#### PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 10, 2025

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

NEW ISSUE BOOK-ENTRY-ONLY PROGRAM RATING: S&P: "AA+" UNDERLYING RATING: S&P: "AA-" See "MISCELLANEOUS – Bond Rating" herein.

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, and is exempt from income taxation by the State of Missouri. The Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" in this Official Statement.

#### OFFICIAL STATEMENT

# \$128,000,000\* PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI GENERAL OBLIGATION BONDS (MISSOURI DIRECT DEPOSIT PROGRAM) SERIES 2025

Dated: Date of Delivery

Due: March 1, as shown on the inside cover page

The Bonds are issuable only as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in authorized denominations. Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the bonds, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (herein defined) of the Bonds.

The Bonds will be issued in the denomination of \$5,000 or any integral multiple thereof. Semiannual interest will be payable on March 1 and September 1, beginning on March 1, 2026. Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the payment office of Security Bank of Kansas City, Kansas City, Kansas, Paying Agent. Interest will be payable by check or draft of the Paying Agent mailed (or by electronic transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the interest payment date. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. DTC is expected, in turn, to remit such payments to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds and the interest thereon will constitute general obligations of the District, payable from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

An investment in the Bonds involves risk. Prospective purchasers should be able to evaluate the risks and merits of an investment in the Bonds before considering a purchase of the Bonds. See "RISK FACTORS" herein.

The Bonds are offered when, as and if issued by the District, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel. Certain matters relating to this Official Statement will be passed upon by Gilmore & Bell, P.C. as bond counsel. It is expected that the Bonds will be available for delivery in book-entry form through DTC, New York, New York, on or about October \_\_, 2025.

Bids for the Bonds will only be received electronically through PARITY electronic bid submission system until 10:00 A.M., Central Time, on Tuesday, September 23, 2025.

The date of this Official Statement is September \_\_\_, 2025

<sup>\*</sup> Preliminary; subject to change.

# \$128,000,000\* PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI GENERAL OBLIGATION BONDS (MISSOURI DIRECT DEPOSIT PROGRAM) SERIES 2025

# **MATURITY SCHEDULE**

# **SERIAL BONDS**

Maturity <u>March 1</u>	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Price</u>	<u>Yield</u>
2029	\$100,000			
2030	380,000			
2031	550,000			
2032	875,000			
2033	1,080,000			
2034	1,545,000			
2035	1,805,000			
2036	2,230,000			
2037	2,540,000			
2038	3,030,000			
2039	7,240,000			
2040	8,655,000			
2041	9,830,000			
2042	11,420,000			
2043	18,690,000			
2044	20,805,000			
2045	37,225,000			

# [TERM BONDS]

Maturity	Principal	Interest		
March 1	<b>Amount</b>	<u>Rate</u>	<b>Price</b>	<b>Yield</b>

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<sup>\*</sup> Preliminary; subject to change.

# PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

7703 NW Barry Road Kansas City, MO 64153-1731 (816) 359-4000

#### **BOARD OF EDUCATION**

Daryl Terwilleger, President and Member Shereka Barnes, Vice President and Member Harrison Todd, Treasurer and Member Janice Bolin, Member Scott Monsees, Member Brandy Woodley, Member

# **ADMINISTRATIVE OFFICERS**

Dr. Mike Kimbrel, Superintendent
Dr. Paul Kelly, Assistant Superintendent for Business and Technology
Dr. Jasmine Briedwell, Assistant Superintendent for Academic Services
Dr. Amy Dillon, Assistant Superintendent for Human Resources
Dr. Jaime Dial, Assistant Superintendent for Quality and Student Services
Kelly Wachel, APR, Chief Communications Officer
Tina Freeman, Secretary of the Board of Education

# MUNICIPAL ADVISOR

Piper Sandler & Co. Leawood, Kansas

#### **BOND COUNSEL**

Gilmore & Bell, P.C. Kansas City, Missouri

# CERTIFIED PUBLIC ACCOUNTANTS

KPM CPAs, PC Springfield, Missouri

#### REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by the District, the Municipal Advisor or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the District and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of this information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

# CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE DISTRICT NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR OR DO NOT OCCUR.

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#### OFFICIAL STATEMENT

# \$128,000,000\* PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI GENERAL OBLIGATION BONDS (MISSOURI DIRECT DEPOSIT PROGRAM) SERIES 2025

#### INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

# **Purpose of the Official Statement**

The purpose of this Official Statement is to furnish information relating to (1) the Park Hill School District of Platte County, Missouri (the "District"), and (2) the District's General Obligation Bonds (Missouri Direct Deposit Program), Series 2025 (the "Bonds"), dated their date of delivery, to be issued in the principal amount of \$128,000,000\* to fund projects for the District. The projects include acquiring, constructing, renovating, improving, furnishing and equipping the District's school facilities, including but not limited to (a) constructing, improving and renovating various school buildings, including the Phase 1 replacement of Park Hill High School, stadium and field improvements at Park Hill South High School, and additions to various elementary schools, and (b) purchasing land (collectively, the "Project").

#### **The District**

The District is a school district and political subdivision organized and existing under the laws of the State of Missouri. See the caption "THE DISTRICT" herein.

# The Bonds

The Bonds are being issued pursuant to a resolution (the "Bond Resolution") adopted by the governing body of the District for the purpose of funding the costs of the Project and costs relating to the issuance of the Bonds. The Bonds represent the entirety\* of the \$128,000,000 general obligation bonds authorized for the Project authorized by the required majority of voters of the District at an election held on April 8, 2025 (the "Voted Authority"). See the caption "THE BONDS" herein.

# **Security and Source of Payment**

The Bonds will be general obligations of the District and will be payable from ad valorem taxes that may be levied without limitation as to rate or amount upon all taxable property, real and personal, within the territorial limits of the District. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein. In addition, the District will enter into a Direct Deposit Agreement, whereby the District will pledge its State Aid (hereinafter defined) to the payment of the Bonds. The Direct Deposit Agreement will require that a portion of the District's State Aid payments be transferred directly to the Deposit Trustee (hereinafter defined) which will, in turn, transfer amounts as needed to the Paying Agent (hereinafter defined) for the Bonds in order to provide for payment of debt service on the Bonds. See the section captioned "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct Deposit Agreement" herein.

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<sup>\*</sup> Preliminary; subject to change.

#### **Financial Statements**

Audited financial statements of the District, as of and for the year ended June 30, 2024, are included in *Appendix B* to this Official Statement. These financial statements have been audited by KPM CPAs, PC, Springfield, Missouri, to the extent and for the periods indicated in their report, which is also included in *Appendix B*.

#### **Continuing Disclosure**

The District will undertake, pursuant to a continuing disclosure certificate, to provide certain financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the section "CONTINUING DISCLOSURE" herein.

#### THE DISTRICT

The District is a school district and political subdivision organized and existing under the laws of the State of Missouri. The District is located in the northwest portion of Kansas City, Missouri. The District encompasses approximately 73.5 square miles and has a population of 74,304, according to the 2020 Census. The District had a 2024-2025 enrollment of 11,967 students (pre-k through 12<sup>th</sup> grade). The District had a 2023-2024 enrollment of 12,024 students with an average daily attendance for the 2023-2024 academic year of 10,985. See "APPENDIX A: EDUCATIONAL FACILITIES AND ENROLLMENT" and "APPENDIX B: FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT AND SUPPLEMENTARY INFORMATION."

#### PLAN OF FINANCING

#### **Authorization of the Bonds**

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 164 and 108 of the Revised Statutes of Missouri, as amended ("RSMo").

# The Project

The Bonds represent the entire amount\* of the Voted Authority authorized by the required majority of voters of the District at an election held on April 8, 2025 to fund the costs of the Project. The District will deposit [\$\_\_\_\_\_] of the proceeds of the Bonds in the Capital Projects Fund established under the Bond Resolution to pay the costs of the Project.

The Project is anticipated to include the following improvements, but is not limited to:

High School Improvements. Designing and constructing the Phase 1 Replacement of Park Hill High School, and demolishing portions of the existing Park Hill High School building to launch the multi-phase replacement project; upgrading and improving athletic facilities, including stadium and field improvements at Park Hill South High School; and constructing, improving, installing and equipping flexible, updated spaces for co-curricular and extracurricular needs at the high school level.

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<sup>\*</sup> Preliminary; subject to change.

*Elementary School Improvements.* Constructing, improving, installing, and equipping additions at Chinn, Line Creek, and Southeast Elementary Schools, which will including but is not limited to, expansions to address capacity, aging infrastructure, and program space needs.

*District Wide Improvements*. Upgrading, installing and improvement security enhancements across all facilities, including upgraded door locks, fencing, cameras, and related safety infrastructure; and the purchase of land to support future District growth and construction needs.

#### **Sources and Uses of Funds**

The following table summarizes the estimated sources of funds and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:	
Principal Amount of the Bonds	\$128,000,000.00*
Plus [Net] Original Issue Premium	<u>.00.</u>
Total	\$ <u>.00</u>
Uses of Funds:	
Deposit to Capital Projects Fund	\$.00
Costs of Issuance including Underwriter's Discount	<u>.00.</u>
Total	\$ <u>.00</u>

#### THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Resolution for the detailed terms and provisions thereof.

#### **General Description**

The Bonds will be issued in the principal amounts stated on the inside cover page of this Official Statement, will be dated their date of delivery, and will consist of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The Bonds will mature, subject to redemption as described below, on March 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2026. Principal will be payable upon presentation and surrender of the Bonds by the Registered Owners thereof at the payment office of Security Bank of Kansas City, Kansas City, Kansas, as paying agent (the "Paying Agent"). Interest shall be paid to the Registered Owners of the Bonds as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Registered Owners shown on the Bond Register, (b) at such other address as is furnished to the Paying Agent in writing by any Registered Owner or (c) in the case of an interest payment to any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), ABA routing number, account name and account number to which such Registered Owner wishes to have such transfer directed.

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<sup>\*</sup> Preliminary; subject to change.

# **Redemption Provisions**

*Optional Redemption.* At the option of the District, the Bonds may be called for redemption and payment, in whole or in part at any time on March 1, 2035 and thereafter at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

[Mandatory Redemption. The Bonds maturing March 1, 20\_\_ shall be subject to mandatory redemption and payment prior to stated maturity at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date as follows:]

# [Term Bond Maturing on March 1, 20 ]

Year Principal Amount

\*Final Maturity

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the Stated Maturities selected by the District, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

Notice and Effect of Call for Redemption. In the event of any such redemption, the Paying Agent will give written notice of the District's intention to redeem and pay said Bonds by first-class mail to the State Auditor of Missouri, to the original purchaser of the Bonds, and to the Registered Owner of each Bond, said notice to be mailed not less than 20 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the District defaults in the payment of the redemption price) such Bonds or portion of Bonds shall cease to bear interest.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified above to DTC. It is expected that DTC will, in turn, notify the DTC Participants and that the DTC Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a DTC Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a DTC Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

# Registration, Transfer and Exchange of Bonds

Each Bond when issued shall be registered by the Paying Agent in the name of the owner thereof on the Bond Register. Bonds are transferable only upon the Bond Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for Bonds in the same aggregate principal amount and maturity upon presentation to the Paying Agent, subject to the terms, conditions and limitations set forth in the Bond Resolution and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, transfer or exchange.

#### SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

# **General Obligations**

The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

# The Bond Resolution

*Pledge of Full Faith and Credit.* The full faith, credit and resources of the District are irrevocably pledged under the Bond Resolution for the prompt payment of the Bonds as the same become due.

Levy and Collection of Annual Tax. Under the Bond Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. Except as otherwise provided under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct Deposit Agreement," the proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District and shall be used for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent.

All references herein to the Bond Resolution are qualified in their entirety by reference to the Bond Resolution. Copies of the Bond Resolution and the Official Statement may be viewed at the office of Piper Sandler & Co., 11635 Rosewood St., Leawood, Kansas 66211, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

#### **Direct Deposit Agreement**

Pursuant to Section 360.111 et seq. of the Revised Statutes of Missouri, as amended, and related statutes (the "Deposit Law"), the State of Missouri (the "State") and the District may agree to transfer to a Missouri bank, as direct deposit trustee (the "Deposit Trustee"), a portion of the District's State aid payments and distributions normally used for operational purposes ("State Aid") in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the "Deposit Agreement") with the office of the Treasurer of the State of Missouri ("Treasurer's Office"), the Department of Elementary and Secondary Education of the State of Missouri ("DESE"), the Health and Educational Facilities Authority of the State of Missouri (the "Authority") and the Deposit Trustee. Under the Deposit Agreement, the District will pledge a portion of its State Aid to the payment of the Bonds. The Deposit Agreement will provide that during each of the months of December 2025 through February 2026, one-third (1/3) of debt service on the Bonds during the bond year ending March 1, 2026 will be deposited with the Deposit Trustee, and that during each of the ten months in each succeeding bond year thereafter beginning March 2026 through September 2026 and December 2026 through February 2027, and in each succeeding ten (10) similar months (i.e., March through September and December through February) for each bond year thereafter, one-tenth (1/10th) of the debt service to be paid on the Bonds during such bond year will be deposited with the Deposit Trustee. Amounts of State Aid to the District in excess of the monthly deposit will not be deposited with the Deposit Trustee but will be transferred directly to the District as has historically been the case with all State Aid.

Each month, pursuant to the terms of the Deposit Agreement, DESE will advise the Treasurer's Office of the amount of the District's State Aid to be deposited with the Deposit Trustee for the purpose of paying the Bonds, as specified in the Deposit Agreement. If there is a shortfall in a monthly payment, it is to be made up in the succeeding monthly payment of State Aid. Following receipt of the deposits, the Deposit Trustee will invest the amounts for the benefit of the District. The Deposit Trustee will transfer to the Paying Agent the amount necessary for payment of debt service on the Bonds not later than the business day prior to each payment date with respect to

the Bonds. The District remains obligated to provide funds to the Paying Agent for debt service on the Bonds if the amounts of State Aid transferred are not sufficient to pay the Bonds when due.

Nothing in the Deposit Law or the Deposit Agreement relieves the District of its obligation to make payments of principal and interest on the Bonds, or to impose a debt service levy sufficient to retire the Bonds. Moneys of the District that would otherwise be used to pay the Bonds on each payment date may be transferred to the District's operational funds to replace State Aid funds used to pay the Bonds. The State has not committed pursuant to the Deposit Law, the Deposit Agreement or otherwise to maintain any particular level of State Aid on behalf of the District, and the State is not obligated in any manner, contractually or morally, to make payments of debt service on the Bonds, other than its obligation to make transfers to the Deposit Trustee as described above. No assurance can be made that the amount of annual State Aid to the District will not in the future drop below that of the annual debt service requirements on the Bonds.

#### RISK FACTORS

The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.

# **Ad Valorem Property Taxes**

The Bond Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – History of Property Valuations" in Appendix A to this Official Statement. In addition, the issuance of additional general obligation bonds by the District or by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See "DEBT STRUCTURE – Overlapping Indebtedness" in Appendix A of this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 15% of the assessed valuation of taxable tangible property in the District. See "DEBT STRUCTURE – Legal Debt Capacity" in Appendix A to this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. See "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – Current Assessed Valuation" and "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Major Property Taxpayers" in Appendix A to this Official Statement.

#### **Senior Property Tax Credit Program**

The Missouri General Assembly enacted legislation in 2023 (subsequently amended in 2024) that authorizes counties to grant property tax credits to each "eligible taxpayer" equal to the difference between the real property tax liability on the eligible taxpayer's homestead in the current year minus the real property tax liability on the homestead either (1) in the year the county initially authorizes the credit or (2) when the person becomes an "eligible taxpayer" (the "Senior Property Tax Credit Program"). "Eligible taxpayer" means a Missouri resident who (1) is at least 62 years old, (2) owns real property used as the taxpayer's primary residence

and (3) is liable for the payment of property taxes on that property. Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by a county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. The Platte County Commission passed an ordinance on March 18, 2024 implementing the Platte County Senior Citizens' Real Property Tax Freeze Credit. The potential financial impact of the Senior Property Tax Credit Program on the District is not yet ascertainable.

# Missouri Property Tax Cap

In June 2025, the Missouri General Assembly passed Senate Bill 3, which authorizes counties to grant property tax credits in the form of a cap on increases to residential real property tax bills. For certain counties, including Platte County, the real property tax liability on an eligible taxpayer's home may be increased by no more than five percent per year or the percent increase in the Consumer Price Index, whichever is greater. For other counties the real property tax liability on an eligible taxpayer's home may not be increased above the liability incurred during the initial credit year. The City of St. Louis and 17 counties are exempt from the bill. The initial credit year is 2024 or, if the eligible taxpayer's real property tax liability is lower in a subsequent year, the initial credit year is that subsequent calendar year. All non-exempt counties are required to place a question of whether to enact this real property tax cap on the ballot by no later than the April 2026 general election. If a majority of the votes cast on the question are in favor of the cap, the credit shall be in effect and the county shall grant the property tax credit to eligible taxpayers. The County Collector will note the amount of any credit on the real property tax bills sent to eligible taxpayers. The potential financial impact of Senate Bill 3 on the District is not yet ascertainable.

