

BOOK-ENTRY ONLY
BANK QUALIFIED

S&P DIRECT DEPOSIT RATING: AA+
S&P UNDERLYING RATING: AA
See “BOND RATINGS” herein

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is (1) excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, and (2) exempt from income taxation by the State of Missouri. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.



\$5,515,000*
**THE SCHOOL DISTRICT OF WASHINGTON,
FRANKLIN COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026A**

Dated: Date of Delivery

Due: March 1, as shown on the inside cover

The General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026A (the “Bonds”) will be issued by The School District of Washington, Franklin County, Missouri (the “District”) for the purpose of providing funds to (1) refund certain of the District’s outstanding general obligation bonds, as further described under the section captioned “PLAN OF FINANCING – Refunding of the Refunded Bonds,” and (2) pay the costs of issuance related to the Bonds.

The Bonds will be issued as fully-registered bonds in the denomination of \$5,000 or integral multiples thereof. Principal of the Bonds will be payable annually as set forth on the inside cover of this Official Statement. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing September 1, 2026, by check or draft mailed (or by wire transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the 15th day of the month preceding the applicable interest payment date.

The Bonds are subject to redemption prior to maturity as described herein under the section captioned “THE BONDS - Redemption Provisions.”

The Bonds are subject to certain risks. See the section captioned “RISK FACTORS.”

THE BONDS AND INTEREST THEREON WILL CONSTITUTE GENERAL OBLIGATIONS OF THE DISTRICT, PAYABLE FROM AD VALOREM TAXES WHICH MAY BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT UPON ALL OF THE TAXABLE TANGIBLE PROPERTY, REAL AND PERSONAL, WITHIN THE TERRITORIAL LIMITS OF THE DISTRICT.

See inside cover for maturities, principal amounts, interest rates, prices and CUSIP numbers.

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the District, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about February 4, 2026.

STIFEL

The date of this Official Statement is January __, 2026.

* Preliminary; subject to change.

\$5,515,000*
THE SCHOOL DISTRICT OF WASHINGTON, FRANKLIN COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026A

MATURITY SCHEDULE*

Base CUSIP: 939296

<u>Due</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP</u>
2027	\$1,700,000			
2028	1,750,000			
2036	2,065,000			

* Preliminary; subject to change.

THE SCHOOL DISTRICT OF WASHINGTON, FRANKLIN COUNTY, MISSOURI

220 Locust Street
Washington, Missouri 63090
(636) 231-2000

BOARD OF EDUCATION

Mr. Dan Leslie, *President and Director*
Dr. Frank Wood, *Vice President and Director*
Mr. John Freitag, *Director*
Mr. Kevin Blackburn, *Director*
Ms. Kelly Brinkmann, *Director*
Mr. Bob Oreskovic, *Director*
Mr. Rob Horvath, *Director*

DISTRICT ADMINISTRATION

Dr. Jennifer Kephart, *Superintendent of Schools*
Maranda Anderson, *Assistant Superintendent of Curriculum, Instruction & Assessment*
Dr. Rachael Franssen, *Assistant Superintendent of Personnel & Support Services*
John McColloch, *Assistant Superintendent of Finance & Operations*
Kelly Clark, *Assistant to the Superintendent*
Robin Kluesner, *Director of Accounting*

BOND AND DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
St. Louis, Missouri

UNDERWRITER

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION CONTAINED IN SECTION 3(a)(2) OF SUCH ACT.

The information set forth in this Official Statement has been obtained from the District and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the District. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or any other person has been authorized by the District to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information in this Official Statement is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District or the other matters described herein since the date hereof.

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

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

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the District’s current expectations, hopes, intentions or strategies regarding the future. Such statements may be identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (1) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (2) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (3) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE. UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS SET FORTH IN **APPENDIX C**.

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OFFICIAL STATEMENT

\$5,515,000*

**THE SCHOOL DISTRICT OF WASHINGTON,
FRANKLIN COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026A**

INTRODUCTION

The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices, should be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, including the cover page and appendices, is furnished to prospective purchasers in connection with the offering and sale of \$5,515,000* aggregate principal amount of General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026A (the “**Bonds**”) by The School District of Washington, Franklin County, Missouri (the “**District**”). The issuance and sale of the Bonds is authorized by a resolution of the Board of Education of the District adopted on January 21, 2026, as supplemented by a Final Terms Certificate (together, the “**Resolution**”). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Resolution.*

Purpose of the Bonds

The Bonds are being issued for the purpose of providing funds, together with other legally available funds of the District, to (a) refund all the District’s outstanding General Obligation School Bonds (Missouri Direct Deposit Program), Series 2017A, being those bonds maturing in the years 2035 and 2036, in the aggregate principal amount of \$5,995,000 (the “**Refunded Bonds**”), and (b) pay the costs of issuing the Bonds. See the section captioned “**PLAN OF FINANCING.**”

Security for the Bonds

General. The Bonds will constitute general obligations of the District and will be payable as to principal or Redemption Price (as defined herein) of and interest on the Bonds from ad valorem taxes, which may be levied without limitation as to rate or amount upon all of the taxable tangible property, real and personal, within the territorial limits of the District. See the section captioned “**SECURITY FOR THE BONDS.**”

Direct Deposit Agreement. Pursuant to a Direct Deposit Agreement among the Office of the Treasurer of the State of Missouri, the Department of Elementary and Secondary Education of the State of Missouri, the Health and Educational Facilities Authority of the State of Missouri, BOKF, N.A. and the District, the District will agree that a portion of its State aid payments will be transferred to BOKF, N.A., as Direct Deposit Trustee, in order to pay the debt service on the Bonds. See the section captioned “**SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments.**”

* Preliminary; subject to change.

Continuing Disclosure

The District will agree in a Continuing Disclosure Undertaking dated as of February 1, 2026 (the “**Continuing Disclosure Undertaking**”) to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the section captioned “**CONTINUING DISCLOSURE UNDERTAKING.**”

Description of Documents

Brief descriptions of the Bonds, the security for the Bonds and certain other matters are included in this Official Statement. Such information, summaries and descriptions do not purport to be comprehensive or definitive. All references to the Bonds and the Resolution in this Official Statement are qualified in their entirety by reference to such documents.

THE BONDS

General

The Bonds are being issued in the original principal amount of \$5,515,000*. The Bonds are dated the date of original delivery thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page, subject to redemption and payment prior to maturity, upon the terms and conditions described under the section captioned “**THE BONDS – Redemption Provisions.**” Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or from the most recent date to which said interest has been paid and is payable semiannually on March 1 and September 1 (each a “**Bond Payment Date**”), beginning September 1, 2026.

The interest payable on each Bond on any Bond Payment Date will be paid to the person in whose name such Bond is registered (the “**Registered Owner**”) as shown on the registration books (the “**Bond Register**”) at the close of business on the 15th day (whether or not a Business Day) of the calendar month next preceding such Bond Payment Date (the “**Record Date**”) for such interest by (1) check or draft mailed by UMB Bank, N.A., a national banking association with a payment office located in St. Louis, Missouri (the “**Paying Agent**”), to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank, the bank’s ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

The principal or Redemption Price of each Bond will be paid by check, electronic transfer or draft to the Registered Owner of such Bond at the maturity thereof, upon presentation and surrender of such Bond at the payment office designated by the Paying Agent.

* Preliminary; subject to change.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York.

The following information concerning DTC and DTC’s book-entry system has been obtained from DTC. The District takes no responsibility for the accuracy or completeness thereof, and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be deposited with DTC.

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

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

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

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

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

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

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

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

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

Registration, Transfer and Exchange of Bonds

The District will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Resolution.

Upon surrender of any Bond at the principal payment office of the Paying Agent or at such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. The District and the Paying Agent shall not be required to (1) register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (2) register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the District of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Resolution.

Redemption Provisions

At the option of the District, the Bonds or portions thereof maturing on March 1, 20__ may be called for redemption and payment prior to their Stated Maturity on March 1, 20__ and thereafter as a whole or in part at any time at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date (as defined herein).

Selection of Bonds to be Redeemed

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

In the case of a partial redemption of Bonds, when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the price which such Bonds are to be redeemed (the "**Redemption Price**") and interest to the date fixed for redemption (the "**Redemption Date**") of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such

Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Notice of Redemption

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the District's behalf by mailing a copy of an official redemption notice by first class mail at least 30 days but not more than 60 days prior to the Redemption Date to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

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

With respect to optional redemptions, such notice may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the District that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

Effect of Call for Redemption

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the District defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Resolution for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying Agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Resolution. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided in the Resolution and shall not be reissued.

Defeasance

When any or all of the principal of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Resolution and the pledge of the District's faith and credit under the Resolution and all other rights granted thereby shall terminate with respect to the principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of the principal of said Bonds or the scheduled interest payments thereon, in trust for and irrevocably appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned on

any such Defeasance Obligations, will be sufficient for the payment of the principal of and redemption premium, if any, on said Bonds and interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (1) the District has elected to redeem such Bonds, and (2) either notice of such redemption has been given, or the District has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Resolution.

Any money and Defeasance Obligations that at any time shall be deposited by or on behalf of the District with the Paying Agent or other commercial bank or trust company for the purpose of paying and discharging any of the Bonds or scheduled interest payments thereon shall be assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money shall be irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of the Resolution.

Defeasance Obligations include non-callable United States Government Obligations, defined in the Resolution as bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America.

SECURITY FOR THE BONDS

General

Pledge of Full Faith and Credit. The Bonds will constitute general obligations of the District and will be payable as to both principal or Redemption Price of and interest on the Bonds from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District. The full faith, credit and resources of the District are irrevocably pledged for the prompt payment of the principal or Redemption Price of and interest on the Bonds as the same become due.

Levy and Collection of Annual Tax. Under the Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal or Redemption Price of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. Except as otherwise provided under the heading **“SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments,”** the proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District, and shall be used solely for the payment of the principal or Redemption Price of and interest on the Bonds as and when the same become due, taking into account scheduled mandatory redemptions, if any, and the fees and expenses of the Paying Agent.

Direct Deposit of State Aid Payments

Pursuant to Section 360.111 *et seq.* of the Revised Statutes of Missouri and related statutes (the **“Deposit Law”**), the State of Missouri (the **“State”**) and the District may agree to transfer to BOKF, N.A., as direct deposit trustee (the **“Deposit Trustee”**), a portion of the District’s State aid payments and distributions normally used for operational purposes (**“State Aid”**) in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the **“Deposit Agreement”**) with the Office of the Treasurer of the State (**“Missouri State Treasurer”**), the Department of Elementary and Secondary Education of the State (**“DESE”**), the Health and Educational

Facilities Authority of the State and the Deposit Trustee. Under the Deposit Agreement, the District will pledge its State Aid to the payment of the Bonds. The Deposit Agreement will provide for payment of one-tenth (1/10) of the debt service due on September 1, 2026 and March 1, 2027 to be paid in each of the ten (10) months of March 2026 through September 2026 and December 2026 through February 2027, and each succeeding ten (10) similar months (i.e., March through September and December through February) for each bond year after the Bonds are issued as long as the Bonds are outstanding. Amounts of State Aid to the School District in excess of the one-tenth (1/10) monthly deposit will not be deposited with the Deposit Trustee but will be transferred directly to the District as has historically been the case with all State Aid.

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

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

PLAN OF FINANCING

Refunding of the Refunded Bonds

On the date of issuance of the Bonds, the District will transfer a portion of the proceeds of the Bonds, together with other legally available funds of the District, to UMB Bank, N.A., as escrow agent, for deposit into an Escrow Fund (the "**Escrow Fund**") to pay the principal of and interest on the Refunded Bonds. Such moneys deposited into the Escrow Fund will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the "**Escrowed Securities**"). The Escrowed Securities will mature in such amounts and at such times as shall be sufficient, together with any cash deposit to the Escrow Fund, to pay interest on the Refunded Bonds on March 1, 2026 and redeem and pay the Refunded Bonds on March 6, 2026. All moneys deposited in the Escrow Fund will be irrevocably pledged to the payment of the Refunded Bonds.

Robert Thomas CPA, LLC, Shawnee Mission, Kansas, a firm of independent certified public accountants, will provide a report to the effect that the cash and Escrowed Securities held in the Escrow Fund will provide sufficient moneys to make the required payments in accordance with the District's refunding plan as described in this Official Statement.

Sources and Uses of Funds

The estimated sources and uses of the proceeds of the Bonds are as follows:

<u>Sources of Funds:</u>	<u>Total</u>
Par Amount of Bonds	\$
Plus: District Contribution	
Plus: Original Issue Premium	
Total	<u>\$</u>
<u>Uses of Funds:</u>	
Deposit to Escrow Fund	\$
Costs of Issuance (including Underwriter's Discount)	
Total	<u>\$</u>

RISK FACTORS

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

Ad Valorem Property Taxes

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

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

Secondary Market Prices and Liquidity

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

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

No Reserve Fund or Credit Enhancement

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

Ratings

S&P Global Ratings, a division of S&P Global Inc. (**"S&P"**), has assigned the Bonds the ratings set forth in the section captioned **"BOND RATINGS."** Such ratings reflect only the views of S&P, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that the ratings will not be revised, either downward or upward, or withdrawn entirely, by S&P if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

Pensions and Other Postemployment Benefits

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri and (ii) The Public Education Employee Retirement System of Missouri. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Pension and Employee Retirement Plans"** in APPENDIX A of this Official Statement. The District also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Other Postemployment Benefits"** in APPENDIX A of this Official Statement. Future required contribution increases beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the District's operations or limit the District's ability to generate additional revenues in the future.

State Aid and Direct Deposit Agreement

Approximately 36% of the District's revenue for the fiscal year ended June 30, 2025 was derived from moneys provided by the State as State Aid. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – State Revenue"** in APPENDIX A of this Official Statement. A portion of the District's State Aid is currently pledged to the payment of the Bonds and will be directly deposited by the State with the Deposit Trustee for payment of the Bonds. See **"SECURITY FOR THE BONDS – Direct Deposit of State Aid Payments"** in this Official Statement. Reductions in State Aid could occur in the future if, for example,

the State faces fiscal problems in the future or the District experiences a decline in enrollment. Reductions in State Aid could force the District to make budget cuts or operational adjustments and may adversely affect the rating on the Bonds or the market price of the Bonds.

Enrollment

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

Amendment of the Resolution

Certain amendments, effected by resolution of the District, to the Bonds and the Resolution may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (a) extend the maturity of any payment of principal or interest due upon any Bond; (b) alter the Redemption Date of any Bond; (c) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (d) permit preference or priority of any Bond over any other Bond; or (e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Resolution; without the written consent of the Registered Owners of all of the Bonds at the time outstanding.

Tax-Exempt Status and Risk of Audit

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

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

Defeasance Risks

When any or all of the principal of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Resolution and the pledge of the District's faith and

credit thereunder and all other rights granted thereby will terminate with respect to the principal of the Bonds or scheduled interest payments thereon so paid and discharged. Principal of the Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said principal of the Bonds or scheduled interest payments thereon, in trust for and irrevocably appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of and redemption premium, if any, on said Bonds and interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments.

Defeasance Obligations include non-callable United States Government Obligations, defined in the Resolution as bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. There is no legal requirement in the Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Cybersecurity Risks

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

Senior Property Tax Credit Program

The Missouri General Assembly enacted legislation in 2023 (subsequently amended in 2024) that authorizes counties to grant property tax credits to each "eligible taxpayer" equal to the difference between the real property tax liability on the eligible taxpayer's homestead in the current year minus the real property tax liability on the homestead either (1) in the year the county initially authorizes the credit or (2) when the person becomes an "eligible taxpayer" (the "**Senior Property Tax Credit Program**"). "Eligible taxpayer" means a Missouri resident who (1) is at least 62 years old, (2) owns real property used as the taxpayer's primary residence and (3) is liable for the payment of property taxes on that property. Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by a county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. Franklin County has adopted an ordinance establishing the Senior Property Tax Credit Program. For taxes levied in 2025, the Senior Property Tax Credit Program resulted in approximately \$642,280 of loss revenue to the District.

