

**PARK HILL SCHOOL DISTRICT
KANSAS CITY, MISSOURI**

**FINANCIAL STATEMENTS
with
INDEPENDENT AUDITOR'S REPORT
and SUPPLEMENTARY INFORMATION**

June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Park Hill School District
Kansas City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the Park Hill School District (the "School District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1.E.; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, and each major fund of the Park Hill School District, as of June 30, 2021, and the respective change in modified cash basis financial position, for the year then ended in accordance with the basis of accounting described in Note 1.E.

Basis of Accounting

We draw attention to Note 1.E. of the financial statements, which describes the basis of accounting. 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 opinions are not modified with respect to that matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the School District's basic financial statements. The supplementary information as listed in the table of contents from pages 41-50 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.E.

The management's discussion and analysis on pages 4 through 11 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on such information.

Board of Education
Park Hill School District
Kansas City, Missouri

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2021, on our consideration of the 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 School 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 School District's internal control over financial reporting and compliance.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
October 28, 2021



Park Hill School District

Building Successful Futures • Each Student • Every Day

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

For the Year Ended June 30, 2021

The Management's Discussion and Analysis (MD&A) of the Park Hill School District ("School District") provides an overview and analysis of the School District's modified cash basis financial activities for the fiscal year ended June 30, 2021. The intent of the MD&A is to look at the School District's modified cash basis financial performance as a whole. Readers should also review the modified cash basis financial statements found in the "Basic Financial Statements" section beginning on page 12 and the notes thereto to enhance their understanding of the School District's modified cash basis financial performance.

The financial statements of the School District have been prepared on the modified cash basis of accounting, as applied to local governmental units, which is a special purpose framework of accounting other than accounting principles generally accepted in the United States of America. Differences in the modified cash basis of accounting and accounting principles generally accepted in the United States of America arise in the recognition of revenue when it is received, rather than when earned, and the presentation of expenditures when they are paid versus when incurred. Additional information of the School District's modified cash basis of accounting can be found in Note 1.E on page 22.

The MD&A is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued in 1999. Certain comparative information between the current year, 2020-2021 (FY2021), and the prior year, 2019-2020 (FY2020), is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2021, include the following:

The governmental activities net assets and governmental funds ending balances (modified cash basis) were \$58,578,915 as compared to \$68,344,423 the previous year. The decrease in these fund balances is primarily due to (1) spending remaining bond proceeds to complete construction of the LEAD Innovation Studio and (2) spending on capital improvements at other district buildings.

The school district collected \$19,097,501 in program revenues, which made up 8.6% of the total revenues collected for the year ended June 30, 2021. This is compared to 12.75% the previous fiscal year. These program revenues covered 8% of the program expenditures paid leaving 92%, to be covered by general revenues collected and fund balances. This is compared to 10% of the program expenditures paid leaving 90% to be covered by general revenues collected and fund balances the previous year ended June 30, 2020.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Using the Basic Financial Statements

The School District’s basic financial statements consist of a series of financial statements and the associated notes to those statements. The statements are organized so the reader can understand the modified cash basis operations of the School District as a whole (i.e., an entire operating entity). The “Basic Financial Statements” section includes government-wide financial statements, fund financial statements and notes to financial statements.

The government-wide financial statements, consisting of the Statement of Net Position - Modified Cash Basis and the Statement of Activities - Modified Cash Basis (see pages 13 and 14), provide highly consolidated modified cash basis financial information and render a government-wide perspective of the School District’s modified cash basis financial condition. They present an aggregate view of the School District’s modified cash basis finances. These statements seek to answer the question, “How did the School District do financially during the 2020-2021 fiscal year?” In short, is the School District better financially this year, or is it worse than the prior year? These statements include all cash and investments using the modified cash basis of accounting.

By showing the change in net position (modified cash basis) for the year, the reader may ascertain whether the School District’s modified cash basis financial condition has improved or deteriorated. The changes which are discussed in this MD&A may be financial or non-financial in nature. Non-financial factors which may have an impact on the School District’s financial condition include increases in or erosion of the property tax base within the School District, facilities maintenance and condition, mandated educational programs for which little or no funding is provided, or other external factors.

To provide more in-depth reporting of the School District’s modified cash basis financial position and changes in cash basis financial position, fund financial information is presented in the ‘Fund Financial Statements’ section beginning on page 15. These fund financial statements, which should be familiar to those who have read previous governmental financial statements, report governmental activities on a current cash basis, indicating modified cash basis sources and uses of funding.

Fund financial statements also provide more in-depth data on the School District’s most significant funds, its General Fund, Special Revenue Fund, Debt Service Fund and Capital Fund. These funds are considered “major funds” under GASB Statement No. 34.

Government – Wide Financial Analysis

Net position of the School District in the amount of \$58,578,915 reflect the total assets of cash and investments net of payroll liabilities as of June 30, 2021. Net position consisted of the following:

<u>Net Position</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Restricted for Community & Student activities	\$ 2,575,137	\$ 0
Restricted for Capital Projects	0	8,794,926
Restricted for Debt Service	13,886,421	11,514,464
Unrestricted	42,117,357	48,035,033
Total Net Position	<u>\$ 58,578,915</u>	<u>\$ 68,344,423</u>

The restricted net assets are restricted for payment of principal and interest on general obligation bonds, capital projects resulting from bond proceeds, and student and community activities.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Governmental Activities

\$58,578,915 in net position at June 30, 2021, reflects a decrease of \$9,765,508 from the net position balance of \$68,344,423 at June 30, 2020. Key elements of this decrease consist of the following:

	June 30, 2021	June 30, 2020
Revenues Collected		
<i>Program Revenues Collected</i>		
Charges for Services	\$ 4,347,747	\$ 8,296,969
Operating Grants and Contributions	14,749,754	10,702,756
<i>General Revenues Collected</i>		
Property, Sales, and Other Local Taxes	117,097,812	109,785,106
State & County Taxes, State Formula Funding	44,302,009	41,616,312
Interest and Investment Earnings	1,256,490	2,440,361
Miscellaneous	3,460,864	2,621,648
<i>Special Items:</i>		
Refunding Bonds Proceeds	30,725,000	0
Premium on Refunding Bonds	4,749,822	0
Sale of Property	247,607	825,579
Other Miscellaneous	55	64,964
Total Revenues Collected	\$ 220,937,160	\$ 176,353,694
Expenses Paid		
Instruction	\$ 83,725,772	\$ 84,216,528
Support Services	81,583,916	79,135,107
Community Services	3,901,761	4,270,732
Facilities Acquisition, Construction	15,402,705	46,833,404
Capital Principal, Interest, Fees	179	1,478
Debt Svc Principal, Interest, Fees	46,088,335	12,212,893
Total Expenses Paid	\$ 230,702,668	\$ 226,670,142
Change in Net Position	\$ (9,765,508)	\$ (50,316,448)
Net Position at Beginning of Year	68,344,423	118,660,871
Net Position at End of Year	\$ 58,578,915	\$ 68,344,423

As reflected above, the expenses paid of the School District's governmental activities for the fiscal years ending June 30, 2021 and 2020 of \$230,702,668 and \$226,670,142 respectively are not all borne by the taxpayers of the School District. Of these amounts \$4,347,747 and \$8,296,969 were paid by those who benefited from the services rendered (e.g., charges for school lunches) and \$14,749,754 and \$10,702,756 were paid through federal and state operating grants and contributions.

Consequently, the net costs of \$211,605,167 and \$207,670,417, after taking into consideration these fees and grants, were paid from other general revenues, which include property taxes paid by the taxpayers of the School District as well as other taxes, additional state funding and fund balances.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Governmental Activities (continued)

The next table shows the total cost of programs and the net cost of these programs (after deducting charges for services) and grants and contributions revenue collected of the various categories of expenses paid for the years ended June 30, 2021 and 2020. The net cost presentation allows the taxpayers of the School District to determine the remaining cost of the various categories which were borne by them or paid from other general revenues and fund balances, and allows them the opportunity to assess the cost of these functions in comparison to the benefits received.

	<u>June 30, 2021</u>		<u>June 30, 2020</u>	
	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	<u>Programs</u>	<u>Programs</u>	<u>Programs</u>	<u>Programs</u>
Instruction	\$ 83,720,322	74,600,743	\$ 84,216,528	76,998,041
Attendance	2,421,714	2,421,714	2,358,055	2,358,055
Guidance	3,033,608	3,033,608	3,014,789	3,014,789
Health, Psych Speech and Audio	5,716,825	5,716,824	5,509,183	5,509,183
Improvement of Instruction	2,866,899	2,866,899	2,752,978	2,752,978
Professional Development	332,172	332,172	321,053	321,053
Educational Media Services	2,128,384	2,128,384	2,364,154	2,364,154
Board of Education Services	1,051,985	1,051,985	969,369	969,369
Executive Administration	12,429,736	12,429,736	9,805,051	9,805,051
Building Level Administration	9,230,724	9,230,724	8,914,662	8,914,662
Business Support Service	1,301,093	1,301,093	1,233,267	1,233,267
Operation of Plant	22,437,243	22,437,243	22,777,042	22,777,042
Security Services	1,139,590	1,139,590	1,114,830	1,114,830
Student Transportation	8,942,187	7,563,297	9,135,006	7,919,412
Food Services	4,955,282	319,491	5,507,568	396,340
District Office Support Services	3,596,474	3,596,474	3,358,100	3,358,100
Community Services	3,907,210	(56,029)	4,270,732	(1,183,684)
Capital Outlay	15,402,705	15,402,705	46,833,404	46,833,404
Capital Principal, Interest, Fees	179	179	1,478	1,478
Debt Service:				
Principal Retirement	39,730,000	39,730,000	6,370,000	6,370,000
Interest/Fiscal Fees	6,358,335	6,358,335	5,842,893	5,842,893
Total	\$ 230,702,667	211,605,167	\$ 226,670,142	207,670,418

Governmental Funds Financial Analysis

The School District uses funds to control and manage money for particular purposes (e.g., dedicated taxes and bond proceeds). The fund basis financial statements allow the School District to demonstrate its stewardship over and accountability for modified cash basis resources provided by the taxpayers and other entities.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Governmental Funds Financial Analysis (continued)

These statements also allow the reader to obtain more insight into the modified cash basis financial workings of the School District and assess further the School District’s modified cash basis financial health. The School District completed the fiscal year ended June 30, 2021 with a combined modified cash basis fund balance for Governmental funds (as presented in the Balance Sheet - Modified Cash Basis on page 16) of \$58,578,915 as compared to a combined fund balance of \$68,344,423 on June 30, 2020, a decrease of \$9,765,508. The decrease in these fund balances is primarily due to (1) spending remaining bond proceeds to complete construction of the LEAD Innovation Studio and (2) spending on capital improvements at other district buildings.

The fund balance of the operating funds (General and Special Revenue) increased by \$1,018,912 as compared to a decrease of \$1,595,838 the previous year. The current year increase is the result of an increase in local tax collection. In addition, a transfer of \$5,145,362 was made from operating funds to the Capital Projects Fund during 2020-2021 (FY2021).

The fund balance of the Debt Service Fund increased by \$2,371,957 in 2020-2021 (FY2021). A year prior, the Debt Service Fund balance increased by \$1,528,748. The \$13,886,421 balance of the Debt Service Fund is legally restricted for payment of bond principal, bond escrow, interest and related fees.

