

**BRENTWOOD SCHOOL DISTRICT**  
**ST. LOUIS COUNTY, MISSOURI**  
**AUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**BRENTWOOD SCHOOL DISTRICT  
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## **FINANCIAL SECTION**



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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Education  
Brentwood School District

***Report on the Financial Statements***

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

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note I; 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, the blended component unit and each major fund of the District as of June 30, 2021, and the respective changes in modified cash-basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note I.

### ***Basis of Accounting***

We draw attention to Note I 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 this matter.

### ***Other Matters***

#### ***Report on Supplementary and Other Information***


Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District's basic financial statements. The management's discussion and analysis and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules presented on pages 43 through 47 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note I.

The management's discussion and analysis on pages 3 through 14 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 it.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 17, 2021

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

The discussion and analysis of Brentwood School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for FY2021 are as follows:

- In total, net position increased \$28,007,349 or 128.6% from 2020. The majority of this increase was due to proceeds due to bond sales related to support the construction and renovation of District elementary buildings.
- General revenues accounted for \$18,656,700 in revenue or 35.03% of all revenues. Program specific revenues in the form of charges for services, operating grants, contributions and debt proceeds, and capital grants and contributions accounted for \$34,604,120 or 64.97% of total revenues of \$53,260,820.
- The School District had \$25,253,471 in expenses; these expenses were offset by program specific charges for services, grants or contributions and debt proceeds with program revenues exceeding expenses by \$9,350,650. General revenues (primarily taxes) and reserves of \$18,656,700 were in excess of program revenues. The district had approximately \$1,230,479 of uncollected taxes as of June 30, 2021.
- Among major funds, the General Fund had \$15,104,748 in revenues and \$6,507,006 in expenditures, the Special Revenue Fund had \$745,310 in revenues and \$9,598,067 in expenditures, the Debt Service Fund had \$2,687,659 in revenues and \$1,544,320 in expenditures, and the Capital Projects Fund had \$5,723,103 in revenues and \$7,604,078 in expenditures. The General Fund's balance decreased \$82 from 2020, while the Special Revenue Fund decreased \$254,932, the Debt Service Fund increased \$1,143,339, and the Capital Projects Fund increased \$27,119,025.
- The District sold \$29,000,000 of bonds in FY2021. This sale is included in the Capital Projects Fund under Other Financing Sources (Uses) and not included with revenues in the Fund Financial Statements. Bond sale premiums are included as program revenues as part of the statement of activities.

**Using this Other Comprehensive Basis of Accounting Report (OCBOA)**

This annual report consists of a series of financial statements and notes to those statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16) provide information about the activities of the Brentwood School District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 17. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. The statements then proceed to provide an increasingly detailed look at specific financial activities.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

**Reporting the School District as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2021?” The Statement of Net Position and the Statement of Activities answer this question. These statements include all significant assets and liabilities using the cash basis of accounting, which is an Other Comprehensive Basis of Accounting than Generally Accepted Accounting Principles. The District’s policy is to prepare its financial statements on the cash basis of accounting; consequently, revenues are recognized when received rather than when earned, and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

These two statements report the School District’s net position and change in that position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District’s property tax base, current property tax laws in Missouri, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District’s programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business like activities.

**Reporting the School District’s Most Significant Funds**

**Fund Financial Statements**

The analysis of the School District’s major funds begins on page 17. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General (Incidental) Fund, Special Revenue (Teachers) Fund, Debt Service Fund, and Capital Projects Fund. The School District uses the zero balance transfer to cover monthly expenditures in the Teachers’ Fund. For FY2021 the district transferred a total of \$8,597,825 from the General Fund to the Teachers’ Fund.



**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
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**Governmental Funds**

Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These statements include all significant assets and liabilities using the cash basis of accounting, which is an Other Comprehensive Basis of Accounting than Generally Accepted Accounting Principles. The District's policy is to prepare its financial statements on the cash basis of accounting; consequently, revenues are recognized when received rather than when earned, and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for 2020 and 2021:

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current and Restricted Assets	<u>\$ 50,559,006</u>	<u>\$ 22,022,991</u>
Total Assets	<u>\$ 50,559,006</u>	<u>\$ 22,022,991</u>
<b>LIABILITIES</b>		
Payroll Liabilities	<u>\$ 775,328</u>	<u>\$ 246,662</u>
Total Liabilities	<u>\$ 775,328</u>	<u>\$ 246,662</u>
<b>NET POSITION</b>		
Restricted	\$ 33,966,603	\$ 5,077,025
Unrestricted	<u>15,817,075</u>	<u>16,699,304</u>
Total Net Position	<u>\$ 49,783,678</u>	<u>\$ 21,776,329</u>

Total assets of governmental activities increased by \$28,007,349 as cash and investment increased by \$28,536,016. Unrestricted net position, the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements, of the School District decreased by \$882,228.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Table 2 shows the changes in net position for fiscal years 2021 and 2020.

**PROGRAM REVENUES AND DEBT PROCEEDS  
CHANGES IN NET POSITION**

	2021	2020
<b>PROGRAM REVENUES AND DEBT PROCEEDS</b>		
Charges for Services	\$ 616,325	\$ 1,081,911
Operating Grants and Contributions and Debt Proceeds	33,987,795	7,685,454
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	16,574,158	18,727,465
Interest and Investment Earnings	352,233	581,134
Miscellaneous	1,730,309	88,870
Total Revenues and Debt Proceeds	<u>53,260,820</u>	<u>28,164,834</u>
<b>PROGRAM EXPENSES</b>		
Instruction	8,171,239	8,001,255
Student Services	1,630,657	1,570,810
Instruction Staff Support	450	1,349
Building Administration	1,389,992	2,082,390
General Administration and Central Services	2,919,702	2,217,755
Operation of Plant	2,089,110	3,137,808
Transportation	28,870	67,333
Food Services	348,602	433,740
Community Services	749,625	833,750
Capital Outlay	5,946,007	13,007,448
Principal	615,000	1,280,000
Interest and Fiscal Charges	1,364,217	726,039
Total Expenses	<u>25,253,471</u>	<u>33,359,677</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u><u>\$ 28,007,349</u></u>	<u><u>\$ (5,194,843)</u></u>

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

**Governmental Activities**

Revenues for the District's governmental activities increased by 128.6% (\$28,007,349), while total expenses decreased by 24.2% (\$8,106,206). Revenues increased by 78.5% (\$25,095,986). The increase in revenues is primarily due to the inclusion of the bond sale proceeds in 2021 for \$29,000,000. The decrease in expenses is also due to one-time expenditures related to the construction cost in 2020.

Instruction comprises 32.3% of district expenses while support services expenses make up 59.8% and debt service constitutes the remaining 7.8% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for fiscal years 2021 and 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

	2021		2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 8,171,239	\$ (7,322,234)	\$ 8,001,255	\$ (7,196,665)
Student Services	1,630,657	(1,596,170)	1,570,810	(1,570,810)
Instruction Staff Support	450	(450)	1,349	(1,349)
Building Administration	1,389,992	(1,389,992)	2,082,390	(2,082,390)
General Administration and Central Services	2,919,702	(2,919,702)	2,217,755	(2,217,755)
Operation of Plant	2,089,110	(2,089,110)	3,137,808	(3,137,808)
Transportation	28,870	(25,326)	67,333	(66,905)
Food Service	348,602	(93,175)	433,740	(214,176)
Community Services	749,625	(347,453)	833,751	(273,295)
Capital Outlay	5,946,007	23,053,993	13,007,448	(6,432,448)
Principal	615,000	(615,000)	1,280,000	(1,280,000)
Interest and Fiscal Charges	1,364,217	2,695,268	726,039	(118,711)
	<u>\$ 25,253,471</u>	<u>\$ 9,350,649</u>	<u>\$ 33,359,678</u>	<u>\$ (24,592,312)</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student Services includes guidance, health services, improvement of instruction for staff and library services.

Instructional Staff Support includes the activities involved with assisting staff with the content and process of teaching to pupils.

Building Administration includes building principals, assistant principals, and office staff necessary to keep the buildings running efficiently and smoothly.

General Administration and Central Services includes expenses associated with administrative and financial supervision of the district. It also includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

**BRENTWOOD SCHOOL DISTRICT  
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Operation of Plant activities involves keeping the school grounds, buildings, and equipment in an effective working condition.

Transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Food Services include the preparation, delivery, and servicing of lunches, snacks and other incidental meals to students and school staff in connection with school activities.

Community Services includes expense related to activities concerned with providing community services to the community as a whole or for some segment of the community.

Interest and Fiscal Charges involves the transactions associated with the payment of interest and other related charges to debt of the School District.

The dependence upon tax revenues is apparent. Approximately 89.6% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is about 117.3% when adjusted for bond sales and premium. The community, as a whole, is the primary support for the Brentwood School District.

#### **The School District's Funds**

Information about the School District's major funds starts on page 17. These funds are accounted for using the modified cash basis of accounting. All governmental funds had total revenues of \$53,260,820 and expenditures of \$25,253,471. The net change in fund balance for the year was significant in all funds except the General Fund, which had a decrease of \$82. The Special Revenue Fund had an increase of \$254,932, the Debt Service Fund had an increase of \$1,143,339, and the Capital Projects Fund had an increase of \$27,119,024. The decrease in the Teacher's Fund is due to decreased transfers from the General fund due to Section 165.011, RSMo. The increase in the Debt Service Fund and the Capital Projects Fund is due to bond sale and the associated premiums deposited in these two funds.

#### **General Fund Budgeting Highlights**

The School District's budget is prepared according to Missouri law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal 2021 year, the School District amended its General Fund budget three times, which resulted in appropriations decreasing by 5.3%. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. Prior to year-end, the School District passed appropriations to match expenditures plus encumbrances.

