms, concession stand, public restrooms and bleachers, along with track resurfacing. Additional projects completed districtwide include painting, asphalt/flatwork repair, tuck-pointing, HVAC, landscaping and lighting upgrades.
- The District invested more than \$3 million in personal protective equipment (PPE), sanitization equipment and supplies, and student technology in response to COVID-19.

Current Initiatives and Accomplishments

SLPS Transformation Plan: Work continues on the District's strategic plan. 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 support the Transformation Plan. The Transformation Plan is the top priority for all District staff.

Blending Learning Model: SLPS adopted the Blended Learning method of instruction, which integrates technology and digital media with traditional instructor-led classroom activities. This model gives the District flexibility and continuity for students. Whether students can physically be in classrooms or need to be all virtual, instruction is uninterrupted.

New Family/Staff Communications: The District launched a newsletter for families, the *District Digest*, the spring/summer before the 2020-2021 school year began. The publication provides ongoing updates to families, which is especially important as plans frequently change during the COVID-19 pandemic. Additionally, the *Countdown to Quarter 2* series launched in the two weeks prior to Quarter 2, when in-person learning resumed for some students.

ABAR Model: The District adopted the Anti-Bias Anti-Racism (ABAR) Plan, a holistic approach to unmasking and dismantling inequalities and injustice present in society. All staff will have ongoing ABAR training to identify, recognize and dismantle biases and privileges in order to establish an inclusive space for all: students, parents/guardians and staff.

One-to-One Technology: Following the abrupt shutdown in March 2020 due to the COVID-19 pandemic, the District made a commitment to one-to-one technology. As a result, when the 2020-2021 school year started on Aug. 31, 2020, every student in PK-8 was issued an iPad for schoolwork. Every student in grades 9-12 was issued a Dell laptop. Hotspots were made available for any family that needed one to access the internet.

COVID-19 Contact Tracing: A five-member team, based in Human Resources, was established to centralize contact tracing for the District.

New CTE Advisory Committee: A career and technical education (CTE) advisory committee that includes representatives from local unions and local utilities and corporations, including Boeing, Ameren, Clayco and BJC, has been established to support the growth of CTE programming in order to align with and meet the needs of the St. Louis area workforce.

Expanded Opportunities in CTE: Clayco (Beaumont) and Tarlton (Roosevelt) are sponsoring construction trade programs in the 2020-2021 school year, and Pipefitters & Plumbers Local Union #562 has partnered with the District to meaningfully engage with students in construction trade programs. Additionally, CTE has partnered with Rogers Townsend to establish opportunities for students in business marketing programs.

Year End Audit and Financial Results

The final independent audit for the 2020 fiscal year was completed by RubinBrown LLP in December 2020 and is the basis of the audited financials included in the Financial Section of this CAFR.

The District began the year with an \$86.9 million General Operating fund surplus and ended the year with a \$104.7 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 308,626. 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

Effective July 1, 2019, the seven member elected Board of Education resumed governance of the St. Louis Public Schools.

The District has 3,007 full-time employees including 1,533 certified teachers and principals, representing 50% of full-time staff. Another 416 substitute and part-time staff support the District for a total staff count of over 3,400.

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 ten school years has been:

School Year	Average Daily Attendance
2020	18,521
2019	19,054
2018	20,354
2017	21,422
2016	21,076
2015	22,709
2014	23,317
2013	23,372
2012	20,491
2011	20,880

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 2017. 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 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 2020 fiscal year end is approximately 36%. 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. Significant reinvestment in the City over the last 15 years has established a base for the City's future health and growth.

According to Moody's Investors Service, "The credit profile of the City of St. Louis (Baa1 stable) is supported by the city's status as the regional economic center of the St. Louis metro area. Recently improved financial performance will provide stability as the city's management adapts to operational pressures presented by the coronavirus pandemic. The city's revenue structure is particularly vulnerable to economic disruption given a reliance on economically sensitive activity tax revenue. The profile faces further headwind as a result of the pandemic due to below average resident income indices and elevated poverty, a highly leveraged tax base with elevated debt and pension burdens, and fixed costs that consume roughly 20% of operating revenues.

The coronavirus is driving an unprecedented economic slowdown. We currently forecast US GDP to decline significantly during 2020 with a gradual recovery commencing toward the end of the year. Local governments with the highest exposure to tourism, hospitality, healthcare, retail, and oil and gas could suffer particularly severe impacts. The effect on local governments will vary based on the extent and duration of local disruption and could be more or less severe than the nation overall. The evolution of the crisis remains highly uncertain and the full extent of the economic costs will be unclear for some time. The city's large tax base is expected to remain relatively stable and diverse given continued economic development. Over the past five years, the city's tax base expanded 2.6% on average, including a 5% increase in 2020 to \$19.5 billion, driven by residential appreciation and continued development activity. The National Geospatial Intelligence Agency (NGA; \$1.75 billion) project is ongoing and the city remains in the running to land the U.S. Space Command's new headquarters, though a decision isn't likely before early 2021. The city also has a number of private redevelopment projects underway or in planning stages that will also drive taxable values. Demographic trends in the city are weak as population declines and below average resident incomes continue to drag on the city's credit profile. The city's estimated population of 303,000 residents is a 5% reduction from 2010 and a 33% loss since 1980. Resident income indices are also below average with a median family income equal to 72% of the US. Similar to the rest of the nation, the city's unemployment rate skyrocketed in response to the coronavirus pandemic and resulting economic shutdown. As of June 2020, the St. Louis' unemployment rate of 12% exceeded both state (7.9%) and national (11.2%) levels for the same period. The city's unemployment rate demonstrates its material exposure to the tourism and hospitality industries which remain pressured as a result of the pandemic."

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 all 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 5% of general operating revenues and has been declining for years due to decreasing enrollment. The K-12 student enrollment for FY2021 is projected to be 18,693. The enrollment in the District over the past ten school years has been:

School Year	K-12 Enrollment
2020	19,222
2019	19,778
2018	20,879
2017	21,754
2016	22,506
2015	24,154
2014	24,869
2013	25,200
2012	22,516
2011	23,576

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.

Desegregation

St. Louis Public Schools has a long Desegregation history encompassing litigation, State payments, voluntary student transfers, mandated programs, negotiated settlements and more. Since 2011 two multi-year settlement agreements with the Desegregation plaintiffs have funded various academic and support programs supporting the District’s strategic initiatives. The most recent FY2015 agreement concluded in FY2018. No additional Desegregation funds have been used. The Settlement Fund current balance at June 30, 2020 is \$7,926,189 (see additional details in Note 11).

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. Capital improvement needs have been estimated at approximately \$400 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 45 elementary schools, 9 middle schools, 14 high schools and 9 special or alternative programs in the District, with an average daily enrollment of over 20,000 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 to repurpose 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 U. S. Census Bureau, in 2018 the per median household income for the City was \$41,107, and approximately 24% of the population was living in poverty.

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 Board.

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, 2020 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, 2019. This was the 36th consecutive year for the ASBO and 32nd 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 2019-2020 fiscal year.

Respectfully Submitted,



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



Angela Banks
Chief Financial Officer/Treasurer

PRINCIPAL OFFICIALS

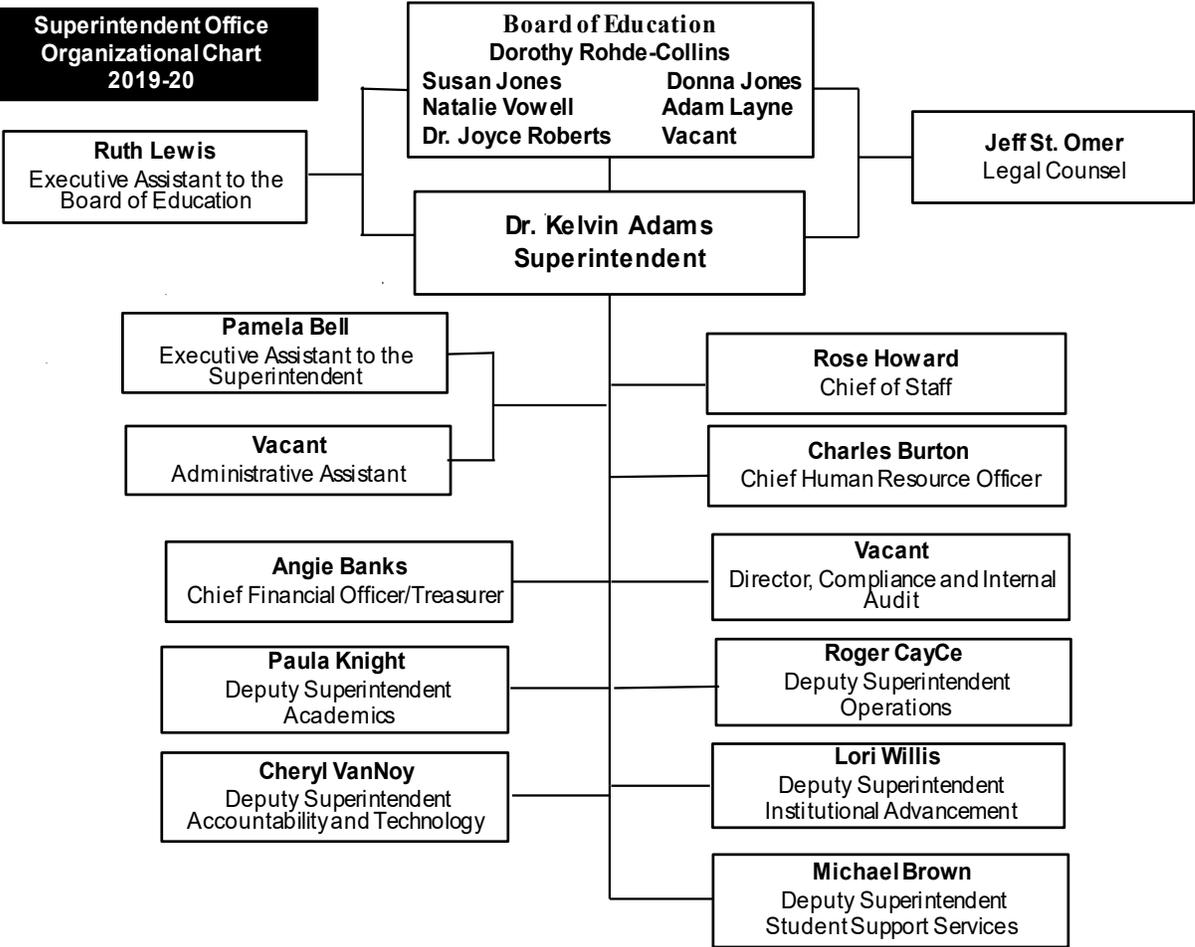
Senior Administration

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

Elected Board

Ms. Dorothy Rohde-Collins, President
Ms. Susan Jones, Vice President
Ms. Natalie Vowell, Secretary
Ms. Regina Fowler
Dr. Joyce Roberts
Mr. Adam Layne
Ms. Donna Jones

**Superintendent Office
Organizational Chart
2019-20**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Special Administrative 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, 2019

Christopher P. Morill

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, 2019.

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



A handwritten signature in black ink that reads 'Claire Hertz'.

Claire Hertz, SFO

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis

Part II - Financial Section

Independent Auditors' Report

To the Honorable Mayor, and Members of the Board of Education
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 Board of Education of the City of St. Louis (the District) as of and for the year ended June 30, 2020, 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, the discretely presented component unit, as described in Note 1. Those financial 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 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 Board of Education of the City of St. Louis as of June 30, 2020, 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.

Emphasis of Matter

Correction Of An Error In previously Issued Financial Statements

As discussed in Note 13, the beginning fund balance of the governmental grants fund and the governmental activities net position of the District have been restated to correct a misstatement. Our opinion is not modified with respect to this matter. As part of our audit of the financial statements, we also audited the adjustments described in Note 13 that were applied to restate the beginning balances. In our opinion, such adjustments were appropriate and have been properly applied.

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 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 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 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 18, 2020 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 18, 2020

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For The Fiscal Year Ended June 30, 2020**

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, 2020. 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. As of fiscal year 2019, the unassigned fund balance increased by \$17.2 million to \$86.9 million, due to revenues exceeding budget and expenses coming in under budget. As of fiscal year 2020, the unassigned fund balance increased by \$17.9 million to \$104.7 million, due to 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. There were no refunding in fiscal year 2019. In fiscal year 2020, the District realized a crossover payment of \$25 million in outstanding debt that took effect. The interest savings to be realized is approximately \$1.3 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 2019-20 fiscal year. The assets and deferred outflows of resources for the District exceeded liabilities and deferred inflows by negative \$256.2 million on the government-wide financial statements. Of this amount, there is a negative \$379.5 million in unrestricted net position, compared to negative \$413.8 million in unrestricted net position in FY 2019. The District's total net position, when compared to fiscal year 2019, increased by \$12 million. The main reason for this increase was a significant decrease in most governmental activities expenses, mainly instruction.
- On the fund financial statements, the net change in fund balances was negative \$10.2 million as compared to \$17 million from fiscal year 2019. This can be attributed to the crossover of outstanding debt realized in fiscal year 2020. The total fund balance reported for the District's total governmental funds was \$144.3 million.
- The largest portion of the District's net position reflects a net investment of \$85.3 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. The second largest portion of the District's net position is restricted for debt service at \$22 million.
- 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 \$4.46 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:

	<u>2018</u>	<u>2019</u>	<u>Change</u>
General fund	\$ 4.5160	\$ 4.3738	(\$.1422)
Debt service fund	<u>.6211</u>	<u>.6211</u>	<u>—</u>
	<u>\$ 5.1371</u>	<u>\$ 4.9949</u>	<u>(\$.1422)</u>

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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, grants funds, debt service fund, and the capital 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 seventeenth 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.