# **Potential Risks Relating to COVID-19**

In December 2019, a novel strain of coronavirus (which leads to the disease known as "COVID-19"), spread throughout the world and has been characterized by the World Health Organization as a pandemic. The impact of the COVID-19 pandemic on the U.S. economy was broad based and negatively impacted national, state and local economies.

In response to such circumstances, the President of the United States on March 13, 2020 declared a "national emergency," which, among other effects, allowed the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation. On March 13, 2020, the Governor of the State of Missouri (the "Governor") signed an Executive Order declaring a state of emergency in the State of Missouri (the "State") in response to COVID-19. The Executive Orders were intended to allow more flexibility in utilizing resources and deploying them around the State where they are most appropriate, including allowing the Governor to waive certain State laws and regulations where necessary. The State remained under a "State of Emergency" through August 27, 2021. The State is not currently under a statewide public health order.

Despite the expiration of statewide orders, cities and counties have the ability to impose local public health orders restricting economic activities within the State and providing additional health and safety restrictions.

The proliferation or recurrence of COVID-19 or any other pandemic throughout the State may adversely affect the State's revenues which could negatively impact the availability of State Aid (as defined in Appendix A to this Official Statement) distributed to the District and may impact the amount of property tax revenues available to fund the District's operations if the economic ramifications resulting from the COVID-19 pandemic or any other pandemic have a lasting impact on the economy in and around the State or the District.

The District received \$291,137.28 in federal stimulus monies in fiscal year 2023-2024 and \$1,679,257.16 in fiscal year 2022-2023. The District cannot be certain whether State or federal aid will be sufficient to address additional costs of containing and responding to the virus or replacing lost revenues relating to the economic impact of the virus, or whether additional funds will be made available to the District.

#### **Secondary Market Prices and Liquidity**

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's or the issuer's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

#### No Reserve Fund or Credit Enhancement

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to ensure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the District to pay the Bonds. As described under "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Bond Resolution" in this Official Statement, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, sufficient to pay principal and interest on the Bonds on all taxable tangible property in the District.

# **Ratings**

A rating agency has assigned the Bonds the Direct Deposit Program rating, and the District an underlying rating, set forth on the cover page of this Official Statement as further reflected under the section captioned "MISCELLANEOUS – Bond Ratings" in this Official Statement. Such ratings reflect only the view of Standard & Poor's Ratings Services ("S&P"), and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by S&P if, in their judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

# **Bankruptcy**

In addition to the limitations on remedies contained in the Bond Resolution, the rights and remedies provided by the Bonds may be limited by and are subject to (i) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (ii) the application of equitable principles, and (iii) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri, as amended, requires that any interest and sinking fund moneys only be used to pay principal and interest on the Bonds. The District, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

# **Pensions and Other Postemployment Benefits**

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri and (ii) The Public Education Employee Retirement System of Missouri. See "FINANCIAL INFORMATION CONCERNING THE DISTRICT – Pension and Employee Retirement Plans" in *Appendix A* to this Official Statement. The District also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. See "FINANCIAL INFORMATION CONCERNING THE DISTRICT – Other

**Postemployment Benefits"** in *Appendix A* to this Official Statement. Future required contribution increases beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the District's operations or limit the District's ability to generate additional revenues in the future.

#### **Enrollment**

Significant portions of the revenue the District receives are directly affected by the District's enrollment. A significant decrease in enrollment could reduce the amount of future revenue the District receives, which may adversely affect the District's financial position and results of operations. No assurance can be given that economic, social, legislative, and other factors beyond the control of the District will not negatively impact student enrollment and revenues dependent thereon. Increased competition from other educational facilities, including virtual facilities and charter schools, which may offer comparable programs at lower prices, could adversely affect the ability of the District to maintain enrollment, or could adversely affect the ability of the District to attract faculty and other staff. Under the Missouri Course Access and Virtual School Program, eligible students may enroll in virtual courses, and the school district will have to pay for that course if certain criteria are met. Charter schools are allowed in certain limited areas of Missouri provided certain criteria are met; there are or may be pending in the General Assembly of Missouri legislative proposals that, if enacted, could expand the prevalence of charter schools. It cannot be predicted whether or in what form any proposed legislation might be enacted or whether, if enacted, it would negatively impact the District's enrollment, financial position or operations. For information about the historical enrollment of the District, see "EDUCATIONAL FACILITIES AND ENROLLMENT – Enrollment" in *Appendix A* of this Official Statement.

#### **Amendment of the Bond Resolution**

Certain amendments, effected by resolution of the District, to the Bonds and the Bond Resolution may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (a) extend the maturity of any payment of principal or interest due upon any Bond; (b) alter the redemption provisions of any Bond; (c) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (d) permit preference or priority of any Bond over any other Bond; or (e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Resolution without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The District may also amend or supplement the Bond Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

# **State Aid and Direct Deposit Agreement**

For the fiscal year ended June 30, 2024, approximately 27.94% of the District's revenue was derived from moneys provided by the State of Missouri as State Aid, including Proposition C allocations from the State. See the sections captioned "FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue" and "– State Revenue" in *Appendix A* to this Official Statement. A portion of the District's State Aid is currently pledged to the payment of the Bonds and will be directly deposited by the State with the Deposit Trustee for payment of the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct Deposit Agreement" in this Official Statement. Reductions in State Aid could occur in the future if, for example, the State of Missouri faces fiscal problems in the future or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

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# **Loss of Premium from Redemption**

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See "THE BONDS – Redemption Provisions" in this Official Statement.

# Tax-Exempt Status and Risk of Audit

The failure of the District to comply with certain covenants set forth in the Bond Resolution could cause the interest on the Bonds to become included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bond Resolution does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and Missouri income tax purposes. See "TAX MATTERS" in this Official Statement.

The Internal Revenue Service (the "IRS") has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the District as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

#### **Defeasance Risks**

When all Bonds are deemed paid and discharged as provided in the Bond Resolution, the requirements contained in the Bond Resolution and the pledge of the District's faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the stated maturity or prior redemption date. There is no legal requirement in the Bond Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

# **Cybersecurity Risks**

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the District's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

The District currently has cybersecurity insurance through the Missouri United Schoolhouse Insurance Council (MUSIC) in an amount of up to a \$5,000,000.

#### THE BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC. The District, the Municipal Advisor and the Underwriter take no responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.

# Transfer Outside Book-Entry Only System

If the Book-Entry Only System is discontinued the following provisions would apply. The Bonds are transferable only upon the Bond Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for other Bonds of any denomination authorized by the Bond Resolution in the same aggregate principal amount, series, payment date and interest rate, upon presentation to the Paying Agent, subject to the terms, conditions and limitations and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, exchange or transfer.

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#### LEGAL MATTERS

# **Legal Proceedings**

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the District or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or that might affect the District's ability to meet its obligations to pay the Bonds.

# **Approval of Legality**

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel. The form of Bond Counsel's opinion is attached hereto as *Appendix C*. Certain matters relating to this Official Statement will also be passed upon by Gilmore & Bell, P.C., as bond counsel to the District.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon or of the future performance of parties to such transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

#### TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

# **Opinion of Bond Counsel**

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Bonds:

Federal and Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

*No Bank Qualification.* The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal and Missouri income tax purposes. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the section herein captioned "TAX MATTERS."

#### **Other Tax Consequences**

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

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Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that the interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

# CONTINUING DISCLOSURE

The District is executing a Continuing Disclosure Certificate, in substantially the form provided in *Appendix D* to this Official Statement, for the benefit of the owners and Beneficial Owners of the Bonds in order to comply with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The District is the only "obligated person" with responsibility for continuing disclosure.

The District has engaged in undertakings similar to the Continuing Disclosure Certificate with respect to several series of bonds previously issued by the District to provide to the national information repositories (presently, only the MSRB) the audited financial statements of the District and updates of certain operating data of the District. Over the last five years (i.e., for the fiscal years ended June 30, 2020 through June 30, 2024), the District has substantially complied with its prior undertakings. The District has engaged the law firm of Gilmore & Bell, P.C. to promote its compliance with the District's obligations under the Continuing Disclosure Certificate and the District's prior undertaking with respect prior undertakings with respect to the timeliness and content of its Annual Reports.

#### **Electronic Municipal Market Access System (EMMA)**

All Annual Reports and notices of Material Events required to be filed by the District pursuant to the Continuing Disclosure Certificate must be submitted to the MSRB through the MSRB's Electronic Municipal Market Access system ("EMMA"). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the District or the Bonds is incorporated by reference in this Official Statement.

#### **MISCELLANEOUS**

#### **Bond Ratings**

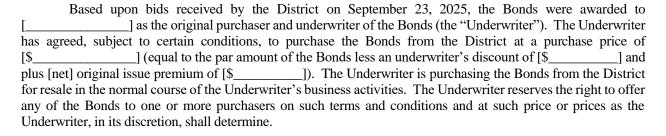
Standard & Poor's Ratings Services ("S&P") is expected to give the Bonds a program rating of "AA+", which rating is conditioned upon the execution and delivery of the Direct Deposit Agreement described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" hereof. S&P has assigned the Bonds an underlying rating of "AA-" that reflects the evaluation of the investment quality of the Bonds without regard to the Direct Deposit Agreement. Such ratings reflect only the views of such rating agency, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

The District has furnished the rating agency with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Certificate, the District is required to bring to the attention of the holders of the Bonds any revision or withdrawal of the rating of the Bonds but has not undertaken any responsibility to oppose any such revision or withdrawal. See the section herein captioned "CONTINUING DISCLOSURE." Any such revision or withdrawal of the rating could have an adverse effect on the market price and marketability of the Bonds.

#### **Municipal Advisor**

Piper Sandler & Co. (the "Municipal Advisor") has acted as Municipal Advisor to the District in connection with the sale of the Bonds. The Municipal Advisor has assisted the District in matters relating to the planning, structuring and issuance of the Bonds and various other debt related matters. The Municipal Advisor will not be a manager or a member of any purchasing group submitting a proposal for the purchase of the Bonds.

# **Underwriting**



# **Certification and Other Matters Regarding Official Statement**

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the District, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds and the Bond Resolution do not purport to be complete and are qualified in their entirety by reference thereto.

The Preliminary Official Statement has been "deemed final" by the District except for the omission of certain information as provided by Securities and Exchange Commission Rule 15c2-12. Simultaneously with the delivery of the Bonds, the President of the Board of Education of the District, acting on behalf of the District, will furnish to the Underwriter a certificate that shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the District. Neither the District nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District's ability to make payments required of it; and further, neither the District nor any of its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Bond Resolution.

PARK HILL SCHOOL DISTRICT
OF PLATTE COUNTY, MISSOURI

By:		
	President of the Board of Education	

# APPENDIX A

# PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

# APPENDIX A PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

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#### APPENDIX A

#### PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

# GENERAL AND ECONOMIC INFORMATION

#### **Government and Organization**

The District is a reorganized school district formed pursuant to Chapter 162 of the Revised Statutes of Missouri, as amended ("RSMo"). The District is governed by a seven-member Board of Education (the "Board"). The members of the Board are elected by the voters of the District for three-year staggered terms. All Board members are elected at-large and serve without compensation. The Board is responsible for all policy decisions. The President of the Board is elected by the Board from among its members for a term of one year and has no regular administrative duties. The Secretary and Treasurer are appointed by the Board and may or may not be members of the Board.

The Board of Education appoints the Superintendent who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Additional members of the administrative staff are appointed by the Board of Education upon recommendation by the Superintendent. The District has a total of 2,225 employees, including 75 administrative personnel, 1,030 teachers and 1,120 classified employees.

#### **Board of Education**

The current members and officers of the Board are:

<u>Name</u>	<u>Position</u>	Term Ends
Daryl Terwilleger	President and Member	2028
Shereka Barnes	Vice President and Member	2028
Harrison Todd	Treasurer and Member	2027
Janice Bolin	Member	2026
Scott Monsees	Member	2026
Brandy Woodley	Member	2027

# **District Administration**

Superintendent. Dr. Mike Kimbrel became superintendent on July 1, 2022. Before serving as superintendent, Dr. Kimbrel had been with the District for 12 years, previously serving as the assistant superintendent for academic services, the director of research, evaluation and assessment and as the executive director of quality and evaluation. Before serving the District, he worked in the Millard Public Schools in Nebraska and the Liberty Public Schools, serving as a math teacher, an assistant principal and a principal. Dr. Kimbrel's work to lead the District's continuous improvement efforts contributed to the District earning the Missouri Quality Award in 2015.

Assistant Superintendent for Business and Technology Services. Dr. Paul Kelly is responsible for budgeting, financial planning, capital planning, construction, facility operations, maintenance, transportation, food services, payroll, employee benefits, district liability, workers' compensation, technology and data processing. Dr. Paul Kelly has earned Bachelors, Masters, Specialist and Doctorate degrees. Dr. Kelly has been the Assistant Superintendent for Business and Technology of the District since July 1, 2005. Dr. Kelly has been with the District

since 1992, serving as Assistant to the Superintendent, Director of Instructional Technology and as a high school science instructor.

Assistant Superintendent for Academic Services. Dr. Jasmine Briedwell is responsible for curriculum, assessment, instruction, professional development, special services programs and support service programs. She was hired by the District in 2017 as the Director of Elementary Education, and was appointed Assistant Superintendent on July 1, 2022.

Assistant Superintendent for Human Resource Services. Dr. Amy Dillon is responsible for employment and labor issues, calendars and employee wellness programs. She was hired by the District in 2022.

Assistant Superintendent for Quality and Student Services. Dr. Jaime Dial oversees the District's quality programs and strategic planning process. She was hired by the District in 2014.

# **School Rating and Accreditation**

The Missouri Department of Elementary and Secondary Education ("DESE") administers the Missouri School Improvement Program ("MSIP"), the state's school accountability system for reviewing and accrediting public school districts in Missouri. Since MSIP was established in 1990, five review cycles have been completed, each cycle lasting from five to six years. The sixth cycle, referred to as MSIP 6, began in the 2020-2021 school year. The District is accredited. The MSIP classification is not a bond or a debt rating, but is solely an evaluation made by DESE.

# **General and Demographic Information**

Commerce. Platte County, Missouri ("Platte County") is the home of one of the general purpose foreign trade zones in the Kansas City, Missouri ("Kansas City") area. A foreign trade zone encourages international commerce by permitting foreign goods to be held duty-free and quote-free in a specific area. Goods brought into a zone may be stored, manipulated, mixed with domestic and/or foreign materials, used in the manufacturing process, or exhibited for sale without paying the duty.

*Medical and Health Facilities*. There are many general practitioners and specialists who provide medical care in the area served by the District. St. Luke's Northland Hospital – Barry Road Campus is located in Platte County. District residents have access to all the medical and health facilities in metropolitan Kansas City. These include, among others, St. Luke's Northland Hospital – Smithville Campus, Liberty Hospital and North Kansas City Hospital, which are located in Clay County, Missouri near the District.

Recreational, Cultural and Religious Facilities. Many recreational facilities are easily accessible to residents of the District, including several lakes, parks and athletic facilities. District residents have access to all the cultural activities in metropolitan Kansas City. Nearly every major religious organization is represented in or near the District.

*Municipal Services and Utilities.* Various cities within the District provide municipal services to the District. City-owned utilities consist of the water and sewer systems, except in Parkville, Missouri and Riverside, Missouri where water is provided by Missouri American Water Company. Electricity is provided by Evergy. Natural gas service is provided by Spire.

*Transportation and Communication Facilities.* Residents have access to all transportation systems serving Kansas City. This includes Amtrak Railroad and the Kansas City International Airport. A portion of the airport is

located within the District. Rail service in Platte County is provided by The Burlington Northern and Santa Fe Railroad. The District has excellent access to the interstate highway system, with I-29 and I-435 connecting it to all parts of the Kansas City area and thereby allowing access to the major north/south I-35 and I-29 and the major east/west I-70.

# **Employment**

Listed below are the major employers located in Platte County and the number employed by each:

	Major Employers	Type of Business	Number of Employees
1.	Park Hill School District	Education	1,868
2.	Argosy Casino Hotel & Spa	Casino	712
3.	Platte County R-3 School District	Education	583
4.	Saint Luke's Northland Hospital	Health services	554
5.	Kansas City Aviation Department	Transportation	520
6.	Park University	Higher Education	500
7.	Challenge Manufacturing	Auto parts manufacturing	450
8.	Johnson Controls, Inc.	Fire and security services	450
9.	Citi Cards	Bank card collections	405
10.	Pure Fishing, Inc.	Fishing equipment distribution	401

Source: Platte County Economic Development Council.

The following table sets forth employment figures for Platte County and the State of Missouri:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u> *
Platte County					
Total Labor Force	59,022	59,554	60,678	61,931	62,146
Unemployed	2,274	1,350	1,562	1,987	2,248
Unemployment Rate	3.9%	2.3%	2.6%	3.2%	3.6%
State of Missouri					
Total Labor Force	3,062,449	3,036,611	3,087,759	3,131,182	3,164,480
Unemployed	134,081	79,259	94,172	114,296	132,824
Unemployment Rate	4.4%	2.6%	3.0%	3.7%	4.2%

Source: Missouri Economic Research and Information Center, Missouri Department of Economic Development.