For the General Fund, the final budget basis revenue and other financing sources estimate was \$14,894,087. The original budgeted estimate was \$15,483,300.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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(UNAUDITED)**

**Capital Assets**

The District has chosen to exclude monies invested in land, buildings, furniture and equipment, and vehicles in the Fiscal 2021 financial statements.

**Current Financial Issues and Concerns**

The Brentwood School District is financially strong, and should remain so thanks to voter approval of Proposition K, a \$0.75 tax increase, in April 2013. The School District is proud of, and thankful for, its community support of the public schools.

One ongoing financial concern has been the long-term prognosis for the Voluntary Inter-District Choice Corporation (VICC), which is the desegregation program for St. Louis City and county. The current agreement has the program not accepting any new students after the 2023/2024 school year and only accepting minimal numbers of new students in the next 5 years. Enrolled students would be allowed to complete their education in the St. Louis County school. There has been discussion of a 5 year extension to the current agreement but no action has been taken at this time. Brentwood School District currently receives approximately \$400,000 from the VICC program. While it will be a gradual decline in VICC student numbers and corresponding revenue, it will require careful long-term planning from the district to account for the impact on revenue, facilities, and staffing.

An additional long-term financial concern has been the aging district facilities and the corresponding costs to keep them operational. The district took a key step towards correcting this issue by passing Proposition B, a 16 million dollar bond issue intended for significant renovations at the middle school and high school complex.

Proposition B does not address the facility needs at the two district elementary schools. Both elementary schools have significant facility needs that will require either a complete rebuild or renovation. The District is proud to have obtained voter approval with the passage of Proposition E to provide \$29 million dollars through the issuance of general obligation bonds for the purpose of rebuilding McGrath and renovating Mark Twain Elementary schools. The community has agreed to provide a general obligation tax increase of \$0.429 which will be applied to the tax roll beginning with the 2021 tax year.

In conclusion, the Brentwood School District has committed itself to financial excellence for many years. In addition, the School District's system of financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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## CONTINUING DISCLOSURE

### Enrollment

Listed below are the District's actual enrollment figures for the school years 2015-2016 through 2020-2021.

School Year	Elementary Schools	Middel School	High School	Total
2016-2017	365	168	228	761
2017-2018	367	160	215	742
2018-2019	369	171	217	757
2019-2020	381	158	212	751
2020-2021	356	164	208	728

### Historic Assessed Valuation

The table below shows the assessed valuation of property in the District as of January 1, as adjusted through December 31, for each of the years shown:

Year	Real Estate Residential	Real Estate Commercial(1)	Personal Property(1)	Less TIF Valuation	Total Assessed Valuation(2)	Percentage Change
2021	\$ 211,027,160	\$ 151,027,360	\$ 43,075,090	\$ 27,499,880	377,629,730	6.2%
2020	196,838,820	141,729,670	42,615,810	25,629,070	355,555,230	-1.1%
2019	198,050,970	145,992,130	41,121,260	25,489,910	359,674,450	15.4%
2018	165,425,200	128,223,340	41,003,870	22,946,370	311,706,040	-0.6%
2017	169,071,950	128,314,700	39,037,470	22,949,420	313,474,700	9.5%

Source: Assessor's Office of St. Louis County.

(1) Includes locally assessed Railroad and Utility.

(2) Net of TIF district valuation.

### Tax Rates

**Tax Rates – By Property Classification.** Section 137.073, Revised Statutes of Missouri, as amended, requires separate tax rates to be calculated and levied for each class and subclass of property: residential, commercial and agricultural real estate, and personal property. If the separate levy process reduces revenues to a political subdivision, it may adjust the levy to produce the same amount of revenue as would have been produced under a single levy process. Under current law, the assessed valuation of all subclasses of real property and personal property are combined to calculate one levy to be applied to all classes of property equally.

Any required rollback of taxes pursuant to a “Hancock rollback” is required to be applied within each class or subclass of property.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Section 137.073.6(1), RSMo, as amended, provides a formula to be used by school districts to determine a “blended rate”, which is to be used for purposes of calculating state aid for public schools pursuant to section 163.031, RSMo. The blended rate is to be calculated by first determining the total tax revenue of the property within the school district, which amount shall be equal to the sum of the products of multiplying the assessed valuation of each class and subclass of property by the corresponding tax rate for such class or subclass, then dividing the total tax revenue by the total assessed valuation of property within the school district, and then multiplying the resulting quotient by a factor of 100.

The following table shows the District’s adjusted tax rates (per \$100 of assessed valuation) levied against each class and subclass of property for the current year and the last four fiscal years:

**Tax Rates by Property Classification**

Fiscal Year Ended June 30	Real Estate Residential	Real Estate Commercial	Personal Property	Agricultural Property	Blended Rate
2021	\$4.3445	\$5.1984	\$4.9989	\$0.0000	\$4.7122
2020	4.2340	4.9431	4.6195	0.0000	4.6235
2019	4.5974	5.2090	4.5387	0.0000	4.8030
2018	4.4249	5.3143	4.4845	0.0000	4.7460
2017	4.6756	5.3708	4.4458	0.0000	4.9013

**Tax Rates by Property Classification**

**Operating Levy.** The operating levy (consisting of all ad valorem tax levied except the debt service levy) cannot exceed the “tax rate ceiling” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly-received assessed valuation of the District for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1984 or the most recent voter-approved tax rate. The tax levy for debt service on the District’s general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling. Under Article X, Section 11(c) of the Missouri Constitution, any increase in the District’s operating levy above \$6.00 must be approved by two-thirds of the voters voting on the proposition.

**Debt Service Levy.** The District is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board of Education may set the tax rate for debt service, without limitation as to the rate or amount, at the level required to make such payments. Section 137.073.6(2), RSMo, provides that the amount of the debt service levy will be *prima facie* valid if, after making the payment for which the tax is levied, general obligation bonds remain outstanding and the amount remaining in the Debt Service Fund does not exceed the following year’s payments.

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

***Tax Rates – Allocation by Fund.*** The following table shows the District's adjusted tax levies (per \$100 of assessed valuation) for the current fiscal year and each of the last four fiscal years:

Fiscal Year Ended June 30	General (Incidental Fund)	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Total Levy
2020	\$3.7354	\$0.0000	\$0.4290	\$0.2820	\$4.4464
2019	3.9398	0.0000	0.4290	0.3461	4.8030
2018	3.9709	0.0000	0.4290	0.2461	4.7460
2017	4.3052	0.0000	0.3500	0.2461	4.9013
2016	4.3395	0.0000	0.3400	0.2400	4.9256

Source: District's Annual Secretary of the Board Reports and Department of Elementary and Secondary Education.

***Tax Collection Record.*** The following table sets forth tax collection information for the District for the current fiscal year and each of the last four fiscal years:

Fiscal Year	Total Adjusted Levy (1)	Assessed Valuation (2)	Total Taxes Levied	Current Taxes Collected (3)		Total Current and Delinquent Taxes Collected (3)	
				Amount Collected	% of Taxes Levied	Amount Collected	% of Taxes Levied (4)
2019-20	\$ 4.5219	\$ 354,748,750	\$ 16,041,384	\$ 15,359,496	95.7%	\$ 15,585,998	97.2%
2018-19	4.8030	311,706,040	14,971,241	14,595,920	97.5%	14,822,462	99.0%
2017-18	4.7460	313,474,700	14,877,509	14,479,862	97.3%	14,545,769	97.8%
2016-17	4.9013	286,333,430	14,034,060	13,605,809	96.9%	13,611,452	97.0%
2015-16	4.9256	287,284,520	14,150,486	13,764,625	97.3%	13,466,831	95.2%

Source: District's Annual Secretary of the Board Report; County Clerk of St. Louis County (Assessed Valuations).

(1) Per \$100 of assessed valuation.

(2) Excludes assessed valuation attributable to TIF districts located within the District.

(3) The District contracts with the St. Louis County Collector and the St. Louis County Assessor to assist in the collection of the District's taxes. The taxes collections shown are net of both fees.

(4) Delinquent taxes are shown in the year payment is actually received.



**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

**SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

**Fiscal Years Ended June 30**

	2019	2020	2021
<b>General (Incidental) Fund</b>			
Balance--Beginning of Year	\$ 7,503,004	\$ 8,020,780	\$ 7,977,170
Cash Receipts	14,902,301	15,709,886	15,104,748
Cash Disbursement	(6,673,751)	(6,465,811)	(6,507,006)
Other Financing Sources (Uses)	(7,710,774)	(9,287,685)	(8,597,825)
Balance--End of Year	<u>\$ 8,020,780</u>	<u>\$ 7,977,170</u>	<u>\$ 7,977,087</u>
<b>Special Revenue (Teachers) Fund</b>			
Balance--Beginning of Year	\$ 3,245,861	\$ 2,712,784	\$ 3,548,780
Cash Receipts	594,833	608,324	745,310
Cash Disbursement	(9,371,015)	(9,458,243)	(9,598,067)
Other Financing Sources (Uses)	8,243,105	9,685,915	8,597,825
Balance--End of Year	<u>\$ 2,712,784</u>	<u>\$ 3,548,780</u>	<u>\$ 3,293,848</u>
<b>Debt Service Fund</b>			
Balance--Beginning of Year	\$ 1,048,981	\$ 1,223,300	\$ 1,361,856
Cash Receipts	1,369,777	1,565,095	2,687,660
Cash Disbursement	(1,195,458)	(1,426,539)	(1,544,320)
Other Financing Sources (Uses)	-	-	-
Balance--End of Year	<u>\$ 1,223,300</u>	<u>\$ 1,361,856</u>	<u>\$ 2,505,196</u>
<b>Capital Projects (Building) Fund</b>			
Balance--Beginning of Year	\$ 4,639,124	\$ 15,014,308	\$ 8,888,523
Cash Receipts	3,217,740	3,304,148	5,717,037
Cash Disbursement	(2,295,259)	(16,009,084)	(7,604,079)
Other Financing Sources (Uses)	9,452,703	6,579,151	29,006,066
Balance--End of Year	<u>\$ 15,014,308</u>	<u>\$ 8,888,523</u>	<u>\$ 36,007,547</u>
<b>Total Funds</b>			
Balance--Beginning of Year	\$ 16,436,970	\$ 26,971,172	\$ 21,776,329
Cash Receipts	20,084,651	21,187,453	24,254,755
Cash Disbursement	(19,535,483)	(33,359,677)	(25,253,472)
Other Financing Sources (Uses)	9,985,034	6,977,381	29,006,066
Balance--End of Year	<u>\$ 26,971,172</u>	<u>\$ 21,776,329</u>	<u>\$ 49,783,678</u>

**BRENTWOOD SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

**Contacting the School District’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Matthew Norrid, Chief Financial Officer at Brentwood School District, (314) 962-4507.