Net Position (In Millions)	Governmental Activities		
	June 30,		
	2019	2020	Change
Assets and Deferred Outflows of Resources			
Current and other assets	\$ 211.5	\$ 213.3	\$ 1.8
Capital assets, net	316.0	299.6	(16.4)
Total Assets	527.5	512.9	(14.6)
Deferred outflows on bond refunding	3.9	2.8	(1.1)
Deferred outflows related to assumption changes-OPEB	1.7	1.1	(0.6)
Deferred outflows related to pension contribution	18.2	17.5	(0.7)
Difference between expected and actual experience - pension	1.2	0.0	(1.2)
Deferred amount related to assumption changes	154.1	62.5	(91.6)
Deferred amount for difference between projected and actual investment earnings for pension	54.9	0.0	(54.9)
Total Deferred Outflows of Resources	234.0	83.9	(150.1)
Total Assets and Deferred Outflows of Resources	761.5	596.8	(164.7)
Liabilities and Deferred Inflows of Resources			
Current liabilities	31.6	37.2	5.6
Long-term liabilities	977.1	562.0	(415.1)
Total Liabilities	1,008.7	599.2	(409.5)
Deferred amount related to assumption changes-OPEB	0.0	4.3	4.3
Difference between actual and expected experience-OPEB	0.0	9.6	9.6
Difference between actual and expected experience-pension	15.3	9.1	(6.2)
Change in proportional share-pension	8.8	14.8	6.0
Deferred amount related to assumption changes-pension	0.0	209.2	209.2
Deferred amount for difference between projected and actual investment earnings for pension	0.0	6.7	6.7
Total Deferred Inflows of Resources	24.1	253.7	215.7
Total Liabilities and Deferred Inflows of Resources	1,032.8	852.9	(179.9)
Net Position			
Net investment in capital assets	78.2	85.4	7.2
Restricted for capital projects	4.6	4.6	0.0
Restricted for debt service	48.2	22.0	(26.2)
Restricted for desegregation settlement program	7.9	7.9	0.0
Restricted for endowments, nonexpendable	0.4	0.4	0.0
Restricted for workers compensation escrow	3.2	3.1	(0.1)
Unrestricted	(413.8)	(379.5)	34.3
Add: Prior-year restatement	3.2	0.0	(3.2)
Total Net Position	\$ (268.1)	\$ (256.1)	\$ 12.0

To the Honorable Mayor, and Members of the Board of Education
of the City of St. Louis

Total net position for the District increased \$12 million from the prior year due primarily to a decrease in unrestricted net assets (deficit). Current and other assets increased by \$1.8 million due to an increase in net receivables. Capital assets decreased by \$16.4 million due to additional depreciation. Current liabilities increased by \$5.6 million primarily due to an increase in unearned grant revenue. Total long-term liabilities decreased \$415.1 million, primarily due to the decrease in 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*.

Changes in Net Position from Operating Results (In Millions)

	For The Years Ended June 30,		
	2019	2020	Change
Revenues			
Program Revenues:			
Charges for services	\$ 0.5	\$ 0.3	\$ (0.2)
Operating grants and contributions	75.1	73.9	(1.2)
Capital grants and contributions	0.5	1.0	0.5
Total Program Revenues	76.1	75.2	(0.9)
General Revenues:			
Taxes	290.0	297.9	7.9
Federal and state aid not restricted to specific purposes	19.3	8.4	(10.9)
Earnings on investments	3.2	0.7	(2.5)
Miscellaneous	4.9	5.3	0.4
Total General Revenues	317.4	312.3	(5.1)
Total Revenues	393.5	387.5	(6.0)
Expenses			
Instruction	279.2	186.7	(92.5)
Building services	38.3	40.1	1.8
School administration	33.0	35.7	2.7
Instructional support	42.1	40.2	(1.9)
Non-instructional support	15.7	13.4	(2.3)
Transportation	28.0	20.4	(7.6)
Food and community services	34.4	32.6	(1.8)
Interest expense	7.9	6.4	(1.5)
Total Expenses	478.6	375.5	(103.1)
Change In Net Position	(85.1)	12.0	97.1
Net Position - Beginning Of Year	(186.2)	(268.1)	(81.9)
Restatement	3.2	-	(3.2)
Net Position - End Of Year	\$ (268.1)	\$ (256.1)	\$ 12.0

To the Honorable Mayor, and Members of the Board of Education
of the City of St. Louis

Total revenues decreased by \$6 million, the larger components of which local tax revenue increased by \$7.9 million while operating grants and state and federal revenue decreased \$10.9 million. Expenses decreased by \$103.1 million mainly due to decreases in instruction.

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, 2020. It also depicts the amount and percentage increases and decreases in relation to prior year revenues and other financial sources from fiscal year 2019.

Revenue Source (In Millions)			Percentage	
	2019	2020	Increase	Increase
	Amount	Amount	(Decrease)	(Decrease)
	2019	2020	Over 2019	Over 2019
	Amount	Amount	Over 2019	Over 2019
Local	\$ 297.8	\$ 303.7	\$ 5.9	2.0
County	3.8	4.4	0.6	15.8
State	40.4	26.7	(13.7)	(33.9)
Federal	52.1	52.2	0.1	0.2
Total	\$ 394.1	\$ 387.0	\$ (7.1)	(1.8)

Local revenues increased by \$5.9 million due to higher property tax collections. State revenues decreased by \$13.7 million due to lower basic formula revenue because of lower enrollment.

The following schedule represents a summary of the expenditures for the governmental funds by function for the period ended June 30, 2020. It also depicts the amount and percentage increases and decreases in relation to prior year amount.

Expenditures (In Millions)							
	2019		2020		Percentage		
	Amount	Percent Of Total	Amount	Percent Of Total	Increase (Decrease) From 2019	Increase (Decrease) From 2019	
	Amount	Total	Amount	Total	From 2019	From 2019	
Instruction	\$ 154.1	40.4	\$ 153.3	41.2	\$ (0.8)	(0.5)	
Building service	37.3	9.8	36.2	9.7	(1.1)	(2.9)	
Administration	32.6	8.6	35.1	9.4	2.5	7.7	
Instructional support	44.8	11.8	42.3	11.4	(2.5)	(5.6)	
Non-instructional support	15.7	4.1	13.4	3.6	(2.3)	(14.6)	
Transportation	28.0	7.3	20.4	5.5	(7.6)	(27.1)	
Food and community	34.4	9.0	32.6	8.8	(1.8)	(5.2)	
Capital outlay	3.2	0.8	7.9	2.1	4.7	146.9	
Debt service	31.1	8.2	31.1	8.4	0.0	0.0	
Total	\$ 381.2	100.0	\$ 372.3	100.0	\$ (8.9)	(2.3)	

The District experienced an overall expenditure decrease of \$8.9 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 \$104.7 million. Expenses decreased by \$15.7 million and decreases were realized in most functions, due to decrease in activity with the shutdown during the COVID-19 pandemic. Instruction decreased by \$2.5 million. Building services decreased by \$785 thousand. Administration decreased by \$1.1 million. Instructional support decreased by \$1.9 million. Non-instructional support decreased by \$2.2 million. Transportation decreased by \$6.9 million. Food and community services programs decreased by \$320.5 thousand.

Debt Service Fund

The Debt Service Fund expenditures exceeded revenues by over \$1.4 million in 2020 and by over \$2.6 million in 2019. This is primarily due to federal sequestration that reduced the interest subsidy on the Proposition S bonds payments and the \$1.2 million in interest on the crossover bonds that were held in escrow until the crossover date.

Capital Settlement Fund

The Capital Settlement Fund is a restricted capital project funds set up in connection with the Capital 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 Capital Settlement fund. The Capital Settlement Fund ended fiscal year 2020 with a \$7.9 million fund balance.

Teachers' Fund

The Teachers' Fund is supplemented by the General Fund and therefore maintains a zero fund balance. Revenue decreased by \$12.5 million. The school district trust fund revenue decreased by \$1.4 million due to lower tax collections. Basic formula revenue decreased by \$11 million as we had a decline in student enrollment. Expenses increased by \$1 million. Instruction increased by \$2 million due to reclassification of certified teachers' salaries and benefits and purchased instructional services. School Administration increased by \$1.9 million. Instructional Support decreased by \$3.7 million due to certified teachers' salaries and benefits reclassified. Food and community service increased by \$945 thousand due to certified teachers' salaries and benefits reclassified.

Building Fund

The Building Fund is supplemented by the General Fund and therefore maintains a zero fund balance. Expenses due to capital outlay increased by \$4.2 million.

Grants Fund

The Grants Fund is used to account for financial resources and expenditures for federal and state funded services. Revenues were \$58.7 million. Expenses were \$58.9 million.

CAPITAL ASSETS

At June 30, 2020, the District had \$299.6 million invested in a broad range of capital assets, including land, building and improvements, and equipment.

	June 30, 2019 Balance	Additions And Transfers In	Deletions And Transfers Out	June 30, 2020 Balance
Land	\$ 24,314	\$ -	\$ -	\$ 24,314
Construction in progress	953	3,695	(4,341)	307
Impaired assets	11,451		(548)	10,903
Building and non-movable equipment	761,577	4,430		766,007
Movable equipment	15,987	2,324		18,311
Total Capital Assets	814,282	10,449	(4,889)	819,842
Less: Accumulated depreciation	498,233	22,002		520,235
Totals	\$ 316,049	\$ (11,553)	\$ (4,889)	\$ 299,607

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

LONG-TERM LIABILITIES

As of June 30, 2020, the District had \$562 million in debt compared to \$977.2 million last year.

	For The Years Ended June 30,		
	2019	2020	Change
Changes In Long-Term Debt (In Thousands)			
Compensated absences	\$ 1,971.5	\$ 2,308.9	\$ 337.4
Claims payable	9,659.8	9,771.9	112.1
Remediation liability	760.7	1,196.0	435.3
General obligation school building and refunding bonds	258,829.0	210,359.0	(48,470.0)
Net Pension Liability	621,206.7	273,478.1	(347,728.6)
Net OPEB Liability	76,207.0	58,187.4	(18,019.6)
Less: Capital appreciation to maturity on bonds	(1,148.4)	(775.4)	373.0
Plus: Unamortized premium on bonds	9,673.2	7,453.1	(2,220.1)
Totals	\$ 977,159.5	\$ 561,979.0	\$ (415,180.5)

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		Increase (Decrease) Over Original		
	Original	Final		
Revenue	\$ 259.0	\$ 259.0	\$	-
Expenses	\$ 143.6	\$ 139.5	\$	(4.1)

The general fund original and final revenue budgets stayed the same. The expense budget was decreased by \$4.1 million due to the transfer to other funds for the transportation and food and community services functions.

General fund actual revenues were \$8.6 million higher than the final budget. General fund actual expenditures were lower by \$14.8 million as compared to the final budget.

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF NET POSITION
June 30, 2020**

	Governmental Activities
Assets	
Cash and short-term investments	\$ 155,800,160
Investments	10,025,925
Receivables (net):	
Grants	25,898,307
Taxes	19,545,249
Other	1,979,176
Prepaid assets	33,767
Capital assets:	
Land	24,313,740
Construction in progress	307,454
Impaired assets	10,902,575
Depreciable buildings, movable and nonmovable equipment, net	264,083,418
Total Assets	512,889,771
Deferred Outflows Of Resources	
Deferred amount on bond refunding	2,797,320
Deferred amount related to assumption changes-OPEB	1,048,225
Deferred amount related to pension contributions	17,532,165
Deferred amount related to assumption changes-pension	62,501,320
Total Deferred Outflows Of Resources	83,879,030
Liabilities	
Accounts payable	17,318,154
Accrued interest	1,283,355
Unearned revenue	16,679,695
Deposits and escrow funds	1,975,876
Long-term liabilities:	
Due within one year	31,820,548
Due in more than one year:	
Bonded debt	193,247,425
Net pension liability	273,478,114
Net OPEB liability	58,187,381
Other	5,245,547
Total Liabilities	599,236,095
Deferred Inflows Of Resources	
Deferred amount related to assumption changes-OPEB	4,330,008
Difference between actual and expected experience-OPEB	9,576,707
Difference between actual and expected experience-pension	9,118,113
Change in proportional share-pension	14,812,235
Deferred amount related to assumption changes-pension	209,170,151
Deferred amount for difference between projected and actual investment earnings for pension	6,679,946
Total Deferred Inflows Of Resources	253,687,160
Net Position	
Net investment in capital assets	85,367,820
Restricted:	
Expendable:	
Capital projects	4,582,899
Debt service	21,990,228
Desegregation settlement programs	7,926,189
Nonexpendable:	
Endowments	352,344
Inventories	—
Workers compensation escrow	3,122,430
Unrestricted	(379,496,364)
Total Net Position	\$ (256,154,454)

ST. LOUIS PUBLIC SCHOOL FOUNDATION
A Discretely Presented Component Unit Of St. Louis Public Schools

STATEMENT OF FINANCIAL POSITION
June 30, 2020

Assets

	<u>Total</u>
Current Assets	
Cash and cash equivalents	\$ 838,129
Investments	3,368,120
Unconditional promises to give	555,000
Prepaid expenses	958
Total Current Assets	<u>4,762,207</u>
Unconditional Promises To Give	1,552,010
Property And Equipment	<u>4,327</u>
Total Assets	<u><u>\$ 6,318,544</u></u>

Liabilities And Net Assets

Current Liabilities	
Accounts payable	\$ 378,253
Accrued expenses	27,211
Total Current Liabilities	<u>405,464</u>
Net Assets	
Without donor restrictions	
Available for general activities	1,298,331
Board designated	57,335
Total Net Assets Without Donor Restrictions	<u>1,355,666</u>
With donor restrictions	4,557,414
Total Net Assets	<u>5,913,080</u>
Total Liabilities And Net Assets	<u><u>\$ 6,318,544</u></u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2020**

Functions	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Governmental Activities					
Instruction	\$ 186,738,836	\$ 86	\$ 25,109,691	\$ 990,770	\$ (160,638,289)
Building services	40,115,964	—	1,250,183	—	(38,865,781)
School administration	35,712,154	—	2,367,320	—	(33,344,834)
Instructional support	40,247,544	—	16,788,799	—	(23,458,745)
Noninstructional support	13,418,172	—	286,395	—	(13,131,777)
Transportation	20,370,586	—	5,893,207	—	(14,477,379)
Food and community services	32,582,244	322,228	22,229,606	—	(10,030,410)
Interest expense	6,399,474	—	—	—	(6,399,474)
Total Governmental Activities	\$ 375,584,974	\$ 322,314	\$ 73,925,201	\$ 990,770	(300,346,689)
General Revenues					
Property taxes levied for:					
General purposes					
220,133,594					
Debt service					
28,578,147					
Sales taxes					
49,217,572					
Federal and state aid not restricted					
to specific purposes					
8,395,480					
Earnings on investments					
642,473					
Other revenues					
5,329,930					
Total General Revenues					
312,297,196					
Change In Net Position					
11,950,507					
Net Position - Beginning Of Year, As Previously Stated					
(271,346,546)					
Restatement					
3,241,585					
Net Position - Beginning Of Year, As Restated					
(268,104,961)					
Net Position - End Of Year					
\$ (256,154,454)					

ST. LOUIS PUBLIC SCHOOL FOUNDATION
A Discretely Presented Component Unit Of St. Louis Public Schools

STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Totals
Operating Activities			
Revenue, gains and other support			
Contributions	\$ 697,782	\$ 1,357,084	\$ 2,054,866
Grants	261,437	2,042,010	2,303,447
Special events	145,538	—	145,538
In-kind contributions	14,004	—	14,004
Investment income	92,457	—	92,457
Other	1,330	—	1,330
Net assets released from restrictions:			
Satisfaction of time and usage restrictions	2,050,571	(2,050,571)	—
Total Revenue, Gains And Other Support	3,263,119	1,348,523	4,611,642
Expenses			
Program services	2,392,212	—	2,392,212
Supporting activities			
Management and general	115,659	—	115,659
Fundraising	131,168	—	131,168
Total Supporting Activities	246,827	—	246,827
Total Expenses	2,639,039	—	2,639,039
Change In Net Assets	624,080	1,348,523	1,972,603
Net Assets - Beginning Of Year	731,586	3,208,891	3,940,477
Net Assets - End Of Year	\$ 1,355,666	\$ 4,557,414	\$ 5,913,080

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

BALANCE SHEET - GOVERNMENTAL FUNDS

**Page 1 Of 2
June 30, 2020**

	General	Teachers	Grants	Debt Service	Capital Projects		Non-major Permanent Fund	Total Governmental Funds
					Building	Capital Settlement		
Assets								
Cash and investments:								
Cash and short-term investments	\$ 96,705,628	\$ —	\$ 12,442,722	\$ 14,460,817	\$ 1,058,528	\$ 7,926,189	\$ 1,627,513	\$ 134,221,397
Other investments	—	—	—	—	—	—	3,260,890	3,260,890
Investments held for bonded indebtedness by trustee	—	—	—	6,765,035	—	—	—	6,765,035
Total Cash And Investments	96,705,628	—	12,442,722	21,225,852	1,058,528	7,926,189	4,888,403	144,247,322
Receivables:								
Grants	2,130,626	—	23,767,681	—	—	—	—	25,898,307
Taxes	22,454,935	—	—	2,557,337	—	—	—	25,012,272
Other	880,411	—	243,821	64,413	—	—	46,840	1,235,485
Total Receivables	25,465,972	—	24,011,502	2,621,750	—	—	46,840	52,146,064
Due from other funds	11,146,269	6,296,226	—	—	—	—	—	17,442,495
Prepaid items	33,767	—	—	—	—	—	—	33,767
Total Assets	\$ 133,351,636	\$ 6,296,226	\$ 36,454,224	\$ 23,847,602	\$ 1,058,528	\$ 7,926,189	\$ 4,935,243	\$ 213,869,648

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

BALANCE SHEET - GOVERNMENTAL FUNDS

Page 2 Of 2
June 30, 2020

	General	Teachers	Grants	Debt Service	Capital Projects		Non-major Permanent Fund	Total Governmental Funds
					Building	Capital Settlement		
Liabilities, Deferred Inflows Of Resources And Fund Balances								
Liabilities								
Accounts payable	\$ 5,469,082	\$ 6,296,226	\$ 3,721,049	\$ —	\$ 1,058,528	\$ —	\$ —	\$ 16,544,885
Due to other funds	6,296,226	—	11,146,269	—	—	—	—	17,442,495
Deposits and escrow funds	1,975,876	—	—	—	—	—	—	1,975,876
Unearned revenue	—	—	16,679,695	—	—	—	—	16,679,695
Total Liabilities	13,741,184	6,296,226	31,547,013	—	1,058,528	—	—	52,642,951
Deferred Inflows Of Resources								
Property taxes	14,910,091	—	—	1,975,943	—	—	—	16,886,034
Fund Balances								
Nonspendable								
Prepaid	33,767	—	—	—	—	—	—	33,767
Permanent fund principal	—	—	—	—	—	—	352,344	352,344
Total Nonspendable	33,767	—	—	—	—	—	352,344	386,111
Restricted for:								
Bonded indebtedness	—	—	—	21,871,659	—	—	—	21,871,659
Capital projects	—	—	—	—	—	7,926,189	4,582,899	12,509,088
Total Restricted	—	—	—	21,871,659	—	7,926,189	4,582,899	34,380,747
Assigned to:								
Grants	—	—	4,907,211	—	—	—	—	4,907,211
Unassigned	104,666,594	—	—	—	—	—	—	104,666,594
Total Fund Balances	104,700,361	—	4,907,211	21,871,659	—	7,926,189	4,935,243	144,340,663
Total Liabilities, Deferred Inflows Of Resources And Fund Balances								
	\$ 133,351,636	\$ 6,296,226	\$ 36,454,224	\$ 23,847,602	\$ 1,058,528	\$ 7,926,189	\$ 4,935,243	\$ 213,869,648

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2020**

Total Fund Balance - Governmental Funds	\$ 144,340,663
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 \$819,843,011 and the accumulated depreciation is \$520,235,824.	299,607,187
Certain changes in the net pension liability are amortized over time and are not reported in the funds	(159,746,960)
Certain changes in the net OPEB liability are amortized over time and are not reported in the funds	(12,858,490)
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 \$5,467,023.	11,419,011
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.	11,777,276
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 is 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, 2020 are:	
Accrued interest on outstanding debts	(1,283,355)
Bonds and notes payable	(209,583,631)
Unamortized deferred outflow on bond refunding	2,797,320
Unamortized bond premium	(7,453,056)
Accrued compensated absences	(2,308,926)
Other post-employment benefits liability	(58,187,381)
Remediation liability	(1,195,998)
Net pension liability	(273,478,114)
Total Net Position - Governmental Activities	\$ (256,154,454)

**BOARD OF EDUCATION 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, 2020**

					Capital Projects		Non-major Permanent Fund	Total Governmental Funds
	General	Teachers	Grants	Debt Service	Building	Capital Settlement		
Revenues								
Local:								
Current taxes	\$ 237,147,227	\$ 23,385,260	\$ —	\$ 27,404,189	\$ —	\$ —	\$ —	\$ 287,936,676
Delinquent taxes	8,369,657	—	—	1,173,958	—	—	—	9,543,615
Investment income (loss)	1,694,590	—	8,211	501,717	—	—	(1,620,865)	583,653
Other	1,980,106	2,670	3,400,299	—	5,150	—	223,863	5,612,088
County	3,731,453	106,794	—	529,884	—	—	—	4,368,131
State:								
Basic formula	—	8,480,283	—	—	—	—	—	8,480,283
Categorical aid	10,306,353	3,939	6,429,389	—	22,407	—	—	16,762,088
Other	1,071,832	—	441,766	—	—	—	—	1,513,598
Federal	3,262,690	526,112	48,432,194	—	—	—	—	52,220,996
Total Revenues	267,563,908	32,505,058	58,711,859	29,609,748	27,557	—	(1,397,002)	387,021,128
Expenditures								
Current:								
Instruction	16,151,810	120,336,877	16,837,336	—	—	—	16,147	153,342,170
Building service	36,190,951	42,757	—	—	—	—	—	36,233,708
School administration	17,684,098	15,315,052	2,138,774	—	—	—	—	35,137,924
Instructional support	19,797,988	8,042,886	14,449,346	—	—	—	—	42,290,220
Noninstructional support	12,371,919	925,975	119,757	—	—	—	—	13,417,651
Transportation	18,663,154	—	1,706,444	—	—	—	—	20,369,598
Food and community services	3,848,023	6,064,208	22,667,325	—	—	—	—	32,579,556
Capital outlay	—	—	1,002,965	—	6,896,761	—	—	7,899,726
Debt service:								
Principal retirement	—	—	—	23,470,000	—	—	—	23,470,000
Interest charges	—	—	—	7,587,214	—	—	—	7,587,214
Total Expenditures	124,707,943	150,727,755	58,921,947	31,057,214	6,896,761	—	16,147	372,327,767
Excess (Deficiency) Of Revenues Over Expenditures	142,855,965	(118,222,697)	(210,088)	(1,447,466)	(6,869,204)	—	(1,413,149)	14,693,361
Other Financing Sources (Uses)								
Transfers in	—	118,222,697	218,659	—	6,755,692	—	—	125,197,048
Transfers out	(125,080,752)	—	(116,296)	—	—	—	—	(125,197,048)
Proceeds from sale of capital assets	—	—	—	—	113,512	—	—	113,512
Payment to refunding escrow agent	—	—	—	(25,000,000)	—	—	—	(25,000,000)
Total Other Financing Sources (Uses)	(125,080,752)	118,222,697	102,363	(25,000,000)	6,869,204	—	—	(24,886,488)
Net Change In Fund Balances	17,775,213	—	(107,725)	(26,447,466)	—	—	(1,413,149)	(10,193,127)
Fund Balances - Beginning Of Year, As Previously Stated	85,111,421	—	5,014,936	48,319,125	—	7,926,189	4,920,534	151,292,205
Restatement	1,813,727	—	—	—	—	—	1,427,858	3,241,585
Fund Balances - Beginning Of Year - As Restated	86,925,148	—	5,014,936	48,319,125	—	7,926,189	6,348,392	154,533,790
Fund Balances - End Of Year	\$ 104,700,361	\$ —	\$ 4,907,211	\$ 21,871,659	\$ —	\$ 7,926,189	\$ 4,935,243	\$ 144,340,663

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**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, 2020**

Net Change In Fund Balances - Total Governmental Funds \$ (10,193,127)

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	\$ 6,114,043	
Depreciation expense	(22,001,800)	
		(15,887,757)

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. (553,744)

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		(337,428)
Remediation liability		(435,266)

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.

Repayment of bond principal	23,470,000	
Payment to escrow agent for refunded bonds	25,000,000	
Accrued interest - general obligation bonds	434,250	
Amortization of premium, deferred outflow on bond refunding and capital appreciation bonds	753,490	
OPEB expense	3,507,605	
Pension expense	(16,361,206)	
		36,804,139

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. 449,021

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. 2,104,669

Change In Net Position Of Governmental Activities \$ 11,950,507

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2020**

	<u>Governmental Activity</u>
	<u>Internal Service</u>
Assets	
Current Assets:	
Cash	\$ 21,578,763
Receivables-other	743,691
	<hr/>
Total Assets	22,322,454
	<hr/>
Liabilities	
Current Liabilities:	
Accounts payable	773,269
Claims payable	4,089,491
Total Current Liabilities	<hr/> 4,862,760
Noncurrent Liabilities:	
Claims payable	<hr/> 5,682,418
	<hr/>
Total Liabilities	10,545,178
	<hr/>
Net Position	
Restricted for workers compensation escrow	3,122,431
Unrestricted	8,654,845
	<hr/>
Total Net Position	\$ 11,777,276
	<hr/>
Total Liabilities And Equity	\$ 22,322,454
	<hr/>

**BOARD OF EDUCATION 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, 2020**

	<u>Governmental Activity</u>
	<u>Internal Service</u>
Operating Revenues	
Interfund services provided	<u>\$ 47,967,477</u>
Operating Expenses	
Claims	3,645,551
Insurance premiums	<u>42,276,077</u>
Total Operating Expenses	<u>45,921,628</u>
Operating Income	2,045,849
Nonoperating Revenue	
Interest	<u>58,820</u>
Change In Net Position	2,104,669
Net Position - Beginning Of Year	<u>9,672,607</u>
Net Position - End Of Year	<u><u>\$ 11,777,276</u></u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUND
For The Year Ended June 30, 2020**

	<u>Governmental Activity</u>
	<u>Internal Service</u>
Cash Flows From Operating Activities	
Cash receipts from interfund services provided	\$ 48,841,417
Cash payments to suppliers for goods and services	(45,731,058)
Net Cash Provided By Operating Activities	<u>3,110,359</u>
Cash Flows Provided By Investing Activities	
Cash from interest received	<u>58,820</u>
Net Increase In Cash	3,169,179
Cash - Beginning Of Year	<u>18,409,584</u>
Cash - End Of Year	<u><u>\$ 21,578,763</u></u>
Reconciliation Of Operating Income To Net Cash From Operating Activities	
Operating income	\$ 2,045,849
Changes in assets and liabilities:	
Accounts receivable	873,940
Accounts payable	78,454
Claims payable	112,116
Net Cash Provided By Operating Activities	<u><u>\$ 3,110,359</u></u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2020**

Assets

Cash and short-term investments	\$ 20,115,828
Prepaid expenses	<u>111</u>
Total Assets	<u><u>\$ 20,115,939</u></u>

Liabilities

Unexpended balance of grants	\$ 626,044
Deposits and escrow funds	<u>19,489,895</u>
Total Liabilities	<u><u>\$ 20,115,939</u></u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2020

1. Summary Of Significant Accounting Policies

The Board of Education 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 11 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.

On April 16, 2019, the Missouri State Board of Education unanimously voted to return governance of the Saint Louis Public School District (SLPS) to the voter-elected St. Louis City Board of Education, effective July 1, 2019.

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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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, 2020, the Foundation distributed \$785,815 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 "Non-major 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 current financial resources 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.
- Grants - This is a special revenue fund used to account for financial resources and expenditures for various grant related programs. It includes revenues funded by the Federal government, the State of Missouri and local contributors to be used for the payment of eligible expenditures.
- 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.
- Capital Settlement - 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 and separately related to the court approved Settlement Plan Agreement with the State of Missouri for construction and site acquisition costs to accommodate any reasonable anticipated net enrollment increase caused by the elimination of the Desegregation Plan. The State has paid specified sums to the District starting on July 1, 1999 and ending July 1, 2009. (See Note 11 for additional information).

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

The other governmental funds of the District are considered nonmajor. They are permanent funds, which account for specific financial resources and expenditures.

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.

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Notes To Basic Financial Statements (*Continued*)

Like the government-wide financial statements, the proprietary fund is accounted for using the flow of economic resources measurement focus and the proprietary and fiduciary funds use the accrual basis of accounting. For the proprietary fund, 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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, and compensated absences, 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 Settlement, 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, teachers, Capital Settlement, grants 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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 expensed.

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:

<u>Description</u>	<u>Years</u>
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. 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. Vacation may be carried over from year to year up to a maximum accumulation of 36 accrued vacation days. On June 30, 2020, a one-year temporary suspension of the maximum days allowed was approved and is effective through June 30, 2021.

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Notes To Basic Financial Statements (*Continued*)

The District's sick leave policy 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.

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 of resources 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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 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 Board of Education. Amendments or modifications of the committed fund balance must also be approved by formal action of the Board of Education.
- *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 Board of Education.
- *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 is 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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, 2020 is as follows:

Primary Government:	
Cash	\$ 27,350,336
Insured cash sweep account	19,238,446
Money market mutual funds	7,525,557
MOSIP liquid series investments pool	77,915,039
Commercial paper	9,993,293
Equity securities (endowment)	3,260,890
US Treasury Bills	40,658,352
	<u>\$ 185,941,913</u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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

Government-wide:		
Cash and short-term investments	\$	155,800,160
Investments		10,025,925
Fiduciary fund:		
Cash and short-term investment		<u>20,115,828</u>
	\$	<u>185,941,913</u>

Investment Policy

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.