The fund balance of the Capital Fund decreased by \$13,156,377 in 2020-2021 (FY2021) as compared to a decrease of \$50,249,359 the previous year. The decrease in Capital Fund was primarily due to the increase in expenditures for completing the LEAD Innovation Studio.

The School District received \$126,138,986 in revenue from local sources. The major source of revenue for operations and debt service is local property taxes amounting to \$103,570,909. This is derived from the School District’s 2020-2021 operating levy of \$4.7608 and the debt service levy of \$0.6347 for a total levy of \$5.3955. Other significant revenues are \$12,063,913 from sales tax, \$1,256,490 from interest and earnings on investments, \$464,585 from food service, \$2,452,063 from community services and \$1,303,372 from student activities.

County revenues are derived from state assessed utility property, \$5,256,214, county fines of \$421,921 and a \$7,000 grant from the county health department which total \$5,685,135.

State funding increased \$2,734,953, from \$40,758,672 in 2019-2020 (FY2020) to \$43,493,625 in 2020-2021 (FY2021). In the last quarter of FY2020, the state of Missouri experienced a drastic revenue shortfall due to COVID-19 which caused a reduction in funding to the foundation formula – classroom trust and transportation. Revenues rebounded in FY2021 and there was a return to normal funding. In FY2021, the State Foundation Formula for Basic State Aid was \$33,909,749, an increase of \$1,601,036 from the prior year. State revenues collected are:

	June 30, 2021	June 30, 2020
Basic Formula	\$ 33,909,749	\$ 32,308,712
Classroom Trust Fund	4,707,125	3,652,027
Transportation	1,354,963	1,205,068
Early Childhood Special Education	3,062,640	3,066,669
Other	459,149	526,196
Total State Revenue	\$ 43,493,625	\$ 40,758,672

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Governmental Funds Financial Analysis (continued)

Federal funding increased from \$5,904,824 the previous year to \$9,873,002 in 2020-21 (FY2021). The increase of \$3,968,178 is mainly due to CARES funds received for school lunch and breakfast, Coronavirus Relief Funds and GEER funds for a transportation supplement grant. The CARES School Lunch and Breakfast funding replaced our normal funding from the USDA through October. Per USDA guidelines, we continued to provide meals for all students during the school year and saw a \$1.98M increase in lunch and breakfast funding. Federal revenues collected are:

	June 30, 2021	June 30, 2020
IDEA Entitlement Funds, Part B	\$ 2,137,343	\$ 1,759,912
Early Childhood Special Education	254,192	293,410
School Lunch, Breakfast, and Snack	3,324,599	1,805,525
Title I	909,100	747,396
Title II A	102,136	209,434
Title III	45,537	64,787
Title IV	57,130	36,269
Medicaid	239,134	134,749
CARES – ESSER Funds	204,038	523,433
CARES – School Lunch and Breakfast	792,069	329,584
CARES – Coronavirus Relief Funds	899,584	0
CARES – Platte County Grant	625,000	0
CARES – GEER Transportation Funds	190,531	0
CARES – Unemployment Funds	89,083	0
Other	3,526	325
Total Federal Revenue	\$ 9,873,002	\$ 5,904,824

The General Fund accounts for \$66,986,064 or 29% of the total expenditures. The Special Revenue (Teachers) Fund accounts for \$94,061,559 or 40.8% of total expenditures and consists of certificated teachers' and administrators' salaries and insurance benefits. Debt Service Fund expenditures of \$46,088,335 or 20% of total expenditures are for principal and interest on general obligation bonds and refunding. Capital Fund expenditures of \$23,566,708 or 10.2% of total expenditures are for construction projects, facility repairs and equipment.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Governmental Funds Financial Analysis (continued)

The following tables summarize the governmental fund revenues collected and expenditures paid for the fiscal years ending June 30, 2021 and 2020.

	<u>June 30, 2021</u>	<u>%</u>	<u>June 30, 2020</u>	<u>%</u>
Local	\$ 126,138,986	57.1	\$ 123,133,557	69.8
County	5,685,135	2.6	5,655,573	3.2
State	43,493,625	19.7	40,758,672	23.1
Federal	9,873,002	4.5	5,904,824	3.3
Other Income	23,983	0.0	75,489	0.1
Sale of Bonds	35,474,822	16.0	0	0.0
Sale of Other Property	247,607	0.1	825,579	0.5
Total Revenues Collected	\$ <u>220,937,160</u>	100.0	\$ <u>176,353,694</u>	100.0

	<u>June 30, 2021</u>	<u>%</u>	<u>June 30, 2020</u>	<u>%</u>
Instruction	\$ 83,720,322	36.2	\$ 84,216,528	37.1
Support Services	81,583,915	35.4	79,135,107	34.9
Debt Service	46,088,514	20.0	12,212,893	5.4
Capital Outlay/Bond	15,402,705	6.7	46,834,882	20.7
Community Services	3,907,210	1.7	4,270,732	1.9
Total Expenditures	\$ <u>230,702,668</u>	100.0	\$ <u>226,670,142</u>	100.0

Budgetary Highlights

Over the course of the year, the Board of Education revised the School District's budget to take into consideration expected changes in revenues collected or expenditures paid. Missouri statutes for public school finance, Section 67.010, RSMo requires a budget amendment if anticipated expenditures are in excess of budgetary goals. The original budget was adopted on June 25, 2020, and the final budget amendment was adopted on June 24, 2021.

Statements comparing fund modified cash basis revenues and expenditures to the original and final budgets are provided in the auditor's report on pages 41-44. General revenues fell short of the original budgets reflecting decreases in budgeted values for food service, community services, and student activities due to the COVID-19 shutdown.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Year Ended June 30, 2021

Capital Assets and Debt Administration

Capital Assets

The School District operates under the modified cash basis of accounting; therefore, capital asset purchases are recorded as expenditures and depreciation is not recognized. Capital assets are not reflected in the financial statements.

Long-Term Debt

At June 30, 2021, the District had outstanding general obligation bonds of \$152,535,000. A refinance of the 2011 and 2012 bond issues took place in the amount of \$30,725,000 and principal payments of \$5,195,000 were made during the year. The bonds are due in annual installments through 2038.

State statutes limit the amount of general obligation debt a school district may issue to 15% of the assessed valuation. The debt limitation is \$288,701,959 at June 30, 2021, based on the December 31, 2020 assessed values.

The School District operates on the modified cash basis of accounting, therefore, payments on long-term debt are recorded as expenditures. Long-term debt is not reflected in the financial statements. Commitments for long-term debt and other obligations are disclosed in the notes to the financial statements in Note 3.B. and Note 4.E.

Economic Factors

During the year ended June 30, 2021, the District continued to see impacts by national and state-wide economic factors that resulted in a reduction in local revenues below previously expected levels, and expenditures increasing due to COVID precautions and continued enrollment growth within the school district. Property tax revenues were impacted positively this year due to an increase in assessed valuation. State revenues have rebounded in spite of COVID which caused the state to withhold funding in FY2020.

The School District responded to the funding uncertainties that it was faced with by reducing planned expenditures where it could be done without adversely impacting students in the classrooms. The District is in a good position and proactively planning for the increased expenditures that come with ongoing enrollment growth as well as the uncertainties pertaining to the COVID pandemic.

Contacting the District's Financial Management

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of Park Hill School District finances and to demonstrate the School District's accountability for the money it receives. If you have any questions about this report, please contact Dr. Paul Kelly, Assistant Superintendent – Business & Technology or Susan Bartlett, Accounting Coordinator at 816-359-4000.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

June 30, 2021

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 5,885,444
Restricted cash and cash equivalents	<u>8,319,399</u>
Total cash and cash equivalents	14,204,843
Investments	36,231,913
Restricted investments	<u>8,142,159</u>
Total investments	<u>44,374,072</u>
Total Assets	<u>58,578,915</u>
 <u>NET POSITION</u>	
Restricted for:	
Community and student activities	2,575,137
Debt service	<u>13,886,421</u>
Total Restricted	16,461,558
Unrestricted	<u>42,117,357</u>
Total Net Position	<u>\$ 58,578,915</u>

See Accompanying Independent Auditor's Report and Notes to the Financial Statements.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended June 30, 2021

<u>FUNCTIONS/PROGRAMS</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursements) Receipts and Change in Net Position</u>
		<u>Charges for Services & Sales</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants & Contributions</u>	
Governmental Activities:					
Current:					
Instruction	\$ 83,720,322	\$ 0	\$ 9,115,626	\$ 3,953	\$ (74,606,193)
Student Services	11,172,147	0	0	0	(11,172,147)
Instructional Staff Support	5,327,454	0	0	0	(5,327,454)
Board/Executive & Tech Admin	13,481,722	0	0	0	(13,481,722)
Building Administration	9,230,724	0	0	0	(9,230,724)
General Admin/Central Services	5,124,930	0	0	0	(5,124,930)
Operation of Plant	23,349,469	0	0	0	(23,349,469)
Transportation	8,942,187	23,928	1,354,963	0	(7,563,296)
Food Services	4,955,283	464,585	4,171,206	0	(319,492)
Community Services	2,319,963	3,859,234	104,006	0	1,643,277
Early Childhood	1,587,248	0	0	0	(1,581,798)
Capital Outlay	15,402,705	0	0	0	(15,402,705)
Debt Service-principal, interest, fees	<u>46,088,514</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(46,088,514)</u>
Total Governmental Activities	\$ <u>230,702,668</u>	\$ <u>4,347,747</u>	\$ <u>14,745,801</u>	\$ <u>3,953</u>	(211,605,167)
General Receipts:					
					103,570,909
					12,063,913
					1,462,990
					5,685,135
					38,616,874
					1,256,490
					<u>3,460,864</u>
					166,117,175
					(45,487,992)
Special items:					
					30,725,000
					4,749,822
					55
					<u>247,607</u>
					35,722,484
					(9,765,508)
					<u>68,344,423</u>
					<u>\$ 58,578,915</u>

See Accompanying Independent Auditor's Report and Notes to the Financial Statements.