## **BASIC FINANCIAL STATEMENTS**

**Brentwood School District**  
**Statement of Net Position - Modified Cash Basis**  
**As of June 30, 2021**

	<u>Governmental Activities</u>
Assets	
Current Assets:	
Cash and Investments	\$ 16,592,403.32
Restricted Cash and Investments	33,966,603.31
Total Assets	<u>\$ 50,559,006.63</u>
Liabilities	
Payroll Liabilities	\$ 775,328.18
Net Position	
Restricted for:	
Student Scholarships	20,132.40
Fiscal Agent	533,901.51
Debt Service	2,505,195.75
Capital Projects	30,907,373.65
Unrestricted	<u>15,817,075.14</u>
Total Net Position	<u>49,783,678.45</u>
Total Liabilities and Net Position	<u>\$ 50,559,006.63</u>

The notes to the financial statements are an integral part of this statement.

**Brentwood School District**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended June 30, 2021**

Functions/Programs	Expenses	Charges for Services	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
			Operating Grants and Contributions and Debt Proceeds			Governmental Activities
Governmental Activities:						
Instruction	\$ 8,171,239.00	\$ 207,117.14	\$ 641,887.95	\$ -	\$ -	\$ (7,322,233.91)
Attendance	82,635.48	-	-	-	-	(82,635.48)
Guidance	541,154.29	-	-	-	-	(541,154.29)
Health, Psych Speech and Audio	263,727.87	-	-	-	-	(263,727.87)
Improvement of Instruction	492,213.98	-	34,486.53	-	-	(457,727.45)
Professional Development	450.41	-	-	-	-	(450.41)
Media Services (Library)	250,925.11	-	-	-	-	(250,925.11)
Board of Education Services	54,931.04	-	-	-	-	(54,931.04)
Executive Administration	1,838,193.82	-	-	-	-	(1,838,193.82)
Building Level Administration	1,389,991.58	-	-	-	-	(1,389,991.58)
Business Central Service	266,429.08	-	-	-	-	(266,429.08)
Operation of Plant	2,089,109.98	-	-	-	-	(2,089,109.98)
Security Services	555,057.78	-	-	-	-	(555,057.78)
Pupil Transportation	28,869.84	3,544.09	-	-	-	(25,325.75)
Food Services	348,602.20	3,491.27	251,936.31	-	-	(93,174.62)
Central Office Support Services	203,415.40	-	-	-	-	(203,415.40)
Other Supporting Services	1,674.60	-	-	-	-	(1,674.60)
Adult Education	-	-	-	-	-	-
Community Services	749,625.41	402,172.40	-	-	-	(347,453.01)
Capital Outlay	5,946,007.04	-	29,000,000.00	-	-	23,053,992.96
Debt Service:						
Principal Retirement	615,000.00	-	-	-	-	(615,000.00)
Interest and Fiscal Charges	1,364,216.70	-	4,059,484.70	-	-	2,695,268.00
Total Governmental Activities	<u>\$ 25,253,470.61</u>	<u>\$ 616,324.90</u>	<u>\$ 33,987,795.49</u>	<u>\$ -</u>	<u>\$ -</u>	<u>9,350,649.78</u>
General Revenues:						
Property Taxes, Levied for General Purposes						14,839,940.17
Property Taxes, Levied for Debt Service						1,734,218.49
Other Taxes						1,033,685.84
Prop C - Sales Tax						676,051.91
Interest and Investment Earnings						352,232.57
Miscellaneous						20,570.81
Subtotal, General Revenues						<u>18,656,699.79</u>
Change in Net Position						28,007,349.57
Net Position July 1, 2020						<u>21,776,328.88</u>
Net Position June 30, 2021						<u>\$ 49,783,678.45</u>

The notes to the financial statements are an integral part of this statement.

**Brentwood School District**  
**Balance Sheet - Modified Cash Basis -**  
**All Governmental Funds**  
**As of June 30, 2021**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Investments	\$ 7,545,852.63	\$ 3,946,377.08	\$ -	\$ 5,100,173.61	\$ 16,592,403.32
Restricted Cash and Investments	554,033.91	-	2,505,195.75	30,907,373.65	33,966,603.31
Total Assets	<u>\$ 8,099,886.54</u>	<u>\$ 3,946,377.08</u>	<u>\$ 2,505,195.75</u>	<u>\$ 36,007,547.26</u>	<u>\$ 50,559,006.63</u>
<b>LIABILITIES</b>					
Payroll Liabilities	\$ 122,798.85	\$ 652,529.33	\$ -	\$ -	\$ 775,328.18
<b>FUND BALANCES</b>					
Restricted For:					
Debt Service	-	-	2,505,195.75	-	2,505,195.75
Student Scholarships	20,132.40	-	-	-	20,132.40
Fiscal Agent	533,901.51	-	-	-	533,901.51
Capital Projects	-	-	-	30,907,373.65	30,907,373.65
Committed for:					
Stabilization Reserve	-	-	-	-	-
Assigned to:					
Capital Outlay	-	-	-	-	-
Capital Projects	-	-	-	5,100,173.61	5,100,173.61
Unassigned	7,423,053.78	3,293,847.75	-	-	10,716,901.53
Total Fund Balances	<u>7,977,087.69</u>	<u>3,293,847.75</u>	<u>2,505,195.75</u>	<u>36,007,547.26</u>	<u>49,783,678.45</u>
Total Liabilities and Fund Balances	<u>\$ 8,099,886.54</u>	<u>\$ 3,946,377.08</u>	<u>\$ 2,505,195.75</u>	<u>\$ 36,007,547.26</u>	<u>\$ 50,559,006.63</u>

The notes to the financial statements are an integral part of this statement.

**BRENTWOOD SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis -**  
**All Governmental Funds**  
**For the Year Ended June 30, 2021**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues</b>					
Local Sources	\$ 14,341,567.62	\$ 253,917.84	\$ 2,644,059.09	\$ 5,697,041.52	\$ 22,936,586.07
County Sources	109,836.48	5,763.91	43,600.39	19,995.50	179,196.28
State Sources	77,712.72	353,081.65	-	-	430,794.37
Federal Sources	364,970.14	132,546.28	-	-	497,516.42
Total Revenues	14,894,086.96	745,309.68	2,687,659.48	5,717,037.02	24,044,093.14
<b>Expenditures</b>					
Regular Instruction	1,045,740.07	7,123,829.45	-	1,669.48	8,171,239.00
Attendance	82,635.48	-	-	-	82,635.48
Guidance	94,310.38	446,843.91	-	-	541,154.29
Health, Psych Speech & Audio	263,727.87	-	-	-	263,727.87
Improvement of Instruction	321,502.84	170,711.14	-	-	492,213.98
Professional Development	450.41	-	-	-	450.41
Media Services	27,854.84	223,070.27	-	-	250,925.11
Board of Education Services	54,931.04	-	-	-	54,931.04
Executive Administration	743,278.21	429,546.81	-	665,368.80	1,838,193.82
Building Level Administration	550,928.95	838,489.84	-	572.79	1,389,991.58
Business Central Services	266,429.08	-	-	-	266,429.08
Operation of Plant	2,089,109.98	-	-	-	2,089,109.98
Security Services	24,124.38	-	-	530,933.40	555,057.78
Pupil Transportation	28,869.84	-	-	-	28,869.84
Food Service	323,972.16	-	-	24,630.04	348,602.20
Central Office Support Services	203,415.40	-	-	-	203,415.40
Other Supporting Services	1,674.60	-	-	-	1,674.60
Community Services	384,050.20	365,575.21	-	-	749,625.41
Capital Outlay	-	-	-	5,946,007.04	5,946,007.04
Debt Service:					
Principal	-	-	460,000.00	155,000.00	615,000.00
Interest and Charges	-	-	1,084,320.12	279,896.58	1,364,216.70
Total Expenditures	6,507,005.73	9,598,066.63	1,544,320.12	7,604,078.13	25,253,470.61
 Excess (Deficiency) of Revenues Over Expenditures	 8,387,081.23	 (8,852,756.95)	 1,143,339.36	 (1,887,041.11)	 (1,209,377.47)
<b>Other Financing Sources (Uses):</b>					
Transfers	(8,597,824.60)	8,597,824.60	-	-	-
Sale of Bonds	-	-	-	29,000,000.00	29,000,000.00
Net Insurance Recovery	-	-	-	-	-
Sale of School Buses	-	-	-	-	-
Sale of Other Property	-	-	-	6,065.81	6,065.81
Refunding Bonds	-	-	-	-	-
Tuition From Other Districts	28,647.64	-	-	-	28,647.64
Area Voc Fees from Other LEAS	-	-	-	-	-
Contracted Educational Services	178,469.50	-	-	-	178,469.50
Trans From Other LEAS Non-Handi	3,544.09	-	-	-	3,544.09
Trans From Other LEAS for Handi	-	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-	-
Total Other Financing Sources (Uses)	(8,387,163.37)	8,597,824.60	-	29,006,065.81	29,216,727.04
 NET CHANGE IN FUND BALANCES	 (82.14)	 (254,932.35)	 1,143,339.36	 27,119,024.70	 28,007,349.57
Fund Balances July 1, 2020	7,977,169.83	3,548,780.10	1,361,856.39	8,888,522.56	21,776,328.88
Fund Balances June 30, 2021	\$ 7,977,087.69	\$ 3,293,847.75	\$ 2,505,195.75	\$ 36,007,547.26	\$ 49,783,678.45

The notes to the financial statements are an integral part of this statement.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Brentwood School District (“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 District provides educational services.