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.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of ensuring the safety of principal invested, the District's policy is to diversify investments so as to minimize the potential loss on individual securities. The maturities are structured to meet cash flow needs of the District, thereby avoiding the need to sell securities in the open market prior to maturity. Callable securities are restricted to securities callable at par only.

All investments are set to mature within one year as of June 30, 2020.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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, 2020.

	<u>S&P</u>	<u>Moody's</u>	<u>Fair Value</u>
Missouri Direct Deposit Program - Money Market Funds	AAAm	Aaa-mf	\$ 7,525,557
Commercial paper	A-1+	P-1	9,993,293
Missouri Securities Investment Program - Liquid Series Investment Pool	AAAm	Unavailable	77,915,039
Insured cash sweep account	Unrated	Unrated	19,238,446

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:

	<u>Percent Of Total Investments</u>
Insured cash sweep account	12.13%
Commercial paper	6.30%

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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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, 2020:

- Money market mutual funds of \$7,525,557 are valued using market transactions involving identical or similar groups of assets. (Level 2 Inputs)
- Equity securities of \$3,260,890 are valued using quoted market prices. (Level 1 inputs)
- US Treasury Bills of \$40,658,352 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, 2020, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2019 or earlier. Delinquent property tax receivables less an allowance for uncollectable taxes totaling \$5,467,023 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 \$4,459,885,350.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

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:

	<u>2019</u>	<u>2018</u>
General fund	\$ 4.3738	\$ 4.5160
Debt service	0.6211	0.6211
	<u>\$ 4.9949</u>	<u>\$ 5.1371</u>

The receipts of local current property taxes during the fiscal year ended June 30, 2020 aggregated 100% 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, 2020 is as follows:

	<u>Balance - June 30, 2019</u>	<u>Additions And Transfers In</u>	<u>Deletions And Transfers Out</u>	<u>Balance - June 30, 2020</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 24,313,740	\$ —	\$ —	\$ 24,313,740
Construction in progress	952,641	3,695,707	(4,340,894)	307,454
Impaired assets	11,451,497	—	(548,922)	10,902,575
Total capital assets not being depreciated	36,717,878	3,695,707	(4,889,816)	35,523,769
Capital assets being depreciated:				
Buildings and improvements	761,577,093	4,430,431	—	766,007,524
Movable equipment	15,987,741	2,323,977	—	18,311,718
Total capital assets being depreciated	777,564,834	6,754,408	—	784,319,242
Less accumulated depreciation for:				
Buildings and improvements	484,338,310	21,323,945	—	505,662,255
Movable equipment	13,895,714	677,855	—	14,573,569
Total accumulated depreciation	498,234,024	22,001,800	—	520,235,824
Total capital assets being depreciated, net	279,330,810	(15,247,392)	—	264,083,418
Governmental activities capital assets, net	\$ 316,048,688	\$ (11,551,685)	\$ (4,889,816)	\$ 299,607,187

As of June 30, 2020, the District has twenty-two total impaired school buildings, six of which are currently closed and sixteen that are closed and currently being held for sale under a listing agreement. One building that was previously impaired was sold within the current year. There were three school buildings deemed to be impaired and written down to fair value during 2020. One of the closed school buildings is currently used by a non-profit organization for programming under an agreement with the District. 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	\$ 20,543,065
Building services	1,214,563
School administration	236,802
Food and community services	2,688
Transportation	988
Noninstructional support	521
Instructional support	<u>3,173</u>
Total governmental activities depreciation expense	<u><u>\$ 22,001,800</u></u>

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, 2020, the following changes occurred in long-term obligations:

	Balance - June 30, 2019			Balance - June 30, 2020		Due Within One Year
	Additions	Reductions				
Governmental Activities						
Compensated absences	\$ 1,971,498	\$ 1,483,998	\$ 1,146,570	\$ 2,308,926		\$ 1,195,059
Claims payable	9,659,793	4,217,793	4,105,677	9,771,909		4,089,491
Remediation liability	760,732	575,806	140,540	1,195,998		1,195,998
Net Pension Liability	621,206,680	—	347,728,566	273,478,114		—
Net OPEB Liability	76,207,000	—	18,019,619	58,187,381		—
General obligation school building and refunding bonds, Series 2007A, 2010A, 2010B, 2011A, 2012, 2013A, 2013B, 2016 and 2017	<u>258,829,000</u>	<u>—</u>	<u>48,470,000</u>	<u>210,359,000</u>		<u>25,340,000</u>
	<u>\$ 968,634,703</u>	<u>\$ 6,277,597</u>	<u>\$ 419,610,972</u>			<u>\$ 31,820,548</u>
Less: Capital appreciation to maturity on bonds				775,369		
Add: Unamortized premium on bonds				<u>7,453,056</u>		
				<u>217,036,687</u>		
Total Long-Term Obligations				<u><u>\$ 561,979,015</u></u>		

The general, teachers', and grant 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.

The internal service fund is used to liquidate claims payable.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

General Obligation School Building And Refunding Bonds

Obligation Bonds	Balance - June 30, 2019	Additions	Reductions	Balance - June 30, 2020	Due Within One Year
2007A Series	\$ 25,590,000	\$ —	\$ 12,090,000	\$ 13,500,000	\$ 13,500,000
2010A Series	56,644,000	—	—	56,644,000	—
2010B Series	25,000,000	—	25,000,000	—	—
2011A Series	35,000,000	—	—	35,000,000	—
2012 Series	31,535,000	—	1,600,000	29,935,000	2,055,000
2013A Series	6,535,000	—	1,440,000	5,095,000	1,470,000
2013B Series	1,055,000	—	1,055,000	—	—
2016 Series	15,550,000	—	7,260,000	8,290,000	8,290,000
2017 Series	61,920,000	—	25,000	61,895,000	25,000
Total General Obligation School Building And Refunding Bonds	\$ 258,829,000	\$ —	\$ 48,470,000	\$ 210,359,000	\$ 25,340,000

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 and were used to liquidate on the crossover refunding date of April 1, 2020, at which time the 2010B General Obligation Bonds were 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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, 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 were refunded at the crossover date of April 1, 2020 with proceeds from the Series 2017 Bonds.

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.

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, 2020, the amount of prior years' defeased debt outstanding, but removed from the financial statements amounted to \$100,460,000.

There were no unspent bond proceeds at June 30, 2020.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 received 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. The 2010A and 2010B have been defeased. 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.

In 2019, the Internal Revenue Service announced a decrease in the sequestration rate for refundable credit amounts from 6.6% to 6.2% for payments processed after October 1, 2018 and on or before September 30, 2019.

In 2020, the Internal Revenue Service announced a decrease in the sequestration rate for refundable credit amounts from 6.2% to 5.9% for payments processed after October 1, 2019 and on or before September 30, 2020.

Annual principal and interest requirements to maturity (including capital appreciation to maturity of \$775,369 on the general obligation school building and refunding bonds as of June 30, 2020 are as follows:

General Obligation School Building And Refunding Bonds			
Year Ending June 30,	Principal	Interest	Total
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	20,525,000	7,142,600	27,667,600
2025	20,885,000	6,263,100	27,148,100
2026-2030	102,819,000	13,869,950	116,688,950
	\$ 210,359,000	\$ 53,986,450	\$ 264,345,450

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Remediation Liability

The District has a pollution remediation obligation as a result of the District commencing renovation projects at various the District 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, 2020, the District had entered into pollution remediation contracts or committed to obligations totaling \$1,195,998 which was accrued as a liability as of June 30, 2020. The District expects that the majority of those projects will be completed in fiscal year 2021.

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.psrstl.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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 employee contribution 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, 2019 through December 31, 2019, was 19.10%, and from January 1, 2020 through June 30, 2020 was 16.00%. The District's contributions for the fiscal year ended June 30, 2020 were \$29,884,664 including sick leave conversion of \$117,129. 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, 2020, the District reported a liability of \$273,487,114 as its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019.

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, 2019. At December 31, 2019, the District's portion was 72.30 percent, a decrease from its proportional share of 74.05 percent used to allocate the liability as of December 31, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$16,361,205. At June 30, 2020, 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	\$ —	\$ 9,118,113
Net difference between projected and actual earnings on pension plan investments	—	6,679,946
Changes in assumptions	62,501,320	209,170,151
Amount related to change in proportional share	—	14,812,235
District contributions subsequent to the measurement date of December 31, 2019	17,532,165	—
Total	\$ 80,033,485	\$ 239,780,445

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Deferred outflows of resources of \$17,532,165 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, 2020. 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

<u>Year</u>	<u>Amount</u>
2021	\$ (24,322,931)
2022	(86,365,086)
2023	(56,747,011)
2024	(9,844,097)
	<u>\$ (177,279,125)</u>

Actuarial assumptions. The total pension liability as of the measurement date of December 31, 2019, 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, 2019 valuation were based on the results of actual experience of the System.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

The following is the System's target allocation policy:

<u>Asset Class</u>	<u>Policy Allocation</u>
U.S. Equity	22.0%
Non-U.S. Equity	22.0%
Global Equity	5.0%
Fixed Income	24.0%
Real Estate	7.0%
Private Markets	10.0%
Hedge Funds	5.0%
Global Asset Allocation	5.0%
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, 2019 are as follows:

<u>Asset Class</u>	<u>Long-Term Expected Rate Of Return</u>
U.S. Equity	5.6%
Non-U.S. Equity	7.5%
Global Equity	6.2%
Fixed Income	1.5%
Real Estate	5.0%
Private Markets	9.0%
Hedge Funds	3.6%
Global Asset Allocation	3.5%

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that System contributions will continue to follow the current funding policy. Based on those assumptions, the System's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 7.50 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 362,406,664	\$ 273,478,114	\$ 197,649,322

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, 2020.

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 Statutes Chapter 169.476 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. At the beginning of each enrollment period, the District defines the total costs of benefits for every coverage level and benefit plan. The District's maximum contributions consist of \$80 per month for medical, \$5.95 per month for Dental and \$3.15 per month for Vision. A stand-alone financial report is not available regarding the OPEB benefits provided.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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, 2020, the following employees were covered by the benefit terms:

Active employees eligible for coverage	3,130
Inactive employees or beneficiaries currently receiving benefits	<u>3,159</u>
	<u><u>6,289</u></u>

Net OPEB Liability. The District's net OPEB liability of \$58,187,381 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2020.

For the year ended June 30, 2020, the District recognized OPEB expense of \$684,864. At June 30, 2020, the District reported deferred outflows and inflows of resources related OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ —	\$ 9,576,707
Changes in assumptions	1,048,225	4,330,008
Total	\$ 1,048,225	\$ 13,906,715

Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in the District's fiscal year following the System's fiscal year as follows:

Amortization Schedule

Year	Amount
2021	\$ (4,124,876)
2022	(4,301,375)
2023	(4,432,239)
	<u><u>\$ (12,858,490)</u></u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Actuarial Assumptions and Methods. The net OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, with certain adjustments made to reflect the discount rate rolled forward to the end of the fiscal year:

Discount Rate	2.66%
Annual Wage Increases	2.75%
Healthcare cost trend rates	7.5% for 2020, decreasing to an ultimate rate of 4.5% for 2034 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 Healthy Mortality Tables, which have been rolled back to 2006 using Scale MP-2014 and projected from 2006 using Scale MP-2015.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results on 2015 experience study.

Changes in the Net OPEB Liability:

Balance at June 30, 2019	\$ 76,207,000
Service cost	2,667,232
Interest cost	2,142,508
Differences between expected and actual experience	(12,834,090)
Changes in assumptions	(5,802,800)
Net benefits paid by employer	(4,192,469)
Net Change	<u>(18,019,619)</u>
Balance at June 30, 2020	<u>\$ 58,187,381</u>

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

- The discount rate as of the end of the fiscal year changed from 2.79% to 2.66% based on the change in 20-year municipal bond yields.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Sensitivity Results. The following presents the net OPEB liability of the District as of June 30, 2020, 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 (1.66%) or 1-percentage-point higher (3.66%) than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
District's proportionate share of the net OPEB liability	\$ 64,755,265	\$ 58,187,381	\$ 52,590,023

The following presents the net OPEB liability of the District as of June 30, 2020, 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 7.5% decreasing by 0.25% annually to an ultimate rate of 4.5%
- The 1% decrease in health care trend rate would be 6.5% decreasing by 0.5% annually to an ultimate rate of 3.5%
- The 1% increase in health care trend rate would be 8.5% decreasing by 0.5% annually to an ultimate rate of 5.5%

	1% Decrease (6.5%)	Current Trend Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net OPEB liability	\$ 51,906,828	\$ 58,187,381	\$ 65,724,633

Payables To The OPEB Plan

As of June 30, 2020, 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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, 2020, the District's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for workers' compensation and unemployment benefits were \$9,304,842 and \$467,067, respectively.

Changes in the self-insured claims liabilities at June 30, 2020 and 2019 were as follows:

	Workers' Compensation	Unemployment	Total Self-Insured Liabilities
Balance - June 30, 2018	\$ 10,013,142	\$ 244,005	\$ 10,257,147
Current year claims and changes in estimate	2,913,034	180,643	3,093,677
Claim payments	(3,503,646)	(187,385)	(3,691,031)
Balance - June 30, 2019	9,422,530	237,263	9,659,793
Current year claims and changes in estimate	3,769,023	448,770	4,217,793
Claim payments	(3,886,711)	(218,966)	(4,105,677)
Balance - June 30, 2020	\$ 9,304,842	\$ 467,067	\$ 9,771,909

9. Interfund Balances And Transfers

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

Due From/Due To	Interfund Receivables	Interfund Payables
Governmental		
General	\$ 11,146,269	\$ 6,296,226
Teachers	6,296,226	—
Grants	—	11,146,269
	\$ 17,442,495	\$ 17,442,495

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 are summarized as follows:

Transfers In/Transfers Out	Transfers In	Transfers Out
General fund	\$ —	\$ 125,080,752
Teachers	118,222,697	—
Grants	218,659	116,296
Building Fund	6,755,692	—
	<u>\$ 125,197,048</u>	<u>\$ 125,197,048</u>

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

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

The transfers between the General fund to the Grants funds were made to cover disallowed grant expenditure to the General fund and to adjust certain Grant fund balances to zero.

10. Pending Litigation

The District is the defendant in various 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

11. Commitments And Contingencies

Desegregation Agreements

The District has been involved in desegregation litigation since 1972, when the parents of five black students filed a federal lawsuit, *Liddell v. Board of Education of St. Louis*, alleging schools in their neighborhoods were inferior to ones in white neighborhoods. In 1977, the plaintiffs lost the lawsuit, but a federal court appeals panel overturned the lower court's decision. The result was a sizeable court-ordered desegregation plan for area schools.