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<sup>\*</sup> Based on an average of January through June 2025.

# **Population**

<u>Year</u>	<u>District</u>	Platte <u>County</u>	<u>Missouri</u>
2023	76,961	111,940	6,196,156
2020	74,304	106,718	6,154,913
2010	62,261	89,322	5,988,927
2000	54,359	73,781	5,595,211

Source: U.S. Census Bureau.

# **Estimated Population Distribution by Age (2023 Estimate)**

<u>Age</u>	<u>District</u>	Platte County	State of Missouri
Under 5	4,254	6,255	359,915
5-19 years	15,085	21,495	1,187,955
20-44 years	25,794	36,183	1,999,311
45-64 years	19,640	27,727	1,541,871
65 and older	<u>11,913</u>	<u>17,091</u>	1,079,129
Total	<u>76,686</u>	<u>108,751</u>	<u>6,168,181</u>
Median Age	38.6	38.7	38.9

Source: U.S. Census Bureau – American Community Survey – 2023 5-Year Estimates.

# Housing

The following table presents the median value of owner-occupied housing units in the District, Platte County and the State of Missouri:

	Number of Owner- Median F Occupied Units Value	
District	20,376	\$316,500
Platte County	29,031	317,600
State of Missouri	1,688,072	215,600

Source: U.S. Census Bureau – American Community Survey – 2023 5-Year Estimates.

#### **Income Statistics**

The following table sets forth income statistics for the District and related areas:

	<u>Per Capita</u>	<u>Median Family</u>
District	\$50,749	\$120,747
Platte County	49,273	118,570
State of Missouri	38,497	88,759

Source: U.S. Census Bureau – American Community Survey – 2023 5-Year Estimates.

# EDUCATIONAL FACILITIES AND ENROLLMENT

# **Educational Facilities**

The District currently operates seventeen schools, including twelve elementary schools, four middle schools, two high schools, a day treatment center for students from kindergarten through 12th grade with special needs that cannot be met at their home schools, and one preschool, as shown below.

<b>Elementary</b>	Middle School	<u>Other</u>
Angeline Washington Elementary Chinn Elementary	Congress Middle School Lakeview Middle School	Academic Services Center Aquatic Center
English Landing Elementary Graden Elementary	Plaza Middle School Walden Middle School	Gerner Family Early Education Center
Hawthorn Elementary Hopewell Elementary	High School	Russell Jones Education Center
Line Creek Elementary Prairie Point Elementary	Park Hill High School	District Office Support Services Facility Student Well Pains Contact
Renner Elementary Southeast Elementary Tiffany Ridge Elementary Union Chapel Elementary	Park Hill South High School LEAD Innovation Studio	Student Well-Being Center

# **Enrollment**

Listed below are the District's fall enrollment figures for the last five school years for which data is available.

	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	2023-2024	<u>2024-2025</u>
Elementary (K-5)	5,283	5,186	5,140	5,083	5,027
Middle School (6-8)	2,790	2,793	2,838	2,799	2,707
High School (9-12)	<u>3,634</u>	<u>3,713</u>	<u>3,717</u>	<u>3,763</u>	<u>3,835</u>
Total	<u>11,707</u>	<u>11,692</u>	<u>11,695</u>	<u>11,645</u>	11,569

The average daily attendance in the District for the 2023-2024 academic year was 10,985 and for the 2022-2023 academic year was 11,065. The overall student/teacher ratio for the 2023-2024 academic year was 13:1. The cost of instruction in the District was approximately \$15,242 per pupil for the 2023-2024 academic year.

#### **DEBT STRUCTURE**

# **Current Long-Term General Obligation Indebtedness**

The following table sets forth as of October 1, 2025, all of the outstanding general obligation indebtedness of the District:

Category <u>Indebtedness</u>	Date of <u>Indebtedness</u>	Amount <u>Issued</u>	Amount Outstanding
GO Refunding Bonds	November 1, 2016	\$8,830,000	\$6,975,000
General Obligation Bonds	October 12, 2017	87,715,000	70,580,000
General Obligation Bonds	October 16, 2018	23,285,000	21,395,000
GO Refunding Bonds	December 1, 2020	30,725,000	19,040,000
General Obligation Bonds	January 26, 2023	60,000,000	58,720,000
General Obligation Bonds	October 10, 2024	77,000,000	77,000,000
Ç	,	. ,	\$ <u>253,710,000</u>

# **History of General Obligation Indebtedness**

The District has never defaulted on the payment of any of its debt obligations.

The following table shows the outstanding general obligation debt of the District for each of the last five fiscal years.

As of June 30	Total Outstanding <u>Debt</u>	Assessed Valuation <sup>(1)</sup>	Debt as % of Assessed Valuation
2025	\$253,710,000	\$2,390,458,221	10.6%
2024	184,275,000	2,377,094,793	7.8
2023	190,100,000	2,182,994,392	8.7
2022	142,800,000	2,124,870,381	6.7
2021	152,535,000	1,924,679,725	7.9

Source: The District.

<sup>(1)</sup> The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown. Assessed valuation excludes state assessed railroad and utility property and incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the District.

#### **Debt Summary**

(as of October 1, 2025, unless otherwise noted)

2025 Assessed Valuation (1)	\$2,536,620,129
2023 Estimated Actual Valuation:	\$11,278,365,972
2023 Population of District (2)	76,961
Total Outstanding General Obligation Debt: (3)	\$253,710,000
Overlapping Debt:	\$56,666,260
Direct and Overlapping General Obligation Debt:	\$310,376,260
Ratio of General Obligation Debt to Assessed Valuation: Ratio of General Obligation Debt to Estimated Actual Valuation: Per Capita General Obligation Debt:	10.00% 2.25% \$3,296.60
Ratio of Direct and Overlapping General Obligation Debt to Assessed Valuation: Ratio of Direct and Overlapping General Obligation Debt	12.24%
to Estimated Actual Valuation:	2.75%
Per Capita Direct and Overlapping General Obligation Debt:	\$4,032.90

<sup>(1)</sup> Excludes State assessed valuation.

# **Overlapping Indebtedness**

The following table sets forth the approximate overlapping general obligation indebtedness of political subdivisions with boundaries overlapping the District as of October 1, 2025, and the percent attributable (on the basis of assessed valuation) to the District. The table was compiled from information furnished by the State Auditor's office, and the District has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional obligations, the amounts of which cannot be determined at this time.

Taxing <u>Jurisdiction</u>	Outstanding Obligations	Estimated % Applicable to District	Amount Applicable to District
Platte County	\$1,705,000(1)	7.8%	\$132,990
Southern Platte Fire Protection District	2,880,000	64.5	1,857,600
City of Parkville	4,780,000 (1)	100.0	4,780,000
Kansas City	530,805,000 (2)	9.4	49,895,670
Total			<u>\$56,666,260</u>

Source: Platte County Assessor's Office; Platte County Clerk; State Auditor of Missouri – Bond Registration Reports; Office of Missouri State Auditor, Property Tax Rates; Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

(1) Consists of neighborhood improvement district bonds.

<sup>(2)</sup> See "GENERAL AND ECONOMIC INFORMATION – Population."

<sup>(3)</sup> Preliminary, subject to change. Includes the Bonds, but excludes authorized but unissued bonds.

<sup>&</sup>lt;sup>(2)</sup> As of April 30, 2025. For a more complete understanding, see Appendix C of the Official Statement printed with respect to the City of Kansas City, Missouri, General Obligation Bonds, Series 2025A (the "Series 2025A Bonds") which document is not included by reference herein and is available at <a href="https://www.emma.msrb.org">www.emma.msrb.org</a>.

#### **Legal Debt Capacity**

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized school purposes not to exceed 15% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any general municipal, primary or general election held in even-numbered years or two-thirds voter approval on any other election date. The legal debt limitation and debt margin of the District are as follows:

# **Legal Debt Limitation and Debt Margin**

2025 Assessed Valuation		\$2,536,620,129
Legal Debt Limitation (15% of 2023 Assessed Valuation)		\$380,493,019
General Obligation Bonds Outstanding The Bonds Total Less Excess Debt Service Funds Net General Obligation Debt	\$253,710,000 <u>\$128,000,000</u> <sup>(1)</sup> \$381,710,000 \$ <u>7,000,846</u> <sup>(2)</sup>	\$374,709,153
Legal Debt Margin under Article VI, Section 26		\$5,783,865

<sup>(1)</sup> Preliminary, subject to change.

The District's legal debt limit and debt margin would be higher if the valuation of state assessed railroad and utility property that is physically located within the bounds of the District was taken into account. State assessed railroad and utility property valuation was not included in the calculations of debt limit or debt margin.

Because of the manner in which tax collections are distributed to school districts from assessments of state assessed railroad and utility property (see "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – *Current Assessed Valuation*), the cumbersome task of determining the valuation of such property physically located within a school district is not normally undertaken unless, without the value of such property included in the calculation, the district would exceed its legal debt limit.

# **Other Financings**

The District does not have other long-term obligations outstanding at this time.

# FINANCIAL INFORMATION CONCERNING THE DISTRICT

#### Accounting, Budgeting and Auditing Procedures

The District presents its governmental activities in fund financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, in conformity with the requirements of Missouri law and DESE. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures when they result from modified cash transactions.

<sup>(2)</sup> Debt Service Fund balance based on bank statements dated April 7, 2025 from MOSIP, Commerce Bank, UBS Wealth Management, and BOK Financial, minus the 9/1/2025 interest payment of \$5,229,849.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. District resources are allocated to, and accounted for, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Transactions have been recorded in the following funds for the accounting of all District funds:

- General (Incidental) Fund: The General Fund is the primary operating fund of the District. It is used to account for general activities of the District, including expenditures for noncertified employees, pupil transportation costs, plant operation, fringe benefits, student body activities, community services, food service and any expenditures not required or permitted to be accounted for in other funds.
- **Special Revenue (Teachers') Fund:** Accounts for expenditures for certificated employees involved in administration and instruction. It includes revenues restricted by the state and the local tax levy for the payment of teacher salaries and certain employee benefits.
- **Debt Service Fund**: Accounts for the accumulation of resources for, and the payment of, principal, interest and paying agent charges on, long-term debt.
- Capital Projects Fund: Accounts for resources restricted for the acquisition or construction of specific capital projects or items. It accounts for the proceeds of long-term debt, taxes and other receipts, including the Bond proceeds, designated for construction of major capital assets and all other capital outlay.

The Treasurer of the District is responsible for handling all moneys of the District and administering the above funds. All moneys received by the District from whatever source are credited to the appropriate fund. Moneys may be disbursed from such funds by the Treasurer only for the purpose for which they are levied, collected or received and only upon checks drawn by the Treasurer pursuant to orders of the Board or upon orders for payment issued by the Treasurer pursuant to orders of the Board.

An annual budget of estimated receipts and disbursements for the coming fiscal year is prepared by the Superintendent and is presented to the Board prior to July 1 for approval. The District's fiscal year is July 1 through June 30. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes and includes a statement of the rate of levy per hundred dollars of assessed valuation required to raise each amount shown on the budget as coming from District property taxes.

The financial records of the District are audited annually by an independent public accountant according to the modified cash basis of accounting. The most recent annual audit has been performed by KPM CPAs, PC, Springfield, Missouri. The audited financial statements of the District for the fiscal year ended June 30, 2024, together with the independent auditor's report thereon, are included in this Official Statement at *Appendix B*. A summary of significant accounting policies of the District is contained in the notes accompanying the financial statements in *Appendix B*. The audited financial statements for earlier years with reports by the certified public accountants are available for examination in the District's office.

#### **Sources of Revenue**

The District finances its operations through the local property tax levy, state sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including without limitation State Aid for transportation, a state sales tax on cigarettes and a pro rata share of interest income from the counties in which each school district operates. Debt service on general obligation bonds is paid from amounts in the District's Debt Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from

a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board.

State and federal revenue, as well as "Proposition C" sales tax revenue (included in the "Local Revenue" category below), are received on a continuous monthly basis throughout the fiscal year. Local taxes, however, are received primarily in January, over six months into a district's fiscal year. Districts that receive a smaller percentage of revenue from state and federal aid and depend more on local revenues will typically carry a larger fund balance than other districts that may be receiving a larger percent of its revenue from state and federal aid amounts rather than local taxes.

*Current.* For the 2023-24 fiscal year, the District's sources of revenue were as follows:

Source	<b>Amount</b>	<u>%</u>
Local Revenue:		_
Property Taxes	\$130,472,858	53.7%
Proposition C Sales Tax	16,640,178	6.9
Other	19,974,520	7.6
County Revenue:		
Railroad & Utility Property Taxes	6,231,683	2.4
Fines, Escheats, etc.	502,991	0.2
Other	7,000	0.0
State Revenue	47,672,404	22.0
Federal & Other Revenue (1)	7,971,487	<u>7.3</u>
<b>Total Revenue</b>	<u>\$229,473,121</u>	100.0%

Source: District's Annual Secretary of the Board Report for fiscal year 2023-2024.

# **Revenues Received From Federal COVID-19 Legislation**

As of September 1, 2025, the District estimates it has spent approximately \$15,568,676 responding to COVID-19. To date, the District has received \$14,682,468 from the Coronavirus Relief Fund under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), which can be used to pay expenses related to combating COVID-19.

The District also received \$3,068,040 from the Elementary and Secondary School Emergency Relief ("ESSER") under the CARES Act (known as ESSER I), \$3,030,093 in ESSER II funds under the Coronavirus Response and Relief Supplemental Appropriations Act, and \$8,587,334 in ESSER III funds under the American Rescue Plan Act.

#### **Local Revenue**

The primary sources of "local revenue" are (1) taxes upon real and personal property within a district, excluding railroad and utility property taxes, which are more fully described below, and (2) receipts from a 1% state sales tax (commonly referred to as "**Proposition C Revenues**") approved by the voters in 1982.

Proposition C revenues are deemed to be "local" revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district's weighted average daily attendance (see "Weighted ADA" under "State Revenue" below). Proposition C payments vary each month due to cash availability, which is based on sales taxes paid during the second preceding month. The table below shows the approximate amount each school district received per pupil from Proposition C revenues for the following fiscal years:

<sup>(1)</sup> Excludes revenue consisting of bond proceeds and proceeds from the sale of property.

Fiscal Year Ended	<b>Proposition C Revenue</b>
<u>June 30</u>	<u>(Per Pupil)</u>
2024	\$1,475
2023	1,287
2022	1,214
2021	1,046
2020	1,006

Source: DESE

For the current 2024-2025 fiscal year, each school district is expected to receive approximately \$1,513 per pupil from Proposition C revenues; however, however, this is a preliminary estimate and subject to change.

# **County Revenue**

For school taxation purposes, all state assessed railroad and utility property within a county is taxed uniformly at a rate determined by averaging the tax rates of all school districts in the county. No determination is made of the assessed value of the railroad and utility property that is physically located within the boundaries of each school district. Such tax collections for each county are distributed to the school districts within that county according to a formula based in part on total student enrollments in each district and in part on the taxes levied by each district. County revenue also includes certain fines and forfeitures collected with respect to violations within the boundaries of the school district.

#### **State Revenue**

The primary source of state revenue or "State Aid" is provided under a formula enacted under Chapter 163, RSMo. The amount of State Aid for school districts in Missouri is calculated using a formula that is primarily student-needs-based.

**Property Tax Levy Requirements.** The sum of a district's local property tax levies in its Incidental and Teachers' Funds must be at least \$2.75 per \$100 assessed valuation in order for the district to receive increases in State Aid above the level of State Aid it received in the 2005-2006 fiscal year. Levy reductions required as a result of a "Hancock rollback" (See "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Tax Rates – Operating Levy" below) will not affect a district's eligibility for State Aid increases.

**The Formula.** A district's State Aid is determined by first multiplying the district's weighted average daily attendance ("Weighted ADA") by the state adequacy target ("State Adequacy Target"). This figure may be adjusted upward by a dollar value modifier ("DVM"). The product of the Weighted ADA multiplied by the State Adequacy Target multiplied by the DVM is then reduced by a district's local effort ("Local Effort") to calculate a district's final State Aid amount. The State Aid amount is distributed to the districts on a monthly basis.