As discussed further in Note I, these financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Principles Determining the Scope of Reporting Entity

The financial statements of the District consist only of the District’s funds. The District has no financial accountability for any other governmental entity, since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective board. In addition, the District is not aware of any entity that would exercise such oversight, which would result in the District being considered a component unit of the entity.

Additionally, while the parent-teacher organizations of the District’s schools are organizations that provide financial support exclusively to the District, they are not required to be included as a component unit because the amount of financial support provided is of a de minimis nature.

A reporting entity comprises the primary government, component units, and other organizations that are included to ensure that the District’s financial statements are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. This includes the District’s general operations, food service, and student-related activities.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if it appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent of the District in that it approves the budget, the issuance of debt or the levying of taxes. The District has the following component unit:

**Blended Component Unit**

The Brentwood Public School Building Corporation was incorporated as a not-for-profit organization to operate exclusively for the benefit of the Brentwood School District. Although the District is not legally responsible for the Building Corporation’s debt, the Corporation receives its sole source of revenue from the District’s lease payments.

Due to the nature of the authority’s business, the District has elected not to present the component unit separately, but rather, to report it in the Governmental Activities.



BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fiscal Agent**

The Brentwood Public School District is the Fiscal Agent for the Collaborative School. The Collaborative School is a consortium school consisting of Brentwood School District, The City of Ladue School District and the School District of Clayton to provide an alternative learning school for children within the three districts. All revenues and expenses are ran through Brentwood's general ledger as a sub ledger of the General Fund and fund balances are shown as restricted.

Fund Accounting

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

Governmental Fund

Governmental Funds are those through which most functions of the District are financed. The District's expendable financial resources are accounted for through Governmental Funds. The measurement focus is determined upon changes in the financial position rather than upon net income determination. The following are the District's governmental fund types, each of which the District considers to be a major fund.

*General Fund:* This fund is the District's general operating fund, and it accounts for non-certified employees' expenditures, pupil transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any expenditures not required or permitted to be accounted for in other funds.

*Special Revenue Fund:* The Special Revenue Fund accounts for revenues derived from specific taxes or other earmarked revenue sources. It accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted by the State and local tax levy allocations for teacher salaries and certain benefits.

*Debt Service Fund:* This fund is used to account for the accumulation of resources for and the payment of principal, interest and fiscal charges on long-term debt.

*Capital Projects Fund:* This fund is used to account for the proceeds of long-term debt, taxes and other revenues restricted for acquisition or construction of major capital assets and all other capital outlay.

Basis of Presentation

*Government-Wide Financial Statements*

The Statement of Net Position and the Statement of Activities present financial information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Fiduciary funds are not included in the government-wide financial statements.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Presentation (Concluded)

*Government-Wide Financial Statements (Concluded)*

The Statement of Net Position presents the financial condition of the District's governmental activities at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* include (a) charges paid by the students for tuition, fees, or goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as *program revenues* are presented as general revenues and include all property taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or drawing from the District's general revenues.

*Fund Financial Statements*

The fund financial statements provide information about the District's funds. A balance sheet and statement of revenues, expenditures, and changes in fund balances are presented. The fund financial statements emphasize major governmental funds each displayed in a separate column, and the District considers each of its funds to be major.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves modifications to the cash basis of accounting to report in the Statement of Net Position or Balance Sheet cash transactions or events that provide a benefit or result in an obligation, which covers a period greater than the period in when the cash transaction or event occurred. Such reported balances include investments, inventories, receivables, capital assets, deferred outflows, short-term liabilities, long-term liabilities, and deferred inflows arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services but not yet paid, and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event (such as donated assets and post-employment benefit obligations) are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the School District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments that are managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained.

The District may invest in United States Treasury bills, notes, bonds, government agency and instrumental obligations, repurchase agreements collateralized by government securities, time certificates of deposit, bankers' acceptances issued by domestic commercial banks, and commercial paper issued by domestic corporations.

Interest income earned is allocated to contributing funds based on each fund's proportionate share of funds invested. In addition, see Note II, Cash and Investments.

Restricted Cash

Restricted cash represents amounts with limited use by legal requirements that consist of values escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program as discussed in Note II.

Fund Balance Reserves

The District reserves those portions of fund balance legally segregated for a specific future use or those portions that do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods.

Fund Balance Classification

Net Position represents the difference between assets and liabilities. Net Position is reported as restricted when there are limitations imposed on its use, either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. All other Net Position is reported as unrestricted. The District applies restricted resources first when an expense is incurred for purposes when both restricted and unrestricted Net Position are available.

- Nonspendable Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and prepaids) or funds that legally or contractually must remain intact. The District did not have any nonspendable resources as of June 30, 2021.
- Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District-held bonds and are restricted through debt covenants.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fund Balance Classification (Concluded)

- Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority, the Board of Education. Formal action, such as a vote from the Board of Education, must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- Assigned Fund Balance consists of funds that are set for a specific purpose by the District's highest level of decision-making authority, the Board of Education or a body or official, such as the Superintendent, who has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance. This classification includes the remaining positive fund balance of all governmental funds except for the General Fund.
- Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but it reserves the right to selectively spend unassigned resources first to defer using these other classified funds.

As of June 30, 2021, fund balance components other than unassigned fund balances consist of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund	\$ -	\$ 554,033.91	\$ -	\$ -
Special Revenue (Teachers) Fund	-	-	-	-
Debt Service Fund	-	2,505,195.75	-	-
Capital Projects Fund	-	30,907,373.65	-	5,100,173.61
Total	\$ -	\$ 33,966,603.31	\$ -	\$ 5,100,173.61

Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)**

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and are either unusual in nature or infrequent in occurrence.

Inventories

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and is accounted for using the purchase method in which supplies are charged to expenditures when purchased.

Compensated Absences

Vacation time is considered an expenditure in the year paid. Amounts that are unpaid and vested in the employee are paid at termination. Vacation time is lost if unused at June 30. If personal time is unused at June 30, it is rolled over to sick leave. Total unpaid personal and sick leave at June 30, 2021, amounted to approximately \$2,280,692.33. These estimates have not been subjected to auditing procedures.

Teachers' Salaries

The District's salary payment schedule for the 2020-21 school year requires paying salaries over a 12-month period. Consequently, the July and August 2021 payroll checks are included in the accompanying financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

**II. DEPOSITS**

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

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At June 30, 2021, the carrying amount of the District's pooled deposits and investments was \$50,559,006.63, and the bank balance was \$51,002,224.87. As of June 30, 2021, 100% of the District's investments were guaranteed by the U.S. Government through pledged securities and FDIC insurance.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**II. DEPOSITS (CONTINUED)**

The deposits held at June 30, 2021, and reported at fair market value are as follows:

TYPE	MATURITIES	FMV
DEPOSITS:		
Checking	N/A	\$ 50,559,006.63
TOTAL DEPOSITS		\$ 50,559,006.63

Custodial Credit Risk – Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy does not include custodial credit risk requirements. The 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 government, and are held by the party who sold the security to the District or its agent but not in the government's name. The District does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the District or of a type not exposed to custodial credit risk.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**II. DEPOSITS (CONCLUDED)**

Investment Interest Rate Risk

The District has no policy in place to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities.

Investment Credit Risk

The District has policies in place to minimize credit risk, the risk of loss due to the failure of the security issuer or backer.

At June 30, 2021, all of the District's investments were rated AAA.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the 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 District has policies in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities.

At June 30, 2021, the U.S. Government guaranteed 100% of the District's investments.

**III. TAXES**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. The county collects the property tax and remits it to the District. The District also receives sales tax collected by the State and remitted based on a prior year weighted average attendance. The District is required to reduce its property tax levy by one half the amount of sales tax estimated to be received in the subsequent calendar year.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**III. TAXES (CONCLUDED)**

The assessed valuation of the tangible taxable property for the calendar year 2020, for purposes of local taxation, was \$ 355,288,720.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2020, for purposes of local taxation, was:

	Unadjusted	Adjusted
General (Incidental) Fund	\$ 3.8275	\$ 3.7272
Special Revenue Fund	0.0000	0.0000
Debt Service Fund	0.5140	0.5140
Capital Projects Fund	0.2820	0.2820
Total	<u>\$ 4.6235</u>	<u>\$ 4.5232</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2021, aggregated approximately 95.00% of the current assessment computed on the basis of the levy as shown above.