The desegregation plan was originally implemented during the 1980-1981 school years, and a Metropolitan Voluntary Desegregation Settlement Plan involving the Board of Education and 23 county school districts was developed and approved by the Court for implementation in 1983-1984.

A significant result of the desegregation plan was busing, including the busing of some black city students to some county schools and the busing of some non-black county students to city magnet schools, commonly called the St. Louis Student Transfer Program.

In September 1987, the Court approved a \$110,306,671 capital renovations project involving 100 school facilities as part of the desegregation litigation; the State of Missouri to pay half and the District 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. The plan also created the 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 to pay 72% of the cost and the Board to pay the balance.

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:

- 1) The restructuring of the existing elected Board of Education from 12 members elected city-wide to seven members elected city-wide;
- 2) 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;
- 3) The creation of a special "overlay" board to put the tax and other measures on the ballots;
- 4) The appointment of a three-member governing board if the District fails to receive accreditation from the state in March of 1999; and
- 5) 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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
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Notes To Basic Financial Statements (*Continued*)

On Feb. 2, 1999, city voters approved a 2/3rd cent sales tax.

On March 12, 1999, the Court approved a settlement agreement relating to the desegregation plan. This ended the courts supervision and monitoring of St. Louis Public Schools. Under the agreement, the District received 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. These included remedial education programs, all-day kindergarten, summer school, college prep and preschool programs, and the magnet school program, with some modifications for at least 10 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 \$180 million for construction of new schools to accommodate any increase in enrollment due to any decrease in the number of transfer students. A Capital Settlement Fund and other funds were set up to account for these settlement funds. In the event of any phase-out of the transfer program, all city students then enrolled in county schools had the right to complete high school in the county.

In 2003, the District entered into a settlement agreement with Caldwell/NAACP, Liddell Plaintiffs, the U.S. Department of Justice, and the State of Missouri regarding the District's planned borrowing from the Capital Settlement Fund.

The agreement, as amended in January of 2005, allowed the District to borrow up to \$49.5 million during FY 2004 and to repay these funds over a six-year period, starting in FY 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 Capital Settlement Fund in future fiscal years, as long as the borrowed funds were repaid by the end of the fiscal year in which they were borrowed.

During FY 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 elected board, except for auditing and reporting matters, and placed with the SAB. The SAB took full control of the operation of the District on June 15, 2007.

Also in June 2007, a five-year extension was unanimously approved by the Voluntary Interdistrict Choice Corporation (VICC) Board to continue the St. Louis Student Transfer Program. VICC had been 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 cuts have reduced the state funding available to SLPS below the levels agreed to in the 1999 settlement case.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

The fund financial statements at June 30, 2011, showed a \$54.7 million deficit in the General Operating Funds 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 Capital Settlement Fund that restored the deficit fund balance, including the forgiveness of the previous borrowings, the transfer of \$18.2 million to eliminate the remainder of the accumulated deficit, and \$40,182,200 to fund certain academic programs through FY 2014.

These academic programs included early childhood classroom education, early childhood before and after care, high-quality principal leadership initiatives, magnet school transportation, the Parent Infant and Initiative Program, the St. Louis Plan, technology support, and the Pilot One-to-One Computing Program. In 2012, the District became a provisionally accredited school district.

In October 2012, an additional five-year extension was approved for the St. Louis Student Transfer Program. As a result, new students could continue to be enrolled by participating districts through the 2018-2019 school year. In FY 2019-2020, the program stopped accepting any new students, only allowing current students to remain until graduation. In 2031-2032, the program will be terminated.

In September 21, 2015, a consent judgment was granted to appropriate \$29,636,443 from the Capital 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.

In January 2017, the District became fully accredited.

The remaining unspent funds at June 30, 2018 totaled \$4,575,327. The District transferred the unspent funds from the general fund to the Capital Settlement fund during fiscal year 2018. The balance in the Capital Settlement fund at June 30, 2020 is \$7,926,189 and remains restricted.

Construction In Progress

The District had no contract obligations for ongoing construction projects that were in progress as of June 30, 2020.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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 \$3,872,736. Future minimum lease payments at June 30, 2020 were:

<u>Year</u>	<u>Amount</u>
2021	\$ 968,184
2022	968,184
2023	968,184
	<u>\$ 2,904,552</u>

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, 2020 were:

<u>Year</u>	<u>Amount</u>
2021	\$ 704,896
2022	374,193
2023	16,243
	<u>\$ 1,095,332</u>

Escrow Agreement

During fiscal year 2019, St. Louis Public Schools established an escrow account to replace the Letter of Credit that was previously required relating to workers' compensation. At June 30, 2020, the escrow account contains a balance of \$3,122,431 as required for the Districts Workers' Compensation activities being self-funded.

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.

12. Tax Abatements

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Tax Abatements Entered Into By Other Governments

As of June 30, 2020, the District's property tax revenues were reduced by five 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 \$9,040,864.
- 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 \$7,281,855.
- 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 \$1,013,464.
- 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 conveys 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 \$1,904,800.
- Under Missouri's TIF Act included under Section 99.800 to 99.865 of the Revised Statutes of Missouri, the Tax Incremental Financing (TIF) - Payments in Lieu of Taxes provides real property tax abatements to incentivize entities to improve blighted areas, conservation areas, or to increase and/or preserve economic development. The amount abated under this program totaled \$15,530,689.

In total, the amount of City property taxes effecting the District abated by these arrangements during the year ended June 30, 2020 was approximately \$34,771,672.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

13. Restatement of Beginning Net Position and Fund Balance

The District has two restatements effective at June 30, 2019. The first restatement is due to the Permanent Fund's cash balances being understated, because they were incorrectly accounted for in the Grants Fund. In addition, the Grants Fund incorrectly overstated unearned revenue resulting in no effect on fund balance. The Escrows and Deposits Agency Fund improperly overstated both its Cash and Escrow liability in the prior period. That is the second restatement. The funds were part of pooled cash and investments, meaning the General Fund's pooled cash was understated in the prior period. As a result, net position in the Statement of Net Position and fund balance of the General Fund and the Permanent Fund at June 30, 2019 were restated to reflect the cumulative effect of these corrections.

The restatements had the following impact on previously reported balances:

Government-wide

Net Position, June 30, 2019, as originally stated	\$ (271,346,546)
Restatement	3,241,585
Net Position, June 30, 2019, as restated	<u>\$ (268,104,961)</u>

General Fund

Fund Balance, June 30, 2019, as originally stated	\$ 85,111,421
Restatement	1,813,727
Fund Balance, June 30, 2019, as restated	<u>\$ 86,925,148</u>

Permanent (Non-major) Fund

Fund Balance, June 30, 2019, as originally stated	\$ 4,920,534
Restatement	1,427,858
Fund Balance, June 30, 2019, as restated	<u>\$ 6,348,392</u>

Agency Fund

Liabilities, June 30, 2019, as originally stated	\$ (21,929,555)
Restatement	1,813,727
Liabilities, June 30, 2019, as restated	<u>\$ (20,115,828)</u>

Cash, June 30, 2019, as originally stated	\$ 21,929,555
Restatement	(1,813,727)
Cash, June 30, 2019, as restated	<u>\$ 20,115,828</u>

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

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.

Description Of Program Services

The Foundation's program services consist of activates that include efforts and innovations in Early Childhood Education, College and Career Readiness, Student Wellbeing, and School Leader Attraction and Retention.

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 two categories of net assets, as applicable, and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. Board designated funds are established by the Board of Directors and represent net assets without donor restrictions that have been set aside for future expenses.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may be satisfied by specific activities or the passage of time, or are required to be maintained in perpetuity by the Organization. The income earned on any related investments may be subject to donor-imposed stipulations.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

Notes To Basic Financial Statements (*Continued*)

Investments

A summary of the cost and fair value of the Foundation's investments as of June 30, 2020 is as follows:

	<u>Amortized Cost</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>
Certificates of deposit	\$ 3,352,231	\$ 15,889	\$ —	\$ 3,368,120

Unconditional Promises To Give

Unconditional promises to give at June 30, 2020 is as follows:

Less than one year	\$ 555,000
One to five years	1,680,000
	<u>2,235,000</u>
Less: Unamortized discount	127,990
	<u>127,990</u>
Net unconditional promises to give	<u>\$ 2,107,010</u>

Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods at June 30, 2020 as follows:

Purpose Restrictions	
College and career readiness	\$ 1,571,958
Early childhood education	76,731
School leadership	62,821
School funds	743,894
	<u>743,894</u>
Total Purpose Restrictions	<u>2,455,404</u>
Time Restrictions	
Year ended June 30, 2021	545,000
Year ended June 30, 2022	385,000
Year ended June 30, 2023	380,000
Year ended June 30, 2024	460,000
Year ended June 30, 2025	460,000
Less discounts on promises to give	(127,990)
	<u>(127,990)</u>
Total Time Restrictions	<u>2,102,010</u>
Total Temporary Restrictions of Net Assets	<u>\$ 4,557,414</u>

Net assets released from restrictions are as follows:

Satisfaction of purpose restrictions	\$ 1,552,434
Satisfaction of time restrictions	498,137
	<u>498,137</u>
	<u>\$ 2,050,571</u>

Required Supplementary Information

**BOARD OF EDUCATION 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, 2020**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local:				
Current taxes	\$ 230,468,547	\$ 230,468,547	\$ 237,147,227	\$ 6,678,680
Delinquent taxes	7,800,533	7,800,533	8,369,657	569,124
Investment income	659,054	659,054	1,694,590	1,035,536
Other	1,167,000	1,167,000	1,980,106	813,106
County	3,377,275	3,377,275	3,731,453	354,178
State:				
Categorical aid	11,017,539	11,017,539	10,306,353	(711,186)
Other	1,358,000	1,358,000	1,071,832	(286,168)
Federal	3,139,064	3,139,064	3,262,690	123,626
Total Revenues	258,987,012	258,987,012	267,563,908	8,576,896
Expenditures				
Current:				
Instruction	18,807,033	18,216,890	16,151,810	2,065,080
Building service	40,902,551	41,518,550	36,190,951	5,327,599
School administration	19,153,291	20,181,454	17,684,098	2,497,356
Instructional support	22,151,325	22,949,968	19,797,988	3,151,980
Noninstructional support	13,155,781	12,645,298	12,371,919	273,379
Transportation	27,682,291	19,690,398	18,663,154	1,027,244
Food and community services	1,693,657	4,263,415	3,848,023	415,392
Total Expenditures	143,545,929	139,465,973	124,707,943	14,758,030
Excess Of Revenues Over Expenditures	115,441,083	119,521,039	142,855,965	23,334,926
Other Financing Sources (Uses)				
Transfers out	(115,441,083)	(119,521,039)	(125,080,752)	(5,559,713)
Total Other Financing Sources (Uses)	(115,441,083)	(119,521,039)	(125,080,752)	(5,559,713)
Net Change In Fund Balance	\$ —	\$ —	17,775,213	\$ 17,775,213
Fund Balances - Beginning Of Year, As Previously Stated			85,111,421	
Restatement			1,813,727	
Fund Balances - Beginning Of Year, As Restated			<u>86,925,148</u>	
Fund Balances - End Of Year			<u>\$ 104,700,361</u>	

**BOARD OF EDUCATION 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, 2020**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local:				
Current taxes	\$ 24,349,166	\$ 24,349,166	\$ 23,385,260	\$ (963,906)
Other	—	—	2,670	2,670
County	220,000	220,000	106,794	(113,206)
State:				
Basic formula	14,118,822	14,118,822	8,480,283	(5,638,539)
Categorical aid	125,000	125,000	3,939	(121,061)
Federal	500,000	500,000	526,112	26,112
Total Revenues	39,312,988	39,312,988	32,505,058	(6,807,930)
Expenditures				
Current:				
Instruction	125,452,741	120,567,797	120,336,877	230,920
Building service	274,125	75,799	42,757	33,042
School administration	16,949,907	15,202,914	15,315,052	(112,138)
Instructional support	7,560,731	8,589,988	8,042,886	547,102
Noninstructional support	4,772	150,329	925,975	(775,646)
Food and community services	1,101,369	6,145,826	6,064,208	81,618
Total Expenditures	151,343,645	150,732,653	150,727,755	4,898
Excess (Deficiency) Of Revenues Over Expenditures	(112,030,657)	(111,419,665)	(118,222,697)	(6,803,032)
Other Financing Sources				
Transfers in	112,030,657	111,419,665	118,222,697	6,803,032
Net Change In Fund Balance	\$ —	\$ —	—	\$ —
Fund Balances - Beginning Of Year			—	
Fund Balances - End Of Year			\$ —	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET TO ACTUAL - GRANTS FUND
For The Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local:				
Investment income	\$ —	\$ —	\$ 8,211	\$ 8,211
Other	5,400,865	5,127,516	3,400,299	(1,727,217)
State:				
Categorical aid	8,505,909	8,505,909	6,429,389	(2,076,520)
Other	93,749	93,749	441,766	348,017
Federal	63,948,369	63,948,369	48,432,194	(15,516,175)
Total Revenues	77,948,892	77,675,543	58,711,859	(18,963,684)
Expenditures				
Current:				
Instruction	21,520,817	21,682,150	16,837,336	4,844,814
Building service	25,000	25,000	—	25,000
School administration	2,487,433	2,511,121	2,138,774	372,347
Instructional support	16,717,174	17,614,426	14,449,346	3,165,080
Noninstructional support	79,216	249,740	119,757	129,983
Transportation	2,501,794	2,568,289	1,706,444	861,845
Food and community services	31,290,025	32,856,073	22,667,325	10,188,748
Capital outlay	107,304	274,035	1,002,965	(728,930)
Total Expenditures	74,728,763	77,780,834	58,921,947	18,858,887
Excess (Deficiency) Of Revenues Over Expenditures	3,220,129	(105,291)	(210,088)	(104,797)
Other Financing Sources (Uses)				
Transfers in	—	99,813	218,659	118,846
Transfers out	—	(102,707)	(116,296)	(13,589)
Total Other Financing Sources (Uses)	—	(2,894)	102,363	105,257
Net Change In Fund Balance	\$ 3,220,129	\$ (108,185)	(107,725)	\$ 460
Fund Balances - Beginning Of Year			5,014,936	
Fund Balances - End Of Year			\$ 4,907,211	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020**

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 Board of Education 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 Settlement, and Grants 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 Board of Education.

- 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.

2. Excess Expenditures Over Appropriations And Budget Deficits

Expenditures exceeded appropriations in the following fund for the year ended June 30, 2020.