Missouri Property Tax Cap

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

Potential Impact of Public Health Emergencies

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus in December 2019 (“COVID-19” or the “Pandemic”), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The District cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the District associated with operating during any public health emergencies including, but not limited to, the amount of (1) increases in required services of the District, (2) costs to clean, sanitize and maintain its facilities, (3) costs to hire additional and/or substitute employees, (4) costs to acquire supporting goods and services, or (5) costs to operate remotely and support the employees of the District. Accordingly, the District cannot predict the effect any public health emergencies will have on the finances or operations of the District or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the Bonds. The District receives the majority of its revenue from property taxes, and the District did not experience a decrease in revenues due to COVID-19.

THE DISTRICT

The District is located in the east-central part of Missouri and encompasses approximately 257 square miles in Franklin, St. Charles and Warren Counties. The District's schools are located in the City of Washington, Missouri (the “City”) which is approximately 50 miles west of St. Louis, Missouri. See **APPENDIX A** of this Official Statement for further information regarding the District.

LEGAL MATTERS

Legal matters with respect to the authorization, execution and delivery of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the District, whose approving opinion will be available at the time of delivery of the Bonds. Gilmore & Bell, P.C. will also pass upon certain legal matters relating to this Official Statement.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

BOND RATINGS

S&P has assigned a rating of “AA+” to the Bonds based upon the District’s participation in the Missouri Direct Deposit Program. In addition, S&P has assigned an underlying rating of “AA” to the Bonds based on the credit of the District. The District has furnished S&P with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. Such ratings reflect only the views of S&P, and an explanation of the significance of the ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by S&P if, in its judgment, circumstances warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the ratings of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the District is required to bring to the attention of the holders of the Bonds any change to the ratings of the Bonds but has not undertaken any responsibility to oppose any such change. See the section captioned “**CONTINUING DISCLOSURE UNDERTAKING.**” Any revision or withdrawal of the ratings could have an adverse effect on the market price and marketability of the Bonds.

TAX MATTERS

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

Opinion of Bond Counsel

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

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

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

Bank Qualification. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

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

Other Tax Consequences

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

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

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

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding

tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

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

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

CONTINUING DISCLOSURE UNDERTAKING

The District will enter into the Continuing Disclosure Undertaking to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**") and to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with Rule. The District is the only "obligated person" with responsibility for continuing disclosure. Included in **APPENDIX C** of this Official Statement is the proposed form of the Continuing Disclosure Undertaking.

The District believes that in the past five years it has complied in all material respects with its prior undertakings under the Rule.

ABSENCE OF LITIGATION

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

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the "**Underwriter**"), has agreed to purchase the Bonds at a price of \$_____ (which is equal to the original principal amount of the Bonds, less an underwriting discount of \$_____, plus an original issue premium of \$_____). The

Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the District, has represented the Underwriter and the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing either of them in connection with the issuance of the Bonds.

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MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the offices of the Underwriter. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the District, the Paying Agent, or the Underwriter and the purchasers or owners of any Bonds.

The District has duly authorized the delivery of this Official Statement.

**THE SCHOOL DISTRICT OF WASHINGTON,
FRANKLIN COUNTY, MISSOURI**

By: _____
President of the Board of Education

APPENDIX A

INFORMATION REGARDING THE DISTRICT

APPENDIX A

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THE DISTRICT

General Description

The District is located in the east-central part of Missouri and encompasses approximately 257 square miles in Franklin, St. Charles and Warren Counties, Missouri (Franklin County is highlighted on the map to the right). The District's schools are located in the City of Washington, Missouri (the "City") which is approximately 50 miles west of St. Louis, Missouri.



Organization and Board of Education

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

The current members and officers of the Board are as follows:

<u>Name</u>	<u>Office</u>	<u>First Term Began</u>	<u>Current Term Expires</u>
Dan Leslie	President & Director	2020	2026
Frank Wood	Vice President & Director	2022	2028
John Freitag	Director	2015	2027
Kevin Blackburn	Director	2012	2027
Kelly Brinkmann	Director	2022	2028
Bob Oreskovic	Director	2023	2026
Rob Horvath	Director	2023	2026

Administration

The Board appoints the Superintendent of Schools who is the chief administrative officer of the District responsible for carrying out the policies set by the Board.

Dr. Jennifer A. Kephart has been in the role of Superintendent of Schools since July 2021. Prior to her role as Superintendent, she served as the Associate Superintendent of Academic Services in the Lee's Summit School District and the Assistant Superintendent of Elementary Education for four years in the Lee's Summit School District.

Dr. Kephart received her doctoral degree in education from Saint Louis University in 2007, completed her Master's Degree at Emporia State University in 2002, and earned her undergraduate degree from Cornell College in 1998. She also has National Board Certification from the National Board for Professional Teaching Standards, which she received in 2004.

Additional members of the administrative staff are appointed by the Board upon recommendation by the Superintendent. The Superintendent's leadership team is comprised of the following positions: Assistant

Superintendent of Finance and Operations, Assistant Superintendent of Curriculum, Instruction and Assessment and Assistant Superintendent of Human Resources and Student Services.

The District has a total of 644 employees, including 31 administrative personnel, 333 teachers and 280 non-certificated employees.

Professional Staff

The average teacher employed by the District has 14.2 years of teaching experience, compared to a statewide average of 12.8 years, and 66.2% of the District's teachers hold advanced degrees. For the current school year, the average salary for all teaching staff is \$57,623, compared to a statewide average salary for teaching staff of \$57,501.

Educational Facilities

The District operates seven elementary schools, a middle school and a high school as well as a preschool and career center as described below.

<u>Name of School</u>	<u>Grades Served</u>
Early Learning Center	PK
Augusta Elementary	K-6
Campbellton Elementary	K-6
Clearview Elementary	K-6
Labadie Elementary	K-6
Marthasville Elementary	K-6
South Point Elementary	K-6
Washington West Elementary	K-6
Washington Middle School	7-8
Washington High School	9-12
Four Rivers Career Center	9-12

History of Enrollment

Listed below are the District's enrollment figures for the current and previous four school years:

<u>Year</u>	<u>Enrollment</u>
2024-2025	3,482
2023-2024	3,456
2022-2023	3,621
2021-2022	3,685

Source: Missouri Department of Elementary and Secondary Education.

Education Programs

The District operates under the oversight of the Missouri Department of Elementary and Secondary Education ("DESE"). Programs offered by the District are comprehensive with an academic curriculum encompassing several foreign languages, math, science, literature, composition and social studies. The District offers numerous special programs such as gifted, early childhood, improved literacy, parents as teachers, and a comprehensive special education program.

Other District Statistics

The following table shows additional information about the District compiled by DESE for the last five completed fiscal years.

	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
Ave. Daily Attendance (ADA)	3,277	3,378	3,370	3,328	3,281
Proportionate Rate of Attendance	89.2%	80.3%	81.6%	84.0%	84.9%
Current Expenditures per ADA	\$12,727	\$13,163	\$13,273	\$14,517	\$15,436
Students per Teacher	12	12	12	11	12
Students per Classroom Teacher	16	16	16	15	16

Source: DESE.

The following table shows the percentage of students eligible for free or reduced lunch at each District school as compiled by DESE for the last five completed fiscal years.

<u>Name of School</u>	<u>Percentage of Students Eligible for Free or Reduced Lunch</u>				
	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
Augusta Elementary	31.00%	27.70%	22.70%	30.10%	19.81%
Campbellton Elementary	10.10	9.84	6.90	14.70	13.24
Clearview Elementary	21.20	17.11	21.30	20.80	24.03
Labadie Elementary	13.50	8.95	16.20	14.20	19.30
Marthasville Elementary	34.20	30.81	35.70	38.20	32.46
South Point Elementary	28.80	27.08	33.80	31.70	34.75
Washington West Elementary	33.30	34.55	39.50	40.40	39.59
Washington Middle School	22.30	20.97	28.30	27.70	27.60
Washington High School	13.70	15.38	19.20	20.20	22.83

Source: DESE.

School Rating and Accreditation

DESE administers the Missouri School Improvement Program (“MSIP”), the state’s school accountability system for reviewing and accrediting public school districts in Missouri. Since MSIP was established in 1990, five review cycles have been completed, each cycle lasting from five to six years. The sixth cycle, referred to as MSIP 6, began in the 2020-2021 school year.

The District is accredited. The MSIP classification is not a bond or debt rating but is solely an evaluation made by DESE.

ECONOMIC INFORMATION CONCERNING THE DISTRICT

Population

The following table shows population figures of the District, the City, Franklin County, St. Charles County, Warren County and the State of Missouri (the “State”) from the last three decennial censuses and the latest available estimate.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>Current Estimate</u>
District	29,040	31,485	33,472	34,376
City	13,243	13,982	14,500	14,948
Franklin County	93,807	101,492	104,682	105,316
St. Charles County	283,883	360,485	405,262	409,830
Warren County	24,525	32,513	35,532	36,467
State	5,595,211	5,988,927	6,154,913	6,168,181

Source: U.S. Census Bureau; 2019-2023 American Community Survey 5-year estimates.

The following table shows population distribution by age for the District, the City, Franklin County, St. Charles County, Warren County and the State from the latest available estimate.

Estimated Population Distribution by Age (2023 Estimate)

<u>Age</u>	<u>District</u>	<u>City</u>	<u>Franklin County</u>	<u>St. Charles County</u>	<u>Warren County</u>	<u>State</u>
Under 5 years	1,878	927	6,091	22,538	2,017	359,915
5-19 years	6,891	2,708	19,784	80,367	7,299	1,187,955
20-24 years	2,031	940	5,686	23,863	2,006	402,879
25-44 years	7,836	3,616	25,168	108,744	8,798	1,596,432
45-64 years	9,276	3,870	29,070	106,929	9,826	1,541,871
65 years and over	<u>6,464</u>	<u>2,887</u>	<u>19,517</u>	<u>67,389</u>	<u>6,521</u>	<u>1,079,129</u>
TOTAL	<u>34,376</u>	<u>14,948</u>	<u>105,316</u>	<u>409,830</u>	<u>36,467</u>	<u>6,168,181</u>
Median age	41.3	41.1	41.4	39.6	40.8	38.9

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-year estimates.

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Commerce, Industry and Employment

Major Employers. Listed below are the major employers located in the City and surrounding areas:

<u>Employers</u>	<u>Type of Business</u>	<u>Employees</u>
Mercy Hospital	Healthcare	1,788
Parker Hannifin	Manufacturing	729
Washington School District	Education	661
WEG Transformers (Pauwels)	Manufacturing	575
Rawlings Sporting Goods	Sporting Goods Distribution	400
Wal-Mart Super Center	Retail	302
Frick's Quality Meats	Meat Processing	300
Canam Steel Corporation	Manufacturing	242
The Magnet Group	Advertising Specialists	214
GH Tool & Mold	Manufacturing	144

Source: District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.

Employment Figures. The following table sets forth employment figures for Franklin County, St. Charles County, Warren County, the State and the United States:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025⁽¹⁾</u>
<i>Franklin County</i>					
Total Labor Force	51,122	51,890	53,095	53,600	54,513
Unemployed	1,998	1,278	1,536	1,834	2,253
Unemployment Rate	3.9%	2.5%	2.9%	3.4%	4.1%
<i>St. Charles County</i>					
Total Labor Force	222,803	227,929	233,806	235,973	240,559
Unemployed	7,440	4,930	6,079	7,243	9,067
Unemployment Rate	3.3%	2.2%	2.6%	3.1%	3.8%
<i>Warren County</i>					
Total Labor Force	18,139	18,717	19,325	19,518	19,855
Unemployed	728	486	575	683	814
Unemployment Rate	4.0%	2.6%	3.0%	3.5%	4.1%
<i>State</i>					
Total Labor Force	3,031,845	3,042,699	3,095,018	3,131,182	3,185,115
Unemployed	126,113	79,757	95,951	114,296	142,560
Unemployment Rate	4.2%	2.6%	3.1%	3.7%	4.5%
<i>United States</i>					
Total Labor Force	152,581,000	158,291,000	161,037,000	161,346,000	163,288,000
Unemployed	8,623,000	5,996,000	6,080,000	6,761,000	7,747,000
Unemployment Rate	5.3%	3.6%	3.6%	4.0%	4.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

⁽¹⁾ Preliminary figures in August 2025; not an annualized figure.

Medical Facilities

There are many general practitioners and specialists who provide medical care in the City and surrounding area. In addition to Mercy Hospital Washington, a level 3-trauma center which provides a 187-bed

facility located within the bounds of the District, District residents have access to all the medical and health facilities in the St. Louis metropolitan area.

Because of its close proximity to the St. Louis Metropolitan Area, residents of the District have access to numerous hospitals and two medical schools, Washington University School of Medicine and Saint Louis University Medical School. Both medical schools are well-regarded for their quality of research. In addition, numerous dentists, chiropractors and doctors provide medical services from offices and clinics located throughout the District.

Higher Education

East Central College (“ECC”) in Union, Missouri, is a community college that currently serves approximately 2,675 enrolled students during the 2025 fall semester. ECC offers educational opportunities and program partnerships between ECC and local businesses and industries. ECC provides summer camps for young people, customized training, community seminars and programs that cover a variety of topics. Missouri Baptist University also offers coursework at its extension site in Union, Missouri.

Other post-secondary educational facilities located in the surrounding area include Lindenwood University, St. Louis Community College, Maryville University, University of Missouri-St. Louis, Washington University, Saint Louis University and Webster University.

Transportation, Communications and Media

Transportation. The residents of the District have excellent access to the interstate highway system with Interstate 44 and Interstate 270 serving the St. Louis Metropolitan Area. The City is only a 45-minute drive from downtown St. Louis, Missouri.

The City’s proximity to the St. Louis Metropolitan Area provides residents a wide variety of transportation carriers, including water, air and rail transport. The City is connected by rail transport through Amtrak passenger trains and Union Pacific. The Missouri River provides water transportation through the Port of St. Louis port facilities. There are private and contract carriers and multiple common carriers operating barges on the Missouri River.

The City is approximately 55 miles from St. Louis Lambert International Airport. The Washington Regional Airport provides local airport service with a 5,000-foot runway located three miles north of the City.

Communications and Media. Telecommunication services are provided to District residents by AT&T, Spectrum and Charter Communications. Wireless telephone service is offered by numerous providers. Residents of the District receive all of the St. Louis area radio stations and television channels. The District is served by the *Washington Missourian* and the *St. Louis Post-Dispatch* newspapers.

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Income and Home Values

The following table presents per capita personal income⁽¹⁾ for Franklin County, St. Charles County, Warren County and the State for the years 2019 through 2023, the latest year for which such information is available:

<u>Year</u>	<u>Per Capita Personal Income</u>			
	<u>Franklin County</u>	<u>St. Charles County</u>	<u>Warren County</u>	<u>State</u>
2023	\$57,522	\$69,693	\$55,061	\$62,604
2022	53,883	65,108	51,471	59,007
2021	52,261	62,674	50,116	56,639
2020	48,952	58,020	46,330	52,145
2019	45,953	55,296	44,490	48,425

Source: U.S. Department of Commerce - Bureau of Economic Analysis.

⁽¹⁾ Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. “**Personal Income**” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “**Net Earnings**” is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

The following table presents the estimated median household income for the District, the City, Franklin County, St. Charles County, Warren County and the State:

<u>Median Household Income</u>	
District	\$92,530
City	78,510
Franklin County	71,973
St. Charles County	102,912
Warren County	77,989
State	68,920

Source: U.S. Census Bureau - 2019-2023 Community Survey 5-Year Estimates (2023 inflation-adjusted dollars).