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

BALANCE SHEET - MODIFIED CASH BASIS
- GOVERNMENTAL FUNDS
June 30, 2021

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Total</u> <u>Governmenta</u> <u>Funds</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 740,082	\$ 0	\$ 0	\$ 5,145,362	\$ 5,885,444
Restricted cash and cash equivalents	2,575,137	0	5,744,262	0	8,319,399
Investments	32,016,348	0	0	4,215,565	36,231,913
Restricted investments	<u>0</u>	<u>0</u>	<u>8,142,159</u>	<u>0</u>	<u>8,142,159</u>
 Total Assets	 \$ <u>35,331,567</u>	 \$ <u>0</u>	 \$ <u>13,886,421</u>	 \$ <u>9,360,927</u>	 \$ <u>58,578,915</u>
 <u>LIABILITIES & FUND BALANCES</u>					
Fund Balances:					
Restricted	\$ 2,575,137	\$ 0	\$ 13,886,421	\$ 0	\$ 16,461,558
Assigned	0	0	0	9,360,927	9,360,927
Unassigned	<u>32,756,430</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,756,430</u>
 Total Fund Balances	 \$ <u>35,331,567</u>	 \$ <u>0</u>	 \$ <u>13,886,421</u>	 \$ <u>9,360,927</u>	 \$ <u>58,578,915</u>

See Accompanying Independent Auditor's Report and Notes to the Financial Statements.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE IN FUND BALANCES -
MODIFIED CASH BASIS - *GOVERNMENTAL FUNDS*

For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<u>RECEIPTS</u>					
Local	\$ 97,030,509	\$ 12,065,379	\$ 12,289,145	\$ 4,753,953	\$ 126,138,986
County	4,307,433	421,921	696,325	259,456	5,685,135
State	4,876,751	38,616,874	0	0	43,493,625
Federal	9,705,119	163,930	0	3,953	9,873,002
Other	<u>23,928</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,928</u>
Total Receipts	115,943,740	51,268,104	12,985,470	5,017,362	185,214,676
<u>DISBURSEMENTS</u>					
Current:					
Instruction	7,350,605	75,586,687	0	783,030	83,720,322
Student Services	5,673,724	5,493,548	0	4,875	11,172,147
Instructional Staff Support	1,231,594	4,052,452	0	43,408	5,327,454
Board/Executive & Tech Admin	9,756,555	1,163,758	0	2,561,409	13,481,722
Building Administration	2,946,782	6,283,942	0	0	9,230,724
General Admin & Central Services	3,768,695	1,172,506	0	183,729	5,124,930
Operation of Plant	18,827,212	33,774	0	4,488,483	23,349,469
Transportation	8,942,187	0	0	0	8,942,187
Food Services	4,884,956	0	0	70,327	4,955,283
Community Services	2,287,467	3,933	0	28,563	2,319,963
Early Childhood	1,316,288	270,960	0	0	1,587,248
Capital Outlay	0	0	0	15,402,705	15,402,705
Debt Service-principal, interest, fees	<u>0</u>	<u>0</u>	<u>46,088,335</u>	<u>179</u>	<u>46,088,514</u>
Total Disbursements	<u>66,986,065</u>	<u>94,061,560</u>	<u>46,088,335</u>	<u>23,566,708</u>	<u>230,702,668</u>
Excess (Deficiency) of Receipts over Disbursements	48,957,675	(42,793,456)	(33,102,865)	(18,549,346)	(45,487,992)
Other Financing Sources (Uses):					
Premium on Refunding Bonds	0	0	4,749,822	0	4,749,822
Proceeds from Refunding bonds	0	0	30,725,000	0	30,725,000
Sale of District Property	0	0	0	247,607	247,607
Net insurance recovery	55	0	0	0	55
Transfers In	0	42,793,456	0	5,145,362	47,938,818
Transfers Out	<u>(47,938,818)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(47,938,818)</u>
Total Other Financing Sources (Uses)	<u>(47,938,763)</u>	<u>42,793,456</u>	<u>35,474,822</u>	<u>5,392,969</u>	<u>35,722,484</u>
Net Change in Fund Balances	1,018,912	0	2,371,957	(13,156,377)	(9,765,508)
FUND BALANCES – JUNE 30, 2020	<u>34,312,655</u>	<u>0</u>	<u>11,514,464</u>	<u>22,517,304</u>	<u>68,344,423</u>
FUND BALANCES – JUNE 30, 2021	\$ <u>35,331,567</u>	\$ <u>0</u>	\$ <u>13,886,421</u>	\$ <u>9,360,927</u>	\$ <u>58,578,915</u>

See Accompanying Independent Auditor's Report and Notes to the Financial Statements.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

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PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Entity

The Park Hill School District (the “School District”) operates under the regulations pursuant to Section 162.092 RSMo of the Public School Laws of Missouri, which designates a Board of Education to act as the governing authority. The School District provides educational services to children of the School District, early childhood through twelfth grade. The School District operates 17 traditional attendance centers and one early childhood center and has approximately 11,700 students and approximately 2,500 employees.

B. Principles Used to Determine Scope of Entity

The School District's reporting entity includes the School District's governing board and all related organizations.

The financial statements of the School District include all organizations that raise and hold economic resources for the direct benefit of the School District. The School District has implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASB Statement No. 61 amended GASB Statement No. 14. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity.

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

The School 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 School District's financial statements. In addition, the School District is not aware of any entity that would exercise such oversight, which would result in the School District being considered a component unit of the entity.

C. Basis of Presentation

Except for the use of the modified cash basis of accounting as discussed in Note 1.E., the lack of fixed asset accounting as discussed in Note 1.F. and long-term debt accounting as discussed in Note 1.F., the School District complies with accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP) include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in this and subsequent footnotes.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The Statement of Net Position presents the financial condition of the governmental activities of the School District at year-end. The Statement of Activities presents a comparison between direct disbursements and program receipts for each program or function of the School District's governmental activities. Direct disbursements are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program receipts include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts which are not classified as program receipts are presented as general receipts of the School District. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing or draws from the general receipts of the School District.

Fund Financial Statements

During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

The fund financial statements of the School District 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 comprise its assets, liabilities, fund equity, receipts and disbursements.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Fund Financial Statements (continued)

The following fund types are used by the School District:

Governmental Funds

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

General Fund

Accounts for general activities of the School District, including student activities, food service, and community services which are not required to be accounted for in a separate fund.

Special Revenue Fund

Accounts for disbursements for certified employees involved in administration and instruction. It includes receipts 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 fiscal charges on long-term debt.

Capital Projects Fund

Accounts for and reports financial resources that are restricted, committed, or assigned to disbursements for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. The government-wide statements are prepared using the economic resources measurement focus and modified cash basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

E. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, receipts and disbursements when they result from cash transactions as designated by the School District. The modification to the cash basis of accounting relates to the presentation of investments. In addition, the salary payment schedule of the School District for the 2020-2021 school year requires the payment of salaries for a twelve-month period. Consequently, the July and August 2021 payroll checks are included in the financial statements as disbursements in the month of June. This basis is a special purpose framework of accounting other than accounting principles generally accepted in the United States of America.

F. Assets, Liabilities and Equity

Cash and Cash Equivalents and Investments

Cash resources of the individual funds are combined to form a pool of cash and temporary investments which is managed by the School District’s Treasurer. Deposits with maturities greater than three months are considered investments. Investments of the pooled accounts consist primarily of certificates of deposit, U.S. Treasury Bills, U.S. Treasury Notes, and other federal government securities, carried at cost, which approximates market value. Interest income received is allocated to contributing funds based on cash and temporary investment balances. The investment pool is available for use by all funds except the Debt Service Fund (State law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the School District).

The School District maintains funds in MOSIP which include unspent bond proceeds restricted for the purpose of capital outlay and debt service.

The School District utilizes a financial institution to service bonded debt as principal and interest payments come due, including any crossover refunding bond issuance.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities and Equity (continued)

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. The funds of the School District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the School District's agent bank in an amount sufficient to protect School District funds on a day-to-day basis during the period of the contract. Acceptable collateral includes certain U.S. governmental agency securities and certain state or political subdivision debt obligations. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (the "FDIC") insurance. At June 30, 2021, all School District funds were covered with FDIC insurance or acceptable pledged securities collateral.

Investments

Authorized Investments

The School District is authorized to invest in U.S. obligation, U.S. government agency securities and instrumentalities of government-sponsored corporations, certificates of deposit and time-open agreements.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, however they do follow the Missouri State Treasurer Investment Policy.

Credit Risk

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 School District's deposits may not be returned, or the School District will not be able to recover collateral securities in the possession of an outside party. The School District's investment policy does not include custodial credit risk requirements. The School District's deposits were not exposed to custodial credit risk at year end.

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the School District and are held by the party who sold the security to the School District or its agent but not in the government's name. The School District does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the School District or of a type not exposed to custodial credit risk. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities and Equity (continued)

Credit Risk (continued)

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the School District for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments). The School District has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. The School District's deposits were not exposed to concentration of investment credit risk for the year ended June 30, 2021.

Capital Assets

Capital assets are recorded as disbursements in the General (Incidental) and the Capital Projects Funds at the time the disbursements are incurred. The School District has not maintained capital asset records on a historical basis; therefore, capital assets are not included in the financial statements, which does not conform to accounting principles generally accepted in the United States of America.

Accounts Payable

As a result of the modified cash basis of accounting, accounts payable are not included in these financial statements. However, the School District has an established purchase order and payables system which ensures bill payment within an adequate time frame.

Compensated Absences

Vacation time, personal business, and sick leave days are considered as disbursements in the year paid. Unused and vested vacation days are paid out to employees upon termination. All eligible staff receive twelve annual leave days per year. The annual leave days will accumulate to 120 days. Annual leave days in excess of 120 days at the end of a school year will be paid at half the daily rate of pay for a substitute. As a result of the use of the modified cash basis of accounting, compensated absences are not reported in these financial statements.

Long-term Liabilities

Long-term liabilities are not included in these financial statements, but long-term debt information is provided in a subsequent footnote.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities and Equity (continued)

OPEB Liabilities

In addition to the pension benefits described in the footnotes, the School District allows employees who retire from the School District to participate in the District's health, dental and vision insurance plans. Upon meeting the retirement requirements per PSRS or PEERS, the employees can elect to participate in the School District's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single-blended rate used for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the School District is considered to be a post-employment benefit. The School District has not established an irrevocable trust fund to accumulate resources for future payment of benefits under the plan; benefits are paid on a pay-as-you-go basis. A stand-alone financial report is not available for the plan.

As a result of the use of the modified cash basis of accounting, OPEB liabilities are not reported in these financial statements. The School District has not requested an estimate of this liability to be performed.

Net Position

Net position represents the difference between assets and liabilities. Net position balances are reported as restricted when there are limitations imposed on their use either (1) through the enabling legislation adopted by the School District or (2) through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District applies restricted resources first when a disbursement is incurred for purposes for which both restricted and unrestricted net position amounts are available.

Fund Balance Classification

In the fund financial statements, GASB 54 provides for two major types of fund balances which are non-spendable, and a hierarchy of spendable fund balances based on spending constraints imposed on the use of these resources as follows:

Non-spendable fund balances

This classification represents amounts that cannot be spent because they are either (1) not spendable due to form; or (2) legally or contractually required to remain intact.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities and Equity (continued)

Fund Balance Classification (continued)

Spendable fund balances:

Restricted

This classification includes the constraints imposed on resources either (1) externally by creditors, grantors, contributors, or laws and regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed

These amounts can only be used for special purposes pursuant to constraints imposed by formal resolutions of the Board of Education (the "Board"), which is the highest level of decision-making authority. Restrictions are authorized by the Board based on recommended fund placement in the original adopted budget and later revised budget, as well as by Board resolution. Further, the Board delegates the authority to assign amounts for specific purpose(s) to the Superintendent or designee.

Assigned

This classification reflects the amounts constrained by the School 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

This fund balance is the residual classification for the General Fund. It is used to report negative fund balances in other governmental funds and is not constrained for any particular purpose.

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. For the Debt Service Fund, the Board may approve unrestricted or assigned balances to be spent prior to restricted balances, allowing the spending of interest prior to principal.