<u>Fund</u>	<u>Amount</u>
Debt Service Fund	\$ 25,961,127

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

SCHEDULE OF SELECTED PENSION INFORMATION

Schedule Of District's Proportionate Share Of Net Pension Liability

Measurement date	Measurement Date As Of December 31:					
	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	72.30%	74.05%	74.74%	76.47%	78.05%	79.13%
District's proportionate share of the net pension liability	\$ 273,478,114	\$ 621,206,680	\$ 567,306,445	\$ 317,871,856	\$ 251,514,787	\$ 209,748,023
District's covered payroll	174,970,377	173,914,543	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 payroll	156.30%	357.19%	322.81%	183.30%	143.03%	120.60%
Plan fiduciary net position as a percentage of the total pension liability	70.27%	49.41%	54.63%	67.16%	72.94%	77.95%

Schedule Of District's Contributions

Fiscal year	Fiscal Year Ending June 30:					
	2020	2019	2018	2017	2016	2015
Required contribution	\$ 32,240,073	\$ 37,458,981	\$ 30,701,207	\$ 30,220,928	\$ 31,722,987	\$ 31,072,850
Contributions in relation to the required contribution	32,240,073	37,458,981	30,701,207	30,220,928	31,722,987	31,072,850
Districts' covered payroll	182,067,538	180,920,883	178,544,973	183,444,217	180,325,734	183,083,926
Contributions as a percentage of covered payroll	17.71%	20.70%	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.

Changes Of Benefit Terms Or Assumptions

The blended discount rate changed from 4.78% to 7.50% as the System's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**SCHEDULE OF SELECTED OTHER
POSTEMPLOYMENT BENEFITS INFORMATION**

Schedule Of District's Of OPEB Liability

	Measurement Date As Of June 30:		
	2020	2019	2018
Service cost	\$ 2,667,232	\$ 3,483,558	\$ 3,390,849
Interest cost	2,142,508	2,233,225	2,074,164
Changes in benefit terms	—	—	6,484,761
Differences between expected and actual experience	(12,834,090)	—	—
Changes in assumptions	(5,802,800)	1,426,759	1,084,204
Net benefits paid by employer	(4,192,469)	(4,751,984)	(4,157,774)
Net change in total OPEB liability	(18,019,619)	2,391,558	8,876,204
Total OPEB liability - beginning of year	76,207,000	73,815,442	64,939,238
Total OPEB liability - end of year	\$ 58,187,381	\$ 76,207,000	\$ 73,815,442
Covered payroll	182,067,538	132,939,935	147,334,881
Total OPEB liability as a percentage of covered payroll	31.97%	57.32%	50.10%

Schedule Of Contributions

	Fiscal Year End As Of June 30:		
	2020	2019	2018
Required contribution	\$ 4,192,469	\$ 4,751,984	\$ 4,157,774
Less: Contributions in relation to the required contribution	4,192,469	4,751,984	4,157,774
District's covered payroll	182,067,538	132,939,935	147,334,881
Contributions as a percentage of covered payroll	2.30%	3.57%	2.82%

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

Changes In Assumptions

The discount rate as of the end of the fiscal year changed from 2.79% to 2.66% based on the change in 20 year municipal bond yields.

Supplementary Information

**Combining and Individual Fund
Statements and Schedules**

**BOARD OF EDUCATION 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, 2020**

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Local:				
Current taxes	\$ 25,280,544	\$ 25,280,544	\$ 27,404,189	\$ 2,123,645
Delinquent taxes	1,471,184	1,471,184	1,173,958	(297,226)
Investment income	418,459	418,459	501,717	83,258
County	456,500	456,500	529,884	73,384
Total Revenues	27,626,687	27,626,687	29,609,748	1,983,061
Expenditures				
Debt service:				
Principal retirement	23,002,783	23,470,005	23,470,000	5
Interest charges	7,066,889	6,626,082	7,587,214	(961,132)
Total Expenditures	30,069,672	30,096,087	31,057,214	(961,127)
Excess (Deficiency) Of Revenues Over Expenditures	(2,442,985)	(2,469,400)	(1,447,466)	1,021,934
Other Financing Sources (Uses)				
Payment to refunding escrow agent	—	—	(25,000,000)	(25,000,000)
Net Change In Fund Balance	\$ (2,442,985)	\$ (2,469,400)	(26,447,466)	\$ (23,978,066)
Fund Balances - Beginning Of Year			<u>48,319,125</u>	
Fund Balances - End Of Year			<u>\$ 21,871,659</u>	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL - BUILDING FUND
For The Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Local:				
Other	\$ —	\$ —	\$ 5,150	\$ 5,150
State:				
Categorical aid	—	—	22,407	22,407
Total Revenues	—	—	27,557	27,557
Expenditures				
Current:				
Building service	1,500,000	—	—	—
Capital outlay	2,610,426	8,801,374	6,896,761	1,904,613
Total Expenditures	4,110,426	8,801,374	6,896,761	1,904,613
Excess (Deficiency) Of Revenues Over Expenditures	(4,110,426)	(8,801,374)	(6,869,204)	1,932,170
Other Financing Sources				
Transfers in	3,410,426	8,101,374	6,755,692	(1,345,682)
Proceeds from sale of capital assets	700,000	700,000	113,512	(586,488)
Total Other Financing Sources	4,110,426	8,801,374	6,869,204	(1,932,170)
Net Change In Fund Balance	\$ —	\$ —	—	\$ —
Fund Balances - Beginning Of Year			—	
Fund Balances - End Of Year			\$ —	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
CAPITAL SETTLEMENT FUND
For The Year Ended June 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Local:				
Investment income	\$ —	\$ —	\$ —	\$ —
Net Change In Fund Balance	<u>\$ —</u>	<u>\$ —</u>	—	<u>\$ —</u>
Nonbudgeted Activity			—	
Net Change In Fund Balances - GAAP Basis			—	
Fund Balances - Beginning Of Year			<u>7,926,189</u>	
Fund Balances - End Of Year			<u>\$ 7,926,189</u>	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND - AGENCY FUND
For The Year Ended June 30, 2020**

	Balance - July 1, 2019	Additions	Deductions	Balance - June 30, 2020
Assets				
Cash and short-term investments	\$ 21,878,120	\$ 110,039,073	\$ 111,801,365	\$ 20,115,828
Prepaid expenses	111	—	—	111
Total Assets	\$ 21,878,231	\$ 110,039,073	\$ 111,801,365	\$ 20,115,939
Liabilities				
Accounts payable	\$ 575,337	\$ —	\$ 575,337	\$ —
Deposits and escrow funds	20,638,068	69,931,716	71,079,889	19,489,895
Unexpended grant balances	664,826	—	38,782	626,044
Total Liabilities	\$ 21,878,231	\$ 69,931,716	\$ 71,694,008	\$ 20,115,939

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**COMBINING BALANCE SHEET
GRANT FUNDS
For The Year Ended June 30, 2020**

	Incidental Grants	Certificated Grants	Capital Grants	Total
Assets				
Cash and short-term investments	\$ 10,638,485	\$ 1,802,414	\$ 1,823	\$ 12,442,722
Receivables:				
Grants	14,752,489	8,557,247	457,945	23,767,681
Other	129,121	114,700	—	243,821
Total Assets	\$ 25,520,095	\$ 10,474,361	\$ 459,768	\$ 36,454,224
Liabilities And Fund Balances				
Liabilities:				
Accounts payable	\$ 3,421,293	\$ —	\$ 299,756	\$ 3,721,049
Due to other funds	1,305,809	9,673,465	166,995	11,146,269
Unearned revenue	16,129,003	550,692	—	16,679,695
Total Liabilities	20,856,105	10,224,157	466,751	31,547,013
Fund balances:				
Assigned	4,663,990	250,204	(6,983)	4,907,211
Total Liabilities And Fund Balances	\$ 25,520,095	\$ 10,474,361	\$ 459,768	\$ 36,454,224

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GRANT FUNDS
For The Year Ended June 30, 2020**

	Incidental Grants	Certificated Grants	Capital Grants	Total
Revenues				
Local:				
Investment income	\$ 8,211	\$ —	\$ —	\$ 8,211
Other	1,464,721	1,933,755	1,823	3,400,299
State:				
Categorical aid	3,301,980	3,127,409	—	6,429,389
Other	174,015	267,751	—	441,766
Federal	33,634,667	13,808,580	988,947	48,432,194
Total Revenues	38,583,594	19,137,495	990,770	58,711,859
Expenditures				
Current:				
Instruction	10,733,839	6,103,497	—	16,837,336
School administration	917,948	1,220,826	—	2,138,774
Instructional support	5,621,276	8,828,070	—	14,449,346
Noninstructional support	28,407	91,350	—	119,757
Transportation	1,706,444	—	—	1,706,444
Food and community services	19,923,964	2,743,361	—	22,667,325
Capital outlay	—	—	1,002,965	1,002,965
Total Expenditures	38,931,878	18,987,104	1,002,965	58,921,947
Excess (Deficiency) Of Revenues Over Expenditures				
	(348,284)	150,391	(12,195)	(210,088)
Other Financing Sources (Uses)				
Transfers in	113,634	99,813	5,212	218,659
Transfers out	(116,296)	—	—	(116,296)
Total Other Financing Sources (Uses)	(2,662)	99,813	5,212	102,363
Net Change In Fund Balances	(350,946)	250,204	(6,983)	(107,725)
Fund Balance - Beginning Of Year	5,014,936	—	—	5,014,936
Fund Balances - End of Year	\$ 4,663,990	\$ 250,204	\$ (6,983)	\$ 4,907,211

**BOARD OF EDUCATION 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, 2020

	<u>Special Revenue</u>			Debt Service	Building Fund	Capital Settlement	Permanent Fund	Total
	General	Teachers	Grants					
Local:								
Current Taxes:								
Real property	\$ 145,833,212	\$ —	\$ —	\$ 20,706,061	\$ —	\$ —	\$ —	\$ 166,539,273
Personal property	34,781,868	—	—	4,939,188	—	—	—	39,721,056
Surplus commissions	2,197,825	—	—	312,110	—	—	—	2,509,935
Merchant and manufacturers	7,526,903	—	—	1,068,886	—	—	—	8,595,789
Financial institution	2,661,488	—	—	377,944	—	—	—	3,039,432
Surcharge	18,313,619	—	—	—	—	—	—	18,313,619
Sales tax	25,832,312	—	—	—	—	—	—	25,832,312
Sales tax-Prop C	—	23,385,260	—	—	—	—	—	23,385,260
Delinquent taxes	8,369,657	—	—	1,173,958	—	—	—	9,543,615
Investment income (loss)	1,420,968	—	8,211	462,860	—	—	(1,620,865)	271,174
Other:								
Interest and protested taxes	273,622	—	—	38,857	—	—	—	312,479
Tuition	—	—	214,359	—	—	—	—	214,359
School Lunch Program	—	—	107,956	—	—	—	—	107,956
School Lunch Nonprogram	—	—	198,571	—	—	—	—	198,571
Indirect costs recovered	717,838	—	—	—	—	—	—	717,838
Sundry	1,262,268	2,670	2,879,413	—	5,150	—	223,863	4,373,364
Total Local	249,191,580	23,387,930	3,408,510	29,079,864	5,150	—	(1,397,002)	303,676,032
County:								
Fines and forfeitures	—	106,794	—	—	—	—	—	106,794
Utility and railroad taxes	3,731,453	—	—	529,884	—	—	—	4,261,337
Total County	3,731,453	106,794	—	529,884	—	—	—	4,368,131

**BOARD OF EDUCATION 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, 2020

Special Revenue

	General	Teachers	Grants	Debt Service	Building Fund	Capital Settlement	Permanent Fund	Total
State:								
Basic formula	\$ —	\$ 8,480,283	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 8,480,283
Categorical aid:								
Transportation	3,785,266	—	—	—	—	—	—	3,785,266
Exceptional pupil	—	—	5,980,718	—	—	—	—	5,980,718
Free and reduced	6,501,680	—	—	—	—	—	—	6,501,680
Vocational aid	19,407	3,939	341,578	—	22,407	—	—	387,331
School lunch program	—	—	107,093	—	—	—	—	107,093
Other	1,071,832	—	441,766	—	—	—	—	1,513,598
Total State	11,378,185	8,484,222	6,871,155	—	22,407	—	—	26,755,969
Federal:								
State administered:								
ECIA - Chapter 1	—	—	20,793,192	—	—	—	—	20,793,192
Education of the Handicapped Act (Public Law 94-142)	—	—	7,120,586	—	—	—	—	7,120,586
National School Breakfast/ Lunch Program	—	—	12,010,790	—	—	—	—	12,010,790
Local and direct grants:								
Other	3,262,690	526,112	8,507,626	—	—	—	—	12,296,428
Total Federal	3,262,690	526,112	48,432,194	—	—	—	—	52,220,996
Total Revenues	\$ 267,563,908	\$ 32,505,058	\$ 58,711,859	\$ 29,609,748	\$ 27,557	\$ —	\$ (1,397,002)	\$ 387,021,128

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
Financial Trends	93 -99
These seven (7) schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	100 - 104
These four (4) schedules contain information to help the reader assess the factors affecting the District's current largest own source revenue.	
Debt Capacity	105 - 107
These three (3) schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic And Economic Information	108 - 109
These two (2) schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with over governments.	
Operating Information	110 - 112
These four (4) schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets	\$ 198,696,409	\$ 183,591,491	\$ 161,497,960	\$ 147,191,285	\$ 143,933,444	\$ 136,820,383	\$ 127,830,747	\$ 49,501,256	\$ 78,184,903	\$ 85,367,820
Restricted:										
Expendable:										
Capital Projects	122,361,425	60,638,297	36,843,180	38,561,927	26,549,995	5,783,606	5,112,508	5,330,440	4,568,190	4,582,899
Debt Service	32,191,615	32,435,384	34,808,230	31,194,471	29,473,576	28,193,248	25,494,954	50,843,935	48,216,804	21,990,228
Desegregation Settlement Programs	—	—	10,961,282	—	1,623,447	16,982,956	11,094,358	7,396,442	7,926,189	7,926,189
Endowments, Nonexpendable	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344
Workers Compensation Escrow	—	—	—	—	—	—	—	—	3,158,095	3,122,430
Unrestricted	(53,164,655)	14,633,602	20,679,302	21,863,913	(143,300,568)	(150,456,733)	(147,073,568)	(299,613,898)	(413,753,071)	(379,496,364)
Total Primary Government Net Position	\$ 300,437,138	\$ 291,651,118	\$ 265,142,298	\$ 239,163,940	\$ 58,632,238	\$ 37,675,804	\$ 22,811,343	\$ (186,189,481)	\$ (271,346,546)	\$ (256,154,454)