**IV. LONG-TERM LIABILITIES**

Long-term liability balances and activity of the District's Governmental Activities for the year ended June 30, 2021, were as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
General Obligation Bonds	\$ 20,278,332.50	\$ 29,000,000.00	\$ (460,000.00)	\$ 48,818,332.50	\$ 1,083,366.12
Leasehold Revenue Bonds	215,000.00	-	(155,000.00)	60,000.00	8,774.34
Total Long-Term Liabilities	<u>\$ 20,493,332.50</u>	<u>\$ 29,000,000.00</u>	<u>\$ (615,000.00)</u>	<u>\$ 48,878,332.50</u>	<u>\$ 1,092,140.46</u>

**General Obligation Bonds**

General obligation bonds payable at June 30, 2021, consist of:

\$29,000,000.00 Original Principal Brentwood School District General Obligations Bonds Series 2020 due in varying annual principal installments ranging from \$575,000 to \$4,105,000 through March 1, 2040. Interest rate varies between 3% and 4.00% and is due semiannually on September 1 and March 1 each year. \$29,000,000.00



BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**IV. LONG-TERM LIABILITIES (CONTINUED)**

\$6,575,000.00 Original Principal Brentwood School District General Obligations Bonds Series 2019 due in varying annual principal installments ranging from \$375,000 to \$1,500,000 through March 1, 2039. Interest rate varies between 2% and 4.00% and is due semiannually on September 1 and March 1 each year. \$6,575,000.00

\$9,425,000.00 Original Principal Brentwood School District General Obligations Bonds Series 2018 due in varying annual principal installments ranging from \$750,000 to \$1,250,000 through March 1, 2038. Interest rate is 4.00% and is due semiannually on September 1 and March 1 each year. \$ 9,425,000.00

On December 7, 2016, Brentwood School District refunded a portion of its 2007 General Obligation Bond Refunding Bonds and a portion of the 2009 General Obligation Improvement and Refunding Bonds with details as follows: \$6,228,332.50 for Brentwood School District General Obligation Refunding Bond Series 2016, due in annual principal installments through March 1, 2029. Interest rate is 3.000% and is due semiannually on September 1 and March 1 each year. \$ 3,818,332.50

\$ 48,818,332.50

Debt service requirements to maturity are:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,410,000.00	\$ 1,807,700.00	\$ 3,217,700.00
2023	1,288,332.50	1,769,150.00	3,057,482.50
2024	1,595,000.00	1,729,650.00	3,324,650.00
2025	1,700,000.00	1,886,317.50	3,586,317.50
2026	1,810,000.00	1,615,600.00	3,425,600.00
2027-2031	10,955,000.00	6,987,800.00	17,942,800.00
2032-2036	14,810,000.00	4,567,600.00	19,377,600.00
2037-2040	15,250,000.00	1,327,750.00	16,577,750.00
Totals	<u>\$ 48,818,332.50</u>	<u>\$ 21,691,567.50</u>	<u>\$ 70,509,900.00</u>

All of the bond principal and interest payments are paid out of the Debt Service Fund.

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 the district (including state-assessed railroad and utilities). The District did not exceed the legal debt margin at June 30, 2021. The bond payments are made from the Debt Service Fund.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**IV. LONG-TERM LIABILITIES (CONCLUDED)**

Leasehold Revenue Bonds

On October 18, 2011, the District issued \$1,045,000 in Building Lease Certificates of Participation, Series 2011 with an interest rate of 2.75% for the purpose of refinancing the Series 2002 Certificates of Participation that were issued on October 31, 2002.

The following is a schedule of the future minimum lease payments under the leases (assuming non - cancellation):

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 60,000.00	\$ 1,650.00	\$ 61,650.00
Totals	\$ 60,000.00	\$ 1,650.00	\$ 61,650.00

The Leasehold Revenue Bonds are paid by the Building Corporation, which is funded from the Capital Projects Fund of the District.

**V. OPERATING LEASES**

On June 8, 2020, the District entered into an operating lease with Sumner One for copier equipment for the District. The lease payments total \$2,838.54 per month for a period of 60 months. These payments are made from the General Fund.

The following is a schedule of the future minimum lease payments under the lease (assuming non - cancellation):

Fiscal Year Ending June 30,	Payments
2022	\$ 34,062.48
2023	34,062.48
2024	34,062.48
2025	31,223.94
Totals	\$ 133,411.38

On April 18, 2017, the District entered into an operating lease with Mailfinance Inc. for a postage machine for the District. The lease is for 60 months with payments totaling \$137.75 per month to be made quarterly. These payments are made from the General Fund.

The following is a schedule of the future minimum lease payments under the lease (assuming non - cancellation):

Fiscal Year Ending June 30,	Payments
2022	\$ 1,377.50
Totals	\$ 1,377.50

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN**

**Summary of Significant Accounting Policies**

Financial reporting information pertaining to the district's participation in the Public School Retirement System of Missouri and the 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.

The fiduciary net position, as well as additions to and deductions from fiduciary net position, of PSRS and PEERS have been determined on the same basis as they are reported by the Systems. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing the Systems. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value. The fiduciary net position is reflected in the measurement of the District's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. A Comprehensive Annual Financial Report ("CAFR") can be obtained at [www.psrs-peers.org](http://www.psrs-peers.org).

**General Information about the Pension Plan - PSRS**

*Plan Description.* PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state 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 "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

*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.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**General Information about the Pension Plan – PSRS (Concluded)**

A Summary Plan Description detailing the provisions of the plan can be found on Systems' website at [www.psr-peers.org](http://www.psr-peers.org).

*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.

The District's contributions to PSRS were \$1,157,566.03 for the year ended June 30, 2021.

**General Information about the Pension Plan - PEERS**

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

*Benefits Provided.* PEERS is a defined benefit plan providing retirement, disability and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 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.

A Summary Plan Description detailing the provisions of the plan can be found on Systems' website at [www.psr-peers.org](http://www.psr-peers.org).

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**General Information about the Pension Plan – PEERS (Concluded)**

*Contributions.* 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 District's contributions to PEERS were \$203,508.12 for the year ended June 30, 2021.

**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 one or more 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.

**Pension Liabilities and Pension Expense - PSRS**

At June 30, 2021, the District recorded a liability of \$13,860,472 for its proportionate share of the PSRS net pension liability. The net pension liability for the plan in total was measured as of June 30, 2020, and determined by an actuarial valuation as of that date. The district's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PSRS of \$1,123,440 for the year ended June 30, 2020, relative to the total contributions of \$723,970,206 from all participating employers. At June 30, 2020, the District's proportionate share was 0.1552%.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**Pension Liabilities and Pension Expense - PEERS**

At June 30, 2021, the District recorded a liability of \$1,602,390 for its proportionate share of the PEERS net pension liability. The net pension liability for the plan in total was measured as of June 30, 2020, and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PEERS of \$203,785 for the year ended June 30, 2020, relative to the total contributions of \$123,440,288 from all participating employers. At June 30, 2020, the District's proportionate share was 0.1651%.

For the year ended June 30, 2021, the district recognized pension expense of \$2,176,487 for PSRS and \$340,923 for PEERS, its proportionate share of the total pension expense.

**Actuarial Assumptions – PSRS and PEERS**

Actuarial valuations of the Systems involve assumptions about the probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of Trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year and from Board policies concerning investments and COLAs. The most recent comprehensive experience studies were completed in June 2016. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the studies and effective with the June 30, 2016, valuation. For the June 30, 2017 valuations, the investment rate of return was reduced from 7.75% to 7.60% and the assumption for the annual cost-of-living adjustments was updated in accordance with the funding policies amended by the Board of Trustees at their November 2017 meeting. For the June 30, 2018 valuation, the investment rate of return assumption was further reduced from 7.6% to 7.50%. No additional assumption changes have occurred. Significant actuarial assumption and methods are detailed below. For additional information please refer to the Systems' CAFR. The next experience studies are scheduled for 2021.

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

- Measurement Date	June 30, 2020
- Valuation Date	June 30, 2020
- Expected Return on Investments	7.50%, net of investment expenses and including 2.25% inflation
- Inflation	2.25%
- Total Payroll Growth - PSRS	2.75% per annum, consisting of 2.25% inflation, 0.25% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**Actuarial Assumptions – PSRS and PEERS (Continued)**

- Total Payroll Growth - PEERS      3.25% per annum, consisting of 2.25% inflation, 0.50% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.50% of real wage growth due to productivity.
- Future Salary Increases - PSRS      3.00% - 9.50%, depending on service and including 2.25% inflation, 0.25% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity, and real wage growth for merit, promotion and seniority of 0.25% to 6.75% .
- Future Salary Increases - PEERS      4.00% - 11.00%, depending on service and including 2.25% inflation, 0.50% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.50% of real wage growth due to productivity, and real wage growth for merit, promotion and seniority of 0.75% to 7.75%.
- Cost-of-Living Increases – Both      The annual COLA assumed in the valuation increases from 1.35% to 1.65% over six years beginning January 1, 2022. The COLA reflected for January 1, 2021, is 2.00%, in accordance with the actual COLA approved by the Board. This COLA assumption reflects an assumption that general inflation will increase from 1.95% to a normative inflation assumption of 2.25% over six years. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:
  - If the June to June change in the CPI-U is less than 2% for one or more 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.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**Actuarial Assumptions – PSRS and PEERS (Continued)**

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

**- Mortality Assumption**

Actives - PSRS: RP 2006 White Collar Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.

Actives - PEERS: RP 2006 Total Dataset Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.

Non-Disabled Retirees,  
Beneficiaries and Survivors - PSRS: RP 2006 White Collar Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

Non-Disabled Retirees,  
Beneficiaries and Survivors - PEERS: RP 2006 Total Dataset Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.