The following table presents the median value of owner-occupied housing units in the District, the City, Franklin County, St. Charles County, Warren County and the State:

	<u>Number of Owner- Occupied Units</u>	<u>Median Home Value</u>
District	28,662	\$277,200
City	11,396	217,500
Franklin County	82,535	214,900
St. Charles County	341,360	296,800
Warren County	30,523	241,200
State	4,303,057	215,600

Source: U.S. Census Bureau - 2019-2023 Community Survey 5-Year Estimates.

DEBT STRUCTURE OF THE DISTRICT

Overview

The following table summarizes certain financial information concerning the District. This information should be reviewed in conjunction with the other information contained under the heading “**DEBT STRUCTURE OF THE DISTRICT**” and the financial statements of the District in *Appendix B* to this Official Statement.

2025 Assessed Valuation ⁽¹⁾	\$1,133,359,835
2025 Estimated Actual Valuation ⁽²⁾	\$4,978,698,437
Estimated Population ⁽³⁾	34,376
Direct General Obligation Debt (“ Direct Debt ”) ⁽⁴⁾	\$51,500,000*
Overlapping General Obligation Debt (“ Indirect Debt ”) ⁽⁵⁾	<u>1,700,185</u>
Total Direct Debt and Indirect Debt	\$53,200,185
Ratio of Direct Debt to Assessed Valuation	4.54%*
Ratio of Direct Debt to Estimated Actual Valuation	1.03%*
Per Capita Direct Debt	\$1,498.14*
Ratio of Direct Debt and Indirect Debt to Assessed Valuation	4.69%*
Ratio of Direct Debt and Indirect Debt to Estimated Actual Valuation	1.07%*
Per Capita Direct Debt and Indirect Debt	\$1,547.60*

(1) Excludes assessed valuations in the amount of \$10,541,799 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the District and assessed valuations attributable to state assessed railroad and utility property. For further details, see “**PROPERTY TAX INFORMATION.**”

(2) Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios, see “**PROPERTY TAX INFORMATION.**”

(3) See “**ECONOMIC INFORMATION CONCERNING THE DISTRICT – Population.**”

(4) Includes the Bonds; excludes the Refunded Bonds.

(5) See “**DEBT STRUCTURE OF THE DISTRICT – Overlapping or Underlying Indebtedness.**”

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* Preliminary; subject to change.

Current Long-Term General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the District as of the issuance of the Bonds.

<u>Issue Name</u>	<u>Date of Indebtedness</u>	<u>Amount Originally Issued</u>	<u>Amount Outstanding</u>
General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2017B	12/21/2017	\$24,065,000	\$18,840,000
General Obligation Bonds (Missouri Direct Deposit Program), Series 2019	06/11/2019	26,000,000	24,430,000
General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2021	04/15/2021	5,895,000	2,715,000
The Bonds*	02/04/2026	5,515,000	<u>5,515,000</u>
Total			<u>\$51,500,000*</u>

History of General Obligation Indebtedness

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

<u>As of June 30</u>	<u>Total Outstanding Debt</u>	<u>Assessed Valuation⁽¹⁾</u>	<u>Debt as % of Assessed Valuation⁽²⁾</u>
2025	\$51,980,000	\$1,023,243,695	5.08%
2024	54,190,000	989,820,219	5.47
2023	56,240,000	959,419,535	5.86
2022	68,900,000	909,185,599	7.58
2021	70,505,000	828,379,655	8.51

Source: District's Comprehensive Annual Financial Reports for the fiscal years ended June 30, 2021 – 2025; District's Annual Secretary of the Board Reports for the fiscal years ended June 30, 2021-2025.

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

(2) If state assessed railroad and utility property was taken into account, the debt as a percentage of total assessed valuation would be lower than the percentages shown. For more information, see **“DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity.”**

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

* Preliminary; subject to change.

Legal Debt Capacity

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

Legal Debt Limitation and Debt Margin

Constitutional Debt Limitation under Article VI, Section 26(b) (15% of 2025 assessed valuation)	\$171,585,245 ⁽¹⁾
General Obligation Bonds Outstanding	<u>(51,500,000)^{*(2)}</u>
Legal Debt Margin under Article VI, Sections 26(b)	<u>\$120,085,245*</u>

⁽¹⁾ Includes assessed valuation in the amount of \$10,541,799 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the District.

⁽²⁾ Includes the Bonds; excludes the Refunded Bonds.

The District's legal debt limit and debt margin would be higher if the following were taken into account (i) the amount in the Debt Service Fund available to pay principal of the bonds, and (ii) the valuation of state assessed railroad and utility property that is physically located within the bounds of the District. Neither amount was included in the calculations of debt limit or debt margin.

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

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* Preliminary; subject to change.

Debt Service Requirements

The following schedule shows the annual principal and interest requirements for all outstanding general obligation bonds of the District, including the Bonds.

Fiscal Year Ended June 30	Outstanding Bonds Principal and Interest Requirements	<u>The Bonds</u>		
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$4,276,720.00			
2027	4,224,817.50			
2028	4,311,315.00			
2029	4,410,262.50			
2030	4,546,935.00			
2031	4,595,810.00			
2032	4,388,952.50			
2033	4,308,515.00			
2034	4,425,625.00			
2035	2,649,025.00			
2036	1,302,825.00			
2037	5,705,600.00			
2038	5,818,200.00			
2039	<u>5,933,200.00</u>			
Totals	<u>\$60,897,802.50</u>			

The principal and interest requirements on the District's general obligation bonds (including the Bonds) are payable from amounts in the District's Debt Service Fund generated by a levy on all taxable tangible property in the District. The Debt Service Fund levy may be set, without limitation as to rate or amount, at the level required to make payments on the general obligation bonds. See **"FINANCIAL INFORMATION CONCERNING THE DISTRICT"** herein.

Other Long-Term Obligations of the District

The District does not have any other outstanding indebtedness or long-term obligations.

Future Borrowing Plans

The District has called a bond election on April 7, 2026 and will ask voters to approve the issuance of \$22,000,000 principal amount of general obligation bonds to finance the costs of certain capital projects. If the proposition is approved by the voters, the District intends to issue such bonds shortly after the election.

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Overlapping or Underlying Indebtedness

The following table sets forth the approximate overlapping and underlying general obligation indebtedness of political subdivisions with boundaries overlapping the District as of November 1, 2025 unless otherwise noted, and the percent attributable (on the basis of assessed valuation figures for calendar year 2025) to the District. The table was compiled from publicly available information furnished by the jurisdictions responsible for the debt and the District has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds or other long-term obligations such as leases, the amounts of which may be unknown to the District at this time and are not included below.

<u>Taxing Body</u>	<u>General Obligation Debt</u>	<u>Approx. Percent Applicable</u>	<u>Amount of Overlapping Debt</u>
East Central College	\$1,875,000	44.0%	\$ 825,000
Marthasville Fire Protection District	810,000	72.8	589,680
St. Charles County Ambulance District	49,745,000	0.5	248,725
New Melle Fire Protection District	12,260,000	0.3	36,780
Total			<u>\$1,700,185</u>

Source: Franklin County Assessor's Office, Warren County Assessor's Office and St. Charles County Assessor's Office; State Auditor of Missouri – Bond Registration Reports; Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Accounting, Budgeting and Auditing Procedures

The District presents its governmental activities in fund financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). This basis recognizes expenses when incurred and revenues when earned.

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

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

- **Capital Projects Fund:** Accounts for resources restricted for the acquisition or construction of specific capital projects or items. It accounts for the proceeds of long-term debt, taxes and other receipts, including the Bond proceeds, designated for construction of major capital assets and all other capital outlay.

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

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

The financial records of the District are audited annually by an independent public accountant in accordance with generally accepted auditing standards. The most recent annual audit has been performed by Kerber, Eck & Braeckel LLP. The audited financial statements of the District for the fiscal year ended June 30, 2025, together with the independent auditor's report thereon, are included in this Official Statement as part of the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025 in *Appendix B*. A summary of significant accounting policies of the District is contained in the notes accompanying the financial statements in *Appendix B*. The audited financial statements for earlier years with reports by the certified public accountants are available for examination in the District's office.

Sources of Revenue

The District finances its operations through the local property tax levy, the state sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including State Aid for Transportation, a state sales tax on cigarettes and a pro rata share of interest income from the counties in which each school district operates. Debt service on general obligation bonds is paid from amounts in the District's Debt Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board.

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

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For the 2024-2025 fiscal year, the District’s sources of revenue were as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
Local Revenue:		
Property Taxes	\$41,557,351	59.35%
Proposition C Sales Tax	5,034,208	7.19
Other	5,789,934	8.27
County Revenue:		
Railroad & Utility Property Taxes	1,832,837	2.62
Fines, Forfeitures & Other	125,658	0.18
State Revenue	9,535,511	13.62
Federal Revenue	4,308,731	6.15
Other Revenue	<u>1,833,895</u>	<u>2.62</u>
Total Revenue	<u>\$70,018,125</u>	<u>100.00%</u>

Source: District’s Annual Secretary of the Board Report for fiscal year ended June 30, 2025; Difference due to rounding.

Local Revenue

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

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

Fiscal Year Ended	Proposition C Revenue
<u>June 30</u>	<u>Per Pupil</u>
2021	\$1,046
2022	1,214
2023	1,287
2024	1,574
2025	1,514

Source: DESE.

County Revenue

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

State Revenue

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

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

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

Weighted ADA. Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for students who qualify for free and reduced-price lunch (“**FRL**”), receive special education services (“**IEP**”), or possess limited English language proficiency (“**LEP**”). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds based on the percentage of students in each of the categories in certain high performing districts (“**Performance Districts**”), which thresholds can change every two years. Certain school districts who operate early childhood education programs will also be able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the total number of FRL students between the ages of 5 and 18 who are included in the school district’s calculation of ADA. The District’s State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District’s Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the District’s Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

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

State Adequacy Target. The State Aid formula requires DESE to calculate a “**State Adequacy Target**,” which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE’s calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated thereafter. For the fiscal year ended June 30, 2025, the State Adequacy Target was \$6,760. The State Adequacy Target is expected to be \$7,145 per pupil for the fiscal year ending June 30, 2026.

Dollar Value Modifier. The DVM is an index of the relative purchasing power of a dollar in different areas of the State. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the state median wage per job) minus one. The law provides that the DVM can never be less than 1.0000. DESE revises the DVM for each district on an annual basis. The DVM for the District for the 2024-2025 school year was 1.0880 and for the 2025-2026 school year is 1.0880.

Local Effort. For the 2006-2007 fiscal year, the Local Effort figure utilized in a district's State Aid calculation was the amount of locally generated revenue that the district would have received in the 2004-2005 fiscal year if its operating levy was set at \$3.43. The \$3.43 amount is called the "**performance levy**." For all years subsequent to the 2006-2007 fiscal year, a district's Local Effort amount has been frozen at the 2006-2007 amount, except for adjustments due to increased locally collected fines or decreased assessed valuation in the district. Growth in assessed valuation and operating levy increases will result in additional local revenue to the district, without affecting State Aid payments.

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

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

Fiscal Year Ended <u>June 30</u>	Classroom Trust Fund <u>(Per Pupil)</u>
2021	\$435
2022	430
2023	426
2024	472
2025	605

Source: DESE.

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

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

In addition to these mandatory deposits, school districts are also required to spend for certificated staff compensation and tuition expenditures each year the amounts described in clauses (1) and (2) of the preceding paragraph. School districts are further required to spend for certificated staff compensation and tuition expenditures each year, per the second preceding year's Weighted ADA, as much as was spent in the previous year from local and county tax revenues deposited in the Teachers' Fund, plus the amount of any transfers from

the Incidental Fund to the Teachers' Fund that are calculated to be local and county tax sources. This amount is to be determined by dividing local and county tax sources in the Incidental Fund by total revenue in the Incidental Fund. The formula provides that certificated staff compensation includes the costs of public school retirement and Medicare for those staff members.

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

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

Federal Revenue

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

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

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

Certain Permitted Fund Transfers

Limited Sources of Funds for Capital Expenditures. School districts may only pay for capital outlays from the Capital Projects Fund. Sources of revenues in the Capital Projects Fund are limited to: (1) proceeds of general obligation bonds (which are repaid from a Debt Service Fund levy) and lease financings; (2) revenue from the school district's local property tax levy for the Capital Projects Fund; (3) certain permitted transfers from the Incidental Fund; and (4) a portion of the funds distributed to school districts from the Classroom Trust Fund.

Capital Projects Fund Levy. Prior to setting tax rates for the Incidental and Teachers' Funds, each school district must annually set the tax rate for the Capital Projects Fund as necessary to meet the expenditures of the Capital Projects Fund for capital outlays, except that the tax rate set for the Capital Projects Fund may not be in an amount that would result in the reduction of the equalized combined tax rates for the Incidental and Teachers' Funds to an amount below \$2.75.

Transfers from the Incidental Fund to the Capital Projects Fund. In addition to money generated from the Capital Projects Fund levy, each school district may transfer money from the Incidental Fund to the Capital Projects Fund for certain purposes, including: (1) the amount to be expended for transportation equipment that is considered an allowable cost under the State Board of Education rules for transportation reimbursements during the current year; (2) the amount necessary to satisfy obligations of the Capital Projects

Fund for state-approved area vocational-technical schools; (3) current year obligations for lease-purchase obligations entered into prior to January 1, 1997; (4) the amount necessary to repay costs of one or more guaranteed energy savings performance contracts to renovate buildings in the school district, provided that the contract specified that no payment or total of payments shall be required from the school district until at least an equal total amount of energy and energy-related operating savings and payments from the vendor pursuant to the contract have been realized; and (5) to satisfy current year capital project expenditures, an amount not to exceed the greater of (a) \$162,326 or (b) seven percent (7%) of the State Adequacy Target (see “**State Revenue - State Adequacy Target**” above) times the district’s Weighted ADA. The District transferred \$1,668,649 from the Incidental Fund to the Capital Projects Fund under this provision during the fiscal year ended June 30, 2025.

Transfers from Incidental Fund to Debt Service Fund and/or the Capital Projects Fund. If a school district is not using the seven percent (7%) or the \$162,326 transfer discussed in parts (5)(a) and (5)(b) of the prior paragraph and is not making payments on lease purchases pursuant to Section 177.088 of the Revised Statutes of Missouri, then the school district may transfer from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund the greater of (1) the State Aid received in the 2005-2006 school year as a result of no more than 18 cents of the sum of the Debt Service Fund levy and Capital Projects Fund levy used in the foundation formula and placed in the Capital Projects Fund or Debt Service Fund, or (2) five percent (5%) of the State Adequacy Target (see “**State Revenue - State Adequacy Target**” above) times a school district’s Weighted ADA. The District did not transfer any funds from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund under this provision during the fiscal year ended June 30, 2025.

Fund Balances Summary

The following Summary Statement of Revenues, Expenditures and Changes in Fund Balances was prepared from the District’s Annual Secretary of the Board Reports for the fiscal years ended June 30, 2022 through 2025. The statement set forth below should be read in conjunction with the financial statements and notes set forth in **Appendix B** of this Official Statement and the financial statements on file at the District’s office.