State rules for public school finance require Teacher's Fund (Special Revenue Fund) be used to account for receipt sources legally restricted to disbursements for the purpose of teachers' salaries and benefits and tuition payments to other school districts as outlined by the Annual Secretary of the Board Report (ASBR). Substantial sources of receipts for the Teacher's Fund will be through transfers from General Fund balances and the required state basic formula and Proposition C sales tax allocations. The Board established the Teacher's Fund as a special revenue fund, and a major fund, in the financial statements.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities and Equity (continued)

Fund Balance Classification (continued)

The School District shall maintain sufficient financial reserves to provide for prudent financial management and for adequacy of cash flow to support operations. The operating fund balance is the combined fund balances of the General, Teacher's and Capital Projects Funds. These reserves include elements for an operating reserve and a financial stabilization reserve. The appropriate amount for the operating reserve fund should be reviewed periodically.

As fund balances approach the 16 - 22 percent, Board established minimum reserve balance, the Board may determine necessary action to include, but not be limited to, a levy election or significant budget reduction measures.

The following table shows the restrictions, commitments and assigned amounts within each element of the School District's fund balances by fund.

	<u>General</u>	Special Revenue (Teachers)	Debt Service	Capital Projects	<u>Total</u>
<u>Restricted:</u>					
Community & student activities	\$ 2,575,137	\$ 0	\$ 0	\$ 0	\$ 2,575,137
Debt service	<u>0</u>	<u>0</u>	<u>13,886,421</u>	<u>0</u>	<u>13,886,421</u>
Total Restricted	2,575,137	0	13,886,421	0	16,461,558
<u>Assigned:</u>					
Capital projects	0	0	0	9,360,927	9,360,927
Unassigned	<u>32,756,430</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,756,430</u>
Total Fund Balances	\$ <u>35,331,567</u>	\$ <u>0</u>	\$ <u>13,886,421</u>	\$ <u>9,360,927</u>	\$ <u>58,578,915</u>

Retirement Plans and related Pension Liability

Financial reporting information included in the notes to the financial statements pertaining to the School District's participation in the Public School Retirement System of Missouri and Public Education Employee Retirement System of Missouri (PSRS and PEERS, also referred to as the Systems) is prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* as applicable to the School District's modified cash basis of accounting.

As a result of the use of the modified cash basis of accounting, member and employer contributions are recognized when paid and the School District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psrps-peers.org.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Receipts and Disbursements

Receipts are classified by their source as follows.

Local Revenues

Includes property taxes that are levied and collected at the county level for the School District, a percentage sales tax collected by local merchants and collections for services provided to students and patrons.

County Revenues

The county by law collects and passes through to the School District specified revenues.

State Revenues

The School District receives state aid money from the state based upon the state basic formula and for various other state educational programs.

Federal Revenues

The School District receives federal aid for various educational programs and grants in which it participates.

Investment Income

Interest earned on invested funds is a material amount annually and is distributed in accordance with assets invested.

Other Sources

The issuance of bonds and related premiums received, including refunding bonds, are sources of receipts in the year of issuance. In addition, the proceeds from the sale of School District capital assets.

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 receipts. All taxes are classified as general receipts even if restricted for a specific purpose.

Disbursements are classified by their use as follows.

Instruction

This category includes the payment of salaries to and benefits for all instructional staff along with needed supplies and aides.

Support Services

This category includes all the services that are provided for the support of the students and/or teachers, the management team, the facilities' disbursements, and the transporting of students.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Receipts and Disbursements (continued)

Acquisition/Construction

This category represents the disbursements of major new construction or furnishing and the upgrading of existing facilities.

Debt Service

The payment of principal and interest on bonds payable or long-term lease purchases.

H. Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting, requires management to make estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. Actual results could differ from these estimates.

NOTE 2: COMPLIANCE AND ACCOUNTABILITY

A. Property Tax Requirements

Property taxes attach as an enforceable lien on the property each year as of January 1. Taxes are levied on November 1 and payable by December 31. The county of Platte collects property tax and remit it to the School District.

The School District also receives sales tax collected by the state and remitted based on weighted average daily attendance. The School District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year.

The assessed valuation of the tangible property for calendar year 2020 for purposes of local taxation, including tax increment financing assessed valuation, is as follows:

Real Estate:	
Residential	\$ 1,096,200,038
Agricultural	1,783,951
Commercial	436,555,353
Personal Property	<u>390,140,383</u>
Total	\$ <u>1,924,679,725</u>

The adjusted tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2020 for purposes of local taxation was as follows.

General (Incidental) Fund	\$ 4.6108
Debt Service Fund	0.6347
Capital Projects Fund	<u>0.1500</u>
Total tax levy	\$ <u>5.3955</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 3: DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

The following information is presented to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, receipts, and disbursements.

A. Deposits and Investments

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the financial statements at June 30, 2021, as follows:

Unrestricted deposits		\$ 740,082
Deposits restricted for community and student activities		2,575,137
Deposits restricted for debt service		5,744,262
Deposits assigned for future capital projects		5,145,362
Unrestricted investments		32,016,348
Investments restricted for debt service		8,142,159
Investments assigned for future capital projects		<u>4,215,565</u>
Total carrying value		\$ <u>58,578,915</u>

As of June 30, 2021, the School District's investments were as follows:

<u>Fund</u>	<u>Type</u>	<u>Maturities</u>	<u>Cost</u>
General	Certificates of deposit	24 to 36 months	\$ 1,715,000
General	U.S Treasury Bills	4 to 6 months	11,267,670
General	U.S Treasury Notes	7 to 14 months	19,033,678
Capital Projects	U.S Treasury Notes	7 to 14 months	4,215,565
Debt Service	U.S Treasury Notes	7 to 14 months	3,878,477
Debt Service	MOHEFA	N/A	<u>4,263,682</u>
Total Investments			\$ <u>44,374,072</u>

B. Long-term Liabilities

Long-term liability balances and activity for the year ended June 30,2021, were as follows:

	Beginning Balance <u>6/30/2020</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance <u>6/30/2021</u>
General Obligation Bonds Payable	\$ <u>161,540,000</u>	\$ <u>30,725,000</u>	\$ <u>(39,730,000)</u>	\$ <u>152,535,000</u>
Total Long-term Liabilities	\$ <u>161,540,000</u>	\$ <u>30,725,000</u>	\$ <u>(39,730,000)</u>	\$ <u>152,535,000</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 3: DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS (continued)

Bonds Payable

The School District issues general obligation (GO) to provide for acquisition and construction of new buildings and improvements, repair and renovation of existing buildings, and furnishing and equipping the facilities. In addition, the entities issue bonds to refund previously issued bonds. In recent fiscal years, the School District has issued refunding bonds in order to take advantage of lower interest rates which saves the School District the amount of total interest paid over the life of the original issue. As a result, the crossover date for refunding is in the future.

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

On June 22, 2011, issued \$10,000,000 in GO Building Bonds, Series 2011. The bonds were paid in full during the year with the issuance of GO Refunding Bonds, Series 2020.	\$	0
On May 1, 2012, issued \$38,500,000 in GO Bonds, Series 2012. The bonds are due in varying annual installments through March 1, 2030 with interest paid semiannually with rates 3.00% to 4.00%. The bonds were paid in full during the year with the issuance of GO Bonds, Series 2020.		0
On January 24, 2013, issued \$13,575,000 in GO Refunding Bonds, Series 2013 to refund the GO Bonds Series 2004. The bonds are due in varying annual installments through March 1, 2021 with interest paid semiannually with rates 1.25% to 2.00%.		0
On September 24, 2015, issued \$20,110,000 in GO Refunding Bonds, Series 2015 to refund the GO Bonds Series 2006. The bonds are due in varying annual installments through March 1, 2025 with interest paid semiannually with rates 2.00% to 3.00%.		2,100,000
On November 1, 2016, issued \$8,830,000 in GO Refunding Bonds, Series 2016 to crossover advance refund \$8,955,000 of the Series 2011 GO Bonds principal. The bonds are due in varying annual installments through March 1, 2030 with interest paid semiannually with rates 2.00% to 5.00%.		8,830,000
On October 12, 2017, issued \$87,715,000 in GO Bonds, Series 2017 to acquire, construct, renovate, improve, furnish, and equip the School District's school facilities. The bonds are due in varying annual installments through March 1, 2037 with interest paid semiannually with rates 3.00% to 5.00%.		87,715,000
On September 25, 2018, issued \$23,285,000 in GO Bonds, Series 2018 to acquire, construct, renovate, improve, furnish, and equip the School District's school facilities. The bonds are due in varying annual installments through March 1, 2038 with interest paid semiannually with rates 4.00% to 5.00%.		23,165,000
On December 1, 2020, issued \$30,725,000 in GO Refunding Bonds, Series 2020 to refund in full the GO Bonds Series 2011 and the GO Bonds Series 2012 remaining principal. The bonds are due in varying annual installments through March 1, 2030 with interest paid semiannually with rates 2.00% to 5.00%.		<u>30,725,000</u>
Total Bonds Payable	\$	<u>152,535,000</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 3: DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS (continued)

B. Long-term Liabilities (continued)

Debt service requirements to maturity for the School District bonds payable as of June 30, 2021, were as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 4,970,000	\$ 5,643,080	\$ 10,613,080
2023	5,370,000	5,414,080	10,784,080
2024	5,825,000	5,162,680	10,987,680
2025	6,285,000	4,885,374	11,170,374
2026	6,760,000	4,581,986	11,341,986
2027 to 2031	41,195,000	18,543,731	59,738,731
2032 to 2036	55,610,000	10,770,495	66,380,495
2037 to 2038	<u>26,520,000</u>	<u>1,537,757</u>	<u>28,057,757</u>
Total	<u>\$ 152,535,000</u>	<u>\$ 56,539,183</u>	<u>\$ 209,074,183</u>

Bond interest disbursements from the Debt Service Fund during the year ended June 30, 2021, was \$5,999,212

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15% of the assessed valuation of a district. The following calculation reflects the addition of tax increment financing (TIF) assessed valuation.

Assessed Valuation as of 12/31/2020	\$ 1,924,679,725
Add: Abated TIF property	<u>20,811,955</u>
Combined Assessed Valuation	<u>\$ 1,945,491,680</u>
Constitutional Debt Limit	\$ 291,823,752
General Obligation Bonds Payable	(2,100,000)
Amount Available in Debt Service Fund	<u>13,886,421</u>
Total Legal Debt Margin	<u>\$ 303,610,173</u>

C. Inter-fund Transfers

Inter-fund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the financial statements. Those transfers made by the School District at June 30, 2021, and details of those transfers are as follows.

During the fiscal year, transfers were made to the Capital Projects Fund and Special Revenue Fund from the General Fund. The transfer to the Capital Projects Fund consists of \$5,145,362 for a 7%~~x~~SATxWADA transfer. The maximum allowable transfer is the greater of the prior year guaranteed tax base or 9% of the prior June 30 line one entitlement. A transfer of \$42,793,456 was made to the Special Revenue Fund in order to achieve a zero balance in the account.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES

A. Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS)

The School District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the “Systems”).

Plan Descriptions

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers’ Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the “2/3’s statute.” PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members’ benefits are further calculated at two-thirds the normal benefit amount.

PEERS is a mandatory cost-sharing multiple employer retirement system for all 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 the PSRS must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of 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 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the “Rule of 80” (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. 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.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

A. Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) (continued)

Benefits Provided (continued)

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

Summary Plan description detailing the provisions of the plans as well as additional information regarding the School District's net pension liability and deferred inflows and outflows of resources can be found on the Systems' website at www.psr-peers.org.