Disabled Retirees - Both: RP 2006 Disabled Retiree Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

**Changes in Actuarial Assumptions and Methods**

**PSRS & PEERS:**

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

**Fiduciary Net Position**

The Systems issue a publicly available financial report (CAFR) that can be obtained at [www.psrs-peers.org](http://www.psrs-peers.org).



BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**Expected Rate of Return**

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

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Long-term Expected Real Return Arithmetic Basis</b>
U.S. Public Equity	23.0%	4.81%
Public Credit	0.0%	0.80%
Hedged Assets	6.0%	2.39%
Non-U.S. Public Equity	16.0%	6.88%
U.S. Treasuries	20.0%	-0.020%
U.S. TIPS	0.0%	0.29%
Private Credit	8.0%	5.61%
Private Equity	16.0%	10.90%
Private Real Estate	11.0%	7.47%
Total	<u>100.0%</u>	

**- Discount Rate**

The long-term expected rate of return used to measure the total pension liability was 7.5% as of June 30, 2020, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return was 8.0% from 1980 through fiscal year 2016. The Board of Trustees adopted a new actuarial assumed rate of return of 7.75% effective with the June 30, 2016, valuation based on the actuarial experience studies and asset-liability study conducted during the 2016 fiscal year. As previously discussed, the Board of Trustees further reduced the assumed rate of return to 7.6% effective with the June 30, 2017, valuation, and to 7.5% effective with the June 30, 2018 valuation. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONTINUED)**

**Expected Rate of Return (Concluded)**

be available to make all projected future benefit payments of current plan members.

- Discount Rate Sensitivity

The sensitivity of the district's net pension liabilities to changes in the discount rate is presented below. The district's net pension liabilities calculated using the discount rate of 7.50% is presented as well as the net pension liabilities using a discount rate that is 1.0% lower (6.50%) or 1.0% higher (8.50%) than the current rate.

Discount Rate	<u>1% Decrease (6.50%)</u>	<u>Current Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
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PSRS Proportionate share of the Net Pension

Liability / (Asset)	\$23,520,478	\$13,860,472	\$5,826,937
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PEERS Proportionate share of the Net Pension

Liability / (Asset)	\$2,823,875	\$1,602,390	\$577,490
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**Schedule of Proportionate Share of the Net Pension Liability and Related Ratios - PSRS**

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share Of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) As a Percentage Of Covered Payroll	Fiduciary Net Position as A Percentage of Total Pension Liability
6/30/14	0.1546%	\$6,342,582	\$6,967,350	91.03%	89.34%
6/30/15	0.1561%	\$9,011,435	\$7,187,911	125.37%	85.78%
6/30/16	0.1561%	\$11,614,853	\$7,384,557	157.29%	82.18%
6/30/17	0.1596%	\$11,525,554	\$7,710,331	149.48%	83.77%
6/30/18	0.1578%	\$11,744,196	\$7,789,018	150.78%	84.06%
6/30/19	0.1567%	\$11,564,570	\$7,882,727	146.71%	84.62%
6/30/20	0.1552%	\$13,860,472	\$7,922,382	174.95%	82.01%

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VI. RETIREMENT PLAN (CONCLUDED)**

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

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share Of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) As a Percentage Of Covered Payroll	Fiduciary Net Position as A Percentage of Total Pension Liability
6/30/14	0.1546%	\$564,547	\$ 2,254,333	25.04%	91.33%
6/30/15	0.1587%	\$839,374	\$ 2,379,164	35.28%	88.28%
6/30/16	0.1625%	\$1,303,795	\$ 2,510,033	51.94%	83.32%
6/30/17	0.1631%	\$1,244,373	\$ 2,621,010	47.48%	85.35%
6/30/18	0.1591%	\$1,229,385	\$ 2,648,026	46.43%	86.06%
6/30/19	0.1571%	\$1,242,600	\$ 2,719,612	45.69%	86.38%
6/30/20	0.1651%	\$1,602,390	\$ 2,963,020	54.08%	84.06%

**Schedule of Employer Contributions - PSRS**

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/13	\$991,946	\$991,946	\$ -	\$6,920,489	14.33%
6/30/14	995,602	995,602	-	6,967,350	14.29%
6/30/15	1,025,161	1,025,161	-	7,187,911	14.26%
6/30/16	1,045,551	1,045,551	-	7,384,557	14.16%
6/30/17	1,091,372	1,091,732	-	7,710,331	14.16%
6/30/18	1,100,373	1,100,373	-	7,789,018	14.13%
6/30/19	1,115,302	1,115,302	-	7,882,727	14.15%
6/30/20	1,123,440	1,123,440	-	7,922,382	14.18%

**Schedule of Employer Contributions - PEERS**

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/13	\$153,242	\$153,242	\$ -	\$2,233,840	6.86%
6/30/14	154,647	154,647	-	2,254,333	6.86%
6/30/15	163,211	163,211	-	2,379,164	6.86%
6/30/16	172,188	172,188	-	2,510,033	6.86%
6/30/17	179,802	179,802	-	2,621,010	6.86%
6/30/18	181,656	181,656	-	2,648,026	6.86%
6/30/19	187,131	187,131	-	2,719,612	6.88%
6/30/20	203,785	203,785	-	2,963,020	6.88%

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**VII. PARTICIPATION IN PUBLIC ENTITY RISK POOL – (MUSIC)**

The District is exposed to various risks of loss to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was unable to obtain general liability insurance at a cost it considered to be economically justifiable, and therefore, it joined together with approximately 482 other Missouri Public School Districts and Junior College Districts to form the Missouri United School Insurance Council (MUSIC).

MUSIC is a public entity risk pool currently operating as a common risk management and insurance policy 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 annual assessment for the District is \$215,691.

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

**VIII. BUDGETARY REPORTING**

The District's actual year end revenues in the General Fund were less than the original budget, Special Revenue Fund was greater than the original budget, Debt Service Fund was greater than the original budget and the Capital Projects Fund was greater than the original budget. As a result of budget adjustments made throughout the year. Expenditures were also adequately budgeted for in the current fiscal year.

**IX. LITIGATION**

The District is involved in pending litigation as of the audit report date. No provision has been made in the financial statements for any loss that might arise in the event of an unfavorable outcome of this matter. District management believes that such litigation and claims will ultimately be resolved without material financial liability, if any, to the District.

**X. INTERFUND TRANSFERS**

Transfers between funds for the year ended June 30, 2021, are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 8,597,824.60
Special Revenue Fund	<u>8,597,824.60</u>	<u>-</u>
Total	<u>\$ 8,597,824.60</u>	<u>\$ 8,597,824.60</u>

Funds were transferred out of the General Fund to pay for teachers' salaries in the Special Revenue Fund and to flush out the excess incidental Fund Balance for the year ended June 30, 2021.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**XI. BLENDED COMPONENT UNIT**

As discussed in Note I, Brentwood School District is involved in The Brentwood Public School Building Corporation which was incorporated as a not-for-profit organization, and whose stated purpose is to operate exclusively for the benefit of the Brentwood School District. The Blended Component Unit is included in the Capital Projects Fund and the reconciliation is as follows:

	Total Amount Included In Capital Projects Fund	Less Amount Pertaining To Capital Projects Fund	Amount Pertaining to Blended Component Unit
Principal \$	155,000.00	\$ -	\$ 155,000.00
Interest	<u>5,912.50</u>	<u>-</u>	<u>5,912.50</u>
Total	\$ <u>160,912.50</u>	\$ <u>-</u>	\$ <u>160,912.50</u>

**XII. ST. LOUIS DESEGREGATION PROGRAM**

The District was a party to, and bound by, the terms of the Settlement Agreement negotiated in 1983 regarding the St. Louis desegregation case. On October 1, 1991, the District filed a motion for final judgment notifying the Court that it met the required plan ratio in September 1991. On November 4, 1991, the District received a final judgment from the U.S. District Court stating that the District had satisfied its inter-district pupil desegregation obligations. The District remains under a voluntary obligation to comply with all terms of the new settlement agreement negotiated in 1999. The Voluntary Inter-District Choice Corporation currently administers the St. Louis Voluntary Inter-district transfer plan. Desegregation aid received for the year ended June 30, 2021, was approximately \$399,670.30.

**XIII. POST-EMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note VI, the District allows employees who retire from the District to participate in the District's health, dental and vision insurance plans. Upon meeting the retirement requirements per PSRS and PEERS, the employees can elect to participate in the 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 District is considered to be a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the 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. During the year, approximately 66 retirees participated in the District's insurance plans and paid premiums totaling approximately \$181,824. The District had no former employees that participated in Cobra during the fiscal year ended June 30, 2021.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**XIV. SUBSEQUENT EVENTS**

There are no subsequent events noted for the year ended June 30, 2021.

**XV. TUITION RECEIVED**

The District received money for tuition from Normandy School District for the year ended June 30, 2021, due to the loss of their accreditation. Students that chose to transfer to Brentwood School District were transported to the District by their parents. Normandy School District had to pay the set tuition rate per child as established by the Brentwood School District. Tuition received for the year ended June 30, 2021, was approximately \$28,647.64 for Normandy.

**XVI. COLLABORATIVE SCHOOL**

The Brentwood Public School District is the Fiscal Agent for the Collaborative School. The Collaborative School is a consortium school consisting of Brentwood School District, The City of Ladue School District and the School District of Clayton to provide an alternative learning school for children within the three districts. All revenue and expenses are ran through Brentwood's general ledger as a sub ledger of the General Fund and fund balances are shown as restricted.

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021

**XVII. TAX ABATEMENT**

The District is involved, through St. Louis County, in a tax abatement agreement with local businesses under the Urban Redevelopment Corporations under Ch. 353 of the RSMos. Under this program, localities may grant property tax abatements of up to 50% of a business' property tax bill for the purpose of providing Urban Redevelopment Corporations real property tax abatements.