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**Summary Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Funds**

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General (Incidental) Fund				
Balance – Beginning of Year	\$20,318,711	\$23,494,060	\$26,108,991	\$27,253,516
Revenues	38,922,687	43,807,220	44,416,547	45,921,935
Expenditures	(20,256,035)	(20,605,557)	(21,719,388)	(24,322,375)
Transfers In (Out)	<u>(15,491,303)</u>	<u>(20,586,732)</u>	<u>(21,552,634)</u>	<u>(18,912,539)</u>
Balance – End of Year	<u>\$23,494,060</u>	<u>\$26,108,991</u>	<u>\$27,253,516</u>	<u>\$29,940,537</u>
Special Revenue (Teachers’) Fund				
Balance – Beginning of Year	\$ 1,025	\$ 0	\$ 3,333,158	\$ 4,921,772
Revenues	16,327,661	16,017,435	14,742,150	14,480,820
Expenditures	(30,267,845)	(31,674,232)	(33,093,444)	(34,149,137)
Transfers In (Out)	<u>13,939,159</u>	<u>18,989,955</u>	<u>19,939,908</u>	<u>17,243,890</u>
Balance – End of Year	<u>\$ 0</u>	<u>\$ 3,333,158</u>	<u>\$4,921,772</u>	<u>\$ 2,497,345</u>
Capital Projects Fund				
Balance – Beginning of Year	\$13,931,779	\$ 7,737,973	\$ 5,404,263	\$ 4,089,225
Revenues	3,092,612	3,435,055	3,962,568	4,145,585
Expenditures	(10,838,563)	(7,365,541)	(6,890,332)	(3,764,116)
Transfers In (Out)	<u>1,552,144</u>	<u>1,596,777</u>	<u>1,612,726</u>	<u>1,668,649</u>
Balance – End of Year	<u>\$ 7,737,972</u>	<u>\$ 5,404,264</u>	<u>\$ 4,089,225</u>	<u>\$ 6,139,343</u>
Debt Service Fund				
Balance – Beginning of Year	\$13,632,337	\$13,820,008	\$ 4,108,686	\$ 5,061,559
Revenues	4,590,904	5,896,439	5,205,784	5,469,784
Expenditures	(4,403,233)	(15,607,761)	(4,252,911)	(4,344,563)
Transfers In (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance – End of Year	<u>\$13,820,008</u>	<u>\$ 4,108,686</u>	<u>\$ 5,061,559</u>	<u>\$ 6,186,780</u>
Total Governmental Funds				
Balance – Beginning of Year	\$47,883,852	\$45,052,041	\$38,955,098	\$41,326,072
Revenues	62,933,864	69,156,148	68,327,049	70,018,124
Expenditures	(65,765,676)	(75,253,091)	(65,956,075)	(66,580,191)
Transfers In (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance – End of Year	<u>\$45,052,040</u>	<u>\$38,955,098</u>	<u>\$41,326,072</u>	<u>\$44,764,005</u>

Source: District’s Annual Secretary of the Board Reports for the fiscal years ended June 30, 2022-2025; Differences due to rounding.

Risk Management

The District is a member of the Missouri United School Insurance Council (MUSIC), a protected, self-insurance program of approximately 490 Missouri public school districts and junior college districts. The District does not pay premiums to purchase insurance policies, but it does pay an annual assessment to be a member of MUSIC. Part of the annual assessment is used to purchase excess insurance for the group as a whole. For additional information specific to the District’s participation in MUSIC, see Note H to the District’s financial statements included in *Appendix B* to this Official Statement.

Pension and Employee Retirement Plans

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (i) The Public School Retirement System of Missouri (“**PSRS**”), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts and certain other educational entities in Missouri and employees of certain related employers; and (ii) The Public Education Employee Retirement System of Missouri (“**PEERS**”), which provides retirement and disability benefits to employees of school districts and certain other educational entities in Missouri and of certain related employers who work 20 or more hours per week and do not contribute to PSRS. Benefit provisions relating to both PSRS and PEERS are set forth in Chapter 169 of the Revised Statutes of Missouri, as amended. The statutes assign responsibility for the administration of both plans to a seven-member Board of Trustees of PSRS (the “**PSRS Board**”). PSRS and PEERS had 534 and 531 contributing employers, respectively, during the fiscal year ended June 30, 2025.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025 (the “**2025 PSRS/PEERS ACFR**”), the comprehensive financial report for the plans, is available at www.psr-peers.org/PEERS/Resources/Publications. The link to the 2025 PSRS/PEERS ACFR is provided for general background information only, and the information in the 2025 PSRS/PEERS ACFR is not incorporated by reference herein. The 2025 PSRS/PEERS ACFR provides detailed information about PSRS and PEERS, including their respective financial positions, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plans.

PSRS and PEERS Contributions. Employees who contribute to PSRS are not eligible to make Social Security contributions, except in limited circumstances. For the fiscal year ended June 30, 2025, PSRS contributing employees were required to contribute 14.5% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 14.5% of each contributing employee’s covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 1.0% in aggregate of PSRS contributing member covered pay of the previous year.

Employees who contribute to PEERS are eligible to make Social Security contributions. For the fiscal year ended June 30, 2025, PEERS contributing employees were required to contribute 6.86% of their annual covered salary and their employers, including the District, were required to contribute a matching amount of 6.86% of each contributing employee’s covered salary. The contribution requirements of members and the District are established (and may be amended) by the PSRS Board based on the recommendation of an independent actuary. State statute prohibits the PSRS Board from approving an increase greater than 0.5% in aggregate of PEERS contributing member covered pay of the previous year.

PSRS and PEERS Funded Status. PSRS and PEERS reported funded ratios of 89.1% and 89.9%, respectively, as of June 30, 2025, according to the 2025 PSRS/PEERS ACFR. Funded ratios are intended to estimate the ability of current plan assets to satisfy projected future liabilities. The PSRS and PEERS funded ratios are determined by dividing the smoothed actuarial value of plan assets by the plan’s actuarial accrued liability determined under the entry age normal cost method with normal costs calculated as a level percentage of payrolls, along with certain actuarial assumptions based on an experience study conducted in 2021. PSRS and PEERS amortize unfunded actuarial liabilities using a closed 30-year method. Additional assumptions and methods used to determine the actuarial funded status of PSRS and PEERS are set forth in the Actuarial Section of the 2025 PSRS/PEERS ACFR. The funding objective of each plan, as stated in each plan’s Actuarial Funding Policy, is to achieve a funded ratio of 100% over a closed 30-year period.

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

Schedule of Employer Contributions

Year Ended June 30,	<u>PSRS</u>			<u>PEERS</u>		
	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)*</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)*</u>
2025	\$835,236,887	\$848,104,682	\$12,867,795	\$172,711,373	\$173,979,445	\$1,268,072
2024	832,366,273	819,926,016	(12,440,257)	163,252,197	162,777,627	(474,570)
2023	771,873,895	792,646,705	20,772,810	145,744,095	147,463,789	1,719,694
2022	756,968,491	764,348,407	7,379,916	134,786,669	135,180,782	394,113
2021	702,442,650	745,638,245	43,195,595	123,733,066	126,877,255	3,144,189

Source: "Schedules of Employer Contributions" in the Financial Section of the 2025 PSRS/PEERS ACFR.

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

Schedule of Funding Progress

(Dollar amounts in thousands)

Year Ended June 30,	<u>PSRS</u>			<u>PEERS</u>		
	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2025	\$54,466,041	\$61,144,573	89.1%	\$7,414,008	\$8,250,244	89.9%
2024	51,430,822	58,971,485	87.2	6,881,439	7,810,188	88.1
2023	49,122,410	57,193,631	85.9	6,459,684	7,401,637	87.3
2022	47,185,300	55,405,260	85.2	6,113,154	6,998,708	87.3
2021	45,033,548	52,834,297	85.2	5,756,526	6,560,854	87.7
2020	41,705,059	49,641,020	84.0	5,257,847	6,089,401	86.3

Source: "Schedule of Funding Progress" in the Actuarial Section of the 2025 PSRS/PEERS ACFR.

For information specific to the District's participation in PSRS and PEERS, including the District's past contributions and proportionate share of the net pension liability of PSRS and PEERS, see Note F and the schedules included on pages 38-49 of the District's financial statements included in **Appendix B** to this Official Statement. For additional information regarding PSRS and PEERS, see the 2025 PSRS/PEERS ACFR.

Other Postemployment Benefits

In addition to pensions, many state and local governments, including the District, provide other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. For information specific to the District's OPEB obligations, see Note F to the District's financial statements included in **Appendix B** to this Official Statement.

PROPERTY TAX INFORMATION

Property Valuations

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

Residential real property	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

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

Current Assessed Valuation. The following table shows the total locally assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District and the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the District) according to the assessment for calendar year 2025 for property owned as of January 1, 2025, as adjusted through September 1, 2025, subject to final adjustment.

District's 2025 Assessed Valuation

	<u>Franklin County</u>	<u>St. Charles County</u>	<u>Warren County</u>	<u>Total</u>	<u>Assessment Rate</u>	<u>Total Estimated Actual Valuation</u>
Real Estate						
Residential	\$527,701,264	\$51,860,074	\$63,008,121	\$642,569,459	19%	\$3,381,944,521
Commercial	168,721,103	8,343,852	9,354,103	186,419,058	32	582,559,556
Agricultural	12,206,806	2,944,813	3,095,548	18,247,167	12	152,059,725
Railroad & Utility	<u>29,842,775</u>	<u>1,222</u>	<u>191,994</u>	<u>30,035,991</u>	32	<u>93,862,472</u>
Total Real Estate	\$738,471,948	\$63,149,961	\$75,649,766	\$877,280,675		\$4,210,426,274
Personal Property ⁽¹⁾	<u>221,565,067</u>	<u>10,930,537</u>	<u>23,592,556</u>	<u>256,088,160</u>	33-1/3	<u>768,272,163</u>
TOTAL	<u>\$960,037,015</u>	<u>\$74,080,498</u>	<u>\$99,242,322</u>	<u>\$1,133,359,835</u>		<u>\$4,978,698,437</u>

Source: Franklin County Clerk's Office; Financial Program Administrator, St. Charles County; Warren County Clerk's Office.
⁽¹⁾ Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See "Assessment Procedure" discussed above.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the District (excluding assessed valuation amounts attributable to state assessed railroad and utility property located within the District and the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas located within the District) according to the assessments of January 1, as adjusted through December 31, in each of the following years has been as follows:

<u>Year</u>	<u>Assessed Valuation</u>	<u>Percentage Change</u>
2024	\$1,023,243,695	+3.38%
2023	989,820,219	+3.20
2022	959,419,535	+5.53
2021	909,185,599	+8.58
2020	828,379,655	N/A

Source: District's Annual Secretary of the Board Report for the fiscal years ended June 30, 2021-2025.

Property Tax Levies and Collections

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

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

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

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

debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

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

Tax Abatement and Tax Increment Financing

Under state law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be “blighted.” The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 100, RSMo and Article VI Section 27(b) of the Missouri Constitution authorize real and personal property tax abatement for corporations for certain projects. Currently, there are tax abatement projects located within the District. For more information about tax abatement within the District, see Note J to the District’s financial statements included in *Appendix B* to this Official Statement.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a “blighted area,” “conservation area,” or “economic development area,” each as defined in such statute.

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

According to the Franklin County Assessor’s office, the assessed valuation of the TIF Increment attributable to property within the District was approximately \$10,541,799 for the 2025 tax year. No TIF Redevelopment Areas are located in St. Charles County and Warren County. See “**PROPERTY TAX INFORMATION – Property Valuations - Current Assessed Valuation**” and “– *History of Property Valuations.*” For more information about tax increment financing within the District, see Note J to the District’s financial statements included in *Appendix B* to this Official Statement.

Tax Rates

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

Operating Levy. The operating tax levy of a school district (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the “**tax rate ceiling**” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy that, when charged against the district’s assessed valuation for the current year, excluding new construction and improvements, will produce an amount of tax

revenues equal to tax revenues for the previous year increased by the lesser of actual assessment growth, 5% or the Consumer Price Index. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment, more fully explained below).

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

Article X, Section 22(a) of the Missouri Constitution (popularly known as the “**Hancock Amendment**”), approved in 1980, places limitations on total state revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of “total state revenues” to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a “**Hancock rollback**.” The limitation on local governmental units does not apply to taxes levied in the Debt Service Fund for the payment of principal and interest on general obligation bonds.

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

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

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.

History of Tax Levies

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

Fiscal Year Ended June 30	General (Incidental) Fund	Special Revenue (Teachers') Fund	Capital Projects (Building) Fund	Debt Service Fund	Total Levy
2026	\$3.3600	\$0.0000	\$0.1331	\$0.4700	\$3.9631
2025	3.4366	0.0000	0.1361	0.4700	4.0427
2024	3.4366	0.0000	0.1405	0.4700	4.0471
2023	3.4366	0.0000	0.1386	0.4700	4.0452
2022	3.4366	0.0000	0.1279	0.4700	4.0345

Source: For fiscal year ending June 30, 2026, the District; for fiscal years ended June 30, 2022 through June 30, 2025, District's Annual Secretary of the Board Reports for fiscal years ended June 30, 2022 through June 30, 2025.

Tax Collection Record

The following table sets forth tax collection information for the District for the following fiscal years:

Fiscal Year Ended June 30	Total Levy (per \$100 of Assessed Value)	Assessed Valuation⁽¹⁾	Total Taxes Levied	Current Taxes Collected		Current and Delinquent Taxes Collected	
				Amount	%	Amount	%
2025	\$4.0427	\$1,023,243,695	\$41,366,673	\$39,502,139	95.49%	\$41,557,351	100.46%
2024	4.0471	989,820,219	40,059,014	37,920,987	94.66	39,635,896	98.94
2023	4.0452	959,419,535	38,810,439	36,989,690	95.31	38,404,227	98.95
2022	4.0345	909,185,599	36,681,093	34,999,705	95.42	36,328,514	99.04
2021	4.1743	828,379,655	34,579,052	33,061,323	95.61	34,605,608	100.08

Source: District's Annual Secretary of the Board Report for the fiscal years ended June 30, 2021-2025.

(1) The assessed valuation used is the assessed valuation of the District as adjusted through December 31 of the calendar year prior to the fiscal year shown.

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

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Major Property Taxpayers

The ten largest taxpayers in Franklin County located in the District according to their 2024 assessed valuations are listed below.

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of District's Assessed Valuation</u>
1. Ameren UE	\$56,727,827	5.54%
2. PC II Vertical LLC	8,198,810	0.80
3. WEG Transformers USA LLC	6,841,080	0.67
4. Wal-Mart Real Estate Business	5,582,413	0.55
5. Hollingsworth Capital Partners	4,524,295	0.44
6. Parker-Hannifin Corp.	3,566,118	0.35
7. Bluff Road LLC	3,247,053	0.32
8. USR-DESCO Washington Crossing	3,070,622	0.30
9. Washington Country Club	2,578,760	0.25
10. Excel Utility Contractors LLC	<u>2,576,555</u>	<u>0.25</u>
TOTAL	<u>\$ 96,913,533</u>	<u>9.47%</u>

Source: District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025; Franklin County Collector's Office.

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APPENDIX B

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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The School District of Washington



Washington, Missouri

Our mission is to inspire Achievement, Character, and Personal Growth in all students as they pursue and succeed in College, Careers, and Life.



2025

For the year ended June 30, 2025

Annual Comprehensive Financial Report



Washington, Missouri

Annual Comprehensive Financial Report

For the year ended June 30, 2025

Dr. Jennifer Kephart, Superintendent

Mr. John McColloch, Assistant Superintendent of Finance &
Operations

Mrs. Robin Kluesner, CPA, Director of Accounting

<http://www.washington.k12.mo.us>

SCHOOL DISTRICT OF WASHINGTON

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Annual
Comprehensive
Financial
Report

2025

INTRODUCTORY SECTION

December 17, 2025

Members of the Board of Education and
Residents of the School District of Washington

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the School District of Washington (District) for the fiscal year ended June 30, 2025. This report provides full disclosure of the District's financial operation. Missouri revised statute 165.111 requires an audit to be performed at least biennially of the financial records of all funds of the District. Washington has always chosen to have an audit done annually rather than biennially. This ACFR, which includes an opinion from the Independent Auditors who conducted the District's audit, conforms to the Generally Accepted Accounting Principles in the United States of America (GAAP) as applicable to governmental entities. The District maintains full responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

We believe that all data, as presented, is accurate in all material respects and that it is presented in a manner to fairly set forth the financial position and results of the District's operations as measured by the financial activity of its various funds. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial activities have been included.