Weighted ADA. Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for students who qualify for free and reduced price lunch ("FRL"), receive special education services ("IEP") or possess limited English language proficiency ("LEP"). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds (based on the percentage of students in each of the categories) in certain high performing districts ("Performance Districts"), which thresholds can change every two years. For fiscal years 2017 and 2018, DESE revised the thresholds downward as required under Senate Bill 586, which modified the definition of State Adequacy Target to require that a future recalculation of the State Adequacy Target never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018. For fiscal years 2019 and 2020, DESE revised the thresholds downward for FRL and IEP and upward for LEP. Beginning with the 2018-2019 fiscal year, certain school

districts who operate early childhood education programs will also be able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the total number of FRL students between the ages of 5 and 18 who are included in the school district's calculation of ADA. The District's State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District's Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the District's Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

Section 163.021 RSMo provides that "whenever there has existed within the school district an infectious disease, contagion, epidemic, plague or similar condition" (like COVID-19), the apportionment of school funds and all other distribution of school moneys, such as Proposition C revenues, shall be made on the basis of the school district's ADA (or Weighted ADA) for the next preceding fiscal year in which such condition existed. Therefore, if the District's ADA (or Weighted ADA) for any future fiscal year is substantially reduced as a result of an infectious disease, contagion, epidemic, plague or similar condition, the District will be allowed to base its revenue distributions on its ADA (or Weighted ADA) for the fiscal year immediately preceding the fiscal year in which the condition existed.

State Adequacy Target. The State Aid formula requires DESE to calculate a "State Adequacy Target," which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE's calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated subsequent to fiscal year 2018.

The table below shows the approximate State Adequacy Target for the following fiscal years:

Fiscal Year Ended	State Adequacy
<u>June 30</u>	<b>Target</b>
2024	\$6,375
2023	6,375
2022	6,375
2021	6,375
2020	6,375

Source: DESE

The State Adequacy Target for the current 2024-2025 fiscal year is expected to be \$6,760 per pupil based on the Governor's recommendations; however, this is a preliminary estimate and subject to change.

**Dollar Value Modifier.** The DVM is an index of the relative purchasing power of a dollar in different areas of the state. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the state median wage per job) minus one. The law provides that the DVM can never be less than 1.000. DESE revises the DVM for each district on an annual basis. The DVM for the District for fiscal year 2023-2024 was 1.0780. The DVM for the District for the 2024-2025 fiscal year was 1.0760 and the DVM for the District for the current 2025-2026 fiscal year is 1.0750.

**Local Effort.** For the 2006-2007 fiscal year, the Local Effort figure utilized in a district's State Aid calculation was the amount of locally generated revenue that the district would have received in the 2004-2005 fiscal year if its operating levy was set at \$3.43. The \$3.43 amount is called the "performance levy." For all years subsequent to the 2006-2007 fiscal year, a district's Local Effort amount has been frozen at the 2006-2007

amount, except for adjustments due to increased locally collected fines or decreased assessed valuation in the district. Growth in assessed valuation and operating levy increases will result in additional local revenue to the district, without affecting State Aid payments.

Categorical-Source Add-Ons. In addition to State Aid distributed pursuant to the formula as described above, the formula provides for the distribution of certain categorical sources of State Aid to school districts. These include (1) 75% of allowable transportation costs, (2) the career ladder entitlement, (3) the vocational education entitlement and (4) educational and screening program entitlements.

Classroom Trust Fund (Gambling Revenue) Distribution. A portion of the State Aid received under the formula will be in the form of a distribution from the "Classroom Trust Fund," a fund in the state treasury containing a portion of the state's gambling revenues. This money is distributed to school districts on the basis of ADA (versus Weighted ADA, which applies to the basic formula distribution). The funds deposited into the Classroom Trust Fund are not earmarked for a particular fund or expense and may be spent at the discretion of the local school district except that, beginning with the 2010-2011 fiscal year, all proceeds of the Classroom Trust Fund in excess of amounts received in the 2009-2010 fiscal year must be placed in the Teachers' or Incidental Funds.

The table below shows the approximate amount each school district received per pupil from the Classroom Trust Fund for the following fiscal years:

Fiscal Year Ended	Classroom Trust Fund
<u>June 30</u>	(Per Pupil)
2024	\$472
2023	425
2022	430
2021	435
2020	327(1)

Source: DESE

The estimated Classroom Trust Fund distributions to school districts during the current 2024-2025 fiscal year are expected to be equal to approximately \$618; however, this is a preliminary estimate and subject to change.

Classroom Trust Fund dollars do not increase the amount of State Aid.

Mandatory Deposit and Expenditures of Certain Amounts in the Teachers' Fund. The following state and local revenues must be deposited in the Teachers' Fund: (1) 75% of basic formula State Aid, excluding State Aid distributed from the Classroom Trust Fund (gambling revenues); (2) 75% of one-half of the district's local share of Proposition C revenues; (3) 100% of the career ladder state matching payments; and (4) 100% of local revenue from fines and escheats based on violations or abandoned property within the district's boundaries.

In addition to these mandatory deposits, school districts are also required to spend for certificated staff compensation and tuition expenditures each year the amounts described in clauses (1) and (2) of the preceding paragraph. Since the 2007-2008 fiscal year, school districts are further required to spend for certificated staff compensation and tuition expenditures each year, per the second preceding year's Weighted ADA, as much as was spent in the previous year from local and county tax revenues deposited in the Teachers' Fund, plus the amount of any transfers from the Incidental Fund to the Teachers' Fund that are calculated to be local and county tax sources. This amount is to be determined by dividing local and county tax sources in the Incidental Fund by total revenue in the Incidental Fund. Commencing with the 2006-2007 fiscal year, the formula provides that

<sup>(1)</sup> Casinos were temporarily closed during the fiscal year ended June 30, 2020, due to COVID-19 resulting in less gaming revenue for such period.

certificated staff compensation now includes the costs of public school retirement and Medicare for those staff members. These items were previously paid from the Incidental Fund.

Failure to satisfy the deposit and expenditure requirements applicable to the Teachers' Fund will result in a deduction of the amount of the expenditure shortfall from a district's basic formula State Aid for the following year, unless the district receives an exemption from the State Board of Education.

A school board may transfer any portion of the unrestricted balance remaining in the Incidental Fund to the Teachers' Fund. Any district that uses a transfer from the Incidental Fund to pay for more than 25% of the annual certificated compensation obligation of the district, and has an Incidental Fund balance on June 30 in any year in excess of 50% of the combined Incidental and Teachers' Fund expenditures for the fiscal year just ended, will be required to transfer the excess from the Incidental Fund to the Teachers' Fund.

#### Federal Revenue

School districts receive certain grants and other revenue from the federal government that are required to be used for the specified purposes of the grant or funding program.

The federal "No Child Left Behind" law required that every public school student score at a "proficient" level or higher in math and reading by 2014. Each state established its own proficiency levels. Federal sanctions for school districts that failed to meet established proficiency standards included allowing parents and students in underperforming schools within a district to request a transfer to a school within the district that met proficiency standards. In addition, schools that continued to fail to meet proficiency standards were required to make additional changes in staffing, curriculum and management. Federal sanctions applied only to public schools that received Title I federal money.

The federal "Every Student Succeeds Act" ("ESSA") was signed into law on December 10, 2015. ESSA replaces the "No Child Left Behind Act." Each state education agency must develop a state accountability plan ("ESSA Plan") that incorporates testing based on challenging academic standards. The ESSA Plans were required to be submitted to the United States Department of Education (the "DOE") in 2017. Under ESSA, states can decide how much weight to give standardized tests in their accountability systems and determine what consequences, if any, should attach to poor performance. However, at least 95% of eligible students are required to take the state-chosen standardized tests, and federal funding can be withheld if states fall below the 95% threshold.

The State submitted its plan to the DOE on September 13, 2017 in order to meet the September 18, 2017 deadline. The DOE approved the State's plan on January 16, 2018. Under ESSA, the State will continue to test students through the Missouri Assessment Program.

#### **Certain Permitted Fund Transfers**

Limited Sources of Funds for Capital Expenditures. School districts may only pay for capital outlays from the Capital Projects Fund. Sources of revenues in the Capital Projects Fund are limited to: (i) proceeds of general obligation bonds such as the Bonds (which are repaid from a Debt Service Fund levy) and lease financings; (ii) revenue from the school district's local property tax levy for the Capital Projects Fund; (iii) certain permitted transfers from the Incidental Fund; and (iv) a portion of the funds distributed to school districts from the Classroom Trust Fund.

Capital Projects Fund Levy. Prior to setting tax rates for the Teachers' and Incidental Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Teachers' and

Incidental Funds to an amount below \$2.75. For the current fiscal year ending June 30, 2026, the District's Capital Projects Fund levy is \$0.1125 per \$100 of assessed valuation

Transfers from the Incidental Fund to the Capital Projects Fund. In addition to money generated from the Capital Projects Fund levy, each school district may transfer money from the Incidental Fund to the Capital Projects Fund for certain purposes, including: (1) the amount to be expended for transportation equipment that is considered an allowable cost under the state board of education rules for transportation reimbursements during the current year; (2) the amount necessary to satisfy obligations of the Capital Projects Fund for state-approved area vocational-technical schools; (3) current year obligations for lease-purchase obligations entered into prior to January 1, 1997; (4) the amount necessary to repay costs of one or more guaranteed energy savings performance contracts to renovate buildings in the school district, provided that the contract specified that no payment or total of payments shall be required from the school district until at least an equal total amount of energy and energy-related operating savings and payments from the vendor pursuant to the contract have been realized; and (5) to satisfy current year capital project expenditures, an amount not to exceed the greater of (a) \$162,326 or (b) seven percent (7%) of the State Adequacy Target (see "State Adequacy Target" above) times a school district's Weighted ADA. The District made a \$5,018,328.00 transfer from the Incidental Fund to the Capital Projects Fund under this provision during the 2023-2024 fiscal year.

Transfers from Incidental Fund to Debt Service Fund and/or Capital Projects Fund. If a school district is not using the seven percent (7%) or the \$162,326 transfer discussed in parts (5)(a) and (5)(b) of the prior paragraph and is not making payments on lease purchases pursuant to Section 177.088, RSMo, then the school district may transfer from the Incidental Fund to the Debt Service and/or the Capital Projects Fund the greater of (1) the State Aid received in the 2005-2006 school year as a result of no more than eighteen (18) cents of the sum of the Debt Service Fund levy and Capital Projects Fund levy used in the foundation formula and placed in the Capital Projects Fund or Debt Service Fund or (2) Five percent (5%) of the State Adequacy Target (see "State Adequacy Target" above) times the district's Weighted ADA. The District made no transfer from the Incidental Fund to the Debt Service Fund or the Capital Projects Fund under this provision during the 2023-2024 fiscal year.

#### Risk Management

The District is exposed to various risks of loss from, among things, tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains several policies of insurance, providing coverage that includes casualties to the District's facilities and general liability insurance, which policies are subject to certain deductible clauses. The District also maintains a fully insured medical health care plan covering substantially all of its employees. There has been no significant reduction in insurance coverage from the previous year.

#### **Pension and Employee Retirement Plans**

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (1) The Public School Retirement System of Missouri ("PSRS"), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts and certain other educational entities in Missouri and employees of certain related employers; and (2) The Public Education Employee Retirement System of Missouri ("PEERS"), which provides retirement and disability benefits to employees of school districts and certain other educational entities in Missouri and of certain related employers who work 20 or more hours per week and do not contribute to PSRS. Benefit provisions relating to both PSRS and PEERS are set forth in Chapter 169, RSMo. The statutes assign responsibility for the administration of both plans to a seven-member Board of Trustees of PSRS (the "PSRS Board"). PSRS and PEERS had 534 and 531 contributing employers, respectively, during the fiscal year ended June 30, 2024.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Comprehensive Annual Financial Report for the fiscal

year ended June 30, 2024 (the "2024 PSRS/PEERS Annual Financial Report"), the comprehensive financial report for the plans, is available at https://www.psrs-peers.org/About-Us. The link to the 2024 PSRS/PEERS Annual Financial Report is provided for general background information only, and the information in the 2024 PSRS/PEERS Annual Financial Report is not incorporated by reference herein. The 2024 PSRS/PEERS Annual Financial Report provides detailed information about PSRS and PEERS, including their respective financial positions, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plans.

PSRS and PEERS Contributions. Employees who contribute to PSRS are not eligible to make Social Security contributions, except in limited circumstances. For the fiscal year ended June 30, 2023, PSRS contributing employees were required to contribute 14.5% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 14.5% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 1.0% in aggregate of PSRS contributing member covered pay of the previous year.

Employees who contribute to PEERS are eligible to make Social Security contributions. For the fiscal year ended June 30, 2023, PEERS contributing employees were required to contribute 6.86% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 6.86% of each contributing employee's covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 0.5% in aggregate of PEERS contributing member covered pay of the previous year.

PSRS and PEERS Funded Status. PSRS and PEERS reported funded ratios of 85.9% and 87.3%, respectively, as of June 30, 2024, according to the 2024 PSRS/PEERS Annual Financial Report. Funded ratios are intended to estimate the ability of current plan assets to satisfy projected future liabilities. The PSRS and PEERS funded ratios are determined by dividing the smoothed actuarial value of plan assets by the plan's actuarial accrued liability determined under the entry age normal cost method with normal costs calculated as a level percentage of payrolls, along with certain actuarial assumptions based on an experience study conducted in 2016. PSRS and PEERS amortize unfunded actuarial liabilities using a closed 30-year method. Additional assumptions and methods used to determine the actuarial funded status of PSRS and PEERS are set forth in the Actuarial Section of the 2024 PSRS/PEERS Annual Financial Report. The funding objective of each plan, as stated in each plan's Actuarial Funding Policy, is to achieve a funded ratio of 100% over a closed 30-year period.

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The following provides a historical comparison of actual employer contributions to actuarially determined contributions and the historical funded status for the plans for the years shown:

#### **Schedule of Employer Contributions**

PSRS			1	PEERS		
Year Ended June 30	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency) <sup>(1)</sup>	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency) <sup>(1)</sup>
2024	\$832,366,273	\$819,926,016	\$(12,440,257)	\$163,252,197	\$162,777,627	\$(474,570)
2023	771,873,895	792,646,705	20,772,810	145,744,095	147,463,789	1,719,694
2022	756,968,491	764,348,407	7,379,916	134,786,669	135,180,782	394,113
2021	702,442,650	745,638,245	43,195,595	123,733,066	126,877,255	3,144,189
2020	679,495,757	724,995,473	45,499,716	119,461,270	124,544,728	5,083,458

#### **Schedule of Funding Progress**

(Dollar amounts in thousands)

PSRS			1	PEERS		
Year Ended June 30	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio
2024	\$51,430,822	\$58,971,485	87.2%	\$6,881,439	\$7,810,188	88.1%
2023	49,122,410	57,193,631	85.9	6,459,684	7,401,637	87.3
2022	47,185,300	55,405,260	85.2	6,113,154	6,998,708	87.3
2021	45,033,548	52,834,297	85.2	5,756,526	6,560,854	87.7
2020	41,705,059	49,641,020	84.0	5,257,847	6,089,404	86.3

Source: "Schedule of Funding Progress" in the Actuarial Section of the 2024 PSRS/PEERS Annual Financial Report.

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Source: "Schedules of Employer Contributions" in the Financial Section of the 2024 PSRS/PEERS Annual Financial Report.

(1) The annual statutory increase in the total contribution rate may not exceed 1% of pay for PSRS and 0.5% of pay for PEERS. The limitation on contribution increases resulted in a deficiency for some of the years presented. Contributions were funded to the maximum statutory limit each year.

As stated in the District's audited financial statements and the GASB 68 footnote disclosure prepared by PSRS and PEERS and provided to the District, the District's contributions to PSRS and PEERS for the years shown were as follows:

#### **District Contributions to PSRS and PEERS**

PSRS	PEERS
LOUG	reen

Year Ended June 30,	Annual Contribution <sup>(1)</sup>	Contribution (% of Payroll)	Annual Contribution <sup>(1)</sup>	Contribution (% of Payroll)
2024	\$12,134,949	14.5%	\$2,672,184	6.86%
2023	11,670,921	14.5	2,471,630	6.86
2022	11,162,112	14.5	2,297,685	6.86
2021	10,857,440	14.5	2,195,475	6.86
2020	10,557,587	14.5	2,084,698	6.86

Source: Audited financial statements of the District for fiscal years ended June 30, 2020 through 2024.

The District's contribution to PSRS and PEERS during the fiscal year ended June 30, 2023 constituted approximately 5.8% of the District's total expenditures during the fiscal year. The District will be required to contribute 14.5% of covered payroll for PSRS contributing employees and 6.86% of covered payroll for PEERS contributing employees during the fiscal years ending June 30, 2025, equal to the contribution percentages for the fiscal year ended June 30, 2024 through June 30, 2020.

For additional information regarding the District's pensions and employee retirement plans, see *Note 8* to the District's financial statements for fiscal year ended June 30, 2024, included in *Appendix B* to this Official Statement. For additional information regarding PSRS and PEERS, see the 2023 PSRS/PEERS Annual Financial Report.

#### **Other Postemployment Benefits**

In addition to pensions, many state and local governments, including the District, provide other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. For information specific to the District's OPEB obligations, including the District's past contributions relative to its required contributions, its assumptions as to future healthcare and other costs and its unfunded actuarial accrued liability, see the Other Post-Employment Benefits section in the District's financial statements included in Appendix B to this Official Statement.

#### PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

#### **Property Valuations**

Assessment Procedure. All taxable real and personal property within the District is assessed annually by the County Assessor. Missouri law requires that personal property be assessed at various levels up to 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property	.19%
Agricultural and horticultural real property	
Utility, industrial, commercial, railroad and all other real property	

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On

<sup>(1)</sup> The annual contributions equaled the amounts required by the PSRS Board for each year.