For the year ended June 30, 2021, the District had abated property taxes totaling \$683,806.89 under this program, including the following tax abatement that made up for the entire abatement amount.

- A 50 percent property tax abatement to the Villas at Brentwood under the program described above. The abatement amounted to \$182,329.09.
- A 50 percent property tax abatement to the Drury Brentwood under the program described above. The abatement amounted to \$235,255.70.
- A property tax abatement to the Cheshire Inn, Evo Apartments and Homewood Suites and City of Richmond Heights under the program described above. The abatement amounted to \$266,222.10 divided between the three, \$359.17, \$265,391.35 and \$471.58 respectively.

The District is involved, through the state of Missouri, in property tax surcharge receipts. The property tax surcharge was established in 1985 under the Missouri Constitution Article X, Section 6. This is a replacement for revenues lost when tangible personal property merchants' and manufacturers' inventory was exempted from property assessment. These receipts are put into a "Surcharge Pool" and are allocated to each taxing entity within a County. When certain entities enter into tax abatement agreements, these surcharge amounts become abated as well.

For the year ended June 30, 2021, the District had abated surcharge taxes totaling \$56,082.77 under this program, under several surcharge abatements throughout St. Louis County.

## **SUPPLEMENTARY INFORMATION**



**Brentwood School District**  
**Budgetary Comparison Schedule - Modified Cash Basis - General Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
Revenues				
Local Sources	\$ 15,150,500.00	\$ 14,341,567.62	\$ 14,341,567.62	\$ -
County Sources	105,000.00	109,836.48	109,836.48	-
State Sources	42,800.00	77,712.72	77,712.72	-
Federal Sources	185,000.00	364,970.14	364,970.14	-
Total Revenues	15,483,300.00	14,894,086.96	14,894,086.96	-
Expenditures				
Current:				
Instruction	1,191,858.00	1,045,740.07	1,045,740.07	-
Attendance	81,944.00	82,635.48	82,635.48	-
Guidance	121,005.00	94,310.38	94,310.38	-
Health, Psych Speech & Audio	300,890.00	263,727.87	263,727.87	-
Improvement of Instruction	458,670.00	321,502.84	321,502.84	-
Professional Development	1,000.00	450.41	450.41	-
Media Services	30,713.00	27,854.84	27,854.84	-
Board of Education Services	180,850.00	54,931.04	54,931.04	-
Executive Administration	847,815.80	743,278.21	743,278.21	-
Building Level Administration	561,102.00	550,928.95	550,928.95	-
Business Central Services	340,025.00	266,429.08	266,429.08	-
Operation of Plant	2,339,829.00	2,089,109.98	2,089,109.98	-
Security Services	86,800.00	24,124.38	24,124.38	-
Pupil Transportation	95,600.00	28,869.84	28,869.84	-
Food Service	330,000.00	323,972.16	323,972.16	-
Central Office Support Services	197,260.00	203,415.40	203,415.40	-
Other Supporting Services	16,500.00	1,674.60	1,674.60	-
Community Services	541,536.96	384,050.20	384,050.20	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
Total Expenditures	7,723,398.76	6,507,005.73	6,507,005.73	-
Revenues Collected Over (Under)				
Expenditures	7,759,901.24	8,387,081.23	8,387,081.23	-
Other Financing Sources (Uses):				
Transfers	(8,288,045.00)	(8,597,824.60)	(8,597,824.60)	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition From Other Districts	81,900.00	28,647.64	28,647.64	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	380,492.00	178,469.50	178,469.50	-
Trans From Other LEAS Non-Handi	-	3,544.09	3,544.09	-
Trans From Other LEAS for Handi	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-
Total Other Financing Sources (Uses)	(7,825,653.00)	(8,387,163.37)	(8,387,163.37)	-
NET CHANGE IN FUND BALANCE	(65,751.76)	(82.14)	(82.14)	-
Fund Balances July 1, 2020	7,977,169.83	7,977,169.83	7,977,169.83	-
Fund Balances June 30, 2021	\$ 7,911,418.07	\$ 7,977,087.69	\$ 7,977,087.69	\$ -

**Brentwood School District**  
**Budgetary Comparison Schedule - Modified Cash Basis - Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local Sources	\$ 200,200.00	\$ 253,917.84	\$ 253,917.84	\$ -
County Sources	7,000.00	5,763.91	5,763.91	-
State Sources	275,000.00	353,081.65	353,081.65	-
Federal Sources	-	132,546.28	132,546.28	-
Total Revenues	482,200.00	745,309.68	745,309.68	-
<b>Expenditures</b>				
Current:				
Instruction	7,503,996.00	7,123,829.45	7,123,829.45	-
Attendance	-	-	-	-
Guidance	473,456.00	446,843.91	446,843.91	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	155,420.00	170,711.14	170,711.14	-
Professional Development	-	-	-	-
Media Services	224,117.28	223,070.27	223,070.27	-
Board of Education Services	-	-	-	-
Executive Administration	542,008.00	429,546.81	429,546.81	-
Building Level Administration	835,390.00	838,489.84	838,489.84	-
Business Central Services	-	-	-	-
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	340,146.00	365,575.21	365,575.21	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
Total Expenditures	10,074,533.28	9,598,066.63	9,598,066.63	-
Revenues Collected Over (Under)				
Expenditures	(9,592,333.28)	(8,852,756.95)	(8,852,756.95)	-
Other Financing Sources (Uses):				
Transfers	8,288,045.00	8,597,824.60	8,597,824.60	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition From Other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans From Other LEAS Non-Handi	-	-	-	-
Trans From Other LEAS for Handi	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-
Total Other Financing Sources (Uses)	8,288,045.00	8,597,824.60	8,597,824.60	-
NET CHANGE IN FUND BALANCE	(1,304,288.28)	(254,932.35)	(254,932.35)	-
Fund Balances July 1, 2020	3,548,780.10	3,548,780.10	3,548,780.10	-
Fund Balances June 30, 2021	\$ 2,244,491.82	\$ 3,293,847.75	\$ 3,293,847.75	\$ -

**Brentwood School District**  
**Budgetary Comparison Schedule - Modified Cash Basis - Debt Service Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Final Budget
Revenues				
Local Sources	\$ 1,518,000.00	\$ 2,644,059.09	\$ 2,644,059.09	\$ -
County Sources	30,000.00	43,600.39	43,600.39	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Total Revenues	1,548,000.00	2,687,659.48	2,687,659.48	-
Expenditures				
Current:				
Instruction	-	-	-	-
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	-	-	-	-
Building Level Administration	-	-	-	-
Business Central Services	-	-	-	-
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	460,000.00	460,000.00	460,000.00	-
Interest and Charges	668,300.00	1,084,320.12	1,084,320.12	-
Total Expenditures	1,128,300.00	1,544,320.12	1,544,320.12	-
Revenues Collected Over (Under)				
Expenditures	419,700.00	1,143,339.36	1,143,339.36	-
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition From Other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans From Other LEAS Non-Handi	-	-	-	-
Trans From Other LEAS for Handi	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-
Total Other Financing				
Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCE	419,700.00	1,143,339.36	1,143,339.36	-
Fund Balances July 1, 2020	1,361,856.39	1,361,856.39	1,361,856.39	-
Fund Balance June 30, 2021	<u>\$ 1,781,556.39</u>	<u>\$ 2,505,195.75</u>	<u>\$ 2,505,195.75</u>	<u>\$ -</u>

**Brentwood School District**  
**Budgetary Comparison Schedule - Modified Cash Basis - Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Final Budget
Revenues				
Local Sources	\$ 2,347,000.00	\$ 5,697,041.52	\$ 5,697,041.52	\$ -
County Sources	15,000.00	19,995.50	19,995.50	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Total Revenues	2,362,000.00	5,717,037.02	5,717,037.02	-
Expenditures				
Current:				
Instruction	25,390.00	1,669.48	1,669.48	-
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	585,000.00	665,368.80	665,368.80	-
Building Level Administration	2,500.00	572.79	572.79	-
Business Central Services	-	-	-	-
Operation of Plant	653,000.00	-	-	-
Security Services	-	530,933.40	530,933.40	-
Pupil Transportation	-	-	-	-
Food Service	120,000.00	24,630.04	24,630.04	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	3,500,000.00	5,946,007.04	5,946,007.04	-
Debt Service:				
Principal	460,000.00	155,000.00	155,000.00	-
Interest and Charges	24,000.00	279,896.58	279,896.58	-
Total Expenditures	5,369,890.00	7,604,078.13	7,604,078.13	-
Revenues Collected Over (Under)				
Expenditures	(3,007,890.00)	(1,887,041.11)	(1,887,041.11)	-
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Sale of Bonds	-	29,000,000.00	29,000,000.00	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	6,065.81	6,065.81	-
Refunding Bonds	-	-	-	-
Tuition From Other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans From Other LEAS Non-Handi	-	-	-	-
Trans From Other LEAS for Handi	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-
Total Other Financing	-	29,006,065.81	29,006,065.81	-
Sources (Uses)	-	29,006,065.81	29,006,065.81	-
NET CHANGE IN FUND BALANCE	(3,007,890.00)	27,119,024.70	27,119,024.70	0.00
Fund Balances July 1, 2020	8,888,522.56	8,888,522.56	8,888,522.56	-
Fund Balances June 30, 2021	\$ 5,880,632.56	\$ 36,007,547.26	\$ 36,007,547.26	\$ -