This letter of transmittal is designed to be read in conjunction with the Management Discussion and Analysis (MD&A) report which is located following the independent auditors' report. Financial highlights and a discussion of the District's financial condition are provided in the MD&A.

The Annual Comprehensive Financial Report is presented in three sections as follows:

1. The Introductory Section, which includes a Table of Contents, Letter of Transmittal, listing of elected Board of Education members, listing of administrative officials and an organizational chart of the District.
2. The Financial Section, which begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Notes to Basic Financial Statements, Required Supplementary Information and Supplementary Information.
3. The Statistical Section, which includes selected comparative financial, non-financial, demographic and economic data for the District.

Profile of the Organization

This report includes all funds of the District. The District is a political subdivision of the State of Missouri created under the Constitution of Missouri.

Profile of the Organization (Continued)

The School District of Washington has provided education services to the students in the Franklin County area since its incorporation as a public entity in 1889. Through mergers, it has become one of the largest geographical school districts in Missouri with the reorganization and addition of area in both Warren and St. Charles counties. Population growth in the District has remained constant or slightly increased the past several years. Enrollment projections indicate the student population during the next few years will remain fairly constant. The District currently provides education to approximately 3,456 students Kindergarten through grade 12, with an additional 126 students in its early childhood education programs.

The District encompasses approximately 271 square miles in Franklin County, southern St. Charles County and eastern Warren County. The cities within the District's boundaries are Augusta, Labadie, Marthasville, Washington and parts of New Haven, Union, and Villa Ridge. The District operates as fiscally independent of the State of Missouri or any other jurisdiction in the county or local township in which it operates.

The District's educational facilities include an early learning center, seven elementary schools, one middle school and one high school. The District also provides a career technical education center that supports high school students from the School District of Washington, eight surrounding public high schools and two area private high schools. The District has one operational support building, an administration building, and a technology and learning center.

The District employs approximately 644 staff members to assist in the student learning process. Personnel costs, including salaries and benefits, account for 72.30% of the District's total operating expenditures. The student to teacher ratio is for the District as a whole, 15:1 for elementary schools, 14:1 for middle school and 23:1 for high school. By looking at the student to teacher ratio for elementary, the reader would tend to believe the District has low class sizes. Many of the District's outlying buildings do have low enrollment, but it seems each year the District has a few buildings with pockets of growth at varying grade levels. These pockets of growth present situations where a classroom is at the maximum level that is acceptable before an additional classroom needs to be added.

The District contracts with First Student, Inc. to provide transportation to and from school to eligible students and on school sponsored activity trips. Approximately 1,577 students are transported on a daily basis. Fifty-five school buses are used in the transportation program with most buses serving multiple routes.

Washington's Investment in Great Schools Foundation (WINGS) provides annual program grants to the District teachers from funds raised through its own fundraising efforts. The Foundation is a legally separate entity.

The School District of Washington Board of Education (the "Board"), consisting of seven elected officials, has the power to sue and to be sued and to make rules and regulations for its own government consistent with the laws of the State of Missouri and the State Board of Elementary and Secondary Education (DESE). The Board has oversight responsibility and control over all activities related to public education in the District, including the authority to designate management, and the ability to significantly influence operations and primary accountability for fiscal matters.

Profile of the Organization (Continued)

It is the responsibility of the District to make public education available to residents of the School District of Washington. The District is an independent entity and receives its funding from local, state and federal government sources and must comply with the requirements of these funding agencies.

The District provides a wide range of public educational services at all grade levels ranging from Kindergarten through grade twelve. In addition to a rigorous and varied regular academic curriculum, the District offers a broad range of other programs for students including gifted/talented, English as a Second Language, fine arts, advanced college placement, interscholastic and intramural athletics, assistance for at-risk students and others. The District also provides services beyond the broad K-12. The District provides early childhood services, which serves children before they attend Kindergarten. The District also provides a career center which serves ten surrounding high schools and provides adult continuing education. Some of the services provided to our students include instructional staff, instructional materials, instructional facilities, administrative and business service support, food service, bus transportation services and facility maintenance.

The District is committed to developing, maintaining, and improving effective management systems and controls. The District makes conscientious efforts to employ and retain highly qualified employees through active recruitment and thorough evaluations. Further, operations are continually evaluated to assure they function effectively and provide appropriate levels of supervision and segregation of duties.

Accomplishments



Washington Middle School: State School of Character

Washington Middle School has been certified as a Missouri State School of Character. Washington Middle School has demonstrated a focus on character development which has positively impacted academic achievement, student behavior and school climate. This recognition is given to schools and districts that have achieved a standard of excellence in the area of character development through their exemplary implementation of Character.org's 11 Principles of Effective Character Education, a framework for wholeschool improvement.

Promising Practice: Connect Washington

The School District of Washington's Connect Washington initiative has been selected by Character.org as a 2024 Promising Practice. Promising Practices are unique, effective, and replicable initiatives that inspire "goodness in action" and contribute to the field of character development. Each promising practice aligns with one or more of the principles articulated in Character.org's *11 Principles Framework*.



Accomplishments (Continued)



Missouri School Board's Association's 2024 Governance Team Award

This prestigious award is based on the outstanding commitment of the school board and superintendent to ongoing professional development in effective governance practices. The award also recognizes their commitment to regional and statewide leadership and to active participation in legislative advocacy for public schools and the students they serve.

National Fastpitch Coaches Association

Washington High School's softball coaching staff was recognized for being named the NFCA (National Fastpitch Coaches Association) High School National Coaching Staff of the Year for the 2023-24 season. They were recognized at the NFCA Convention in Dallas, TX.



Outstanding Young Professionals Class of 2024

Jamie Knight, Augusta Elementary School Counselor, was named a member the the Class of 2024 Outstanding Young Professionals by the Washington Area Chamber of Commerce. This award recognizes young professionals under 40 for their commitment to their organization as well as their community. The goal of the group is to bring young professionals together today, to be the community leaders of tomorrow.

National Junior Reserve Officer Training Corp

The cadets of the Washington NJROTC (Naval Junior Reserve Officer Training Corps) have been recognized as a Distinguished Unit with Academic Honors for the 2024-25 school year by the NJROTC Program Office and the Area Nine Manager. The highly regarded distinction is made in recognition of the exceptional achievement of Washington High School's Navy National Defense Cadet Corps (NNDCC) unit during the 2024-25 school year.



US News & World Report

Clearview Elementary in the School District of Washington has been ranked No. 117 in Missouri among the 2025 Best Elementary Schools by U.S. News & World Report. The rankings evaluate nearly 18,000 schools at the national, state and local level. The school was ranked No. 117 among 1,018 Missouri elementary schools.

Accounting System and Budgetary Control

The District's Annual Comprehensive Financial Report was prepared pursuant to School Board Policy and in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. This system provides a complete set of self-balancing accounts for each District fund. The chart of accounts used in this accounting system was developed in accordance with the Missouri Financial Accounting Manual prepared by the Department of Elementary and Secondary Education, School Finance Section, State of Missouri.

The District's accounting system for governmental funds operates on the cash basis of accounting. At year end, the governmental funds are converted from cash basis to a full accrual basis for the presentation of government wide financial statements. In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of these controls should not exceed the benefit, and the evaluation of costs and benefits requires estimates and judgments by management.

The District believes the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The District's accounting system is organized on the basis of funds. The District considers four funds (General, Special Revenue-Teachers', Debt Service and Capital Projects) as major.

The school budget is an instrument which provides a definite financial policy for the direction of business operations of the District as per board policy. It provides an outline of the probable expenditures and the anticipated receipts during a specified period of time. The budget is one of the most important legal documents of a school district. It is not a static document but rather a working document that changes. The fiscal year for the budget is defined as beginning annually on the first day of July and ending on the thirtieth day of June as set by board policy.

In accordance with Chapter 67 RSMo, each year the Superintendent of Schools is required to submit to the Board of Education for its consideration a detailed annual budget showing estimates of income and expenditures for the ensuing fiscal year. The Board may accept, reject, modify, or request revisions of the budget, but will adopt a budget by June 30, according to statutory provisions.

Each entity may request to revise, alter, increase or decrease the items contained in the proposed budget, subject to such limitations as may be provided by law; provided, that in no event shall the total authorized 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. After the entity has approved the budget for any year and has approved or adopted the orders, motions, resolutions, or ordinances required to authorize the expenditures proposed in the budget, the entity shall not increase the total amount authorized for expenditure from any fund, unless the governing body approves the order.

Accounting System and Budgetary Control (Continued)

By law, the approved estimated expenditures for each fund cannot exceed the estimated revenues to be received plus the unencumbered beginning cash balance for the fund. After the beginning of the fiscal year, the Superintendent reviews with the Board the adopted budget in relation to the beginning cash balances for each fund. Monthly financial statements are prepared and distributed to the Board.

Local Economy

Washington is situated along the Missouri River and is located 55 miles west of St. Louis. Highway 100 and Highway 47 are the two state highways leading into Washington. Amtrak and Union Pacific Railroads also serve the town. The Washington Memorial Airport is located in Warren County. The airport is home base for 48 airplanes. AmerenUE provides the area with electricity and Spire provides gas service. Both traditional and cellular phone service is provided by several companies. The Missouri Public Service Commission regulates these companies.

The Washington area now serves a shopping population of over 150,000. With more than 300 retail stores, it is the largest shopping community between St. Louis and Jefferson City. Phoenix Center II Community Improvement District was established in 2006. Anchor stores for this District are Target and Kohl's. Since established, the shopping area in Phoenix Center has expanded by adding retail stores including Marshall's, Ulta Cosmetics, Ross Dress for Less, Dick's Sporting Goods, Aspen Dental, PetSmart, AT&T, Five Below, Dollar Tree, Cato, Orange Leaf, Kay Jewelers, Aldi's and Maurices.

Over 70 industries are located in Washington, employing an estimated 7,000 people. Washington has a growing visitor industry, attracted by the boat access to the Missouri River, historical buildings, and wineries located in the general area. WEG Transformers recently announced a \$77 million expansion project, Ameren Missouri completed a \$40 million power substation and AZZ Precoat Metals is nearing completion of a \$110 million manufacturing plant.

There are two radio stations, two local television stations and a semi-weekly newspaper. In addition, the cable television company carries a local channel broadcast from East Central College. Additional radio and television services are available from the St. Louis area.

Mercy Hospital has been serving the area since 1926. Part of the Sisters of Mercy Health System, the 187 bed, non-profit facility is a Level III Trauma Center that has received numerous state and national honors over the years.

Major Initiatives

The District continues to improve its facilities and infrastructure to better serve students. In June 2019, a no tax rate increase bond issue was passed for the purpose of constructing a new elementary school. Bond proceeds were also used to install secure vestibules in all buildings throughout the District to improve student safety. Both projects started in the spring of 2020. The secure vestibules were substantially completed in October, 2020 and the new South Point Elementary was completed in August, 2021 and welcomed students for the 2021-2022 school year. Additionally, the Middle School underwent an expansion project which added a new Library and converted the former Library to a Science Lab which started serving students for the 2022-2023 school year. The remaining bond funds were used in 2023-2024 to complete roofing, masonry and heating & cooling

Major Initiatives (Continued)

projects at the High School.

During 2022-2023, a new baseball and softball complex was completed at the site of the old South Point Elementary building. Construction of a concession stand building housing public restrooms, a locker room, IT closet and a storage garage was completed in 2023-2024.

In 2021, the District launched Connect Washington with our partners the City of Washington, Washington Area Chamber of Commerce, and Downtown Washington, Inc. Connect Washington's goal is to ensure each student has an opportunity to explore their workforce passions and interests prior to graduation from Washington High School. The District recognizes the importance of career exploration and the development of essential skills in students throughout grades K-12. Our partnered work has already received economic recognition by the East-West Gateway Council of Governments, national corporations, and area governmental agencies. The growth of this program has exceeded all expectations by growing to 150 business partners.



SOAR into STEM

This program was initiated in the Fall of 2023. It is a partnership between Washington Area Chamber of Commerce, School District of Washington, Wings of Hope, the City of Washington and Downtown Washington, Inc. High School students from Crosspoint Christian School, Hermann High School, New Haven High School, Pacific High School, St. Clair High School, St. Francis Borgia High School, Sullivan High School, Union High School, Warrenton High School, Washington High School and Wright City High School were invited to participate. Students expanded their knowledge of flight, mechanics, and navigation as well as explored aviation career paths and focused on humanitarian aviation. During each of the five sessions, students engaged with introductory curriculum, guest speakers, career mentorship, and hands-on learning activities that concluded with a flight with a Certified Flight Instructor. The program provided the foundation for advanced exploration of humanitarian aviation in the areas of flying, aerospace engineering, and unmanned aircraft systems.

Blue Friday

The School District of Washington, St. Francis Borgia High School, Washington Chamber of Commerce, Downtown Washington, Inc., and the City of Washington launched the "Blue Friday" community initiative in August, 2023. The initiative is aimed at fostering support and pride for our local students and schools. All residents, businesses, students, parents, and community members are encouraged to don the color blue every Friday as a symbol of our collective commitment to our community's young minds and their academic and extracurricular success. This initiative embodies the idea that education is a collaborative endeavor where students, teachers, parents, and the wider community all play essential roles. By wearing blue every Friday, we show our young learners that we are steadfast in our support for their aspirations, achievements, and dreams regardless of the institution they attend.



Major Initiatives (Continued)



Early College Academy

This program began at East Central College (ECC) in 2020-2021. Washington began participation in 2021-2022. Students attend ECA for two years, replacing (or augmenting) junior and senior years of traditional high school. While in the ECA, students are enrolled in a curriculum consisting of all college coursework taught by professors at ECC. Upon successful completion, students earn up to an associate's degree, as well as a high school diploma.

Success-Ready Students Network – System Design Zone

The School District of Washington is joining 56 school districts, four universities, and 14 state and regional education organizations to create a better way for each student to engage in meaningful learning, demonstrate individual growth, and prepare for future success. Together, and working in collaboration with the Missouri Department of Elementary and Secondary Education, the Success-Ready Students Network will design a new state assessment system focused on learning.



Long-Term Financial Planning

The Board of Education adopted a series of policies that provide direction regarding the District's budget and financial affairs that reflect the educational philosophy of the District, and provide a framework in which the District's administration can effectively operate. The purpose of the District's budget and finance policies is to provide direction for a systematic process that maintains continuity from year to year and inform the public regarding the education and financial operations of the District.

The District has committed to its *Blue Jay PRIDE* strategic plan grounded in the ideas of innovation through rigor, relevance and high quality relationships. The plan focuses on the following five innovative strategic areas: P) Prepare students for post-graduation success; R) Recruit, retain, and develop quality staff; I) Increase student achievement, engagement, and support; D) Demonstrate a focus on governance and asset management; and E) Ensure a positive climate and culture. This plan is our path forward. It serves as our guide as we focus on continuous improvement. In order to achieve our goals, our financial strategies must follow suit. With strong financial backing and accountability, and a budget aligned with our strategic goals, we can ensure progress. It should also be noted that our success is a direct result of the quality teachers, leaders, and support personnel that work with our students each and every day. We understand adequate funding gives educators access to the resources they need to support students and the growing demands placed upon them. We must encourage a growth mindset in our employees and our students. Washington is truly a progressive place, with not only a solid foundation but numerous opportunities to explore.

The Board of Education, during their visioning session, unanimously agreed that our direction going forward should reflect our desire for innovation, and a more personalized approach to educational delivery for students. The expectation is that the strategic plan will exemplify this desire. Our budget is a critical element, as our success will be attainable only if our financial resources can be aligned properly.

Long-Term Financial Planning (Continued)

The District adopted a Fund Balance policy in accordance with GASB 54. The primary objective of the Fund Balance policy is to protect against revenue shortfalls or unexpected expenditures. The policy states the District will maintain a reserve of 22-27% in the Operating Fund. If the fund balance falls below the minimum of 22%, the Board will put a plan in place to replenish the fund balance within two years. As of June 30, 2025, the fund balance in the Operating Fund was 53.85%, well above the Board's target.