Cost-of-Living Adjustments ("COLA")

The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows:

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

For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

A. Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) (continued)

Contributions

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2019, 2020, and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2019, 2020, and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The School District's contributions to PSRS and PEERS were \$10,857,440 and \$2,195,475 for the year ending June 30, 2021, respectively.

B. Risk Management

The School District is exposed to various risks of loss from torts, theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. The School District has joined together with 482 other Missouri public school districts and Missouri Junior Colleges to form the Missouri United School Insurance Council (MUSIC) as a protected self-insurance program. MUSIC is a public entity risk pool currently operating as a common risk management and insurance program for members of the risk-sharing group.

The School 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 2021 assessment was \$1,735,713.

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

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

C. Claims and Adjustments

The School 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, 2021, disbursements have not been audited by grantor governments, but the School 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 position of the School District.

D. Litigation

As of June 30, 2021, the School District had claims that were unsettled. No provision has been made in the financial statements for any loss that might arise in the event of an unfavorable outcome of these matters. The School District management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the School District.

E. Operating Leases

On December 21, 2016, the School District entered into an operating lease with CBRE for the LEAD center located at the Tiffany I and II complex. The lease requires monthly rent payments that vary from \$40,563 to \$44,688 for a term of 43 months. In March 2020, the School District extended the lease for three additional months to expire on October 31, 2020.

The School District did not have any future required minimum lease payments on significant operating leases as of June 30, 2021.

F. Tax Abatement

The following governmental entities located in the State of Missouri are at least partially within the boundaries of the School District and were likely to enter into tax abatement agreements with individuals or entities including the School District: City of Kansas City, City of Parkville, and City of Riverside (collectively "governmental entities").

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

F. Tax Abatement (continued)

City of Kansas City, Missouri Tax Abatement Programs

The City of Kansas City, Missouri and its component units (collectively “KCMO”) provide tax redirection through the following program: Tax Increment Financing (TIF). KCMO also provided tax abatement through six programs under the Missouri Revisor of Statutes (RSMo), as amended – Chapter 99, Chapter 100, Chapter 353, Missouri Works – Enhanced Enterprise Zones, Sale/Leaseback – Land Clearance for Redevelopment Authority (LCRA), and Sale/Leaseback – Port KC.

The School District’s property tax receipts in 2020 were reduced by \$2,161,000 as part of the abovementioned KCMO Tax Increment Financing (TIF) program. However, the School District received \$341,000 as payments in lieu of taxes (PILOTs) for the abated properties.

City of Parkville, Missouri Tax Abatement Programs

The City of Parkville, Missouri provides tax redirection through the following program: Tax Increment Financing (TIF). Parkville also provided tax abatement through two programs under the Missouri Revisor of Statutes (RSMo), as amended –Chapter 100 and Chapter 353.

Tax Increment Financing (TIF) Tax Abatement approved for Parkville Commons Shopping Center

1993 12/11/2001 Establishing a redevelopment area, approving the Parkville Commons Tax Increment Financing Plan (TIF), approving a redevelopment project and adopting tax increment financing and designating River North Development LLC as the developer.

2021 6/25/2002 Authorizing a redevelopment agreement with River North Development, LLC, the developer of the Parkville Commons Tax Increment Financing Plan

Tax Increment Financing (TIF) Tax Abatement approved for APEX Plaza Shopping Center

2931 12/19/2017 Approving the first amendment to the Parkville Market Place Tax Increment Financing Redevelopment Plan and redevelopment area, enlarging the redevelopment area to establish Redevelopment Project Area 2, making specific findings and designating CBC Parkville, LLC, as the developer for Redevelopment Project Area 2.

2935 1/16/2018 Approving Redevelopment Project Area 2 of the Parkville Market Place Tax Increment Financing Redevelopment Plan as a redevelopment project and adopting tax increment financing therein.

2936 1/24/2018 Approving the redevelopment agreement with CBC Parkville LLC for Redevelopment Project Area 2 of the Parkville Market Place Tax Increment Financing Redevelopment Plan.

3061 2/2/2021 Approving the first amendment to the Tax Increment Financing Contract with CBC Parkville LLC for Redevelopment Project Area 2 of the Parkville Market Place Tax Increment Financing Redevelopment Plan.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

F. Tax Abatement (continued)

City of Parkville, Missouri Tax Abatement Programs (continued)

Chapter 353 and Chapter 100 Tax Abatement approved for Six At Park development

2944 5/15/2018 Approving the Six at Park Redevelopment Plan, pursuant to RSMo Chapter 353 and a redevelopment agreement with Six at Park Redevelopment Corporation and authorizing the mayor to execute the agreement on behalf of the City.

2945 5/15/2018 Approving a plan for an industrial development project for the benefit of Six at Park, LLC consisting of designing and constructing a building for commercial purposes; authorizing the City to issue its taxable industrial development revenue bonds in a principal amount not to exceed \$7,500,000 to finance or reimburse the costs of such project; authorizing certain documents and other actions in connection with the issuance of the bonds (Chapter 100).

Tax Increment Financing (TIF) and Chapter 100 Tax Abatement Projects approved in Creekside developments

2988 4/2/2019 Approving the Creekside Tax Increment Financing Plan, Projects and Redevelopment Area, making specific findings, and designating the developer for Projects A through N included in the Plan.

2990 4/2/2019 Approving a Master Plan for Industrial Development Projects for the Creekside Development and authorizing certain actions relating thereto (Chapter 100).

2993 4/23/2019 Approving a tax increment financing and economic development contract with Parkville Development 38, LLC; Parkville Development 50, LLC; Parkville Development 70, LLC; Parkville Development 140, LLC; and Parkville Development VVI, LLC for implementation of the Creekside Tax Increment Financing Redevelopment Plan.

Chapter 353 Tax Abatement Projects approved in downtown Parkville

3046 9/1/2020 Approving the First Amendment to the Downtown Parkville Redevelopment Plan to approve the 100 S. Main Street Project as Redevelopment Project 2 and authorizing tax abatement as described therein.

3047 9/1/2020 Approving the Second Amendment to the Downtown Parkville Redevelopment Plan to approve the 110 Main Street Project as Redevelopment Project 3 and authorizing tax abatement as described therein.

3048 9/1/2020 Approving the Third Amendment to the Downtown Parkville Redevelopment Plan to approve the 101 Main Street Project as Redevelopment Project 4 and authorizing tax abatement as described therein.

3060 1/19/2021 Approving the Fourth Amendment to the Downtown Parkville Redevelopment Plan to approve the 115 N Main Street Project as Redevelopment Project 5 and authorizing tax abatement as described therein.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4: OTHER NOTES (continued)

F. Tax Abatement (continued)

City of Parkville, Missouri Tax Abatement Programs (continued)

10/05/2021 Approving the Fifth Amendment to the Downtown Parkville Redevelopment Plan to approve the 112 Main Street Project as Redevelopment Project 6 and authorizing tax abatement as described therein.

The School District did not record any payments in lieu of taxes (PILOTS) during the fiscal year ended June 30, 2021 as part of the abovementioned programs.

City of Riverside, Missouri Tax Abatement Programs

The City of Riverside, Missouri provides tax redirection through the following program: Tax Increment Financing (TIF). In addition, the School District is involved, through the City of Riverside, in a tax abatement agreement with local businesses, pursuant to Article VI, section 27(b) of the Missouri Constitution, as amended, Sections 100.010 to 100.200, inclusive of the Missouri Revised Statutes, as amended. Under this program, localities may grant property tax abatements of up to 100% of a business' property tax and/or personal property tax bill for the purpose of providing local business expansions.

The School District received \$164,606 as payments in lieu of taxes (PILOTS) for the abated properties during the fiscal year ended June 30, 2021 as part of the abovementioned programs.

SUPPLEMENTARY INFORMATION

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

BUDGETARY COMPARISON – MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended June 30, 2021

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Actual Over/</u> <u>(Under) Budget</u>
<u>RECEIPTS</u>				
Local	\$ 101,394,679	\$ 97,104,032	\$ 97,030,509	\$ (73,523)
County	4,238,066	4,311,232	4,307,433	(3,799)
State	5,299,840	4,884,370	4,876,751	(7,619)
Federal	6,447,656	9,964,439	9,705,119	(259,320)
Other	<u>0</u>	<u>23,949</u>	<u>23,928</u>	<u>(21)</u>
Total Receipts	117,380,241	116,288,022	115,943,740	(344,282)
<u>DISBURSEMENTS</u>				
Instruction	10,196,871	7,227,804	7,350,604	122,800
Student Services	5,652,305	5,682,060	5,673,724	(8,336)
Instructional Staff Support	1,546,444	1,233,352	1,231,594	(1,758)
Board/Executive & Tech Admin	10,615,149	9,785,597	9,756,555	(29,042)
Building Administration	2,624,889	2,951,111	2,946,782	(4,329)
General Admin & Central Services	4,122,681	3,773,894	3,768,695	(5,199)
Operation of Plant	18,833,893	18,854,852	18,827,212	(27,640)
Transportation	9,545,324	8,955,320	8,942,187	(13,133)
Food Services	6,033,665	4,943,209	4,884,956	(58,253)
Community Services	4,521,941	3,628,308	2,287,468	(1,340,840)
Early Childhood	<u>93,190</u>	<u>84,578</u>	<u>1,316,288</u>	<u>1,231,710</u>
Total Disbursements	<u>73,786,352</u>	<u>67,120,085</u>	<u>66,986,065</u>	<u>(134,020)</u>
Excess (Deficiency) of				
Receipts over Disbursements	43,593,889	49,167,937	48,957,675	(210,262)
Other Financing Sources/(Uses):				
Net Insurance Recovery	1,313	55	55	0
Transfers Out	<u>(47,438,207)</u>	<u>(44,647,800)</u>	<u>(47,938,818)</u>	<u>(3,291,018)</u>
Total Other Financing Sources (Uses)	<u>(47,436,894)</u>	<u>(44,647,745)</u>	<u>(47,938,763)</u>	<u>(3,291,018)</u>
Net Change in Fund Balance	(3,843,005)	4,520,192	1,018,912	(3,501,280)
FUND BALANCE – JUNE 30, 2020	<u>34,312,655</u>	<u>34,312,655</u>	<u>34,312,655</u>	<u>0</u>
FUND BALANCE – JUNE 30, 2021	\$ <u>30,469,650</u>	\$ <u>38,832,847</u>	\$ <u>35,331,567</u>	\$ <u>(3,501,280)</u>

See Accompanying Independent Auditor's Report and Notes to the Budgetary Comparison Schedules.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