**Brentwood School District**  
**Budgetary Comparison Schedule - Modified Cash Basis - All Governmental Funds**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Final Budget
Revenues				
Local Sources	\$ 19,215,700.00	\$ 22,936,586.07	\$ 22,936,586.07	\$ -
County Sources	157,000.00	179,196.28	179,196.28	-
State Sources	317,800.00	430,794.37	430,794.37	-
Federal Sources	185,000.00	497,516.42	497,516.42	-
Total Revenues	19,875,500.00	24,044,093.14	24,044,093.14	-
Expenditures				
Current:				
Instruction	8,721,244.00	8,171,239.00	8,171,239.00	-
Attendance	81,944.00	82,635.48	82,635.48	-
Guidance	594,461.00	541,154.29	541,154.29	-
Health, Psych Speech & Audio	300,890.00	263,727.87	263,727.87	-
Improvement of Instruction	614,090.00	492,213.98	492,213.98	-
Professional Development	1,000.00	450.41	450.41	-
Media Services	254,830.28	250,925.11	250,925.11	-
Board of Education Services	180,850.00	54,931.04	54,931.04	-
Executive Administration	1,974,823.80	1,838,193.82	1,838,193.82	-
Building Level Administration	1,398,992.00	1,389,991.58	1,389,991.58	-
Business Central Services	340,025.00	266,429.08	266,429.08	-
Operation of Plant	2,992,829.00	2,089,109.98	2,089,109.98	-
Security Services	86,800.00	555,057.78	555,057.78	-
Pupil Transportation	95,600.00	28,869.84	28,869.84	-
Food Service	450,000.00	348,602.20	348,602.20	-
Central Office Support Services	197,260.00	203,415.40	203,415.40	-
Other Support Services	16,500.00	1,674.60	1,674.60	-
Community Services	881,682.96	749,625.41	749,625.41	-
Capital Outlay	3,500,000.00	5,946,007.04	5,946,007.04	-
Debt Service:				
Principal	920,000.00	615,000.00	615,000.00	-
Interest and Charges	692,300.00	1,364,216.70	1,364,216.70	-
Total Expenditures	24,296,122.04	25,253,470.61	25,253,470.61	-
Revenues Collected Over (Under)				
Expenditures	(4,420,622.04)	(1,209,377.47)	(1,209,377.47)	-
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Sale of Bonds	-	29,000,000.00	29,000,000.00	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	6,065.81	6,065.81	-
Refunding Bonds	-	-	-	-
Tuition From Other Districts	81,900.00	28,647.64	28,647.64	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	380,492.00	178,469.50	178,469.50	-
Trans From Other LEAS Non-Handi	-	3,544.09	3,544.09	-
Trans From Other LEAS for Handi	-	-	-	-
Trans From Other LEAS for ECSE Handi	-	-	-	-
Total Other Financing Sources (Uses)	462,392.00	29,216,727.04	29,216,727.04	-
NET CHANGE IN FUND BALANCES	(3,958,230.04)	28,007,349.57	28,007,349.57	-
Fund Balances July 1, 2020	21,776,328.88	21,776,328.88	21,776,328.88	-
Fund Balances June 30, 2021	\$ 17,818,098.84	\$ 49,783,678.45	\$ 49,783,678.45	\$ -

BRENTWOOD SCHOOL DISTRICT  
NOTES TO THE BUDGETARY COMPARISON SCHEDULES  
YEAR ENDED JUNE 30, 2021

Budgets and Budgetary Accounting

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

1. In accordance with Chapter 67 RSMo, the District adopts a budget for each fund.
2. Prior to June 30, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.

Budgeted amounts are as originally adopted on June 23, 2020, and are as finally amended by the Board of Education on May 18, 2021.

6. Budgets are adopted on the modified cash basis of accounting for all governmental funds.

BRENTWOOD SCHOOL DISTRICT  
OTHER POST-EMPLOYMENT BENEFITS  
YEAR ENDED JUNE 30, 2021

**POST-EMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note VI, the District allows employees who retire from the District to participate in the District's health, dental and vision insurance plans. Upon meeting the retirement requirements per PSRS and PEERS, the employees can elect to participate in the 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 District is considered to be a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the 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. During the year, approximately 66 retirees participated in the District's insurance plans and paid premiums totaling approximately \$181,824. The District had no former employees that participated in Cobra during the fiscal year ended June 30, 2021.

## **STATE COMPLIANCE SECTION**





**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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

To the Members of the Board of Education  
Brentwood School District

**Report on Compliance with State Requirements**

We have examined management's assertions that the Brentwood School District ("District") complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of pupil attendance and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2021.

**Management's Responsibility**

Management is responsible for the District's compliance with the aforementioned requirements.

**Auditor's Responsibility**

Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination. Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the District's compliance with specified requirements.

**Opinion on Compliance with State Requirements**

In our opinion, management's assertions that the Brentwood School District complied with the aforementioned requirements for the year ended June 30, 2021, are fairly stated, in all material respects.

This report is intended solely 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.

*Daniel Jones & Associates*

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS,  
ARNOLD, MISSOURI

December 17, 2021

BRENTWOOD SCHOOL DISTRICT  
COUNTY DISTRICT NUMBER 096-101  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2021

TYPE OF AUDIT PERFORMED - YELLOW BOOK

**1. CALENDAR (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
4040	K	5	-	6.5830	171	1,097.9167
4060	K	5	-	6.5830	171	1,097.9167
3000	6	8	-	6.4667	171	1,079.0833
1050	9	12	-	6.4667	171	1,076.3167

**2. ATTENDANCE HOURS**

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4040	K-5	175,845.4649	77.5000	-	9,848.5558	507.6000	186,279.1207
4060	K-5	180,076.4955	868.1605	-	7,567.0086	-	188,511.6646
3000	6-8	145,235.5799	49.5921	-	18,607.8315	232.6500	164,125.6535
1050	9-12	162,193.1477	9,020.1166	-	26,912.1924	8,661.9300	206,787.3867
	<b>Total</b>	<b>663,350.6880</b>	<b>10,015.3692</b>	<b>-</b>	<b>62,935.5883</b>	<b>9,402.1800</b>	<b>745,703.8255</b>

BRENTWOOD SCHOOL DISTRICT  
COUNTY DISTRICT NUMBER 096-101  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2021

**3. SEPTEMBER MEMBERSHIP**

<b>School Code</b>	<b>Grade Level</b>	<b>Full-Time</b>	<b>Part-Time</b>	<b>Other</b>	<b>Total</b>
4040	K-5	167.00	-	10.00	177.00
4060	K-5	170.00	0.01	8.00	178.01
3000	6-8	143.00	1.88	19.00	163.88
1050	9-12	170.00	5.57	27.57	203.14
	<b>Grand Total</b>	<b>650.00</b>	<b>7.46</b>	<b>64.57</b>	<b>722.03</b>

**4. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMo)**

<b>School Code</b>	<b>Free Lunch</b>	<b>Reduced Lunch</b>	<b>Deseg In Free</b>	<b>Deseg In Reduced</b>	<b>Total</b>
1050	17.57	2.00	11.57	1.00	32.14
3000	12.00	3.00	9.00	2.00	26.00
4040	15.00	5.00	9.00	-	29.00
4060	10.00	1.00	6.00	1.00	18.00
<b>Total</b>	<b>54.57</b>	<b>11.00</b>	<b>35.57</b>	<b>4.00</b>	<b>105.14</b>

BRENTWOOD SCHOOL DISTRICT  
COUNTY DISTRICT NUMBER 096-101  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2021

**5. FINANCE**

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:	
	Academic Programs Off-Campus	TRUE
	Career Exploration Program – Off Campus	N/A
	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	TRUE
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	TRUE
	Virtual instruction (MOCAP or other option)	TRUE
	Work Experience for Students with Disabilities	N/A
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

BRENTWOOD SCHOOL DISTRICT  
COUNTY DISTRICT NUMBER 096-101  
SCHEDULE OF SELECTED STATISTICS  
YEAR ENDED JUNE 30, 2021

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. (Not applicable to charter schools.).....	TRUE
5.12	The amount spent for approved professional development committee plan activities was:.....	N/A
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:	5.12 was marked as N/A since DESE waived the professional development spending requirement for the 2021 fiscal year.	

**6. TRANSPORTATION (SECTION 163.161, RSMO)**

6.1	The District does not operate a transportation system due to its coverage area.	TRUE
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BRENTWOOD SCHOOL DISTRICT  
SCHEDULE OF STATE FINDINGS  
YEAR ENDED JUNE 30, 2021

**I. CHAPTER 67 RSMO (BUDGET STATUTE)**

Chapter 67 RSMo requires that each political subdivision of the State of Missouri adopt an annual budget, itemized by fund. It further requires that in no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

There were no State budget findings for the year ended June 30, 2021.

## **INTERNAL CONTROL AND COMPLIANCE SECTION**



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

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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*

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Education  
Brentwood School District

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, the blended component unit and each major fund of Brentwood School District ("District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 17, 2021.

***Internal Control Over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.



### ***Compliance and Other Matters***

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

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

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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.

A handwritten signature in cursive script that reads "Daniel Jones & Associates".

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

December 17, 2021

BRENTWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2021

**I. SUMMARY OF AUDITOR'S RESULTS**

A. Financial Statements

1. Type of auditor's report issued: Unmodified Modified Cash basis
2. Internal control over financial reporting:
  - a. Material weakness(es) identified? ☐ Yes ☒ No
  - b. Significant deficiency(ies) identified ☐ Yes ☒ None Reported
3. Noncompliance material to financial statements noted? ☐ Yes ☒ No

**II. FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings for the year ended June 30, 2021.

BRENTWOOD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2021

**I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR**

There were no financial statement findings for the year ended June 30, 2020.