January 1 in every odd-numbered year, the County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

*Current Assessed Valuation.* The following table shows the total locally assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District) according to the assessment for calendar year 2025 for property owned as of January 1, 2025.

	Total		<b>Estimated</b>	% of
	Assessed	Assessment	Actual	Est. Actual
Type of Property	<b>Valuation</b>	Rate	<b>Valuation</b>	<b>Valuation</b>
Real:				
Residential	\$1,591,941,587	19.00%	\$8,378,639,932	74.29%
Agricultural	1,381,549	12.00%	11,512,908	0.10
Commercial <sup>(1)</sup>	466,577,222	32.00%	1,458,053,819	<u>12.93</u>
Total Real	\$2,059,900,358		\$9,848,206,659	87.32
Personal <sup>(1)</sup>	476,719,771	33.33% <sup>(2)</sup>	1,430,159,313	12.68
<b>Total Real &amp; Personal</b>	\$2,536,620,129		\$11,278,365,972	100.00%

Source: Platte County Clerk.

*History of Property Valuations.* The total assessed valuation of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District) according to the assessments of January 1, as adjusted through December, in each of the following years has been as follows:

Calendar <u>Year</u>	Assessed <u>Valuation</u>	% Change
2025	\$2,536,620,129	6.1%
2024	2,390,458,221	1.3
2023	2,360,333,171	8.9
2022	2,168,038,011	2.0
2021	2,124,870,381	10.4*

Source: District's 2021-2024 Annual Reports of the County Clerk to the State Board of Education; Platte County Clerk.

#### **Property Tax Levies and Collections**

*Generally.* Property taxes are levied and collected for the District by the County, for which the County receives a collection fee of 1.5% of the gross tax collections made.

<sup>(1)</sup> Includes locally assessed railroad and utility property.

Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See "Assessment Procedure" discussed above.

<sup>\*</sup> Significant increase due to an increase in residential market values in a reassessment year.

The District is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the District's debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerk. As required under SB 711 (discussed below), the District must informally project nonbinding tax levies for the year and return such projected tax levies to the County Clerk no later than April 8th. The District must fix its ad valorem property tax rates and certify them to the County Clerk no later than September 1st for entry in the tax books. Taxes are levied at the District's tax rate per \$100 of assessed valuation. The Missouri State Auditor is responsible for reviewing the rate of tax to insure that it does not exceed constitutional rate limits.

Real property within the District is assessed by the County Assessor. The County Assessor is responsible for preparing the tax rolls each year and for submitting tax rolls to the Board of Equalization of the County. The Board of Equalization has the authority to question and determine the proper value of property and then adjust and equalize individual properties appearing on the tax rolls. After local appeal procedures have been completed, the books are finalized and sent to the County Collector. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December.

The County Collector is required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

District's Rights in Event of Tax Delinquency. Taxes are due by December 31st and become delinquent if not paid to the County Collector by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of 18% of each year's delinquency. Taxes on real estate become delinquent on January 1 and the County Collector is required to enforce the state's lien by offering the property for sale on the fourth Monday in August. If the offering does not produce a bid equal to the delinquent taxes plus interest, penalty, and costs, the property is offered for sale again the following year. If the second offering also does not produce a bid adequate to cover the amount due, the property is sold the following year to the highest bidder. Tax sales at the first or second offerings are subject to the owner's redemption rights. Delinquent personal property taxes constitute a debt of the person assessed with the taxes, and a personal judgment can be rendered for such taxes against the debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

The County Collector is required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

#### **Tax Abatement**

Under state law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be "blighted." The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 100, RSMo and Article VI Section 27(b) of the Missouri Constitution authorize real and personal property tax abatement for corporations for certain projects.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the

governing body of a city or county to be a "blighted area," "conservation area" or "economic development area," each as defined in such statute.

Currently, certain portions of the District are located in tax increment financing redevelopment areas ("TIF Redevelopment Areas"). Tax increment financing does not diminish the amount of property tax revenues collected by the District in an affected area compared to prior to the establishment of a TIF Redevelopment Area but instead acts to freeze such revenues at current levels (the "Base") and deprives the District and other taxing districts of all or part of future increases in ad valorem real property tax revenues that otherwise would have resulted from increases in assessed valuation above the Base (the "TIF Increment"). The TIF Increment is captured by the TIF Redevelopment Areas until the tax increment financing obligations issued are repaid or the tax increment financing period terminates.

According to the County Assessor's office, the assessed valuation of the property within the TIF Redevelopment Areas within the District was approximately \$123,132,334 for the 2025 tax year. See "PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – Current Assessed Valuation" and "– History of Property Valuations."

#### Tax Rates

**Debt Service Levy.** The District's debt service levy for the 2025-2026 fiscal year will be \$0.8601 per \$100 of assessed valuation. Once indebtedness has been approved by the requisite number of voters voting therefor and bonds are issued, the District is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board of Education may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

Operating Levy. The operating tax levy of a school district (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the "tax rate ceiling" for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy that, when charged against the district's assessed valuation for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment, more fully explained below).

Under Article X, Section 11(b) of the Missouri Constitution, a school district may increase its operating levy up to \$2.75 per \$100 assessed valuation without voter approval. Any increase above \$2.75, however, must be approved by a majority of the voters voting on the proposition. Further, pursuant to Article X, Section 11(c) of the Missouri Constitution, any increase above \$6.00 must be approved by two-thirds of the voters voting on the proposition. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment and SB 711, more fully explained below). The tax levy for debt service on a school district's general obligation bonds is exempt from these limitations upon the tax rate ceiling.

Article X, Section 22(a) of the Missouri Constitution (commonly known as the "Hancock Amendment"), approved in 1980, places limitations on total state revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of "total state revenues" to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy

on the prior assessed value. This reduction is often referred to as a "Hancock rollback." The limitation on local governmental units does not apply to taxes levied in the Debt Service Fund for the payment of principal and interest on general obligation bonds.

In 2008, through the enactment of Senate Bill 711 ("SB 711"), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a district's *actual* operating tax levy if its current tax levy was less than its current tax levy *ceiling*, due to the district's voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a district's *actual* operating tax levy, regardless of whether that levy is at the district's tax levy *ceiling*. This further reduction is sometimes referred to as an "SB 711 rollback." In non-reassessment years (even-numbered years), the operating levy may be increased to the district's tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

Under the provisions of an initiative petition adopted by the voters of Missouri on November 2, 1982, commonly known as "Proposition C," revenues generated by a 1% state sales tax are credited to a special trust fund for school districts and are deemed to be "local" revenues for school district accounting purposes. Proposition C revenues are distributed to each school district within the state on the basis of eligible pupils. Under Proposition C, after determining its budget and the levy rate needed to produce required revenues to fund the budget, a school district must reduce the operating levy by an amount sufficient to decrease the revenues it would have received therefrom by an amount equal to 50% of the revenues received through Proposition C during the prior year. School districts may submit propositions to voters to forgo all or a part of the reduction in the operating levy that would otherwise be required under terms of Proposition C. The District's voters approved a proposition to forgo all of the reduction in the operating levy which would otherwise be required under terms of Proposition C which allows the District to levy up to its tax rate ceiling.

For fiscal year 2025-2026, the District's operating levy (all funds except the debt service fund levy) is \$4.9354 per \$100 of assessed valuation.

The tax levy for debt service on the District's general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling.

#### Blankenship v. Franklin County Collector

On March 2, 2021, the Missouri Court of Appeals, Eastern Division, held in *Blankenship v. Franklin County Collector* (619 S.W. 3d 491) that an increase in the operating levy by political subdivisions pursuant to the provisions of Section 137.073.5(2), which allows political subdivisions to increase the operating levy to account for inflation in certain situations, cannot result in a levy that exceeds the highest voter-approved levy in violation Article X, Section 22(a) of the Missouri Constitution (also known as the Hancock Amendment).

Approximately 600 taxing authorities were notified by the Missouri State Auditor's Office that their 2020 tax rates did not comply with the *Blankenship* decision and would need to be recalculated to determine their 2021 tax rates. To the extent a taxing authority levied taxes in violation of the *Blankenship* decision, refunds of such taxes are permitted if (1) a taxpayer files for injunctive relief before such taxes become payable, which is December 31 of the tax year, or (2) a taxpayer pays such taxes under protest and files suit against the tax collector within ninety days. The District was not notified by the State Auditor office that they needed to recalculate its 2021 tax rates.

#### **History of Tax Levies**

The following table shows the District's tax levies (per \$100 of assessed valuation) for the current fiscal year and each of the last five years:

Fiscal Year ending June 30	Incidental <u>Fund</u>	Teachers <u>Fund</u>	Capital Projects <u>Fund</u>	Debt Service <u>Fund</u>	Total <u>Levy</u>
2026	\$4.8229	\$0.00	\$0.1125	\$0.8601	\$5.7955
2025	4.4671	0.00	0.3683	0.5601	5.3955
2024	4.5353	0.00	0.3000	0.5602	5.3955
2023	4.7978	0.00	0.1010	0.4967	5.3955
2022	4.2046	0.00	0.2000	0.9909	5.3955

<sup>\*</sup> District's Annual Secretary of the Board Report for fiscal year ended June 30, 2022 through 2025; District.

#### **Tax Collection Record**

The following table sets forth tax collection information for the District for the last five fiscal years for which audited financial statements are available.

Fiscal Year Ended	Total Levy (per \$100 of Assessed	Assessed	Total Taxes	Current Taxes C	collected	Current and De <u>Taxes Colle</u>	<b>.</b>
<u>June 30</u>	<u>Value)</u>	Valuation <sup>(1)</sup>	Levied <sup>(2)</sup>	<b>Amount</b>	<u>%</u>	Amount	<u>%</u>
2024	\$5.3955	\$2,360,333,171	\$127,351,776	\$125,156,570	98.3%	\$130,472,858	102.5%
2023	5.3955	2,168,038,011	116,976,491	113,289,626	96.8	116,151,924	99.3
2022	5.3955	2,124,870,381	114,647,381	108,013,981	94.2	109,487,399	95.5
2021	5.3955	1,924,679,725	103,846,095	100,402,604	96.7	103,570,909	99.7
2020	5.3955	1,881,727,803	101,528,624	95,511,720	94.1	96,831,930	95.4

Source: District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2020 through 2024.

The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown. Excludes assessed valuation attributable to TIF Redevelopment Areas located within the District. See the explanation under the caption "Tax Abatement and Tax Increment Financing."

<sup>(2)</sup> Total Taxes Levied is calculated by dividing Assessed Valuation by 100 and multiplying by the Total Levy.

Delinquent taxes are shown in the year payment is actually received, which may cause the percentage of Current and Delinquent Taxes Collected to exceed 100%.

## **Major Property Taxpayers**

The following table sets forth the ten largest property taxpayers in the District for the year 2025 according to the records of Platte County.

	<u>Firm</u>	Local Assessed <u>Valuation</u>	% of Total Local Assessed Valuation
1.	GLP Capital	\$35,021,461	1.38%
2.	Monarchs Sub LLC	21,279,642	0.84
3.	BH-L5 Crossing KC Owner		
	& BHSH Crossing KC Owner LLC	13,215,893	0.52
4.	Missouri American Water Company	12,638,539	0.50
5.	PRG Reserve At Barry Associates LLC	12,609,727	0.50
6.	Northland Passage Associates LLC	10,568,770	0.42
7.	WOP Recap Riverstone LLC	10,450,000	0.41
8.	Altitude Apartments LLC	10,410,451	0.41
9.	Tiffany Woods Apartments LLC	10,133,818	0.40
10.	Platte Valley Investment LLC	9,620,616	0.38

Source: Assessor's Office, Platte County, Missouri.

#### APPENDIX B

## FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT AND SUPPLEMENTARY INFORMATION

Basic Financial Statements Year Ended June 30, 2024



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#### **Independent Auditors' Report**

Board of Education Park Hill School District Kansas City, Missouri

#### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Park Hill School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Park Hill School District, as of June 30, 2024, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting in Note 1.

#### **Basis for Opinions**

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

#### **Basis of Accounting**

As described in Note 1 of the financial statements, the financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; which includes the determination that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

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

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

#### **Supplementary 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 accompanying Schedule of Receipts by Source, Schedule of Disbursements by Object, Schedule of Transportation Costs Eligible for State Aid, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records

used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Receipts by Source, Schedule of Disbursements by Object, Schedule of Transportation Costs Eligible for State Aid, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Information**

Management is responsible for the other information. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2024, on our consideration of Park Hill School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 Park Hill School District's internal control over financial reporting and compliance.

KPM CPAs, PC

Springfield, Missouri

KPM CPAS, PC

November 4, 2024



# Statement of Net Position – Modified Cash Basis June 30, 2024

	GovernmentalActivities
Assets	
Cash and investments	\$ 95,406,992
Total Assets	\$ 95,406,992
Net Position	
Restricted for debt service	\$ 14,070,081
Restricted for student activities	2,106,281
Restricted for food service	3,712,366
Restricted for unspent bond proceeds	24,403,003
Unrestricted	51,115,261_
Total Net Position	\$ 95,406,992

# Statement of Activities – Modified Cash Basis Year Ended June 30, 2024

		Pro	ogram Cash Rece	ints	Net (Disbursements)
			Operating	Capital	Receipts and
	Cash	Charges for	Grants and	Grants and	Changes in
	Disbursements	Services	Contributions	Contributions	Net Position
<b>Governmental Activities</b>					
Instruction	\$ (95,538,786)	\$ 2,066,625	\$ 5,723,608	\$ -	\$ (87,748,553)
Student services	(13,640,102)	-	983,239	-	(12,656,863)
Instructional staff support	(5,994,093)	-	713,600	-	(5,280,493)
<b>Building administration</b>	(11,154,469)	-	-	-	(11,154,469)
General administration	(22,319,210)	-	267,547	-	(22,051,663)
Operation of plant	(31,155,252)	-	228,807	134,575	(30,791,870)
Transportation	(11,183,079)	236,994	5,880,035	-	(5,066,050)
Food service	(6,571,946)	3,815,648	2,888,271	-	131,973
Community services	(4,094,940)	3,103,981	175,956	-	(815,003)
Facilities acquisition and					
construction	(39,977,945)	-	-	-	(39,977,945)
Debt service	(13,511,589)	-	-	-	(13,511,589)
Net Program					
(Disbursements) Receipts	\$ (255,141,411)	\$ 9,223,248	\$16,861,063	\$ 134,575	(228,922,525)
General Receipts					
Ad valorem tax receipts					130,472,859
Prop C sales tax receipts					16,640,178
Other tax receipts					1,754,210
County receipts					6,741,674
State receipts					38,361,506
Interest receipts					7,110,848
Other receipts					2,861,042
<b>Total General Receipts</b>					203,942,317
Change in Net Position					(24,980,208)
Net Position - Beginning of year					120,387,200
Net Position - End of year					\$ 95,406,992



# Statement of Assets and Fund Balances – Governmental Funds - Modified Cash Basis June 30, 2024

	Gener Fund		Spe Reve	enue	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Assets	d 44 004	564				6 20 455 247	4 05 406 000
Cash and investments	\$ 41,881		<u>\$</u>		\$ 14,070,081	\$ 39,455,347	\$ 95,406,992
Total Assets	\$ 41,881	,564	\$	-	\$ 14,070,081	\$ 39,455,347	\$ 95,406,992
Fund Balances							
Restricted for							
Debt service	\$	-	\$	-	\$ 14,070,081	\$ -	\$ 14,070,081
Student activities	2,106	,281		-	-	-	2,106,281
Food service	3,712	,366		-	-	-	3,712,366
Unspent bond proceeds		-		-	-	24,403,003	24,403,003
Committed to capital outlay		-		-	-	15,052,344	15,052,344
Unassigned	36,062	,917	1				36,062,917
<b>Total Fund Balances</b>	\$ 41,881	,564	\$		\$ 14,070,081	\$ 39,455,347	\$ 95,406,992

Statement of Receipts, Disbursements, and Changes in Fund Balances – Governmental Funds – Modified Cash Basis

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Receipts					
Local	\$ 124,371,752	\$ 16,642,458	\$ 14,372,733	\$ 11,700,613	\$ 167,087,556
County	4,830,523	502,991	794,161	613,999	6,741,674
State	8,841,470	35,239,835	-	3,591,099	47,672,404
Federal	4,004,198	3,680,542	-	-	7,684,740
Other	236,994	-	-	-	236,994
Total Receipts	142,284,937	56,065,826	15,166,894	15,905,711	229,423,368
Disbursements					
Instruction	8,571,483	86,730,558	-	236,745	95,538,786
Student services	7,033,286	6,601,985	-	4,831	13,640,102
Instructional staff support	1,523,020	4,459,354	-	11,719	5,994,093
Building administration	3,828,064	7,326,405	-	-	11,154,469
General administration	17,842,836	2,689,796	-	1,786,578	22,319,210
Operation of plant	20,739,157	-	-	10,416,095	31,155,252
Transportation	11,183,079	-	-	-	11,183,079
Food service	6,571,946	-	-	-	6,571,946
Community services	3,754,437	334,778	-	5,725	4,094,940
Facilities acquisition and					
construction	-	-	-	39,977,945	39,977,945
Debt service			13,511,589		13,511,589
<b>Total Disbursements</b>	81,047,308	108,142,876	13,511,589	52,439,638	255,141,411
Excess (Deficit) of Receipts over					
Disbursements	61,237,629	(52,077,050)	1,655,305	(36,533,927)	(25,718,043)
Other Financing Sources (Uses)					
Net insurance recovery	16,358	-	-	33,395	49,753
Sale of other property	642,481	-	-	45,601	688,082
Operating transfers in	-	52,077,050	-	5,422,296	57,499,346
Operating transfers (out)	(57,499,346)				(57,499,346)
<b>Total Other Financing Sources</b>					
(Uses)	(56,840,507)	52,077,050		5,501,292	737,835
Net Change in Fund Balances	4,397,122	-	1,655,305	(31,032,635)	(24,980,208)
Fund Balance, July 1, 2023	37,484,442		12,414,776	70,487,982	120,387,200
Fund Balance, June 30, 2024	\$ 41,881,564	\$ -	\$ 14,070,081	\$ 39,455,347	\$ 95,406,992

Notes to the Financial Statements

June 30, 2024

#### 1. Summary of Significant Accounting Policies

#### **Financial Reporting Entity**

The Park Hill School District (the "District") is organized under the laws of the State of Missouri and is a primary government governed by an elected seven-member board. The District provides educational services to children of the District, early childhood through twelfth grade.