BUDGETARY COMPARISON – MODIFIED CASH BASIS
SPECIAL REVENUE FUND
For the Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over/ (Under) Budget</u>
<u>RECEIPTS</u>				
Local	\$ 11,402,932	\$ 11,977,150	\$ 12,065,379	\$ 88,229
County	600,000	418,835	421,921	3,086
State	37,766,530	38,334,486	38,616,874	282,388
Federal	<u>0</u>	<u>162,731</u>	<u>163,930</u>	<u>1,199</u>
Total Receipts	49,769,462	50,893,202	51,268,104	374,902
<u>DISBURSEMENTS</u>				
Instruction	74,929,478	74,199,030	75,592,138	1,393,108
Student Services	5,505,000	5,496,431	5,493,548	(2,883)
Instructional Staff Support	4,288,053	4,054,582	4,052,452	(2,130)
Board/Executive & Tech Admin	1,459,124	1,164,373	1,163,758	(615)
Building Administration	6,355,654	6,287,243	6,283,942	(3,301)
General Admin & Central Services	1,194,151	1,173,122	1,172,506	(616)
Operation of Plant	74,046	33,791	33,774	(17)
Community Services	407,743	269,583	3,932	(265,651)
Early Childhood	<u>1,585,905</u>	<u>1,432,847</u>	<u>265,510</u>	<u>(1,167,337)</u>
Total Disbursements	<u>95,799,154</u>	<u>94,111,002</u>	<u>94,061,560</u>	<u>(49,442)</u>
Excess (Deficiency) of Receipts over Disbursements	(46,029,692)	(43,217,800)	(42,793,456)	424,344
Other Financing Sources/(Uses):				
Transfers In	<u>46,029,692</u>	<u>43,217,800</u>	<u>42,793,456</u>	<u>(424,344)</u>
Total Other Financing Sources (Uses)	<u>46,029,692</u>	<u>43,217,800</u>	<u>42,793,456</u>	<u>(424,344)</u>
Net Change in Fund Balance	0	0	0	0
FUND BALANCE – JUNE 30, 2020	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE – JUNE 30, 2021	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

See Accompanying Independent Auditor's Report and Notes to the Budgetary Comparison Schedules.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

BUDGETARY COMPARISON – MODIFIED CASH BASIS
DEBT SERVICE FUND
For the Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over/ (Under) Budget</u>
<u>RECEIPTS</u>				
Local	\$ 13,758,362	\$ 17,040,244	\$ 12,289,145	\$ (4,751,099)
County	<u>777,909</u>	<u>696,378</u>	<u>696,325</u>	<u>(53)</u>
Total Receipts	14,536,271	17,736,622	12,985,470	(4,751,152)
<u>DISBURSEMENTS</u>				
Debt Service-principal, interest, fees	<u>46,189,000</u>	<u>46,093,310</u>	<u>46,088,335</u>	<u>(4,975)</u>
Total Disbursements	<u>46,189,000</u>	<u>46,093,310</u>	<u>46,088,335</u>	<u>(4,975)</u>
Excess (Deficiency) of				
Receipts over Disbursements	(31,652,729)	(28,356,688)	(33,102,865)	(4,746,177)
Other Financing Sources/(Uses):				
Premium on Refunding Bonds	0	0	4,749,822	4,749,822
Proceeds from Refunding bonds	<u>35,040,000</u>	<u>30,727,303</u>	<u>30,725,000</u>	<u>(2,303)</u>
Total Other Financing Sources (Uses)	<u>35,040,000</u>	<u>30,727,303</u>	<u>35,474,822</u>	<u>4,747,519</u>
Net Change in Fund Balance	3,387,271	2,370,615	2,371,957	1,342
FUND BALANCE – JUNE 30, 2020	<u>11,514,464</u>	<u>11,514,464</u>	<u>11,514,464</u>	<u>0</u>
FUND BALANCE – JUNE 30, 2021	<u>\$ 14,901,735</u>	<u>\$ 13,885,079</u>	<u>\$ 13,886,421</u>	<u>\$ 1,342</u>

See Accompanying Independent Auditor's Report and Notes to the Budgetary Comparison Schedules.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

BUDGETARY COMPARISON – MODIFIED CASH BASIS
CAPITAL PROJECTS FUND
For the Year Ended June 30, 2021

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Actual Over/ (Under) Budget</u>
<u>RECEIPTS</u>				
Local	\$ 5,384,737	\$ 4,587,861	\$ 4,753,953	\$ 166,092
County	274,068	250,388	259,456	9,068
Federal	<u>0</u>	<u>3,815</u>	<u>3,953</u>	<u>138</u>
Total Receipts	5,658,805	4,842,064	5,017,362	175,298
<u>DISBURSEMENTS</u>				
Instruction	341,568	784,978	783,030	(1,948)
Student Services	0	4,899	4,875	(24)
Instructional Staff Support	2,529	43,623	43,408	(215)
Board/Executive & Tech Admin	2,845,602	2,574,027	2,561,409	(12,618)
General Admin & Central Services	34,000	184,635	183,729	(906)
Operation of Plant	5,477,500	4,508,080	4,488,483	(19,597)
Food Services	0	70,673	70,327	(346)
Community Services	6,000	28,703	28,563	(140)
Early Childhood	3,000	0	0	0
Capital Outlay	13,282,152	15,439,677	15,402,705	(36,972)
Debt Service-principal, interest, fees	<u>0</u>	<u>179</u>	<u>179</u>	<u>0</u>
Total Disbursements	<u>21,992,351</u>	<u>23,639,474</u>	<u>23,566,708</u>	<u>(72,766)</u>
Excess (Deficiency) of Receipts over Disbursements	(16,333,546)	(18,797,410)	(18,549,346)	248,064
Other Financing Sources/(Uses):				
Sale of District Property	827,918	238,953	247,607	8,654
Net Insurance Recovery	58,492	0	0	0
Transfers In	<u>1,408,515</u>	<u>1,430,000</u>	<u>5,145,362</u>	<u>3,715,362</u>
Total Other Financing Sources (Uses)	<u>2,294,925</u>	<u>1,668,953</u>	<u>5,392,969</u>	<u>3,724,016</u>
Net Change in Fund Balance	(14,038,621)	(17,128,457)	(13,156,377)	3,972,080
FUND BALANCE – JUNE 30, 2020	<u>22,517,304</u>	<u>22,517,304</u>	<u>22,517,304</u>	<u>0</u>
FUND BALANCE – JUNE 30, 2021	\$ <u>8,478,683</u>	\$ <u>5,388,847</u>	\$ <u>9,360,927</u>	\$ <u>3,972,080</u>

See Accompanying Independent Auditor's Report and Notes to the Budgetary Comparison Schedules.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2021

BUDGETARY ACCOUNTING

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

1. In accordance with Chapter 67, RSMo, the School District adopts a budget for each major fund.
2. Prior to June 30, the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated receipts and proposed disbursements for all School District governmental type 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. The fiscal year ended June 30, 2021 budget was approved at the June 25, 2020 Board of Education public meeting.
5. 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 final budget information included in the financial statements.
6. Budgets for District funds are prepared and adopted on the cash basis (budget basis), recognizing receipts when collected and disbursements when paid.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF RECEIPTS COLLECTED BY SOURCE
For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>LOCAL</u>					
Current taxes	\$ 85,800,450	\$ 0	\$ 11,810,867	\$ 2,791,287	\$ 100,402,604
Delinquent Taxes	2,707,519	0	372,704	88,082	3,168,305
School District Trust Fund (Prop C)	0	12,063,913	0	0	12,063,913
M&M, in lieu of City & FIT	0	0	0	1,462,990	1,462,990
Tuition	12,830	0	0	0	12,830
Earnings on Investments	970,329	1,466	105,574	179,121	1,256,490
Food Services	464,585	0	0	0	464,585
Student Services	1,303,372	0	0	0	1,303,372
Community Services	2,452,063	0	0	0	2,452,063
Other	<u>3,319,361</u>	<u>0</u>	<u>0</u>	<u>232,473</u>	<u>3,551,834</u>
Total Local	97,030,509	12,065,379	12,289,145	4,753,953	126,138,986
<u>COUNTY</u>					
Fines, Escheats, etc.	0	421,921	0	0	421,921
State Assessed Utilities	4,300,433	0	696,325	259,456	5,256,214
Grants and Gifts	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,000</u>
Total County	4,307,433	421,921	696,325	259,456	5,685,135
<u>STATE</u>					
Basic Formula	0	33,909,749	0	0	33,909,749
Transportation Aid	1,354,963	0	0	0	1,354,963
Special Education grants	0	4,707,125	0	0	4,707,125
Classroom Trust Fund	3,336,869	0	0	0	3,336,869
Parents as Teachers	104,006	0	0	0	104,006
Career Education	26,376	0	0	0	26,376
Food Services	<u>54,537</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>54,537</u>
Total State	4,876,751	38,616,874	0	0	43,493,625
<u>FEDERAL</u>					
Medicaid	239,134	0	0	0	239,134
CARES grants	1,126,270	163,930	0	3,953	1,294,153
Special Education IDEA/ECSE	2,391,536	0	0	0	2,391,536
Food Services	4,116,668	0	0	0	4,116,668
ESEA Title I.A	909,100	0	0	0	909,100
ESEA Title II, Part A	102,136	0	0	0	102,136
ESEA Title III, English Language	45,537	0	0	0	45,537
ESEA Title IV, Student Support	57,130	0	0	0	57,130
Other	<u>717,608</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>717,608</u>
Total Federal	9,705,119	163,930	0	3,953	9,873,002

- Continued on next page -

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF RECEIPTS COLLECTED BY SOURCE (continued)
For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>OTHER</u>					
Transportation from Other Districts	<u>23,928</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,928</u>
Total Other	23,928	0	0	0	23,928
<u>OTHER FINANCING SOURCES</u>					
Premium on Bonds Sold	0	0	4,749,822	0	4,749,822
Refunding of Bonds	0	0	30,725,000	0	30,725,000
Net Insurance Recovery	55	0	0	0	55
Sale of District Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>247,607</u>	<u>247,607</u>
Total Other Financing Sources	<u>55</u>	<u>0</u>	<u>35,474,822</u>	<u>247,607</u>	<u>35,722,484</u>
 TOTAL ALL SOURCES	 <u>\$ 115,943,795</u>	 <u>\$ 51,268,104</u>	 <u>\$ 48,460,292</u>	 <u>\$ 5,264,969</u>	 <u>\$ 220,937,160</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF DISBURSEMENTS PAID BY OBJECT
For the Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Salaries	\$ 27,320,616	\$ 72,471,919	\$ 0	\$ 0	\$ 99,792,535
Retirement	2,027,264	11,025,651	0	0	13,052,915
Payroll Taxes	2,049,698	1,330,675	0	0	3,380,373
Employee Insurance	3,445,597	7,829,979	0	0	11,275,576
Other Benefits	692,823	410,699	0	0	1,103,522
Professional and technical	2,098,361	988,874	0	0	3,087,235
Property Services	2,786,688	0	0	0	2,786,688
Transportation Services	8,544,930	0	0	0	8,544,930
Insurance: property/liability	1,193,567	3,763	0	0	1,197,330
Communication	708,678	0	0	0	708,678
Dues and membership	242,971	0	0	0	242,971
Other Purchased Services	397,977	0	0	0	397,977
General Supplies	8,579,443	0	0	0	8,579,443
Books & Periodicals	1,687,401	0	0	0	1,687,401
Warehouse & Food Service	1,694,994	0	0	0	1,694,994
Utilities, Energy Service	3,496,532	0	0	0	3,496,532
Other Supplies	18,525	0	0	0	18,525
Capital Outlay	0	0	0	23,566,529	23,566,529
Debt & Other related fees	0	0	46,088,335	179	46,088,514
Total Disbursements	<u>\$ 66,986,065</u>	<u>\$ 94,061,560</u>	<u>\$ 46,088,335</u>	<u>\$ 23,566,708</u>	<u>\$ 230,702,668</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Number	FAIN Number	Pass- Through Number	Total Federal Expenditures
<u>U.S. Department of Agriculture</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	20210N109943	083-005	\$ 760,725
National School Lunch Program	10.555	20210N109943	083-005	2,563,874
National School Lunch Program – Noncash food distribution	10.555		083-005	282,126
COVID-19 National School Lunch Program – CARES	10.555	2020N850343	083-005	<u>792,069</u>
Total Child Nutrition Cluster				<u>4,398,794</u>
Total U.S. Department of Agriculture				4,398,794
<u>U.S. Department of Treasury</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
COVID-19 Coronavirus Relief Fund	21.019	SLT0015	083-005	876,559
<i>Pass-through Platte County, MO Treasurer's Office:</i>				
COVID-19 Coronavirus Relief Fund	21.019		CRFP04	<u>625,000</u>
Total U.S. Department of Treasury				1,501,559
<u>U.S. Department of Education</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
COVID-19 Elem. & Secondary School Emergency Relief Fund	84.425C	S425C200016	083-005	190,531
COVID-19 Elem. & Secondary School Emergency Relief Fund	84.425D	S425D200021	083-005	207,888
Title I, Grants for LEAs	84.010A	S010A200025	083-005	878,938
Title II.A, Supporting Effective Instruction	84.367A	S367A190024	083-005	30,265
	84.367A	S367A200024	083-005	49,927
Title III, English Language Acquisition	84.365A	S365A190025	083-005	22,453
	84.365A	S365A200025	083-005	50,395
Title IV, Student Support and Academic Enrichment	84.424A	S424A190026	083-005	34,686
	84.424A	S42A200026	083-005	29,190
Special Education Cluster (IDEA):				
IDEA, Part B - Special Education	84.027A	H027A190040	083-005	596,128
	84.027A	H027A200040	083-005	1,891,441
Early Childhood Special Education	84.173	H173A190103	083-005	14,206
	84.173	H173A200103	083-005	<u>40,154</u>
Total Special Education Cluster				<u>2,541,929</u>
Total U.S. Department of Education				<u>4,036,202</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ <u>9,936,555</u>