Independent Audit

The revised statutes of the State of Missouri require that an independent audit be conducted on a biennial basis. The District policy, however, requires that an independent certified public accounting firm conduct an audit annually. This requirement has been satisfied and the opinion of Kerber, Eck & Braeckel, LLP is included in this report.

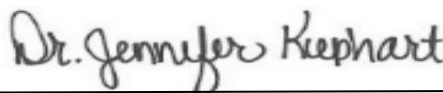
The Board of Education is also required to undergo an annual single audit in conformity with the provisions of Uniform Guidance. Information related to this single audit, including the schedule of expenditures of federal awards, and independent auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations is included in a separate single audit report and is available at the District's Administrative Office for inspection.

Acknowledgements

It is our intention for this Annual Comprehensive Financial Report to provide the District's management, outside investors, and interested local citizens with the most meaningful financial presentation possible. We are hopeful that all readers of the report will obtain a clear and concise picture of the District's financial condition as of June 30, 2025.

We want to express our appreciation to all staff members, in particular those in the District's Finance Department, who assisted and contributed to the preparation of this report. We would also like to thank the members of the Board of Education and the Board Finance Committee for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Dr. Jennifer Kephart
Superintendent



John McColloch
Assistant Superintendent of Finance & Operations



Robin Kluesner, CPA
Director of Accounting

The School District of Washington Board of Education 2024-2025



Mr. Dan Leslie
School Board President



Mrs. Kelly Brinkmann
School Board Vice-President



Mr. John Freitag



Mr. Kevin Blackburn



Dr. Frank Wood



Mr. Bob Oreskovic



Mr. Rob Horvath



Dr. Jennifer Kephart
Superintendent of Schools

Executive Administration



Dr. Rachael Franssen
*Assistant Superintendent of
Personnel & Support Services*



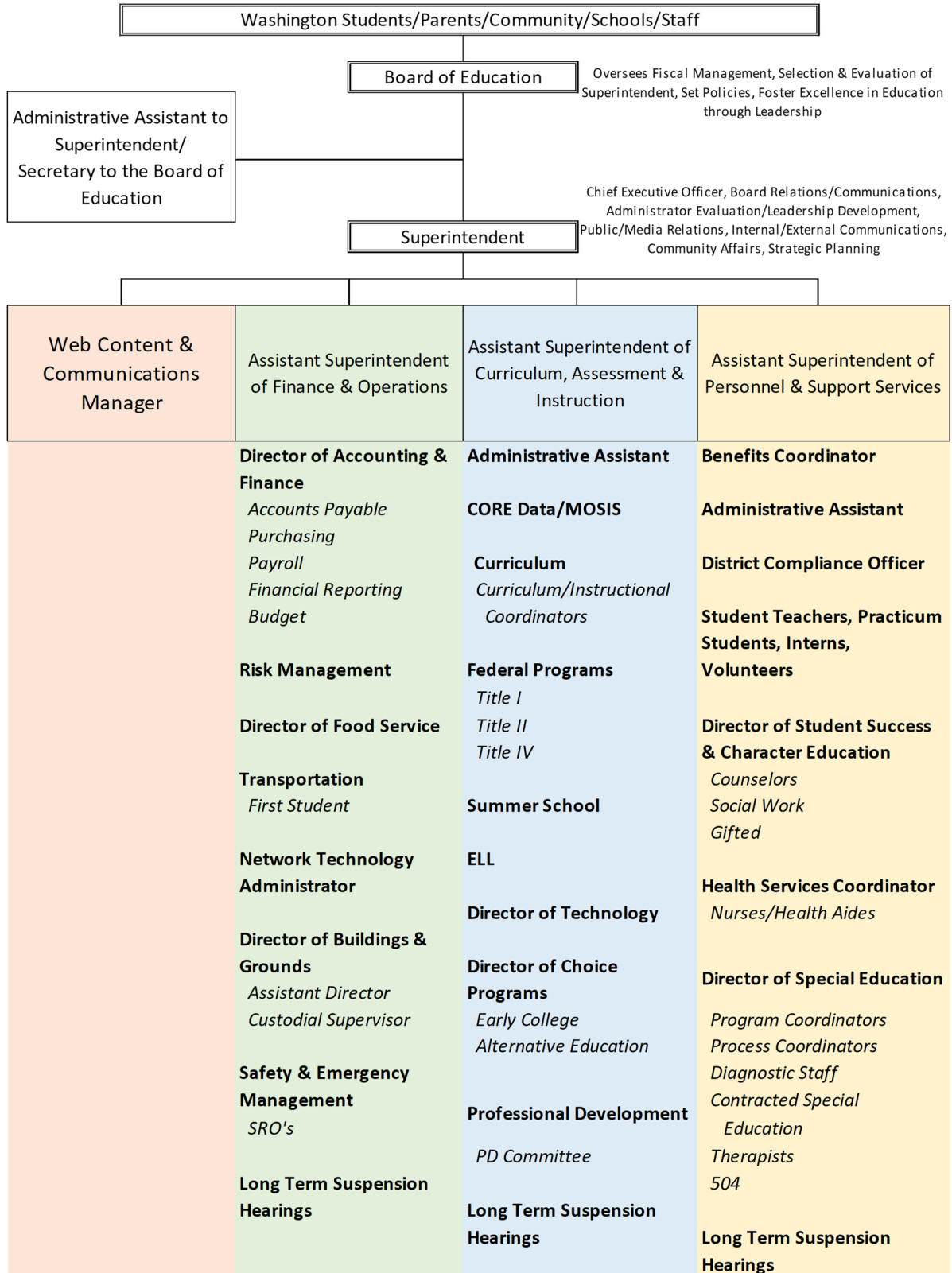
John McColloch
*Assistant Superintendent of
Finance & Operations*



Maranda Anderson
*Assistant Superintendent of
Curriculum & Assessment*



ORGANIZATIONAL STRUCTURE 2024-2025





Annual
Comprehensive
Financial
Report

2025

FINANCIAL SECTION



Independent Auditors' Report

To the Members of the Board of Education
School District of Washington

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of School District of Washington, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District of Washington's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School District of Washington, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the

information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District of Washington's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025, on our consideration of the School District of Washington'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 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 School District of Washington's internal control over financial reporting and compliance.

Kerber, Eck & Braeckel LLP

Kerber, Eck & Braeckel, LLP
Certified Public Accountants
St. Louis, Missouri

December 10, 2025

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

The discussion and analysis of School District of Washington's financial performance provides a comprehensive overview of the District's financial activities and the results of operations for the fiscal year ended June 30, 2025. Readers of the District statements, including this discussion and analysis, are encouraged to review the notes to the basic financial statements to enhance their understanding of the District's financial performance.

The Management's discussion and analysis is provided at the beginning of the audit to communicate the past and current position of the District's financial condition.

Financial Highlights

The key government-wide financial highlights for FY25 are as follows:

- At the government-wide level, the net position was \$46.1 million compared to \$41.8 million at the end of FY24 for an increase of \$4.3 million. Of the \$46.1 million of the net position (assets less liabilities), \$29.9 million is the District's net investment in capital assets.

At June 30, 2025, \$5.7 million of the net position was restricted by Missouri Statute for Debt Service Fund. \$3.7 million of the net position was restricted for teachers salaries and benefits.

At June 30, 2025, the District had a \$6.8 million unrestricted fund balance which is used to finance day-to-day activities without constraints established by Federal or State statutes. Unrestricted net position increased as compared to FY24. This was primarily due to the decrease in the District's Share of Missouri State Pension Liability.

- Total assets decreased by \$0.5 million in the current year. The District realized an increase in current assets of \$3.2 million and a net decrease in noncurrent assets of \$3.7. Accumulated depreciation on the District's capital assets was approximately \$132.4 million and the net decrease in capital assets, at historic cost, was \$0.1 million.
- Total deferred outflows of resources decreased by \$9.2 million. This is due to the differences between expected and actual earnings on pension plan investments.
- Total liabilities increased \$12.0 million in the current year. The District's long-term obligations had a net decrease of \$11.4 million primarily due to the District's share of Missouri State Pension Liabilities. Of the total long-term obligation, \$3.2 million is classified as current, as this represents the amount due within one year of June 30, 2025.
- Total deferred inflows of resources decreased by \$2.0 million. This is due to the differences between projected and actual earnings on pension plan investments
- General revenues accounted for \$53.7 million or 78.53% of the District's \$68.4 million total revenue. Of this general revenue, \$51.3 million or 74.97% was from local effort including all taxes. Program specific revenue in the form of charges for services, operating grants, contributions and capital grants accounted for approximately \$14.9 million or 21.47% of the total revenue.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

The dependence upon local tax revenues is apparent. The assessed valuation for the fiscal year ended June 30, 2025, increased \$25.5 million or 2.6% to \$1,015,276,483 from the prior year. The District's tax rate decreased to a total rate of \$4.0427.

- At the government-wide level, the District had \$64.1 million in expenses. Of these expenses, approximately \$14.7 million were offset by program specific charges for services, grants or contributions. General revenues were adequate to provide for the District's programs in FY25.

Enrollment

The District served a student body of 3,389 students as recorded by the January membership report to the Department of Elementary and Secondary Education. The District's enrollment continued to experience a slight annual reduction as it had over the last several years. The overall picture for the next few years reflects moderate residential growth with recent completion of several apartment complexes and a housing development. As far as commercial growth, the Washington area realized additional growth in that area with companies such as WEG Transformers undergoing expansion projects and AZZ Precoat Metals beginning construction of a new facility.

Using this Annual Report

The District's annual report consists of a series of financial statements that show information for the District as a whole. The Statement of Net Position on page 14 and the Statement of Activities on page 15 provide information about the activities of the Government as a whole, based on the full-accrual basis of accounting and present a longer-term view of the District's finances. The Fund Financial Statements, the Balance Sheet - Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, provide the next level of detail about the District's four required funds; the General Fund, the Special Revenue (Teacher's) Fund, the Debt Service Fund and the Capital Projects Fund. These statements tell how the District financed program services in the short-term, as well as what remains for future spending. The fund level statements are prepared on the modified accrual basis of accounting and include a bridge schedule to reconcile them to the government-wide level statements. These statements provide a comparative look at FY25 versus the prior year.

The annual report also includes the notes to the basic financial statements. The user of the annual report should read the independent auditors' report, as well as the notes to the basic financial statements, to gain a clear picture of the financial position of the District.

Reporting the District as a Whole

The District adheres to Missouri State requirements for school districts and uses four major funds to account for the revenues, programs and activities each fiscal year. These statements provide information on these funds individually and the view of the District as a whole. The Statement of Activities answers the question of how well did the District do financially during the year.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

The Statement of Activities explains the types of resources: revenues, charges for services, grants and contributions and the uses of resources: instructional and support services expenses. In addition, the Statement of Net Position reports the District's net position and changes in those assets and liabilities or claims against those assets. This statement tells the reader that, for the District as a whole, the financial position during the current year has either improved or diminished.

These statements report revenues and expenses, and assets, liabilities and fund balances using the full accrual basis of accounting similar to the accounting used by most private-sector entities. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular and miscellaneous activities. The District does not have any business-type activities.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

The District as a Whole

Table 1 provides a summary of the District's net position as of June 30, 2025, compared to June 30, 2024.

Table 1			
SCHOOL DISTRICT OF WASHINGTON			
Condensed Statements of Net Position - Governmental Activities			
June 30,			
	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>
Assets			
Current Assets	\$ 52,099,014	\$ 48,926,351	\$ 3,172,663
Capital Assets, Net	85,413,672	89,097,501	(3,683,829)
Total Assets	<u>137,512,686</u>	<u>138,023,852</u>	<u>(511,166)</u>
Deferred Outflows of Resources	<u>22,619,023</u>	<u>31,787,776</u>	<u>(9,168,753)</u>
Liabilities			
Current Liabilities	1,626,027	2,218,321	(592,294)
Noncurrent Liabilities			
Due Within One Year	3,172,013	3,206,691	(34,678)
Share of Missouri State Pension Liability	33,726,762	41,062,488	(7,335,726)
Other Post Employment Benefits Liability	3,883,914	4,464,804	(580,890)
Due in More Than One Year	56,294,793	59,786,508	(3,491,715)
Total Liabilities	<u>98,703,509</u>	<u>110,738,812</u>	<u>(12,035,303)</u>
Deferred Inflows of Resources	<u>15,305,653</u>	<u>17,345,224</u>	<u>(2,039,571)</u>
Net Position			
Net investment in capital assets	29,931,931	31,087,756	(1,155,825)
Restricted	9,366,066	10,706,423	(1,340,357)
Unrestricted	6,824,550	(66,587)	6,891,137
Total Net Position	<u>\$ 46,122,547</u>	<u>\$ 41,727,592</u>	<u>\$ 4,394,955</u>

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

Table 2 shows the sources of the changes in net position for the year ended June 30, 2025, compared to the year ended June 30, 2024.

Table 2
SCHOOL DISTRICT OF WASHINGTON
Changes in Net Position for Government-Wide Assets
Year ended June 30

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>%</u>
Program revenues				
Charges for services	\$ 3,062,501	\$ 3,010,624	\$ 51,877	1.7%
Operating and capital grants and contributions	11,619,091	9,938,813	1,680,278	16.9%
General Revenue				
Property taxes and other county taxes	48,838,915	47,495,812	1,343,103	2.8%
State Aid	2,835,178	3,797,947	(962,769)	-25.3%
Investment Earnings	2,434,840	2,588,786	(153,946)	-5.9%
Miscellaneous	(395,516)	771,298	(1,166,814)	-151.3%
Total revenue	<u>68,395,009</u>	<u>67,603,280</u>	<u>791,729</u>	1.2%
Program expenses				
Instructional programs	28,143,329	27,583,069	560,260	2.0%
Other	34,136,659	32,285,705	1,850,954	5.7%
Interest and other expenses on long-term debt	1,789,309	1,867,620	(78,311)	-4.2%
Total expense	<u>64,069,297</u>	<u>61,736,394</u>	<u>2,332,903</u>	3.8%
 Change in net position	 <u>\$ 4,325,712</u>	 <u>\$ 5,866,886</u>	 <u>\$ (1,541,174)</u>	

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

The Statement of Activities shows the cost of program services and any charges for services and grants offsetting those services, which are defined as net cost of services. Table 3 shows the total cost of services and the net cost of services. This table identifies the amount of the total cost of services, including depreciation, supported by tax revenue, other local effort, and unrestricted entitlements.

Table 3
Total and Net Costs of Governmental Activities
Year ended June 30

	2025		2024	
	Total Cost of services	Net Cost of services	Total Cost of services	Net Cost of services
Instructional programs	\$ 28,143,329	\$ 20,080,236	\$ 27,583,069	\$ 21,213,070
Attendance	398,550	398,550	470,607	470,607
Guidance	2,063,166	1,693,209	1,436,097	1,296,797
Health services	2,302,153	1,943,905	2,478,547	2,216,940
Improvement of instruction	795,432	697,222	845,634	774,888
Professional development	1,829	1,307	74,426	74,426
Media services	789,762	789,762	811,255	811,255
Board of education	176,536	176,536	221,012	221,012
Executive administration	3,905,906	3,854,302	3,703,410	3,657,181
Building level administration	3,168,700	2,981,401	3,101,160	3,080,861
Operation of plant	10,932,336	10,744,266	10,220,392	9,710,393
Pupil transportation	3,824,549	1,585,799	3,332,944	891,454
Food services	2,486,530	654,899	2,398,451	396,778
Central office support	516,265	516,265	446,561	446,561
Business and central services	638,074	638,074	680,145	680,145
Security services	290,758	290,758	397,881	397,881
Adult education	489,099	(38,163)	482,453	42,678
Community services	1,357,014	590,068	1,184,730	536,410
Debt service	1,789,309	1,789,309	1,867,620	1,867,620
	\$ 64,069,297	\$ 49,387,705	\$ 61,736,394	\$ 48,786,957

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

Capital Assets

At June 30, 2025, the District had \$217,773,829 invested in capital assets at the gross level with \$85,413,672 net of depreciation. Table 4 shows June 30, 2025, compared to June 30, 2024.