The District has developed criteria to determine whether outside agencies with activities that benefit the citizens fo the District should be included within its financial reporting entity. The criterion includes, but is not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District's financial statements. In addition, the District is not a component unit of any other primary governmental entity.

#### **Basis of Presentation**

The District's financial statements are presented on the modified cash basis of accounting, which is characteristic of local governmental units of this type.

#### Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements present governmental activities generally financed through taxes, intergovernmental receipts, and other non-exchange transactions.

#### **Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, fund equity, receipts and disbursements. The governmental funds of the District are all considered major funds by the Department of Elementary and Secondary Education.

The funds presented in the accompanying financial statements include all funds established under Missouri Revised Statutes and controlled by the Board of Education. The purpose of each fund is:

*General Fund*: Accounts for disbursements for noncertified employees, school transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any disbursements not accounted for in other funds.

Special Revenue Fund: Accounts for receipts for certified employees involved in administration and instruction, and includes receipts restricted by the State for the payment of teacher salaries and taxes allocated to this fund based on the District's tax levy.

*Debt Service Fund*: Accounts for receipts restricted, committed, or assigned for the retirement of principal and interest on the District's general obligation bonds.

Notes to the Financial Statements

June 30, 2024

Capital Projects Fund: Accounts for taxes and other receipts restricted, committed, or assigned for acquisition or construction of major capital assets and other capital outlay as defined by State of Missouri statutes.

#### **Basis of Accounting**

In the government-wide Statement of Net Position, Statement of Activities, and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. The modification relates to the presentation of investments. This basis recognizes assets, net position/fund balance, receipts and disbursements when they result from cash transactions. This basis is a special purpose framework of accounting other than accounting principles generally accepted in the United States of America, as a result, these financial statements may not be suitable for another purpose.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements except for the recording of investments.

If the District used the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting and the government-wide financial statements would be presented on the accrual basis of accounting.

#### **Capital Outlay**

Capital outlay is recorded as disbursements in the Capital Projects Fund at the time the goods received are purchased.

#### **Compensated Absences**

Employees earn sick, vacation, and business leave throughout the year. Leave time taken is considered as disbursements in the year paid. Certain amounts unused that are vested in the employee are payable upon termination at varying rates depending on length of service within the District.

#### **Long-Term Debt**

Long-term debt arising from cash transactions of the governmental funds is not reported in the government-wide financial statements or the fund financial statements, which is consistent with the modified cash basis of accounting. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as disbursements.

#### **Teachers' Salaries**

The salary payment schedule of the District for the 2023-2024 school year requires the payment of salaries for a twelve-month period. Consequently, the July and August 2024 payroll checks are included in the financial statements as a disbursement in the month of May. This practice has been consistently followed in previous years.

#### **Pooled Cash and Investments**

Cash resources of the individuals funds are combined to form a pool of cash which is managed by the District's Treasurer. The Debt Service Fund holds deposits in a separate account as required by Missouri State Statutes. Investments are carried at cost, which is consistent with the modified cash basis of accounting. Some investments are held in pooled accounts and investment earnings are allocated to each fund based on weighted average balance.

Notes to the Financial Statements

June 30, 2024

#### **Inventories**

Inventories are valued at cost and consist of food and educational materials. The cost is recorded as a disbursement at the time inventory is purchased.

#### **Equity Classification**

In the government-wide financial statements, net position is classified in two components as follows:

Restricted net position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position: All other net position that does not meet the definition of "restricted."

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when disbursements are made for purposes for which both restricted and unrestricted net position are available.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources as follows:

Nonspendable fund balance: This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted fund balance: This classification reflects the constraints imposed on resources either a) externally by creditors, grantors, contributors, or laws and regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Board of Education – the District's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance: This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund. It is used to report negative fund balances in other governmental funds.

In circumstances when a disbursement is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

#### **Program Receipts**

Amounts reported as program receipts include 1) charges to students or others for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental receipts are reported as general. All taxes are classified as general receipts even if restricted for a specific purpose.

Notes to the Financial Statements

June 30, 2024

#### 2. Cash and Investments

State statutes require that the District's deposits be insured or collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2024, all bank balances on deposit are entirely insured or collateralized with securities.

#### **Custodial Credit Risk - Deposits**

Custodial credit risk for deposits is the risk that in the event of a failure of a depository financial institution, the District's deposits may not be returned, or the District will not be able to recover collateral securities in the possession of an outside party. As of June 30, 2024, the District's deposits were not exposed to custodial credit risk.

#### **Custodial Credit Risk – Investments**

Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by a party who sold the security to the District or its agent, but not in the government's name. the District does not have a policy for custodial credit risk relating to investments. As of June 30, 2024, all investments held by the District are registered in the name of the District or of a type that is not exposed to custodial credit risk. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in the market may adversely affect the fair value of an investment. The District does not have a formal investment policy, however, all investments are invested in compliance with those permitted in accordance with Section 165.051 of the Missouri Revised Statutes.

#### **Investments**

The District's investments at June 30, 2024, are as follows:

Investment Type	Maturity		Amount	Rating
Pro-rata shares of investment contracts with BOK				
Financial through the Missouri School District				
Direct Deposit Program	N/A	\$	4,304,941	N/A
MOSIP - Liquid Series	N/A		9,813,140	AAAm S&P
MOCAAT - Liquid Series	N/A		6,312,165	AAAm S&P
MOCAAT - U.S. Treasury notes and bills	7/15/2024-11/15/2024		18,065,286	AA+ S&P
UBS - Money market instruments	7/11/2024-10/24/2024		50,007,460	AA+ S&P
UBS - Fixed income government securities	8/15/2024-1/15/2025		2,794,000	AA+ S&P
UBS - Certificates of deposit	8/14/2024-10/19/2026		4,110,000	N/A
		\$	95,406,992	

Funds on deposit with BOK Financial are invested in investment contracts in which the District has a pro-rata share of the investment contract. The investment contracts are in accordance with Section 165.051 and Section 360 of the Missouri Revised Statutes through the Missouri School District Direct Deposit Program. The investment contracts are with credit

Notes to the Financial Statements

June 30, 2024

providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service.

#### 3. 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 county collects the property tax and remits it to the District.

The District also receives sales tax collected by the State and remitted based on eligible pupils. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year unless the voters have approved a waiver of the rollback provision. The District has voted a waiver of the rollback provision.

The assessed valuation of the tangible taxable property for the calendar year 2023 for purposes of local taxation was:

Real estate	\$1,933,142,441
Personal property	443,952,352
	\$2,377,094,793

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2023 for purposes of local taxation was:

	Ui	nadjusted	A	djusted
General Fund	\$	4.5353	\$	4.5353
Debt Service Fund		0.5602		0.5602
Capital Project Fund		0.3000		0.3000
	\$	5.3955	\$	5.3955

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2024, aggregated approximately 102 percent of the current assessment computed on the basis of the levy as shown above.

#### 4. Interfund Transfers

Transfers between funds of the District for the year ended June 30, 2024, were as follows:

	I ransfers in	Transfers Out
General Fund	\$ -	\$ 57,499,346
Special Revenue Fund	52,077,050	-
Capital Projects Fund	5,422,296	
	\$ 57,499,346	\$ 57,499,346

The District is required to make a transfer from the General Fund to the Special Revenue Fund to cover the excess of disbursements over receipts each year. Additionally, the District is allowed to make transfers from the General Fund to the Capital Projects Fund to cover excess disbursements and to build balances.

Notes to the Financial Statements
June 30, 2024

## 5. General Obligation Bonds

Outstanding general obligation bonds at June 30, 2024, consist of:

Outstanding general obligation bonds at June 30, 2024, consist of:	
Series 2015 general obligation refunding bonds - \$20,110,000 dated September 24, 2015, due in varying annual installments through March 1, 2025; interest at 2.00% to 3.00%.	\$ 395,000
Series 2016 general obligation refunding bonds - \$8,830,000 dated November 1, 2016, due in varying annual installments through March 1, 2030; interest at 2.00% to 5.00%.	7,970,000
Series 2017 general obligation improvement bonds - \$87,715,000 dated October 12, 2017, due in varying annual installments through March 1, 2037; interest at 3.00% to 5.00%.	72,020,000
Series 2018 general obligation improvement bonds - \$23,285,000 dated September 25, 2018, due in varying annual installments through March 1, 2038; interest at 3.00% to 5.00%.	21,875,000
Series 2020 general obligation refunding bonds - \$30,725,000 dated December 1, 2020, due in varying annual installments through March 1, 2030; interest at 2.00% to 5.00%.	22,015,000
Series 2023 general obligation improvement bonds - \$60,000,000 dated January 26, 2023, due in varying annual installments through March 1, 2042; interest at 4.00% to 5.00%.	\$ 60,000,000 184,275,000
The following is a summary of bond transactions for the year ended June 30, 2024:	
Bonds outstanding, July 1, 2023 Bonds issued Bonds retired	\$ 190,100,000 - (5,825,000)
Bonds outstanding, June 30, 2024	\$ 184,275,000

Debt service requirements are:

Year Ending June 30,	 Principal		Interest	 Total
2025	\$ 7,565,000	\$	7,146,468	\$ 14,711,468
2026	7,145,000		6,779,080	13,924,080
2027	7,650,000		6,455,730	14,105,730
2028	8,230,000		6,110,880	14,340,880
2029	8,760,000		5,779,980	14,539,980
2030-2034	52,400,000		24,455,150	76,855,150
2035-2039	63,255,000		14,034,424	77,289,424
2040-2042	29,270,000		2,468,000	31,738,000
	\$ 184,275,000	\$	73,229,712	\$ 257,504,712

Notes to the Financial Statements

June 30, 2024

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of the district. The legal debt margin (excluding state assessed railroad and utility) of the District at June 30, 2024, was:

Constitutional debt limit	\$ 356,564,219
General obligation bonds outstanding	(184,275,000)
Amount available in Debt Service Fund	14,070,081
Legal Debt Margin	\$ 186,359,300

#### 6. Other Long-term Obligations

The District has entered into a lease agreement for the right-to-use office space through fiscal year 2028. The amount paid in rental fees during the current year was \$174,790.

Future minimum payments due under this agreement are as follows:

Year Ending June 30,	Office Lease
2025	\$ 179,784
2026	184,778
2027	189,772
2028	194,766_
	\$ 749,100

#### 7. Debt Defeasance

On November 4, 2021, the District established an irrevocable trust in order to advance refund \$12,095,000 of outstanding principal, together with accumulated interest, of the Series 2017 General Obligation Bonds with a maturity date of March 1, 2037. The advance refunding will occur on March 1, 2026. At June 30, 2024, the amount held in the irrevocable trust was \$12,497,360.

#### 8. Retirement Plans

#### Public School Retirement System of Missouri and Public Education Employee Retirement System of Missouri

Summary of Significant Accounting Policies

The District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the Systems). The financial statements of the District were prepared using the modified cash basis of accounting. Therefore, member and employer contributions are recognized when paid and the District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

Plan Description. PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the State

Notes to the Financial Statements

June 30, 2024

of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Sections 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

Plan Description. PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560 - 169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Due to the passage of Senate Bill 75 (HCS/SS/SB 75), effective August 28, 2023, members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Benefits Provided. PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Cost-of-Living Adjustments (COLA). The Board of Trustees has established a policy of providing a 0.00% COLA for years in which the CPI increases between 0.00% and 2.00%, a 2.00% COLA for years in which CPI increases between 2.00% and 5.00%, and a COLA of 5.00% if the CPI is greater than 5.00%. If the CPI decreases, no COLA is provided. For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of

Notes to the Financial Statements

June 30, 2024

benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

Contributions. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$12,134,949 and \$2,672,184, respectively, for the year ended June 30, 2024.

Summary Plan descriptions detailing the provisions of the plans as well as additional information regarding the District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at <a href="https://www.psrs-peers.org">www.psrs-peers.org</a>.

### 9. Compensated Absences Liability

Teachers of the District who have been employed by the District for at least the last 10 years receive compensation for unused sick leave days at the rate of \$50 per day up to a maximum of 110 days and retirement pay based on the number of years of service divided by 10 and multiplied by one-ninth of the last completed contract, per stipulations contained in the teacher agreement. Support staff of the District will be paid all of their unused vacation leave at their current rate of pay, up to a maximum number of 40 days. Support staff also receive compensation for unused sick and personal business leave at their current rate of pay for one-half of a maximum of 150 days. Administrators receive compensation for unused vacation days, up to 40 at their daily rate of pay upon separation. Administrators with more than 10 years of service at the District immediately prior to retirement are compensated for unused sick leave at the rate of one-half of the accumulated sick leave days, up to 200 days, times the daily rate of salary; and receives two additional accumulated sick leave days at full compensation for each year over 10.

The maximum liability for the earned, but unused, leave balances at June 30, 2024 was \$9,725,650.

## 10. Claims & Adjustments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulation, the District may be required to reimburse the grantor government. As of June 30, 2024, disbursements have not been audited by grantor governments, but the District believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

Notes to the Financial Statements

June 30, 2024

#### 11. Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined together with over 490 other Missouri public school and college districts to form the Missouri United School Insurance Council (MUSIC). MUSIC is a public entity risk pool operating for the purpose of providing broad property and casualty coverages under one comprehensive plan for all participating members of the risk-sharing group.

The District does not pay premiums to purchase insurance policies, but it pays an assessment to be a member of the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole. The calendar year 2024 assessment was \$2,079,646.

The pooling agreement requires the pool to be self-sustaining. The District believes that it is not possible to estimate the range of contingent losses to be borne by the District.

#### 12. Post-Employment Benefits

In addition to the pension benefits described in Note 8, the District makes available post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subject to terms and conditions set forth in the Board policy. The cost of the coverage is charged to the retiree at a blended rate for all employees. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

#### 13. Commitments

The District had the following commitments as of June 30, 2024:

Project	Contract Amount		<b>Remaining Amount</b>	
Aging Facilities	\$	1,476,155	\$	1,218,621
High School Additions and Athletic Field Renovations	\$	18,833,660	\$	13,892,821
Park Hill Elementary School No. 12	\$	28,773,154	\$	18,614,954
Russell Jones Education Center	\$	4,243,999	\$	772,863
South High School Addition and Renovations	\$	16,435,262	\$	7,974,520
Southeast Elementary School Remodel	\$	410,891	\$	110,941
Union Chapel Elementary	\$	87,966	\$	81,342

### 14. Subsequent Event

On October 10, 2024, the District issued General Obligation Bonds, Series 2024, in the amount of \$77,000,000, for the purpose of constructing, acquiring, improving, renovating, furnishing, and equipping new and existing school facilities including the construction of an elementary school and acquiring land.

Notes to the Financial Statements

June 30, 2024

#### 15. Tax Abatements

As of June 30, 2024, the District did not provide tax abatements to any businesses. However, the District's taxes were reduced by agreements entered into by other governments through the following programs: the Urban Redevelopment Corporation Law (Chapter 353), the Enhanced Enterprise Zone, the Chapter 100 Industrial Development Act, and, the Real Property Tax Increment Allocation Redevelopment Act (Tax Incremental Financing).

The Urban Redevelopment Corporation Law, or Chapter 353, is an economic development tool to encourage redevelopment of blighted areas. Under Sections 353.010-353.190, RSMo., the Urban Redevelopment Corporation has a tax abatement available for 25 years. During the first 10 years, the property is not subject to real property taxes except in the amount of real property taxes assessed on the land during the calendar year during with the Urban Redevelopment Corporation acquired title to the real property. For the remaining 15 years, the property may be assessed up to 50% of its true value. Payments in lieu of taxes (PILOTs) may be imposed on the Urban Redevelopment Corporation by the city in order to replace all or part of the real estate taxes abated. The PILOTs must be allocated based on a proportionate share to each taxing district.