The accompanying notes are an integral part of this schedule.

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Park Hill School District (the “School District”) under programs of the federal government for the year ended June 30, 2021. 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 School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School District.

NOTE 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 School 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3: SUBRECIPIENTS

The School District did not provide funds to subrecipients in the current fiscal year.

NOTE 4: INDIRECT COST RATE

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

INTERNAL CONTROL AND COMPLIANCE SECTION



INDEPENDENT AUDITOR'S 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 the 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 financial statements of the governmental activities, and each major fund of the Park Hill School District (the "School District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) to determine the 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School 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 limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Education
Park Hill School District
Kansas City, Missouri

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. 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.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
October 28, 2021



INDEPENDENT AUDITOR’S 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

We have audited the Park Hill School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal programs for the year ended June 30, 2021. The School District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the School District’s major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District’s compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2021.

Board of Education
Park Hill School District
Kansas City, Missouri

Report on Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
October 28, 2021

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of auditor's report issued: Unmodified Opinion
2. Internal control over financing reporting:
 - a) Significant deficiencies were disclosed. None
 - b) Material weaknesses were disclosed. None
3. Noncompliance, which is material to the basic financial statements, was disclosed. None

Federal Awards

1. Internal control over major programs:
 - a) Significant deficiencies were disclosed. None
 - b) Material weaknesses were disclosed. None
2. Type of auditor's report issued on compliance for major programs: Unmodified Opinion
3. Any audit findings which are required to be reported under Section 200.516(a) of the Uniform Guidance? None
4. The School District's major federal programs were:

<u>Federal Assistance Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund (CRF)
84.027, 84.173	Special Education Cluster (IDEA)

5. Dollar threshold used to distinguish between type A and type B programs: \$750,000
6. Auditee qualified as low-risk auditee specified in Section 200.520 of the Uniform Guidance?
 Yes No

SECTION II: FINANCIAL STATEMENT FINDINGS

No financial statement findings were reported.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No federal award findings and questioned costs were reported.

SECTION IV: RESOLUTIONS OF PRIOR YEAR AUDIT FINDINGS

No audit findings were noted from the prior year.



INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTIONS ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS

Board of Education
Park Hill School District
Kansas City, Missouri

We have examined management's assertion, included in its representation letter dated October 28, 2021, that the Park Hill School District (the "School District") complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures, accurate disclosure of the School District's records of average daily attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2021. Management is responsible for its assertion that the School District complied with the aforementioned requirements. Our responsibility is to express an opinion on management's assertion 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 management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, management's assertion that the Park Hill School District complied with the aforementioned requirements included in the Schedule of Selected Statistics for the year ended June 30, 2021, are fairly stated, in all material respects.

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

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
October 28, 2021

County District Code: 083-005

**PARK HILL SCHOOL DISTRICT
Kansas City, Missouri**

**SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2021**

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
7500	PK	PK	A & P	3.1000	174	517.7000
6000	K	12	n/a	6.2500	168	1,046.8750
-	K	5	n/a	6.4167	168	1,074.3806
-	6	8	n/a	6.5333	168	1,094.3278
-	9	12	n/a	6.7167	168	1,125.0473

2. ATTENDANCE HOURS

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
1050	9	497,898.5511	785.2044	0.0000	0.0000	15,253.1698	513,936.9253
1050	10	452,002.7553	472.6910	0.0000	0.0000	24,560.5148	477,035.9611
1050	11	495,488.5384	1,392.0996	0.0000	0.0000	22,241.0295	519,121.6675
1050	12	441,585.1199	1,199.0629	0.0000	0.0000	23,679.3694	466,463.5522
1080	9	506,178.6034	0.0000	0.0000	0.0000	1,202.7000	507,381.3034
1080	10	477,499.1654	534.3975	0.0000	0.0000	78.0000	478,111.5629
1080	11	440,481.4786	0.0000	0.0000	0.0000	259.7000	440,741.1786
1080	12	367,808.7067	1,261.3992	0.0000	0.0000	0.0000	369,070.1059
3000	6	236,060.5385	32.8300	0.0000	0.0000	228.0000	236,321.3685
3000	7	230,248.2888	0.0000	0.0000	0.0000	0.0000	230,248.2888
3000	8	219,629.6489	0.0000	0.0000	0.0000	82.0000	219,711.6489
3030	6	237,466.3944	1,028.6681	0.0000	0.0000	12,799.6836	251,294.7461
3030	7	264,973.4356	0.0000	0.0000	0.0000	4,590.7002	269,564.1358
3030	8	235,537.9691	0.0000	0.0000	0.0000	5,929.4833	241,467.4524
3050	6	244,521.5028	1,030.5201	0.0000	0.0000	0.0000	245,552.0229
3050	7	221,730.2879	1,094.3278	0.0000	0.0000	0.0000	222,824.6157
3050	8	243,248.8239	0.0000	0.0000	0.0000	0.0000	243,248.8239

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

2. ATTENDANCE HOURS (Continued)

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
3060	6	255,916.5590	0.0000	0.0000	0.0000	9,730.5834	265,647.1424
3060	7	253,722.0106	0.0000	0.0000	0.0000	4,419.3502	258,141.3608
3060	8	254,429.8814	414.7375	0.0000	0.0000	3,197.7498	258,042.3687
4020	K	71,009.2854	0.0000	0.0000	0.0000	2,526.5000	73,535.7854
4020	1	82,166.7076	0.0000	0.0000	0.0000	4,474.2666	86,640.9742
4020	2	85,032.7312	0.0000	0.0000	0.0000	3,537.2168	88,569.9480
4020	3	75,221.5426	96.7323	0.0000	0.0000	4,338.2831	79,656.5580
4020	4	78,663.7283	0.0000	0.0000	0.0000	2,229.7835	80,893.5118
4020	5	85,333.5889	644.8784	0.0000	0.0000	2,854.3500	88,832.8173
4040	K	75,480.4368	23.0999	0.0000	0.0000	3,452.3167	78,955.8534
4040	1	67,856.4173	42.9999	0.0000	0.0000	3,937.1834	71,836.6006
4040	2	106,122.5255	32.2441	0.0000	0.0000	4,686.0836	110,840.8532
4040	3	91,251.2829	0.0000	0.0000	0.0000	3,480.1668	94,731.4497
4040	4	65,666.6254	36.7931	0.0000	0.0000	2,593.0334	68,296.4519
4040	5	98,458.0935	0.0000	0.0000	0.0000	2,874.2170	101,332.3105
4060	K	56,972.9479	0.0000	0.0000	0.0000	0.0000	56,972.9479
4060	1	53,807.9993	0.0000	0.0000	0.0000	0.0000	53,807.9993
4060	2	57,471.9199	0.0000	0.0000	0.0000	0.0000	57,471.9199
4060	3	57,314.2277	28.4899	0.0000	0.0000	0.0000	57,342.7176
4060	4	64,494.6229	25.1207	0.0000	0.0000	0.0000	64,519.7436
4060	5	74,803.1469	0.0000	0.0000	0.0000	0.0000	74,803.1469
4080	K	72,981.5274	0.0000	0.0000	0.0000	2,910.8336	75,892.3610
4080	1	73,118.9255	31.4066	0.0000	0.0000	2,983.9502	76,134.2823
4080	2	96,276.5263	275.8994	0.0000	0.0000	4,018.7001	100,571.1258
4080	3	88,054.5792	31.4066	0.0000	0.0000	2,584.6145	90,670.6003
4080	4	67,201.5933	0.0000	0.0000	0.0000	1,709.9502	68,911.5435
4080	5	95,383.5448	0.0000	0.0000	0.0000	2,491.0500	97,874.5948
5000	K	86,789.2821	32.2441	0.0000	0.0000	6,538.7837	93,360.3099
5000	1	85,274.5457	15.9783	0.0000	0.0000	6,523.5999	91,814.1239
5000	2	66,058.2592	32.2441	0.0000	0.0000	6,318.0169	72,408.5202