Table 4 Capital Assets June 30,			
	2025	2024	Increase (Decrease)
Land	\$ 12,988,436	\$ 13,173,436	\$ (185,000)
Buildings and Building improvements	192,378,652	192,068,705	309,947
Furniture and Equipment	11,256,165	9,919,382	1,336,783
Construction in Progress	1,150,576	2,712,089	(1,561,513)
	\$ 217,773,829	\$ 217,873,612	\$ (99,783)

Overall capital assets decreased \$1.0 million from June 30, 2024. The decrease in capital assets is related to the District's sale of the former Technology & Learning Center.

Further information may be found in Note D, Capital Assets.

Debt Administration

At June 30, 2025, the District had general obligation bonds and notes from direct borrowing and direct placement outstanding of \$51,980,000. The District has made major additions and renovations on our campuses in recent years including HVAC, a new building, building additions and building renovations. The bonds issued in the 2016 Series have been used to refund the 2013 and 2015 Lease Participation Certificates as well as renovations at Four Rivers Career Center. This issue also allowed the District to replace several aging roofs, install access control entrances at all locations, upgrade exterior lighting at several locations, and room renovations at the High School. The bonds issued in 2019 have been used to install secure vestibules at all locations, construction of a new elementary school, expansion of the middle school and LED lighting upgrades across the District.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

Table 5 shows bond debt due from June 30, 2025:

Table 5
Bond Obligation

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2026	\$ 2,375,000	\$ 2,051,595	\$ 4,426,595
2027	2,560,000	1,964,568	4,524,568
2028	2,745,000	1,866,065	4,611,065
2029	2,950,000	1,760,013	4,710,013
2030	3,200,000	1,646,685	4,846,685
2031-2035	17,270,000	6,486,678	23,756,678
2036-2039	20,880,000	2,190,075	23,070,075
	<u>\$ 51,980,000</u>	<u>\$ 17,965,678</u>	<u>\$ 69,945,678</u>

Other long-term debt obligations included accrued compensated absences, a liability for other post employment benefits and a liability for net pension liability. Further information may be found in Note E, Changes in long-term liabilities.

Missouri statute allows school districts to incur debt up to an amount equal to 15% of the most current assessed valuation. The District's allowable debt level ceiling was \$152.3 million at June 30, 2025, far above the District's current level of debt. Missouri law also requires school districts to set a tax levy adequate to service the outstanding debt. The District's Debt Service levy for FY25 was \$ 0.47 on each \$100 of assessed valuation. The Debt Service Fund balance at June 30, 2025, was \$6.2 million.

Budgeting Highlights

The 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 District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

Statements showing the original budget and the final budget amounts compared to the District's actual activity are provided on pages 51, 52, 57 and 58. Budgetary expenditures are obtained for the general ledger and are reported based on budgetary accounting rules. It contains capital expenditures but excludes such items as depreciation, changes in unfunded liability estimates and certain other non-fund costs and activities.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

Reporting the District's Most Significant Funds

The District's Funds

The District had actual revenues of \$70.1 million and actual expenditures of \$65.7 million, which resulted in an overall fund balance increase of \$4.4 million from \$45.2 million in 2024 to \$49.6 million in 2025. This is primarily due to favorable growth in property tax revenue. The Capital Projects Fund increased \$2.4 million. The General Fund balance increased by \$3.4 million, the Teachers Fund decreased by \$2.4 million and the Debt Service Fund increased by \$1.1 million.

Schedules showing the District's original and final budget compared with actual operating results are provided in the ACFR on pages 51 and 52 for the General Fund and Teachers (Special Revenue) Fund, and on pages 57 and 58 for the Debt Service Fund and Capital Projects Fund.

The District's budget and reporting structure follow the statutes of the State of Missouri and as such consists of four major funds: the General Fund, the Teachers (Special Revenue) Fund, the Debt Service Fund and the Capital Projects Fund. At the fund level, the District accounts for the annual activities and prepares the budget using the cash basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available or collectible within sixty days after the end of the current period (June 30). Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

For the Future

The School District of Washington continues to be in excellent financial health and is committed to wise financial management. The operating fund balances are at 53.85% of expenditures. The current Board of Education policy is to ensure year-end operating fund balances are maintained to range between 22-27%. The school board has put into policy measures to be put into place if the balance should fall below 22%.

The operating budget presented to the Board of Education for approval for fiscal year 2025-2026 includes operating revenues of \$60,287,571 and operating expenditures of \$63,417,164. The result is an anticipated operating fund balance decrease for fiscal year 2025-2026 of \$3,129,593.

As part of the normal budgeting process, long-range projections are developed and continually updated. This process allows the District to determine how much of the available resources can be used for on-going projects, such as new programs or initiatives, versus one-time projects, such as facility repairs.

In conclusion and in response to the financial challenges that we could face, the School District of Washington is committed to providing outstanding educational opportunities for its students and to provide the necessary resources to ensure student success. The District's systems for financial planning, budgeting and internal control are well regarded. The District will continue to be prudent in financial management in order to meet the challenges of the future.

SCHOOL DISTRICT OF WASHINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED YEAR ENDED JUNE 30, 2025

Contacting the District's Financial Management

This report is designed to give an overview of the financial conditions of the School District of Washington. If you desire additional information, you may contact Robin Kluesner, CPA, Director of Accounting, at 636-231-2000.

SCHOOL DISTRICT OF WASHINGTON

STATEMENT OF NET POSITION

As of June 30, 2025

	Governmental activities
ASSETS	
Cash and investments	\$ 37,109,649
Restricted cash and investments	7,118,464
Receivables	4,258,844
Prepaid items	2,818,078
Inventory	793,979
Land	12,988,436
Construction in progress	1,150,576
Depreciable capital assets, net of accumulated depreciation	71,274,660
Total Assets	137,512,686
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension related outflows	22,113,303
Deferred OPEB related outflows	505,720
Total Deferred Outflows of Resources	22,619,023
Total Assets and Deferred Outflows of Resources	160,131,709
LIABILITIES	
Accounts payable	377,671
Accrued payroll and related liabilities	564,491
Interest payable	683,865
Noncurrent liabilities	
Due within one year	3,172,013
Share of Missouri State Pension Liabilities	33,726,762
Other Post Employment Benefits Liability	3,883,914
Due in more than one year	56,294,793
Total Liabilities	98,703,509
DEFERRED INFLOWS OF RESOURCES	
Deferred pension related inflows	14,629,502
Deferred OPEB related inflows	676,151
Total Deferred Inflows of Resources	15,305,653
Total Liabilities and Deferred Inflows of Resources	114,009,162
NET POSITION	
Net investment in capital assets	29,931,931
Restricted for:	
Debt service	5,657,792
Student scholarships	1,766
Teachers salaries and benefits	3,706,508
Unrestricted	6,824,550
Total Net Position	\$ 46,122,547

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

STATEMENT OF ACTIVITIES

For the year ended June 30, 2025

Function/Program	Expenses	Program revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Total governmental activities
Governmental activities					
Instruction	\$ 28,143,329	\$ 1,703,319	\$ 6,082,407	\$ 277,367	\$ (20,080,236)
Attendance	398,550	-	-	-	(398,550)
Guidance	2,063,166	-	369,957	-	(1,693,209)
Health services	2,302,153	-	358,248	-	(1,943,905)
Improvement of instruction	795,432	-	98,210	-	(697,222)
Professional development	1,829	-	522	-	(1,307)
Media services	789,762	-	-	-	(789,762)
Board of Education services	176,536	-	-	-	(176,536)
Executive administration	3,905,906	-	51,604	-	(3,854,302)
Building level administration	3,168,700	-	187,299	-	(2,981,401)
Operation of plant	10,932,336	-	151,049	37,021	(10,744,266)
Pupil transportation	3,824,549	-	2,238,750	-	(1,585,799)
Food services	2,486,530	1,034,675	796,956	-	(654,899)
Central office support	516,265	-	-	-	(516,265)
Business and central services	638,074	-	-	-	(638,074)
Security services	290,758	-	-	-	(290,758)
Adult education	489,099	-	527,262	-	38,163
Community services	1,357,014	324,507	442,439	-	(590,068)
Interest and other expenses on long-term debt	1,789,309	-	-	-	(1,789,309)
Total governmental activities	\$ 64,069,297	\$ 3,062,501	\$ 11,304,703	\$ 314,388	(49,387,705)
General revenues					
Taxes					
Property taxes					41,500,491
Sales taxes					4,763,358
Other					2,575,066
State aid					2,835,178
Investment earnings					2,434,840
Miscellaneous					(395,516)
Total general revenues					53,713,417
Change in net position					4,325,712
Net position at July 1, 2024, as restated					41,796,835
Net position at June 30, 2025					\$ 46,122,547

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

BALANCE SHEET - GOVERNMENTAL FUNDS

As of June 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 28,469,199	\$ 2,501,107	\$ -	\$ 6,139,343	\$ 37,109,649
Restricted cash and investments	931,683	-	6,186,781	-	7,118,464
Receivables	1,874,006	1,938,716	154,876	291,246	4,258,844
Prepaid items	2,784,306	33,772	-	-	2,818,078
Inventory	793,979	-	-	-	793,979
Total assets	\$ 34,853,173	\$ 4,473,595	\$ 6,341,657	\$ 6,430,589	\$ 52,099,014
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 303,486	\$ 55,361	\$ -	\$ 18,824	\$ 377,671
Accrued payroll and benefits	371,132	193,359	-	-	564,491
Total liabilities	674,618	248,720	-	18,824	942,162
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenues	910,327	484,595	117,358	33,235	1,545,515
FUND BALANCES					
Nonspendable					
Prepaid items	2,784,306	33,772	-	-	2,818,078
Inventory	793,979	-	-	-	793,979
Restricted					
Teachers salaries and benefits	-	3,706,508	-	-	3,706,508
Student Scholarships	1,766	-	-	-	1,766
Debt service	-	-	6,224,299	-	6,224,299
Committed					
Health reimbursement account	929,917	-	-	-	929,917
Assigned					
2025 budget deficit	3,129,592	-	-	-	3,129,592
Other capital projects	-	-	-	6,378,530	6,378,530
Unassigned	25,628,668	-	-	-	25,628,668
Total fund balances	33,268,228	3,740,280	6,224,299	6,378,530	49,611,337
Total liabilities, deferred inflows of resources, and fund balances	\$ 34,853,173	\$ 4,473,595	\$ 6,341,657	\$ 6,430,589	\$ 52,099,014

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

RECONCILIATION OF THE GOVERNMENTAL FUNDS

BALANCE SHEET WITH THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

As of June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balance - governmental funds	\$	49,611,337
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$217,773,829 and the accumulated depreciation is \$132,360,157.		85,413,672
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds as follows:		
Deferred Revenues		1,545,515
To recognize interest accrued on general obligation bonds		(683,865)
Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds.		
Deferred pension related outflows		22,113,303
Deferred OPEB related outflows		505,720
Deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds.		
Deferred pension related inflows		(14,629,502)
Deferred OPEB related inflows		(676,151)
Long-term liabilities, including bonds and leases payable, are not due and payable in the current period and therefore are not reported in the funds as follows:		
General obligation bonds and direct borrowings	(51,980,000)	
Bond premium, net of accumulated amortization	(3,501,740)	
Compensated absences	(3,985,066)	
Net pension liability	(33,726,762)	
Postemployment benefits other than pensions	(3,883,914)	
Total		(97,077,482)
Total net position - governmental activities	\$	46,122,547

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the year ended June 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Local Sources:					
Property Taxes	\$ 35,326,184	\$ -	\$ 4,831,318	\$ 1,398,846	\$ 41,556,348
Sales Taxes	-	4,763,358	-	-	4,763,358
Investment Income	1,847,445	78,707	285,083	223,605	2,434,840
M&M Surtax	602,419	-	-	-	602,419
In Lieu of Tax	-	-	-	-	-
Other Pupil Activity	631,081	-	-	-	631,081
Community Services	-	324,506	-	-	324,506
Other Local	1,487,506	153,659	-	126,844	1,768,009
Tuition from Other Districts	-	1,047,538	-	-	1,047,538
Total Local	39,894,635	6,367,768	5,116,401	1,749,295	53,128,099
County Sources:					-
Fines, Escheats, Etc.	-	125,658	-	-	125,658
State Assessed Utilities	1,460,571	-	317,378	54,889	1,832,838
Total County	1,460,571	125,658	317,378	54,889	1,958,496
State Sources:					-
Basic Formula	-	2,707,824	-	-	2,707,824
Classroom Trust Fund	-	613,160	-	1,301,861	1,915,021
Transportation	1,936,139	-	-	-	1,936,139
State Grants and Contributions	1,055,900	1,947,240	-	224,187	3,227,327
Total State	2,992,039	5,268,224	-	1,526,048	9,786,311
Federal Sources	1,792,749	2,667,961	-	-	4,460,710
Total revenues	46,139,994	14,429,611	5,433,779	3,330,232	69,333,616
Expenditures					
Current:					
Instruction	3,723,913	25,056,854	-	334,137	29,114,904
Attendance	182,432	221,747	-	-	404,179
Guidance	376,857	1,483,992	-	-	1,860,849
Health services	1,079,805	1,325,735	-	-	2,405,540
Improvement of instruction	198,445	621,116	-	-	819,561
Professional development	(12,161)	14,197	-	-	2,036
Media services	170,422	634,384	-	-	804,806
Board of Education services	173,157	3,380	-	-	176,537
Executive administration	2,367,741	931,736	-	171,336	3,470,813
Building level administration	841,124	2,358,494	-	5,850	3,205,468
Operation of plant	6,684,999	-	-	293,060	6,978,059
Pupil transportation	3,783,877	-	-	-	3,783,877
Food services	2,488,140	-	-	90,432	2,578,572
Central office support	329,425	190,945	-	-	520,370
Business and central services	696,144	-	-	-	696,144
Security services	290,758	-	-	-	290,758
Adult education	103,658	372,365	-	-	476,023
Community services	404,450	912,958	-	-	1,317,408
Facilities acquisition and construction	-	-	-	2,418,596	2,418,596
Debt service:					
Principal retirement	-	-	2,210,000	-	2,210,000
Interest and other charges	-	-	2,134,563	-	2,134,563
Total expenditures	23,883,186	34,127,903	4,344,563	3,313,411	65,669,063
Revenues over (under) expenditures	22,256,808	(19,698,292)	1,089,216	16,821	3,664,553
Other financing sources (uses)					
Transfers	(18,912,539)	17,243,890	-	1,668,649	-
Contracted Educational Services	-	29,735	-	-	29,735
Net Insurance Recovery	23,251	-	-	-	23,251
Sale of other property	-	-	-	717,675	717,675
Total other financing sources (uses)	(18,889,288)	17,273,625	-	2,386,324	770,661
NET CHANGE IN FUND BALANCES	3,367,520	(2,424,667)	1,089,216	2,403,145	4,435,214
Fund balances at July 1, 2024	29,900,708	6,164,947	5,135,083	3,975,385	45,176,123
Fund balances at June 30, 2025	\$ 33,268,228	\$ 3,740,280	\$ 6,224,299	\$ 6,378,530	\$ 49,611,337

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the year ended June 30, 2025

Net change in fund balances - total governmental funds	\$ 4,435,214
<p>Capital outlays are reported as expenditures in the governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:</p>	
Capital asset purchases	3,320,211
Depreciation expense	(4,960,511)
Loss on disposal of capital assets	<u>(2,043,529)</u>
	(3,683,829)
<p>Revenue in the Statement of Activities that does not provide current financial resources are not reported as revenues in the governmental funds. These amounts consist of:</p>	
Increase in deferred revenues	(697,507)
Deferred outflows of resources related to the pension plans are not reported in the funds.	801,104
The difference between the annual cost and contributions made for retiree medical insurance is recognized as an expenditure in the statement of activities but is not recognized in the governmental funds.	(82,913)
<p>The governmental funds report debt (e.g. bonds and capital leases) proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Also, governmental funds report the effect of discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The net effect of these differences in the treatment of debt and related items is as follows:</p>	
Repayment of bond principal	2,210,000
Amortization of bond premium	<u>318,004</u>
Total	2,528,004
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:</p>	
Increase in compensated absences	998,389
Net increase in accrued interest	<u>27,250</u>
Change in net position of governmental activities	<u>\$ 4,325,712</u>

The accompanying notes are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The School District of Washington (“District”) is a political subdivision of the State of Missouri and 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 to pre-kindergarten through high school residents.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Principles Determining the Scope of Reporting Entity

Generally accepted accounting principles require that the financial reporting entity is to include (1) the primary government, (2) organizations for which the primary government is financially accountable and, (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The criteria provided in the applicable GASB statements have been considered and there are no other agencies or entities, which should be presented with the District.