(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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities:										
Instruction	\$ 212,515,070	\$ 207,895,286	\$ 213,811,656	\$ 204,035,308	\$ 199,844,051	\$ 201,529,250	\$ 220,835,851	\$ 308,364,412	\$ 279,226,947	\$ 186,738,836
Building Services	45,437,217	35,400,040	49,988,321	42,441,240	39,799,722	44,823,673	42,131,729	41,960,940	38,349,233	40,115,964
School Administration	29,993,491	32,715,917	34,305,350	40,387,519	33,504,175	39,618,463	34,081,716	35,318,133	32,968,117	35,712,154
Instructional Support	36,067,256	35,509,506	36,045,545	42,964,336	34,152,869	32,044,884	29,243,134	31,656,733	42,088,514	40,247,544
Noninstructional Support	13,009,401	15,407,490	29,100,933	22,177,539	19,351,585	16,794,147	16,391,456	16,318,304	15,703,754	13,418,172
Transportation	22,822,432	22,203,156	22,719,483	22,857,795	24,981,686	24,409,439	25,264,106	27,006,959	27,973,761	20,370,586
Food and Community Services	19,324,339	19,750,891	21,599,028	22,842,317	36,185,288	37,320,604	34,524,224	34,805,444	34,413,078	32,582,244
Interest Expense	11,060,829	12,683,830	11,448,067	10,700,832	10,177,771	9,191,546	9,126,528	6,652,399	7,910,358	6,399,474
Bond Issuance Costs	—	—	—	—	—	—	—	552,209	—	—
Total Primary Government Expenses	390,230,035	381,566,116	419,018,383	408,406,886	397,997,147	405,732,006	411,598,744	502,635,533	478,633,762	375,584,974
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	—	—	24,098	—	—	390,527	1,986	1,811	122	86
School Administration	—	—	—	—	—	—	—	—	2	—
Noninstructional Support	—	—	—	—	—	—	—	—	13,741	—
Transportation	—	—	—	—	—	789	—	1,827	—	—
Food and Community Services	1,459,337	1,460,577	929,995	714,313	577,878	242,462	667,014	600,579	456,803	322,228
Total Charges For Services	1,459,337	1,460,577	954,093	714,313	577,878	633,778	669,000	604,217	470,668	322,314
Operating Grants and Contributions:										
Instruction	58,794,013	51,766,739	51,589,365	47,619,764	44,625,982	38,349,087	39,093,105	33,084,489	26,822,055	25,109,691
Building Services	189,615	1,160,971	219,281	213,410	541,656	515,247	305,847	275,881	132,640	1,250,183
School Administration	5,345,111	4,519,472	2,916,395	4,567,848	565,258	3,538,266	398,456	512,883	613,006	2,367,320
Instructional Support	16,919,388	16,514,157	13,995,306	15,746,577	11,497,210	10,148,405	8,787,182	11,926,841	14,532,700	16,788,799
Noninstructional Support	3,951,776	1,037,419	419,381	579,894	1,420,093	3,727,693	2,301,576	1,591,483	631,013	286,395
Transportation	5,785,437	5,014,063	5,168,502	5,287,367	8,024,136	7,266,111	6,401,350	6,697,334	7,271,292	5,893,207
Food and Community Services	16,154,035	17,182,516	18,737,822	22,056,457	28,590,992	28,480,856	26,797,423	25,852,350	25,162,971	22,229,606
Total Operating Grants and Contributions	107,139,375	97,195,337	93,046,052	96,071,317	95,265,328	92,025,665	84,084,939	79,941,261	75,165,677	73,925,201
Capital Grants and Contributions										
Instruction	921,159	641,933	926,359	402,309	3,732,745	4,844,474	1,836,885	637,738	465,509	990,770
Total Primary Government Program Revenue	109,519,871	99,297,847	94,926,504	97,187,939	99,575,951	97,503,917	86,590,824	81,183,216	76,101,854	75,238,285
Total Primary Government Net Expense	\$ (280,710,164)	\$ (282,268,269)	\$ (324,091,879)	\$ (311,218,947)	\$ (298,421,196)	\$ (308,228,089)	\$ (325,007,920)	\$ (421,452,317)	\$ (402,531,908)	\$ (300,346,689)

Source: St. Louis Public School Financial Statements

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Total Primary Government Net Expense	\$ (280,710,164)	\$ (282,268,269)	\$ (324,091,879)	\$ (311,218,947)	\$ (298,421,196)	\$ (308,228,089)	\$ (325,007,920)	\$ (421,452,317)	\$ (402,531,908)	\$ (300,346,689)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes Levied For:										
General Purposes	158,349,365	160,442,394	173,134,850	164,645,342	166,184,530	166,764,750	197,535,701	206,058,944	210,814,732	220,133,594
Debt Service	26,418,051	24,681,140	25,891,679	24,857,383	24,885,346	24,953,995	24,969,815	26,456,466	26,709,302	28,578,147
Sales Taxes	45,676,880	44,853,111	44,471,936	50,635,946	52,211,429	53,169,188	52,027,178	53,164,510	52,437,286	49,217,572
Unrestricted Federal and State Aid	39,900,358	38,109,006	47,513,223	40,662,390	42,788,585	39,645,537	35,332,610	29,796,963	19,288,287	8,395,480
Earnings on Investments	2,118,690	855,231	717,535	981,363	(722,376)	1,089,267	22,520	1,612,777	3,183,472	642,473
Other Revenues	5,869,172	4,541,367	5,853,836	5,674,276	7,087,868	3,896,134	5,195,158	5,258,512	4,941,764	5,329,930
Total Primary Government	278,332,516	273,482,249	297,583,059	287,456,700	292,435,382	289,518,871	315,082,982	322,348,172	317,374,843	312,297,196
Change in Net Position	(2,377,648)	(8,786,020)	(26,508,820)	(23,762,247)	(5,985,814)	(18,709,218)	(9,924,938)	(99,104,145)	(85,157,065)	11,950,507
Prior Period Adjustment	1,906,302	—	—	—	—	(2,247,216)	(4,939,523)	(109,896,679)	—	3,241,585
Change In Net Position - Primary Government	\$ (471,346)	\$ (8,786,020)	\$ (26,508,820)	\$ (23,762,247)	\$ (5,985,814)	\$ (20,956,434)	\$ (14,864,461)	\$ (209,000,824)	\$ (85,157,065)	\$ 15,192,092

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved	—	—	—	—	—	—	—	—	—	—
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	85,111,421	104,666,594
Total General Fund	\$ (54,522,537)	\$ 12,180,794	\$ 29,232,178	\$ 25,471,626	\$ 20,894,314	\$ 23,288,632	\$ 53,534,876	\$ 69,663,482	\$ 85,111,421	\$ 104,666,594
All Other Governmental Funds										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved, reported in:										
Capital Projects Funds	—	—	—	—	—	—	—	—	—	—
Special Revenue Funds	—	—	—	—	—	—	—	—	—	—
Nonspendable	36,858,401	352,344	352,344	352,344	352,344	352,344	352,344	352,344	352,344	386,111
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	60,813,504	34,380,747
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	5,014,936	4,907,211
Total All Other Governmental Funds	\$ 228,275,278	\$ 203,630,003	\$ 128,073,441	\$ 90,345,203	\$ 64,944,996	\$ 50,402,400	\$ 40,546,798	\$ 67,874,639	\$ 66,180,784	\$ 39,674,069

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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Federal Sources:										
Federal Grants	\$ 91,011,064	\$ 72,495,756	\$ 69,914,888	\$ 66,754,939	\$ 68,382,240	\$ 64,955,725	\$ 58,943,809	\$ 54,418,338	\$ 52,036,699	\$ 52,220,996
State Sources:										
Basic Formula	33,331,874	38,493,945	47,993,155	41,073,121	43,220,793	40,045,997	35,689,505	30,097,942	19,483,118	8,480,283
Categorical Aid	18,820,621	20,019,444	18,735,282	21,634,247	20,816,533	19,172,451	18,259,168	19,760,854	19,022,736	16,762,088
Other	1,085,653	590,119	1,770,065	3,361,239	3,693,977	4,025,501	2,416,639	2,010,393	1,927,415	1,513,598
Total State Sources	53,238,148	59,103,508	68,498,502	66,068,607	67,731,303	63,243,949	56,365,312	51,869,189	40,433,269	26,755,969
Local Sources:										
Current Taxes	222,118,852	218,417,488	232,685,796	230,247,415	233,221,227	236,080,339	264,690,012	275,268,922	281,723,607	287,936,676
Delinquent Taxes	10,745,965	7,584,647	12,291,375	10,593,578	10,597,830	9,449,872	9,302,750	9,483,489	8,831,215	9,543,615
Investment Income (Loss)	2,110,230	855,231	717,324	981,363	(722,376)	1,089,266	22,521	1,612,778	3,136,108	583,653
Other	7,674,155	7,569,998	7,398,999	6,882,512	9,443,264	8,607,935	7,791,694	5,953,500	4,157,234	5,612,088
Total Local Sources	242,649,202	234,427,364	253,093,494	248,704,868	252,539,945	255,227,412	281,806,977	292,318,689	297,848,164	303,676,032
County Sources	3,501,022	3,761,731	3,816,264	3,818,547	3,934,366	4,187,338	4,020,601	3,947,664	3,754,029	4,368,131
Total Revenues	\$ 390,399,436	\$ 369,788,359	\$ 395,323,148	\$ 385,346,961	\$ 392,587,854	\$ 387,614,424	\$ 401,136,699	\$ 402,553,880	\$ 394,072,161	\$ 387,021,128

Source: St. Louis Public School Financial Statements

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction	\$ 198,025,082	\$ 190,869,698	\$ 196,091,503	\$ 184,367,041	\$ 184,337,765	\$ 171,860,832	\$ 167,562,215	\$ 170,260,895	\$ 154,073,921	\$ 153,342,170
Building Service	43,924,937	52,054,542	54,738,848	35,711,266	35,120,425	37,290,219	37,955,593	39,127,233	37,258,994	36,233,708
School Administration	30,648,641	32,915,195	34,510,541	33,875,490	39,097,293	39,596,739	33,630,536	35,201,604	32,652,908	35,137,924
Instructional Support	35,843,736	34,202,964	35,476,531	38,097,954	33,756,468	32,299,389	32,729,579	33,144,821	44,811,529	42,290,220
Noninstructional Support	17,196,329	19,975,616	20,921,691	24,771,470	21,959,258	19,401,899	16,366,203	16,317,940	15,703,446	13,417,651
Transportation	22,730,117	22,132,643	22,644,514	22,856,679	24,981,196	24,409,099	25,214,974	27,006,271	27,973,178	20,369,598
Food and Community Services	19,295,949	19,732,371	21,580,355	22,824,630	36,167,484	37,302,947	34,475,107	34,803,178	34,410,958	32,579,556
Capital Outlay	5,487,694	5,567,318	41,449,414	37,596,787	19,891,584	10,850,229	5,042,998	1,230,248	3,153,844	7,899,726
Debt Service:										
Principal Retirement	13,752,000	14,245,000	15,925,000	16,735,000	17,685,000	18,640,000	19,640,000	20,670,000	21,970,000	23,470,000
Interest Charges	9,843,329	11,118,858	9,631,735	9,999,434	9,568,896	8,584,241	8,801,028	7,413,782	9,216,137	7,587,214
Bond Issuance Costs	588,461	646,566	661,336	—	—	261,861	—	552,209	—	—
Total Expenditures	\$ 397,336,275	\$ 403,460,771	\$ 453,631,468	\$ 426,835,751	\$ 422,565,369	\$ 400,497,455	\$ 381,418,233	\$ 385,728,181	\$ 381,224,915	\$ 372,327,767

Debt Service as a percentage of noncapital expenditures	6.0%	6.8%	6.6%	7.4%	7.3%	7.5%	8.2%	7.3%	8.3%	8.5%
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Note: Capital outlay is stated on a fund basis and is not included in the percentage above.

Source: St. Louis Public School Financial Statements

**BOARD OF EDUCATION 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**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess of revenues over/(under) expenditures	\$ (6,936,839)	\$ (33,672,412)	\$ (58,308,320)	\$ (41,488,790)	\$ (29,977,515)	\$ (12,883,031)	\$ 19,718,466	\$ 16,825,699	\$ 12,847,246	\$ 14,693,361
Other Financing Sources (Uses)										
Transfers in	85,958,357	155,948,464	112,739,619	125,283,079	116,802,067	95,560,645	103,919,952	116,368,443	134,331,279	125,197,048
Transfers out	(85,958,357)	(155,948,464)	(112,739,619)	(125,283,079)	(116,802,067)	(95,560,645)	(103,919,952)	(116,368,443)	(134,331,279)	(125,197,048)
Proceeds from G.O. bonds	81,644,000	79,455,000	—	—	—	—	—	—	—	—
Payment to refunding escrow agent	—	(6,263,382)	(77,296,756)	—	—	(26,603,386)	—	(41,605,260)	—	(25,000,000)
Premium on issuance of bonds	—	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	906,838	113,512
Proceeds from refunding bonds	—	—	68,579,695	—	—	23,535,000	—	61,945,000	—	—
Total other financing sources (uses)	81,644,000	75,730,468	(196,855)	—	—	2,981,969	672,176	26,630,748	906,838	(24,886,488)
Net change in fund balance	74,707,161	42,058,056	(58,505,175)	(41,488,790)	(29,977,515)	(9,901,062)	20,390,642	43,456,447	13,754,084	(10,193,127)
Prior period adjustment	1,906,302	—	—	—	—	(2,247,216)	—	—	—	3,241,585
Adjusted net change in fund balance	\$ 76,613,463	\$ 42,058,056	\$ (58,505,175)	\$ (41,488,790)	\$ (29,977,515)	\$ (12,148,278)	\$ 20,390,642	\$ 43,456,447	\$ 13,754,084	\$ (6,951,542)