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

2. ATTENDANCE HOURS (Continued)

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
5000	3	87,439.1888	32.2441	0.0000	0.0000	4,964.2669	92,435.6998
5000	4	93,466.2073	32.2441	0.0000	0.0000	5,334.9835	98,833.4349
5000	5	78,270.7302	0.0000	0.0000	0.0000	3,795.1500	82,065.8802
5020	K	94,231.1136	17.5183	0.0000	0.0000	9,345.8838	103,594.5157
5020	1	109,133.7870	4.6200	0.0000	0.0000	8,071.3335	117,209.7405
5020	2	109,012.4088	0.0000	0.0000	0.0000	7,234.8997	116,247.3085
5020	3	81,575.5693	64.4882	0.0000	0.0000	5,577.2836	87,217.3411
5020	4	107,025.6900	101.9364	0.0000	0.0000	5,155.3667	112,282.9931
5020	5	87,238.0717	0.0000	0.0000	0.0000	3,614.7502	90,852.8219
5040	K	59,077.5541	32.2441	0.0000	0.0000	0.0000	59,109.7982
5040	1	75,407.7961	0.0000	0.0000	0.0000	0.0000	75,407.7961
5040	2	83,759.1555	0.0000	0.0000	0.0000	0.0000	83,759.1555
5040	3	74,232.9087	0.0000	0.0000	0.0000	0.0000	74,232.9087
5040	4	58,602.3907	0.0000	0.0000	0.0000	0.0000	58,602.3907
5040	5	76,155.2827	0.0000	0.0000	0.0000	0.0000	76,155.2827
5060	K	76,267.0301	0.0000	0.0000	0.0000	2,576.5333	78,843.5634
5060	1	62,002.1545	32.2441	0.0000	0.0000	2,890.7000	64,925.0986
5060	2	51,312.4420	0.0000	0.0000	0.0000	1,786.2498	53,098.6918
5060	3	73,592.0231	0.0000	0.0000	0.0000	1,786.1165	75,378.1396
5060	4	79,498.2330	0.0000	0.0000	0.0000	2,613.4999	82,111.7329
5060	5	83,221.3553	0.0000	0.0000	0.0000	1,443.2168	84,664.5721
5080	K	56,161.1141	0.0000	0.0000	0.0000	0.0000	56,161.1141
5080	1	94,197.6496	1,074.7973	0.0000	0.0000	0.0000	95,272.4469
5080	2	61,384.1393	0.0000	0.0000	0.0000	0.0000	61,384.1393
5080	3	76,543.7245	0.0000	0.0000	0.0000	0.0000	76,543.7245
5080	4	104,504.1914	0.0000	0.0000	0.0000	0.0000	104,504.1914
5080	5	96,269.9463	0.0000	0.0000	0.0000	0.0000	96,269.9463
5090	K	86,465.6739	42.9999	0.0000	0.0000	4,381.3836	90,890.0574
5090	1	82,053.5762	42.9999	0.0000	0.0000	4,818.2169	86,914.7930
5090	2	86,216.4079	75.2440	0.0000	0.0000	3,975.8166	90,267.4685

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

2. ATTENDANCE HOURS (Continued)

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
5090	3	78,909.4087	42.9999	0.0000	0.0000	2,962.4337	81,914.8423
5090	4	82,836.3795	0.0000	0.0000	0.0000	1,680.3668	84,516.7463
5090	5	93,649.9041	0.0000	0.0000	0.0000	2,340.8665	95,990.7706
5095	K	86,238.4415	0.0000	0.0000	0.0000	5,053.8503	91,292.2918
5095	1	84,939.9502	0.0000	0.0000	0.0000	4,909.4833	89,849.4335
5095	2	54,789.7931	0.0000	0.0000	0.0000	7,019.1172	61,808.9103
5095	3	84,011.9043	0.0000	0.0000	0.0000	4,923.4334	88,935.3377
5095	4	64,003.5764	0.0000	0.0000	0.0000	4,098.1167	68,101.6931
5095	5	88,926.4702	0.0000	0.0000	0.0000	5,511.4000	94,437.8702
6000	1	0.0000	0.0000	0.0000	0.0000	49.0000	49.0000
6000	2	0.0000	0.0000	0.0000	0.0000	224.0000	224.0000
6000	4	0.0000	0.0000	0.0000	0.0000	82.0000	82.0000
6000	5	0.0000	0.0000	0.0000	0.0000	159.0000	159.0000
7500	PA	9,505.2100	0.0000	0.0000	0.0000	0.0000	9,505.2100
7500	PP	12,276.6800	0.0000	0.0000	0.0000	0.0000	12,276.6800
	Grand Total	<u>11,839,100.1069</u>	<u>12,192.0558</u>	<u>0.0000</u>	<u>0.0000</u>	<u>323,693.6532</u>	<u>12,174,985.8159</u>

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
1050	9	483.00	1.29	0.00	484.29
1050	10	435.00	0.50	0.00	435.50
1050	11	484.00	1.45	0.00	485.45
1050	12	501.00	1.00	0.00	502.00
1080	9	479.00	0.00	0.00	479.00
1080	10	463.00	0.50	0.00	463.50
1080	11	437.00	0.00	0.00	437.00

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

3. SEPTEMBER MEMBERSHIP (Continued)

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1080	12	424.00	1.00	0.00	425.00
3000	6	228.00	0.03	0.00	228.03
3000	7	220.00	0.00	0.00	220.00
3000	8	213.00	0.00	0.00	213.00
3030	6	222.00	0.62	0.00	222.62
3030	7	259.00	0.00	0.00	259.00
3030	8	227.00	0.00	0.00	227.00
3050	6	240.00	0.40	0.00	240.40
3050	7	210.00	0.46	0.00	210.46
3050	8	237.00	0.00	0.00	237.00
3060	6	243.00	0.00	0.00	243.00
3060	7	247.00	0.00	0.00	247.00
3060	8	241.00	0.65	0.00	241.65
4020	K	73.00	0.00	0.00	73.00
4020	1	83.00	0.00	0.00	83.00
4020	2	84.00	0.00	0.00	84.00
4020	3	72.00	0.09	0.00	72.09
4020	4	75.00	0.00	0.00	75.00
4020	5	84.00	0.60	0.00	84.60
4040	K	71.00	0.03	0.00	71.03
4040	1	69.00	0.00	0.00	69.00
4040	2	102.00	0.03	0.00	102.03
4040	3	89.00	0.00	0.00	89.00
4040	4	64.00	0.20	0.00	64.20
4040	5	97.00	0.00	0.00	97.00
4060	K	57.00	0.00	0.00	57.00
4060	1	54.00	0.00	0.00	54.00
4060	2	55.00	0.00	0.00	55.00
4060	3	58.00	0.03	0.00	58.03
4060	4	63.00	0.00	0.00	63.00
4060	5	74.00	0.00	0.00	74.00

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

3. SEPTEMBER MEMBERSHIP (Continued)

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4080	K	73.00	0.00	0.00	73.00
4080	1	68.00	0.03	0.00	68.03
4080	2	96.00	0.00	0.00	96.00
4080	3	88.00	0.03	0.00	88.03
4080	4	66.00	0.00	0.00	66.00
4080	5	92.00	0.00	0.00	92.00
5000	K	85.00	0.03	0.00	85.03
5000	1	84.00	0.03	0.00	84.03
5000	2	69.00	0.03	0.00	69.03
5000	3	88.00	0.03	0.00	88.03
5000	4	94.00	0.03	0.00	94.03
5000	5	75.00	0.00	0.00	75.00
5020	K	88.00	0.03	0.00	88.03
5020	1	108.00	0.03	0.00	108.03
5020	2	105.00	0.00	0.00	105.00
5020	3	77.00	0.06	0.00	77.06
5020	4	103.00	0.00	0.00	103.00
5020	5	83.00	0.00	0.00	83.00
5040	K	59.00	0.03	0.00	59.03
5040	1	77.00	0.00	0.00	77.00
5040	2	85.00	0.00	0.00	85.00
5040	3	76.00	0.00	0.00	76.00
5040	4	64.00	0.00	0.00	64.00
5040	5	76.00	0.00	0.00	76.00
5060	K	73.00	0.00	0.00	73.00
5060	1	61.00	0.03	0.00	61.03
5060	2	51.00	0.00	0.00	51.00
5060	3	74.00	0.00	0.00	74.00
5060	4	78.00	0.00	0.00	78.00
5060	5	82.00	0.00	0.00	82.00

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

3. SEPTEMBER MEMBERSHIP (Continued)

School Code	Grade Level	Full-Time	Part-Time	Other	Total
5080	K	56.00	0.00	0.00	56.00
5080	1	92.00	0.00	0.00	92.00
5080	2	61.00	0.00	0.00	61.00
5080	3	73.00	0.00	0.00	73.00
5080	4	100.00	0.00	0.00	100.00
5080	5	95.00	0.00	0.00	95.00
5090	K	90.00	0.04	0.00	90.04
5090	1	78.00	0.04	0.00	78.04
5090	2	84.00	0.07	0.00	84.07
5090	3	78.00	0.04	0.00	78.04
5090	4	83.00	0.00	0.00	83.00
5090	5	94.00	0.00	0.00	94.00
5095	K	82.00	0.00	0.00	82.00
5095	1	82.00	0.00	0.00	82.00
5095	2	53.00	0.00	0.00	53.00
5095	3	83.00	0.00	0.00	83.00
5095	4	65.00	0.00	0.00	65.00
5095	5	87.00	0.00	0.00	87.00
7500	PK	43.00	0.00	0.00	43.00
	Grand Total	<u>11,694.00</u>	<u>9.46</u>	<u>0.00</u>	<u>11,703.46</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

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
N/A	1.00	0.00	N/A	N/A	1.00
1050	305.75	98.00	N/A	N/A	403.75
1080	226.00	36.00	N/A	N/A	262.00
3000	85.00	24.00	N/A	N/A	109.00
3030	106.00	26.00	N/A	N/A	132.00
3050	124.40	30.00	N/A	N/A	154.40
3060	167.62	18.00	N/A	N/A	185.62
4020	95.60	12.00	N/A	N/A	107.60
4040	52.00	14.00	N/A	N/A	66.00
4060	104.00	11.00	N/A	N/A	115.00
4080	115.00	18.00	N/A	N/A	133.00
5000	118.00	7.00	N/A	N/A	125.00
5020	72.00	7.00	N/A	N/A	79.00
5040	73.00	21.00	N/A	N/A	94.00
5060	93.00	18.00	N/A	N/A	111.00
5080	59.00	9.00	N/A	N/A	68.00
5090	77.12	21.00	N/A	N/A	98.12
5095	96.00	10.00	N/A	N/A	106.00
7500	0.00	0.00	N/A	N/A	0.00
Grand Total	<u>1,970.49</u>	<u>380.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,350.49</u>

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

5. FINANCE

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

Section	Question	Answer
5.1	The district maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The district maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	True
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	True
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	True
	Homebound instruction	True
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	N/A
	Remediation	N/A
	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
5.3	The district maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district maintained complete and accurate attendance and 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
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district’s treasurer in the total amount of:	\$50,000
5.6	The district’s deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	True
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.	True

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

5. FINANCE (Continued)

Section	Question	Answer
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.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved 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.	N/A
5.10	The district 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. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost.	True
5.12	The amount spent for approved professional development committee plan activities was:	\$332,172
5.13	The district 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

Notes:	None
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All above “False” answers **must** be supported by a finding or management letter comment.

Finding:	None noted
Management Letter Comment:	None noted

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF SELECTED STATISTICS
 For the Year Ended June 30, 2021

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 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:	True
	Eligible ADT	<u>3,363.50</u>
	Ineligible ADT	<u>867.50</u>
6.4	The district’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-operated and contracted mileage for the year was:	<u>1,282,339</u>
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:	True
	Eligible Miles	<u>1,139,309</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>143,030</u>
6.7	Number of days the district operated the school transportation system during the regular school year:	<u>168</u>

Notes:	None
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All above “False” answers **must** be supported by a finding or management letter comment.

Finding:	None noted
Management Letter Comment:	None noted

PARK HILL SCHOOL DISTRICT
Kansas City, Missouri

SCHEDULE OF STATE FINDINGS
For the Year Ended June 30, 2021

Prior year

There were no audit findings related to state compliance for the year ended June 30, 2020 to be resolved in the current year.

Current year

There were no audit findings related to state compliance for the year ended June 30, 2021.