The Missouri Department of Economic Development and various Enhanced Enterprise Zone (EEZ) boards administer the Missouri Works/EEZ program to assist in establishing quality jobs and investment by providing state income tax retention or state income tax credits and local property tax abatements to new or expanding eligible businesses per Sections 135.207-135.210 RSMo. Businesses must engage in assembling, distribution, manufacturing, warehousing, or other uses permitted by statute in order to be eligible. Eligible businesses must create two new jobs and invest at least \$100,000 within two years. The program typically abates 50% of property taxes resulting from improvements made to real property for a period of 10 years after the incentive is granted.

The Chapter 100 Industrial Development Act allow cities or counties to purchase or construct certain types of projects with bond proceeds and lease the project to a company under Sections 100.010-100.200, RSMo. Eligible projects include the purchase, construction, extension and improvement of warehouses, distributions facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants. Since the city or county owns the property and leases it to the company, an amount of the property taxes can be abated for a term agreed on by the city or county issuer and the company. Cities and counties are allowed to require the company to make payments in lieu of taxes (PILOTs) for a portion of the taxes it would have otherwise been required to pay.

Tax Incremental Financing (TIF) is an economic development tool which redirects local tax revenues towards the redevelopment of eligible properties that are otherwise economically unfeasible. Sections 99.800-99.865, RSMo, the Real Property Tax Increment Allocation Redevelopment Act, enables cities to finance certain redevelopment costs with the incremental tax revenue generated by the net increase in assessed valuation resulting from the redevelopment. Real estate taxes in the redevelopment area are frozen at the current level or base valuation. The increased assessed valuation resulting from the redevelopment is referred to as payments in lieu of taxes (PILOT). PILOTs for each TIF district are collected by the county collector and distributed to the cities that authorized the TIF, these funds are then distributed to a TIF special allocation fund or other political subdivisions.

Notes to the Financial Statements
June 30, 2024

Information relevant to disclosure of these programs for the year ended June 30, 2024, is as follows:

Government Entering into Agreement Tax Abatement Program		Amount of Taxes Abated	
City of Kansas City, Missouri	Ad-valorem taxes Chapter 353 Enhanced Enterprise Zone	\$ 184,386 109,093	
City of Parkville, Missouri	Ad-valorem taxes  Tax Increment Financing  Chapter 353  Chapter 100	373,011 110,785 726,456	
City of Riverside, Missouri	Ad-valorem taxes  Tax Increment Financing	5,764,412 \$ 7,268,143	

Payments received in lieu of taxes as a result of these tax abatements were \$182,872 from the City of Kansas City, Missouri, and \$52,536 from the City of Parkville, Missouri.



#### Schedule of Receipts by Source

	General Fund	Special Revenue Fund	!	Debt Service Fund	Capital Projects Fund	Total
Local			`			
Current taxes	\$ 105,202,964	\$ -	\$ 1	12,994,664	\$ 6,958,942	\$ 125,156,570
Delinquent taxes	4,468,717	-		551,976	295,596	5,316,289
School district trust fund (Prop C)	-	16,640,178		-	-	16,640,178
Financial institution tax	-	-		-	75,204	75,204
M&M surtax	-	-		-	1,052,801	1,052,801
In lieu of tax	-	-		-	626,205	626,205
Earnings from temporary deposits	3,827,727	2,280		826,093	2,454,748	7,110,848
Sales to pupils-reimbursable meals	2,775,022	-		-	-	2,775,022
Sales to adults for adult meals-non-program	21,120	-		-	-	21,120
Nonreimbursable meal sales - non-program	1,019,506	-		-	-	1,019,506
Admissions - student activities	114,743	-		-	-	114,743
Student organization membership dues and						
fees	77,297	-		-	-	77,297
Revenue from enterprise activities	1,874,585	-		-	-	1,874,585
Community services	1,613,706	-		-	-	1,613,706
PK tuition from parents	1,490,275	-		-	-	1,490,275
Rentals	26,430	-		-	182,148	208,578
Gifts	184,899	-		-	-	184,899
Prior period adjustment	616,923	-		_	2,399	619,322
Miscellaneous local revenue	1,057,838	-		_	52,570	1,110,408
Total Local	124,371,752	16,642,458	1	14,372,733	11,700,613	167,087,556
County						
Fines, escheats, etc.	-	502,991		-	-	502,991
State assessed utilities	4,823,523	-		794,161	613,999	6,231,683
Other - county	7,000	-		-	-	7,000
Total County	4,830,523	502,991		794,161	613,999	6,741,674
State						
Basic formula - state monies	-	33,485,307		-	-	33,485,307
Transportation	5,373,280	-		-	-	5,373,280
Early childhood special education	2,817,790	-		-	-	2,817,790
Basic formula - classroom trust fund	-	1,754,528		-	3,456,524	5,211,052
Educational screening program/PAT	106,148	-		-	-	106,148
Career education	55,007	-		-	-	55,007
Food service - state	38,191	-		-	-	38,191
Evidence-based reading grant	71,474	-		-	-	71,474
High need fund - special education	298,740	_		_	-	298,740
School safety grant	65,357	_		_	134,575	199,932
Other - state	15,483	_		_	-	15,483
Total State	8,841,470	35,239,835		-	3,591,099	47,672,404

#### Schedule of Receipts by Source

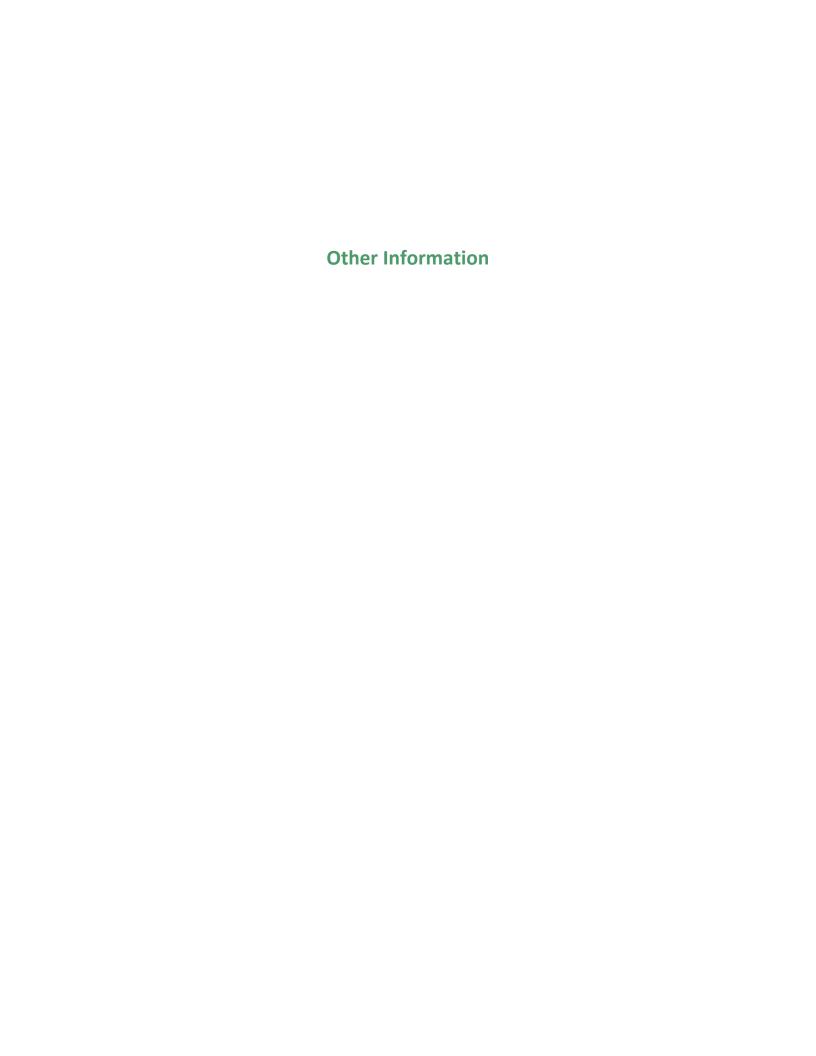
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Federal					
Medicaid	302,570	-	-	-	302,570
ARP - ESSER III	67,136	-	-	-	67,136
CRRSA - ESSER II	3,300	179,482	-	-	182,782
CRRSA - GEER II	41,218	-	-	-	41,218
IDEA Grants	19,896	-	-	-	19,896
ARP - IDEA 611 entitlement funds	-	142,614	-	-	142,614
IDEA entitlement funds, part B IDEA	-	2,251,564	-	-	2,251,564
Early childhood special education - federal	-	223,111	-	-	223,111
ARP - IDEA early childhood					
special education (ECSE)	-	8,960	-	-	8,960
National school lunch program	2,353,001	-	-	-	2,353,001
School breakfast program	494,278	-	-	-	494,278
After school snack program	2,801	-	-	-	2,801
Title I - ESEA	245,870	788,357	-	-	1,034,227
Title IV.A student support and					
academic enrichment	79,229	1,625	-	-	80,854
Title III, ESEA - English language acquisition	72,837	13,671	-	-	86,508
Title II, part A&B, ESEA - teacher					
and principal training	232,928	71,158	-	-	304,086
ARP-Homeless Children and Youth II	35,289	-	-	-	35,289
Other - federal	53,845	-	-	-	53,845
Total Federal	4,004,198	3,680,542	-	-	7,684,740
Other Sources					
Net insurance recovery	16,358	-	-	33,395	49,753
Sale of other property	642,481	-	-	45,601	688,082
Transportation from other LEAs for non-					
disabled routes	236,994				236,994
Total Other Sources	895,833			78,996	974,829
Total Receipts	\$ 142,943,776	\$ 56,065,826	\$ 15,166,894	\$ 15,984,707	\$ 230,161,203

#### Schedule of Disbursements by Object

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Salaries	\$ 32,721,031	\$ 83,177,276	\$ -	\$ 	\$ 115,898,307
Employee benefits	9,440,810	23,998,666	-	-	33,439,476
Purchased services	20,472,238	966,934	-	-	21,439,172
Supplies	18,413,229	-	-	-	18,413,229
Capital outlay	-	-	-	52,439,638	52,439,638
Other objects	-	-	13,511,589	-	13,511,589
<b>Total Disbursements</b>	\$ 81,047,308	\$ 108,142,876	\$ 13,511,589	\$ 52,439,638	\$ 255,141,411

# Schedule of Transportation Costs Eligible for State Aid Year Ended June 30, 2024

	C	Contracted	District Operated	_	ontracted Disabled	Total
Non-certificated salaries	\$	129,700	\$ -	\$	-	\$ 129,700
Employee benefits		35,307	-		-	35,307
Purchased services		7,710,625	143,829		2,028,284	9,882,738
Supplies		414,181	-		151,886	566,067
Depreciation, net of adjustment			 403,968		-	 403,968
	\$	8,289,813	\$ 547,797	\$	2,180,170	\$ 11,017,780



# Budgetary Comparison Schedule – General Fund Year Ended June 30, 2024

	Budgeted	l Amounts		Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Receipts				
Local	\$ 115,762,538	\$ 115,762,538	\$ 124,371,752	\$ 8,609,214
County	4,474,720	4,474,720	4,830,523	355,803
State	8,903,779	8,903,779	8,841,470	(62,309)
Federal	9,084,026	9,084,026	4,004,198	(5,079,828)
Other	98,901	98,901	236,994	138,093
Total Receipts	138,323,964	138,323,964	142,284,937	3,960,973
Disbursements				
Instruction	8,883,110	9,135,946	8,571,483	564,463
Student services	7,133,760	7,408,334	7,033,286	375,048
Instructional staff support	1,975,527	1,604,332	1,523,020	81,312
Building administration	3,998,229	4,032,183	3,828,064	204,119
General administration	18,524,872	18,631,817	17,842,836	788,981
Operation of plant	21,511,582	21,841,869	20,739,157	1,102,712
Transportation	12,876,675	11,943,482	11,183,079	760,403
Food service	6,744,138	6,744,138	6,571,946	172,192
Community services	4,026,881	4,122,673	3,754,437	368,236
Total Disbursements	85,674,774	85,464,774	81,047,308	4,417,466
Excess (Deficit) of Receipts over				
Disbursements	52,649,190	52,859,190	61,237,629	8,378,439
Other Financing Sources (Uses)				
Net insurance recovery	-	-	16,358	16,358
Sale of other property	-	-	642,481	642,481
Operating transfers (out)	(55,306,888)	(57,017,095)	(57,499,346)	(482,251)
<b>Total Other Financing Sources (Uses)</b>	(55,306,888)	(57,017,095)	(56,840,507)	176,588
Net Change in Fund Balance	(2,657,698)	(4,157,905)	4,397,122	8,555,027
Fund Balance, July 1, 2023	37,729,592	37,729,592	37,484,442	(245,150)
Fund Balance, June 30, 2024	\$ 35,071,894	\$ 33,571,687	\$ 41,881,564	\$ 8,309,877

# Budgetary Comparison Schedule – Special Revenue Fund Year Ended June 30, 2024

		Amounts	Autoral	Variance with Final Budget Positive
Receipts	<u>Original</u>	Final	Actual	(Negative)
Receipts	ć 1C 100 212	¢ 16 100 313	ć 1C C42 4E0	ć 524.245
Local	\$ 16,108,213	\$ 16,108,213 617,159	\$ 16,642,458	\$ 534,245
County	617,159	•	502,991	(114,168)
State	39,498,925	39,498,925	35,239,835	(4,259,090)
Federal	331,182	331,182	3,680,542	3,349,360
Total Receipts	56,555,479	56,555,479	56,065,826	(489,653)
Disbursements				
Instruction	86,798,505	86,736,492	86,730,558	5,934
Student services	6,531,160	6,602,439	6,601,985	454
Instructional staff support	4,388,757	4,459,654	4,459,354	300
Building administration	7,360,839	7,326,915	7,326,405	510
General administration	2,528,473	2,689,977	2,689,796	181
Community services	342,544	334,801	334,778	23
Total Disbursements	107,950,278	108,150,278	108,142,876	7,402
Excess (Deficit) of Receipts over				
Disbursements	(51,394,799)	(51,594,799)	(52,077,050)	(482,251)
Other Financing Sources				
Operating transfers in	51,394,799	51,594,799	52,077,050	482,251
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1, 2023				
Fund Balance, June 30, 2024	\$ -	\$ -	\$ -	\$ -

# Budgetary Comparison Schedule – Debt Service Fund Year Ended June 30, 2024

	Budgeted	l Amounts		Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Receipts				
Local	\$ 11,667,750	\$ 11,667,750	\$ 14,372,733	\$ 2,704,983
County	626,542	626,542	794,161	167,619
Total Receipts	12,294,292	12,294,292	15,166,894	2,872,602
<b>Disbursements</b> Debt service	13,508,289	13,518,289	13,511,589	6,700
Excess (Deficit) of Receipts over				
Disbursements	(1,213,997)	(1,223,997)	1,655,305	2,879,302
Fund Balance, July 1, 2023	12,356,739	12,356,739	12,414,776	
Fund Balance, June 30, 2024	\$ 11,142,742	\$ 11,132,742	\$ 14,070,081	\$ 2,879,302

# Budgetary Comparison Schedule – Capital Projects Fund Year Ended June 30, 2024

		l Amounts		Variance with Final Budget Positive
	Original	<u>Final</u>	Actual	(Negative)
Receipts				
Local	\$ 13,144,175	\$ 13,144,175	\$ 11,700,613	\$ (1,443,562)
County	233,047	233,047	613,999	380,952
State	-	-	3,591,099	3,591,099
Other	19,758	19,758		(19,758)
Total Receipts	13,396,980	13,396,980	15,905,711	2,508,731
Disbursements				
Instruction	143,498	241,321	236,745	4,576
Student services	2,100	4,922	4,831	91
Instructional staff support	35,721	11,946	11,719	227
General administration	1,506,760	1,821,090	1,786,578	34,512
Operation of plant	11,311,800	10,617,314	10,416,095	201,219
Community services	-	5,835	5,725	110
Facilities acquisition and construction	60,789,418	61,086,869	39,977,945	21,108,924
Total Disbursements	73,789,297	73,789,297	52,439,638	21,349,659
Excess (Deficit) of Receipts over				
Disbursements	(60,392,317)	(60,392,317)	(36,533,927)	23,858,390
Other Financing Sources				
Operating transfers in	3,912,089	5,422,296	5,422,296	-
Net insurance recovery	-	-	33,395	33,395
Sale of other property	-	-	45,601	45,601
<b>Total Other Financing Sources</b>	3,912,089	5,422,296	5,501,292	78,996
Net Change in Fund Balance	(56,480,228)	(54,970,021)	(31,032,635)	23,937,386
Fund Balance, July 1, 2023	65,395,756	70,487,982	70,487,982	<u>-</u>
Fund Balance, June 30, 2024	\$ 8,915,528	\$ 15,517,961	\$ 39,455,347	\$ 23,937,386

Notes to the Budgetary Comparison Schedules
Year Ended June 30, 2024

#### **Budgets and Budgetary Accounting**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
- 2. Prior to July, the superintendent, who serves as the Budget Officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The budget includes estimated receipts and proposed disbursements for all District funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.
- 3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
- 4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
- 5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements. Budgeted amounts are as originally adopted, or as amended by the Board of Education. Individual amendments were not material to the original appropriations, which were amended.
- 6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), which is consistent with the basis of accounting used for the financial statements.





# Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Education Park Hill School District Kansas City, Missouri

We have audited, 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, the modified cash basis financial statements of the governmental activities and each major fund of the Park Hill School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Park Hill School District's basic modified cash basis financial statements, and have issued our report thereon dated November 4, 2024.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Park Hill School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Park Hill School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitation, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Park Hill School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPM CPAs, PC

Springfield, Missouri November 4, 2024

KPM CPAS, PC



# Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Education Park Hill School District Kansas City, Missouri

#### **Report on Compliance for Each Major Federal Program**

#### Opinion on Each Major Federal Program

We have audited Park Hill School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Park Hill School District's major federal programs for the year ended June 30, 2024. Park Hill School District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Park Hill School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

#### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Park Hill School District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

#### Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Park Hill School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Park Hill School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform
  audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding
  Park Hill School District's compliance with the compliance requirements referred to above and performing such
  other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Park Hill School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KPM CPAs, PC

Springfield, Missouri November 4, 2024

KPM CPAS, PC

#### Schedule of Expenditures of Federal Awards

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Grantor's Number	Passed-through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture  Missouri Department of Elementary and Secondary Education Child Nutrition Cluster				
School Breakfast Program	10.553	20232N119943 20242N109943	\$ - -	\$ 155,691 338,587 494,278
National School Lunch Program				434,270
National School Lunch Program  Non-cash - Commodities	10.555	083-005	_	643,507
Cash assistance	10.555	20232N119943	- -	438,392
Cash assistance		20232N119943	-	1,477,081
		20221N890343	-	37,063
		20232N890343	-	403,266
			-	2,999,309
Total Child Nutrition Cluster			_	3,493,587
Total U.S. Department of Agriculture			-	3,493,587
Federal Communications Commission Direct - Non-cash				
COVID-19 Emergency Connectivity Fund Program	32.009	N/A		44,645
Total Federal Communication Commission			-	44,645
U.S. Department of Education  Missouri Department of Elementary and Secondary Education				
Title I Grants to LEAs	84.010A	S010A230025	-	1,144,090
English Language Acquisition State Grants	84.365A	S365A220025	-	111,107
Supporting Effective Instruction State Grants	84.367A	S367A230024	-	275,474
Student Support and Academic Enrichment Program	84.424A	S424A220026	-	67,924
		S424A230026		19,455
			-	87,379
COVID-19 Education Stabilization Fund	84.425C	S425C210016	-	5,552
	84.425D	S425D210021	-	179,482
	84.425U	S425U210021	-	85,969
	84.425W	S425W210026		35,289
			-	306,292
Special Education Cluster				
Special Education Grants to States	84.027A	H027A220040	-	1,729,594
		H027A230040		978,457
			-	2,708,051
Special Education Preschool Grants	84.173A	H173A220103	-	14,697
		H173A230103		45,160
				59,857
Total U.S. Department Education				2,767,908
Total U.S. Department Education			-	4,692,250

#### Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Grantor's Number	Passed-thro	U	Federal penditures
U.S. Department of Health and Human Services Missouri Department of Elementary and Secondary Education					
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0066		-	9,200
Total U.S. Department of Health and Human Services				-	9,200
Total Expenditures of Federal Awards			\$	-	\$ 8,239,682

N/A – Not Applicable

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

#### 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District for the year ended June 30, 2024, and is presented on the modified cash basis of accounting as described below. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

#### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting which is described in Note 1 to the District's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### 3. Indirect Cost Rate

The District elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

#### 4. Noncash Assistance

Commodities received and expended are valued by the Food Service Section of the Department of Elementary and Secondary Education.

Noncash assistance expended through the COVID-19 Emergency Connectivity Fund Program were valued based on actual cash expended on equipment and services through a third-party vendor on behalf of the District.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

# **Section I: Summary of Auditors' Results**

Financial Statements		
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis of accounting:		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?		No
Significant deficiency(ies) identified?		None Reported
Noncompliance material to financial statements noted?		No
Federal Awards		
Internal control over major federal programs:		
Material weakness(es) identified?		No
Significant deficiency(ies) identified?		None Reported
Type of auditors' report issued on compliance for major federal program:		Unmodified
Any audit findings disclosed that are required to be reported in accordance wi 2CFR 200.516(a)?	th	No
Identification of major federal programs:		
Assistance Listing Number(s) Name	of Federal Progran	n or Cluster
10.553 & 10.555	Child Nutrition Clu	uster
Dollar threshold used to distinguish between type A and type B programs:		\$750,000
Auditee qualified as low-risk auditee?		No

**Section II: Financial Statement Findings** 

None

**Section III: Federal Award Findings and Questioned Costs** 

None

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024

There were no prior year audit findings.





Board of Education Park Hill School District Kansas City, Missouri

We have examined Park Hill School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics during the year ended June 30, 2024. Park Hill School District's management is responsible for it's the District's compliance with the specified requirements. Our responsibility is to express an opinion on Park Hill School District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Park Hill School District complied, in all material respects, with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination engagement does not provide a legal determination on Park Hill School District's compliance with the specified requirements.

In our opinion, Park Hill School District complied in all material respects, with the aforementioned requirements for the year ended June 30, 2024.

This report is intended solely for the information and use of the Board of Education, District management, and the Missouri Department of Elementary and Secondary Education and is not intended to be, and should not be, used by anyone other than these specified parties.

KPM CPAS, PC

KPM CPAs, PC Springfield, Missouri November 4, 2024

Schedule of Selected Statistics
Year Ended June 30, 2024

# 1. Calendar (Sections 160.041, 171.029, 171.031, and 171.033 RSMo)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

			Half Day	Standard Day		Hours in
School Code	Begin Grade	End Grade	Indicator	Length	Days	Session
	K	5		6.5833	173.00	1,120.9109
	6	8		6.7000	173.00	1,141.1000
	9	12		6.7167	173.00	1,143.9891
1050	9	12		6.7167	173.00	1,138.6057
3030	6	8		6.7000	173.00	1,136.6500
6000	K	12		6.2500	173.00	1,081.2500
7500	PK	PK	А	3.1000	170.00	527.0000
7500	PK	PK	Р	3.1000	170.00	527.0000

Schedule of Selected Statistics
Year Ended June 30, 2024

#### 2. Attendance Hours

Report the total attendance hours of PK-12 students allowed to be claimed for the calculation of Average Daily Attendance.

	Grade			Remedial		Summer	
School Code	Level	Full-Time	Part-Time	Hours	Other	School	Total
1050	9-12	1,924,498.16	1,409.88	-	-	-	1,925,908.04
1080	9-12	1,866,127.21	3,241.49	-	2,669.92	85,143.37	1,957,181.99
3000	6-8	688,090.59	2,047.30	-	-	-	690,137.89
3030	6-8	649,717.17	32.46	-	183.00	41,323.17	691,255.80
3050	6-8	708,285.68	2,372.94	-	-	-	710,658.62
3060	6-8	789,906.91	144.38	-	-	31,195.48	821,246.77
4020	K-5	465,471.80	1,238.71	-	-	71,825.46	538,535.97
4040	K-5	446,206.47	162.83	-	-	23,566.50	469,935.80
4060	K-5	363,372.00	122.91	-	-	-	363,494.91
4080	K-5	451,738.65	-	-	-	19,997.27	471,735.92
5000	K-5	536,560.33	-	-	-	47,460.22	584,020.55
5020	K-5	641,432.84	32.46	-	-	55,835.48	697,300.78
5040	K-5	456,605.10	4,875.77	-	-	-	461,480.87
5060	K-5	451,586.57	946.32	-	-	26,138.84	478,671.73
5080	K-5	459,422.65	-	-	-	-	459,422.65
5090	K-5	499,157.37	1,123.00	-	5.83	27,780.18	528,066.38
5095	K-5	502,546.29	2,036.41	-	-	25,486.58	530,069.28
6000	K-12	-	-	-	681.17	-	681.17
7500	PK	14,585.98	-	-	-	-	14,585.98
<b>Grand Total</b>	K-12	11,915,311.77	19,786.86	-	3,539.92	455,752.55	12,394,391.10

Schedule of Selected Statistics Year Ended June 30, 2024

# 3. September Membership

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in September who are enrolled on the count day **and** in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should only include PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
	PK	66.00	-	-	66.00
	K	772.00	1.37	-	773.37
	1	818.00	2.26	-	820.26
	2	853.00	0.22	-	853.22
	3	873.00	0.40	-	873.40
	4	828.00	0.03	-	828.03
	5	847.00	1.56	-	848.56
	6	889.00	0.28	-	889.28
	7	870.00	0.06	-	870.06
	8	928.00	0.50	-	928.50
	9	977.00	1.77	-	978.77
	10	979.00	-	-	979.00
	11	937.00	1.00	-	938.00
	12	908.00	0.03	-	908.03
<b>Grand Total</b>	K-12	11,545.00	9.48	-	11,554.48

Schedule of Selected Statistics
Year Ended June 30, 2024

#### 4. Free and Reduced Priced Lunch FTE Count (Section 163.011(6), RSMo)

Report the FTE count taken the last Wednesday in January of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

School Code	Free Lunch	Reduced Lunch	DESEG In Free	DESEG In Reduced	Total
			DESEG III Free	DESEG III Reduced	
1050	335.00	130.00	-	-	465.00
1080	322.00	72.00	-	-	394.00
3000	100.00	29.00	-	-	129.00
3030	147.00	42.00	-	_	189.00
3050	134.00	54.03	-	-	188.03
3060	174.00	42.00	-	_	216.00
4020	153.84	48.00	-	-	201.84
4040	73.00	24.00	-	_	97.00
4060	132.00	24.00	-	_	156.00
4080	115.00	46.00	-	_	161.00
5000	126.00	31.00	-	-	157.00
5020	64.71	15.00	-	_	79.71
5040	94.00	20.00	-	-	114.00
5060	99.25	33.00	-	_	132.25
5080	77.00	20.00	-	-	97.00
5090	102.00	43.00		-	145.00
5095	98.00	45.00	-	-	143.00
<b>Grand Total</b>	2,346.80	718.03	-	-	3,064.83

Schedule of Selected Statistics
Year Ended June 30, 2024

#### 5. Finance

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
Г 1	The district/charter school maintained a calendar in accordance with 160.041,	
5.1	171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
	The district/charter school maintained complete and accurate attendance	
	records allowing for the accurate calculation and reporting by category of	
5.2	Average Daily Attendance for all students in accordance with all applicable state	
	rules and regulations. Sampling of records included those students receiving	
	instruction in the following categories:	_
	Academic Programs Off-Campus	True
	Career Exploration Program – Off Campus	True
	Cooperative Occupational Education (COE) or Supervised Occupational	N1 / A
	Experience Program	N/A
	Dual enrollment	True _
	Homebound instruction	True
	Missouri Options	True
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	True
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A
	The district/charter school maintained complete and accurate attendance	
5.3	records allowing for the accurate calculation of September Membership for all	
	students in accordance with all applicable state rules and regulations.	True
	The district/charter school maintained complete and accurate attendance and	
5.4	other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all	
	applicable state rules and regulations.	True
	As required by Section 162.401, RSMo, a bond was purchased for the district's	rrue
	school treasurer or as required by Section 160.405, RSMo, a bond was	
5.5	purchased for the charter schools chief financial officer or an insurance policy	
5.5	issued by an insurance company that proves coverage in the event of employee	
	theft in the total amount of:	\$50,000
	The district's/charter school's deposits were secured during the year as	
5.6	required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial	
	Accounting Manual	True

# Schedule of Selected Statistics Year Ended June 30, 2024

5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	\$360,664
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

Finding: There were no finding	There were no findings noted above.		
Management Letter Comment:	N/A		

Schedule of Selected Statistics
Year Ended June 30, 2024

# 6. Transportation (Section 163.161, RSMo)

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-	
	261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district's/charter school's pupil transportation ridership records are maintained	
	in a manner to accurately disclose in all material respects the average number of	
	regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12,	
	K-12 students with disabilities and career education) transported on a regular basis	
	(ADT) was:	
	Eligible ADT	5,991.0
	Ineligible ADT	874.0
6.4	The district's/charter school's transportation odometer mileage records are	
	maintained in a manner to accurately disclose in all material respects the eligible	
	and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted	
	mileage for the year was:	1,805,263
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and	
	the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	1,514,032
	Ineligible Miles (Non-Route/Disapproved)	291,231
6.7	Number of days the district/charter school operated the school transportation	
	system during the regular school year:	168

Finding:	There were no findings noted above.		
Manageme	ent Letter Comment:	N/A	

#### APPENDIX C

#### PROPOSED FORM OF OPINION OF BOND COUNSEL

Park Hill School District of Platte County, Missouri Parkville, Missouri

[Underwriter] [Underwriter City, State]

Re: \$128,000,000\* Park Hill School District of Platte County, Missouri General Obligation Bonds (Missouri Direct Deposit Program), Series 2025

#### Ladies and Gentlemen:

We have acted as bond counsel to Park Hill School District of Platte County, Missouri (the "Issuer"), in connection with the issuance of the above-captioned bonds (the "Bonds"). We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

- **1.** The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.
- 2. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal and Missouri income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal and Missouri income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

<sup>\*</sup> Preliminary; subject to change.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

This opinion is limited to the laws of the State of Missouri and applicable laws of the United States.

Very truly yours

#### APPENDIX D

#### FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

Dated as of October 7, 2025

By

PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

relating to

\$128,000,000

PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2025

\_\_\_\_\_

#### CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated as of October 7, 2025 (the "Continuing Disclosure Certificate"), is executed and delivered by PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI (the "Issuer").

#### **RECITALS**

- 1. This Continuing Disclosure Certificate is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$128,000,000 original principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2025 (the "Bonds"), pursuant to a resolution adopted by the governing body of the Issuer on September 11, 2025 (the "Resolution").
- 2. The Issuer is entering into this Continuing Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Issuer is the only "obligated person" (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the covenants and agreements herein and in the Bond Purchase Agreement, the Issuer covenants and agrees as follows:

- **Section 1. Definitions.** In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Continuing Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:
- "Annual Report" means any Annual Report filed by the Issuer pursuant to, and as described in, Section 2 of this Continuing Disclosure Certificate.
- "Beneficial Owner" means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.
- **"EMMA"** means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.
- **Financial Obligation"** means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided*, *however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.
- "Fiscal Year" means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.
- "Material Events" means any of the events listed in Section 3(a) of this Continuing Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

#### **Section 2.** Provision of Annual Reports.

- (a) The Issuer shall, not later than **six months** after the end of the Issuer's Fiscal Year, commencing with the Fiscal Year ending June 30, 2025, provide to the MSRB, through EMMA, the following financial information and operating data (the "**Annual Report**"):
  - (1) The audited financial statements of the Issuer for the prior Fiscal Year. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
  - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be filed as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; <u>provided</u> that the audited financial statements of the Issuer may be filed separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

**Section 3. Reporting of Material Events.** No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("Material Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material:
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

If the Issuer has not filed the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

**Section 4. Termination of Reporting Obligation.** The Issuer's obligations under this Continuing Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Certificate are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Certificate in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

**Section 5. Designated Agents.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Certificate, and may discharge any such agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or

report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Certificate. If the Issuer shall ever fail to comply with its obligations to file an Annual Report or to report the occurrence of a Material Event, the Issuer shall appoint and retain a Dissemination Agent.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Certificate, the Issuer may amend this Continuing Disclosure Certificate and any provision of this Continuing Disclosure Certificate may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Certificate.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Certificate, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Certificate, the Issuer shall have no obligation under this Continuing Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**Section 8. Default.** If the Issuer fails to comply with any provision of this Continuing Disclosure Certificate, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Certificate. A default under this Continuing Disclosure Certificate shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Certificate in the event of any failure of the Issuer to comply with this Continuing Disclosure Certificate shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 10. Severability.** If any provision in this Continuing Disclosure Certificate, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 11. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be stored, received or delivered by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 12. Governing Law.** This Continuing Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Missouri.

**Section 13.** Counterparts. This Continuing Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

PARK HILL SCHOOL DISTRICT OF PLATTE COUNTY, MISSOURI

By: _		
Title:	President of the Board of Education	

#### **EXHIBIT A**

# FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The tables located under the following sections of Appendix A to the final Official Statement:

**DEBT STRUCTURE** 

Current Long-Term General Obligation Indebtedness Legal Debt Capacity

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Sources of Revenue

Current

PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

**Property Valuations** 

History of Property Valuations

History of Tax Levies

Tax Collection Record