Source: St. Louis Public School Financial Statements

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

Fiscal Year	Total Assessed Value	Residential Property	Personal Property	Commercial Property	Actual Value			Total Taxable Value	Total Direct Rate (1)
					Residential Real Property	Personal Property	Commercial Property		
2011	\$ 4,397,270,564	\$ 1,905,846,272	\$ 1,114,232,738	\$ 1,377,191,554	\$ 10,030,769,852	\$ 3,346,044,258	\$ 4,303,723,606	\$ 17,680,537,717	3.9865
2012	4,144,977,723	1,810,633,349	970,466,714	1,363,877,660	9,529,649,205	2,914,314,456	4,262,117,688	16,706,081,349	4.1743
2013	4,160,066,572	1,822,903,401	995,775,569	1,341,387,602	9,594,228,426	2,990,317,024	4,191,836,256	16,776,381,706	4.4071
2014	3,937,987,680	1,624,126,504	991,700,945	1,322,160,231	8,548,034,232	2,978,080,916	4,131,750,722	15,657,865,869	4.3711
2015	4,210,986,731	1,739,382,743	1,046,951,987	1,424,652,001	9,154,646,016	3,143,999,961	4,452,037,503	16,750,683,480	4.3711
2016	4,273,669,654	1,787,916,221	1,059,205,663	1,426,547,770	9,410,085,374	3,180,797,787	4,457,961,781	17,048,844,942	4.3711
2017	4,224,304,398	1,822,475,706	960,556,059	1,441,272,633	9,591,977,400	2,884,552,730	4,503,976,978	16,980,507,108	5.1211
2018	4,187,363,318	1,917,548,275	971,439,569	1,298,375,474	10,092,359,342	2,917,235,943	4,057,423,356	17,067,018,641	5.0342
2019	4,201,814,836	1,951,491,520	979,987,678	1,270,335,638	10,271,008,000	2,942,905,940	3,969,798,869	17,183,712,809	5.1371
2020	4,459,885,350	2,166,296,552	1,011,062,978	1,282,525,820	11,401,560,800	3,036,225,159	4,007,893,188	18,445,679,147	4.9949

(1) Per \$100 assessed valuation

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

Fiscal Year	District Direct Rates			Total	Overlapping Rates									
	General	Capital	Debt		State	St. Louis	Sheltered	St. Louis	Comm.	Comm.	Senior	Zoo and	City of	
	Purposes	Purposes	Purposes		Blind	Community	Workshop	Public	Mental	Child Serv	Services	Museum		
			Person	College	MSD	Dist.	Library	Health	Fund	Fund	District	St. Louis		
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
2019	4.5160	0.000	0.6211	\$5.1371	0.0300	0.1986	0.1077	0.1341	0.5424	0.0870	0.1838	0.0487	0.2549	1.5797
2020	4.3738	0.000	0.6211	\$4.9949	0.0300	0.1987	0.1078	0.1341	0.5439	0.0872	0.1843	0.0488	0.2532	1.5896

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

Tax Payer by Industry Classification (1)	Calendar Year 2019			Calendar Year 2010		
	Taxable Assessed Value	Rank	Percentage Of Assessed Value	Taxable Assessed Value	Rank	Percentage Of Assessed Value
Utilities	\$ 114,242,000	1	2.61%	\$ 91,220,000	1	2.21%
Financial Services	81,081,000	2	1.85%	39,054,000	5	0.95%
Gaming	74,675,000	3	1.70%	81,466,000	2	1.98%
Utilities	65,129,000	4	1.49%	30,321,000	7	0.74%
Telecommunications	54,159,000	5	1.24%	71,083,000	4	1.73%
Manufacturing	50,643,000	6	1.16%	71,437,000	3	1.73%
Manufacturing	29,556,000	7	0.67%			
Retail	25,941,000	8	0.59%			
Manufacturing	24,171,000	9	0.55%			
Financial Services	22,399,000	10	0.51%			
Manufacturing				38,424,000	6	0.93%
Healthcare Services				28,009,000	8	0.68%
Motor Leasing Services				25,920,000	9	0.63%
Property Management				25,020,000	10	0.61%
Total	\$ 541,996,000		12.37%	\$ 501,954,000		12.19%

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.

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

<u>Fiscal Year</u>	<u>Taxes Levied For The Fiscal Year</u>	<u>Collected Within The Fiscal Year Of The Levy</u>		<u>Collection In Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage Of Levy</u>		<u>Amount</u>	<u>Percentage Of Levy</u>
2011	\$ 175,297,191	\$ 162,648,139	92.78%	\$ 10,561,042	\$ 173,209,181	98.81%
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%	9,590,474	178,370,012	96.91%
2016	186,806,374	170,337,074	91.18%	9,328,897	179,665,971	96.18%
2017	216,330,853	199,230,819	92.10%	10,128,818	209,359,637	96.78%
2018	210,800,244	207,397,151	98.39%	3,403,093	210,800,244	100.00%
2019	215,851,430	215,830,365	99.99%	21,065	215,851,430	100.00%
2020	222,766,813	222,766,813	100.00%		222,766,813	100.00%

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

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)
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	0.0141
2019	219,136,962	—	—	219,136,962	1.52	724	0.0128
2020	195,136,459	—	—	195,136,459	1.35	649	0.0106

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2020**

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	\$ 195,136,459	100%	\$ 195,136,459
Other Debt:			
Metropolitan St. Louis Sewer District (2)	1,583,103,000	8.95% *	141,687,719
St. Louis Public Library (3)	38,150,000	100.00%	38,150,000
Junior College District of St. Louis (4)	<u>48,175,000</u>	17.48% *	<u>8,421,000</u>
Subtotal Overlapping Debt	<u>1,864,564,459</u>		<u>383,395,178</u>
City of St. Louis Direct Debt (5)	<u>940,407,000</u>	100%	<u>940,407,000</u>
Subtotal Direct Debt	<u>940,407,000</u>		<u>940,407,000</u>
Total Direct and Overlapping Debt	<u>\$ 2,804,971,459</u>		<u>\$ 1,323,802,178</u>

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 659,590,585	\$ 621,746,658	\$ 624,009,986	\$ 590,698,152	\$ 631,648,010	\$ 641,050,448	\$ 633,645,660	\$ 628,104,498	\$ 630,272,225	\$ 668,982,803
Total net debt applicable to limit	274,162,385	333,567,457	316,519,616	309,082,988	293,162,485	277,525,956	259,982,936	240,111,502	219,136,962	195,136,459
Legal debt margin	\$ 385,428,200	\$ 288,179,201	\$ 307,490,370	\$ 281,615,164	\$ 338,485,525	\$ 363,524,492	\$ 373,662,724	\$ 387,992,996	\$ 411,135,263	\$ 473,846,344
Total net debt applicable to the limit as a percentage of debt limit	41.57%	53.65%	50.72%	52.34%	46.41%	43.29%	41.03%	38.23%	34.77%	29.17%

Source: County Clerk's Report
District Records

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Calendar Year	(1) Population	(1) Personal Income (Thousands Of Dollars)	(1) Per Capita Personal Income	(2) Unemployment Rate
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%
2018	302,838	14,428,133	47,643	3.4%
2019	300,576	14,488,317	48,202	9.7%

Notes:

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

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**PRINCIPAL EMPLOYERS
CURRENT CALENDAR YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>Calendar Year 2019</u>			<u>Calendar Year 2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment</u>
Washington University	18,947	1	4.12%	14,168	1	3.37%
BJC Health Systems	15,424	2	3.35%	12,414	2	2.96%
St. Louis University	9,826	3	2.13%	9,792	3	2.33%
City of St. Louis	7,957	4	1.73%	8,933	4	2.13%
Defense Finance & Acct Services	6,164	5	1.34%	6,572	5	1.56%
A G Edwards/Wells Fargo	5,768	6	1.25%	5,228	7	1.24%
St. Louis Board of Education	4,561	7	0.99%	4,772	8	1.14%
U.S. Postal Service	4,364	8	0.95%	4,369	9	1.04%
STL Children's Hospital	4,177	9	0.91%	--	--	--
SSM Health SLUH	4,139	10	0.90%	--	--	--
AT&T Services	--	--	--	5,240	6	1.25%
State of Missouri	--	--	--	4,300	10	1.02%
Total	81,327		17.67%	75,788		18.04%

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

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Supervisory										
Administrators and Managers	146	164	142	143	145	138	147	149	173	201
Principals	72	72	71	73	72	68	74	67	75	68
Asst. Principals-Nonteaching	23	23	32	34	35	35	31	30	33	33
Total Supervisory	241	259	245	250	252	241	252	246	281	302
Instruction										
Elem. Classroom Teachers	1,050	982	899	1,321	1,280	1,102	1,096	981	1,105	942
Sec. Classroom Teachers	653	717	733	514	477	418	425	415	417	427
Other Classroom Teachers	36	32	27	80	59	53	60	62	83	63
Total instruction	1,739	1,731	1,659	1,915	1,816	1,573	1,581	1,458	1,605	1,432
Student Services										
Guidance counselors	83	82	76	82	91	85	89	81	90	75
Psychological	22	21	19	22	17	16	15	18	22	17
Librarians, Audio-Visual	33	19	15	14	13	11	11	5	14	4
Consultants/Inst. Supervisors	—	—	—	—	—	—	—	—	—	—
Other Professionals	29	44	54	69	67	77	79	66	70	67
Teacher Aides	361	461	143	575	358	356	381	558	689	534
NLR Teachers	262	238	325	209	326	312	249	186	311	115
Technicians	—	—	—	—	—	—	—	—	—	—
Total Student Services	790	865	632	971	872	857	824	914	1,196	812
Support and Administration										
Clerical/Technical	150	158	161	151	145	139	147	136	146	127
Service Workers	135	338	352	366	366	348	321	345	342	334
Skilled Crafts	—	—	—	—	—	—	—	—	—	—
Unskilled Laborers	—	—	—	—	—	—	—	—	—	—
Total support and Administration	285	496	513	517	511	487	468	481	488	461
Total	3,055	3,351	3,049	3,653	3,451	3,158	3,125	3,099	3,570	3,007

Source: St. Louis Public Schools Department of Human Resources

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

**LEVEL OF SERVICE
LAST TEN FISCAL YEARS**

Function/activity	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction:										
Student enrollment K-12	23,576	22,516	25,200	24,869	24,154	22,506	21,754	20,879	19,803	19,874
Building services:										
Number of schools	76	76	76	78	76	72	72	71	71	71
Transportation:										
Number of students Transported	26,902	27,506	31,307	30,303	29,838	27,163	25,952	24,521	22,457	21,311

Source: District Records

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

SCHOOL BUILDING INFORMATION

<i>SCHOOL</i>		<i>Program Capacity</i>	<i>Year</i>	<i>Square Feet</i>	<i>FY 20 Enrollment</i>
<i>CODE</i>	<i>Elementary Schools</i>				
4990	Academy of ES and Math (Carver)-499	277	1956	51,790	153
4000	Adams-400	321	1878	72,800	207
4250	Ames-VPA-425	425	1956	93,712	220
4060	Ashland-406	388	1909	74,146	167
4180	Bryan Hill-418	256	1912	63,991	134
4200	Buder-420	397	1920	64,973	329
4360	Clay CEC-436	222	1905	57,297	116
4400	Cole-440	361	1931	55,233	296
4420	Columbia CEC-442	251	1930	59,663	186
4470	Dewey International Studies-447	420	1918	59,392	389
4480	Dunbar-448	275	1912	72,784	140
4580	Farragut Accelerated-458	279	1906	65,479	139
4630	Ford CEC-463	352	1964	81,700	143
4660	Froebel-466	350	1895	82,828	175
4730	Gateway Math & Science Elem.-473	542	1995	96,206	557
5520	Gateway-Michael SpEd-552	86	1995	14,640	55
4780	Hamilton CEC-478	364	1918	65,110	275
4880	Henry-488	335	1906	71,645	221
4900	Herzog CEC-490	407	1937	48,231	222
4890	Hickey-489	237	1966	62,222	193
4920	Hodgen-492	398	1884	51,000	167
4960	Humboldt School of Higher Learning-496	314	N/A	74,628	170
5020	Jefferson-502	251	1960	89,976	116
5030	Kennard CJA-503	325	1930	53,151	316
5060	Laclede-506	307	1915	69,020	173
5100	Lexington-510	397	1996	58,554	277
5180	Lyon ABI-518	441	1910	88,397	298
5240	Mallinckrodt ABI-524	297	1940	43,044	318
5260	Mann-526	354	1902	61,983	271
5340	Mason-534	494	1921	67,000	413
5500	Meramec-550	215	1909	45,278	193
5560	Monroe-556	359	1899	48,498	207
5590	Mullanphy-559	448	1915	103,904	419
5610	Nance-561	373	2002	61,000	283
4970	Nahed Chapman New American Academy	560		69,657	184
5600	Oak Hill-560	338	1908	54,531	202
5620	Peabody -562	340	1957	86,866	134
5780	Shaw VPA-CEC-578	439	1908	69,961	370
5800	Shenandoah-580	211	1926	40,344	141
5860	Sigel CEC-586	310	1906	67,605	169
5930	Stix ECC 1-593	475	1921	79,000	385
5960	Walbridge ECC-ACC-596	367	1924	79,077	174
6010	Washington Montessori-601	360	1956	73,849	255
6030	Wilkinson ECC 1-603	302	1920	52,683	234
5970	Woerner-597	410	1932	62,623	383
6120	Woodward-612	406	1922	61,510	248

**BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)**

SCHOOL BUILDING INFORMATION (Continued)

	<i>Program Capacity</i>	<i>Year</i>	<i>Square Feet</i>	<i>Enrollment</i>	
Middle Schools					
3250	Academy Env't Sci/Math Middle-325	N/A	N/A	348	
3050	Busch-305	379	1953	52,112	408
3070	Carr Lane VPA-307	695	1959	114,191	504
3390	Compton Drew ILC-339	662	1996	92,000	519
3140	Fanning-314	401	1907	81,367	175
3260	Long-326	364	1923	71,467	257
1570	McKinley-157	546	1903	115,108	356
2080	Yeatman-Liddell-352	513	1967	77,030	325
Junior Prep Academies					
3230	Gateway Math & Science Preparatory-323	649	1995	133,154	544
Small High Schools					
1500	Carnahan High School of the Future-193	398	2003	73,500	323
1540	Trans & Law Academy @ Northwest-194	709	1964	170,460	193
High Schools					
1680	Roosevelt-168	1,272	1925	294,464	380
1800	Sumner-180	829	1910	170,468	193
1830	Vashon-183	930	2002	240,000	440
1440	Cleveland NJROTC-144	524	1955	104,048	251
1510	Collegiate School of Medicine/Bioscience-151	130	N/A	16,743	289
1222	Nottingham CAJT-114	140	1953	41,823	123
1860	Central VPA-186 @Southwest Complex	731	1937	143,653	410
1100	Clyde Miller Career Academy-117	1,003	2004	141,000	493
1220	Gateway Stem High-111	1,850	1956	470,891	976
1560	Metro A&C-156	381	1997	56,726	369
1730	Soldan International Studies-173	1,056	1909	293,097	511
1570	McKinley Leadership Academy-157	245	1903	51,715	303
Other Schools					
1250	Beaumont CTE High School-125	1,243	1926	274,599	357
1015	Griscom-668	N/A	N/A	N/A	10
Total St. Louis Public Schools				19,874	

N/A = NOT AVAILABLE

Source: DESE Website