Fund Accounting

The accounts of the District are organized on the basis of legally established funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. District resources are allocated to, and accounted for, 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 Funds

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 based upon determination of changes in the financial position rather than upon net income determination. Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District’s governmental funds, each of which the District considers to be a major fund:

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

General (Incidental) Fund

This fund is the general operating fund of the District and accounts for expenditures for noncertified employees, pupil transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any expenditure not required or permitted to be accounted for in other funds.

Special Revenue (Teachers') Fund

The Special Revenue (Teachers') Fund is a special revenue fund, which accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted, committed or assigned for the payment of teachers' salaries and certain benefits.

Debt Service Fund

This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest and fiscal charges on certain long-term debt.

Capital Projects Fund

This fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities or other capital assets.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to remain intact.

Restricted – includes amounts restricted by external sources (laws of other governments, creditors, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to limitations imposed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through ordinances approved by the Board. The District has committed fund balances for the purpose of paying claims through the health reimbursement account.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District’s adopted policy, amounts may be assigned by the Chief Financial Officer.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, a negative unassigned fund balance may be reported.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

The details of the fund balances are included in the Balance Sheet – Governmental Funds.

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 nonexchange transactions.

The government-wide statements are prepared using the economic resources measurement focus. This differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations, with brief explanations, to better identify the relationship between the government-wide statements and the statements for governmental funds. The government-wide financial statements excludes fiduciary funds.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The government-wide 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, goods and services offered by the program 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 general revenues of the District.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Fund Financial Statements

The fund financial statements provide detail information about the District's funds. The emphasis of fund financial statements is on *major* governmental funds. Each fund is displayed in a separate column.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are the balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Basis of Accounting

Basis of accounting determines when transactions are reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting at the fund level.

Revenues – Exchange and Non-Exchange Transactions – Revenues resulting from exchange transactions in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before they can be recognized.

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

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received, (i.e., cash advances) before eligibility requirements are met, are recorded as unearned revenues.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds at the fund reporting level.

Property 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.

At the fund reporting level, property tax revenues are recognized when they become measurable and available. Available includes those property tax receivables expected to be collected within sixty (60) days after year end. Revenue recognition of delinquent property taxes not collected within sixty (60) days of fiscal year end is deferred.

The District also receives sales tax collected by the State and remitted based on prior year weighted average daily 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. The voters in the District approved a waiver of this tax rollback.

The assessed valuations of the tangible taxable property for the calendar years 2024 and 2023, for purposes of local taxation, were \$1,015,276,483 and \$989,820,219, respectively.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2024 and 2023, for purposes of local taxation, were:

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
General Fund	\$ 3.4366	\$ 3.4366
Special Revenue Fund	-	-
Debt Service Fund	0.4700	0.4700
Capital Projects Fund	<u>0.1361</u>	<u>0.1405</u>
Total	<u>\$ 4.0427</u>	<u>\$ 4.0471</u>

The receipts of current property taxes during the fiscal year ended June 30, 2025, aggregated approximately 97.71% of the current assessment computed on the basis of the levy as shown above.

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which is managed by the District Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained. The reported value of the pool is the same as the fair value of the pool shares.

The District may invest in bonds of the State of Missouri, of the United States, or any wholly-owned corporation of the United States; or in other short-term obligations of the United States.

Interest income earned is allocated to contributing funds based on each fund's proportionate share of funds invested.

Restricted Cash and Investments

Restricted cash and investments represent amounts limited by legal requirements and they consist of unexpended bond proceeds and amounts escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program (MOHEFA) and Missouri Securities Investment Program (MOSIP).

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Receivables

Balances due from other entities:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	\$ 1,073,260	\$ -	\$ 149,398	\$ 42,513	\$ 1,265,171
Department of Elementary & Secondary Education	727,788	1,910,932	-	247,147	2,885,867
Interest	40,050	-	5,478	1,586	47,114
Other	32,908	27,784	-	-	60,692
Total Receivables	<u>\$ 1,874,006</u>	<u>\$ 1,938,716</u>	<u>\$ 154,876</u>	<u>\$ 291,246</u>	<u>\$ 4,258,844</u>

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase, and an expenditure/expense is reported in the year in which services are consumed.

Inventory

Inventories are stated at cost, on a first-in, first-out (FIFO) basis, and are expensed when used.

Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and are updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars (\$5,000) for each individual asset for inventory control purposes and for financial reporting purposes.

The cost of normal maintenance and repairs that do not add value to the asset or materially extend the asset's life are not capitalized.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Major outlays for capital assets and improvements are capitalized as projects are constructed and placed in service. Improvements are depreciated over the remaining useful lives of the related capital assets. Except for land and construction in progress, all reported capital assets are depreciated. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Improvements	39 – 40	years
Furniture and Equipment	5 – 15	years

Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide statements of net position. The District reported two deferred outflows of resources in this year's financial statements. The two are deferred outflows of resources for contributions made to the District's defined benefit pension plans and the OPEB plan between the measurement date of the net liabilities from those plans and the end of the District's fiscal year. Additionally, the net difference between projected and actual earnings and changes in assumptions in the plans are required to be reported as deferred outflows of resources. No deferred outflows of resources affect the governmental funds financial statements in the current year.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and paid leave benefits. Accumulated vacation and paid leave benefits, within limits set by the Board of Education policy, which are unused and vested to the employee are payable upon termination. Paid leave is accrued in the government-wide financial statements for the amount of paid leave benefits accumulated at year end. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts are reported in governmental funds only after they become payable, for example, as a result of employee resignations and retirements.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, special termination benefits, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment. In general, liabilities that mature or are due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Deferred Inflows of Resources

The District's statement of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period(s). Deferred inflows of resources are reported in the District's Statement of Net Position for actual pension plan investment earnings in excess of the expected amounts included in determining pension expense and changes in assumptions for the OPEB plan. This deferred inflow of resources is attributed to pension and OPEB expense over multiple years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The District will not recognize the related revenues until they are available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting.

Net Position

Net position is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction or improvement of those assets. 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 regulators, grantors or laws or regulations of other governments. The remaining balance of net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first.

Interfund Activity

Interfund transfers, if applicable, are reported as other financing sources (uses) in governmental funds. The District transferred \$17,243,890 and \$1,668,649 from the General Fund to the Special Revenue Fund and Capital Projects Fund, respectively, during the year ended June 30, 2025. Transfers are made to the Special Revenue Fund to cover any negative fund balance incurred in a fiscal year. Transfers are made to the Capital Projects Fund in order to fund future equipment and capital repair projects.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE B – CASH AND INVESTMENTS

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 Fund be kept separate and apart from all other funds of the District). Each fund's portion of this pool is displayed on the balance sheet as "cash 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, 2025, the carrying amount of the deposits under District control was \$38,041,356, the bank balance was \$39,522,837, which was covered by federal depository insurance and collateral held by the District or by its agent in the name of the District.

Investments

The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States Government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements, maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. Government agencies or instrumentalities of any maturity, as provided by law. As of June 30, 2025, the District had the following investments and maturities:

<u>Type</u>	<u>Fair Value</u>	<u>Historical Cost</u>	<u>Investment Maturities</u>	
			<u>0 to 1 year</u>	<u>1 to 5 years</u>
External investment pools - MOSIP	\$ 4,416,063	\$ 4,416,063	\$ 4,416,063	\$ -
External investment pools - MOHEFA	1,770,694	1,770,694	1,770,694	-
	<u>\$ 6,186,757</u>	<u>\$ 6,186,757</u>	<u>\$ 6,186,757</u>	<u>\$ -</u>

Investments in external investment pools are stated at amortized cost, which approximates fair value. A separate financial report for the MOSIP external investment pool program can be obtained from PFM Asset Management LLC, 1525 Kisker Road, St. Charles, MO 63304. The MOSIP program is exempt from regulatory oversight as it is a local Government Investment Pool.

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, one of the ways the District manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so a portion of the portfolio is maturing and coming due close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in Missouri Securities Investment Program securities are rated AA+ by Standard and Poor's.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond what is provided by law. Concentration of credit risk is required to be disclosed by the District for any single investment that represents 5% or more of the total investments (excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools and other pooled investments). At June 30, 2025, the District had no concentrations of credit risk required to be disclosed.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a formal policy regarding the custody of its cash and investments. As of June 30, 2025, the District's investments were held by the investment's counterparty.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Summary

The cash deposits and investments are summarized and presented in the financial statements as follows as of June 30, 2025:

Carrying amount of deposits and investments	\$ 38,041,356
Investments	<u>6,186,757</u>
	<u>\$ 44,228,113</u>
Cash and investments - restricted	\$ 7,118,464
Cash and investments - unrestricted	<u>37,109,649</u>
Total reporting entity	<u>\$ 44,228,113</u>

The District has investments managed by BOK Financial in conjunction with the Missouri School District Deposit Program. These investments are restricted for payment of interest and retirement of general obligation bonds issued through the MOHEFA Bond program as discussed more fully in Note D.

The District also has funds invested in the Missouri Securities Investment Program. All funds in this program are invested in accordance with Section 165.061 RSMo. Each school district owns a pro rata share of each investment, which is held in the name of the Fund.

NOTE C – TAXES RECEIVABLE

Taxes receivable are as follows at June 30, 2025:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Property Taxes	<u>\$ 1,073,260</u>	<u>\$ -</u>	<u>\$ 149,398</u>	<u>\$ 42,513</u>	<u>\$ 1,265,171</u>

There were no allowances for uncollectible receivables at June 30, 2025.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE D – CAPITAL ASSETS

The following is a summary of changes occurring in capital assets for the year ended June 30, 2025:

	July 1, 2024 Balance	Transfers	Additions	Deletions	June 30, 2025 Balance
Governmental Activities					
Capital assets not being depreciated					
Land	\$ 13,173,436	\$ 155,000	\$ -	\$ (340,000)	\$ 12,988,436
Construction in Progress	2,712,089	(4,039,746)	2,478,233	-	1,150,576
Capital assets that are depreciated					
Buildings and improvements	192,068,705	3,207,973	93,715	(2,991,741)	192,378,652
Furniture and equipment	9,919,382	676,773	748,263	(88,253)	11,256,165
Totals at historical cost	217,873,612	-	3,320,211	(3,419,994)	217,773,829
Less Accumulated Depreciation					
Buildings and improvements	(121,822,901)	-	(4,108,745)	1,293,960	(124,637,686)
Furniture and equipment	(6,953,210)	-	(851,766)	82,505	(7,722,471)
Total accumulated depreciation	(128,776,111)	-	(4,960,511)	1,376,465	(132,360,157)
Total Capital Assets, Net	\$ 89,097,501	\$ -	\$ (1,640,300)	\$ (2,043,529)	\$ 85,413,672

Depreciation was charged to functions of the District as follows:

Instruction	\$ 266,334
Adult Education	27,483
Educational Media	8,047
Executive Administration	292,595
Building Administration	12,905
Central Office Support	2,000
Operation of Plant	206,354
Facilities	4,107,772
Food Services	37,021
	<u>\$ 4,960,511</u>

Construction in progress of \$1,150,576 represents several capital repair projects across the District, equipment installations and building renovations.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE E - CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes occurring in long-term liabilities for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Amounts due within one year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 33,850,000	\$ -	\$ (710,000)	\$ 33,140,000	\$ 870,000
Bonds from direct borrowing and direct placement	20,340,000	-	(1,500,000)	18,840,000	1,505,000
Deferred amounts for issuance premium	3,819,744	-	(318,004)	3,501,740	-
Total bonds payable, net	58,009,744	-	(2,528,004)	55,481,740	2,375,000
Compensated absences	4,983,455	-	(998,389)	3,985,066	797,013
Total governmental activity long-term liabilities	\$ 62,993,199	\$ -	\$ (3,526,393)	\$ 59,466,806	\$ 3,172,013

Payments on the general obligation bonds and direct placement are made by the Debt Service Fund. The compensated absences will be liquidated by the fund in which the employee's salary was charged. The amount reported as reductions to compensated absences represents the net change in the liability.

Bonds Payable

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

SCHOOL DISTRICT OF WASHINGTON**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Bonds payable consist of the following at June 30, 2025:

<u>Date issued</u>	<u>Original issue amount</u>	<u>Maturity date</u>	<u>Rate of interest</u>	<u>Balance at June 30, 2025</u>
General Obligation Bonds				
1/5/2017	\$ 5,995,000	3/1/2036	5.00%	\$ 5,995,000
6/11/2019	26,000,000	3/1/2039	3.00% - 4.00%	24,430,000
4/15/2021	<u>5,895,000</u>	3/1/2035	0.19% - 1.51%	<u>2,715,000</u>
	37,890,000			33,140,000
Bonds from direct borrowing and direct placement				
12/21/2017	<u>24,065,000</u>	3/1/2033	3.55%	<u>18,840,000</u>
	<u>\$ 61,955,000</u>			<u>\$ 51,980,000</u>

The annual requirements to amortize bonded debt outstanding as of June 30, 2025, are as follows:

Year ending June 30,	Bonds		Bonds from Direct Borrowings and Direct Placement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 870,000	\$ 1,382,775	\$ 1,505,000	\$ 668,820	\$ 2,375,000	\$ 2,051,595
2027	805,000	1,349,175	1,755,000	615,393	2,560,000	1,964,568
2028	990,000	1,312,975	1,755,000	553,090	2,745,000	1,866,065
2029	945,000	1,269,225	2,005,000	490,788	2,950,000	1,760,013
2030	450,000	1,227,075	2,750,000	419,610	3,200,000	1,646,685
2031-2035	8,200,000	5,831,525	9,070,000	655,152	17,270,000	6,486,677
2036-2039	<u>20,880,000</u>	<u>2,190,075</u>	<u>-</u>	<u>-</u>	<u>20,880,000</u>	<u>2,190,075</u>
	<u>\$ 33,140,000</u>	<u>\$ 14,562,825</u>	<u>\$ 18,840,000</u>	<u>\$ 3,402,853</u>	<u>\$ 51,980,000</u>	<u>\$ 17,965,678</u>

Certain bond issue payments are made through the Missouri School District Direct Deposit program, which is a mechanism for public school bond repayments. It authorizes direct depositing a portion of the District's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agents on the bonds.

The District has \$1,770,694 on deposit with BOK Financial in conjunction with this program, as discussed in Note B.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to fifteen (15%) percent of the assessed valuation of the District (including State assessed railroad and utility). The legal debt margin, computed including the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2025, was:

Constitutional debt limit	\$ 152,291,472
General obligation bonds payable	(51,980,000)
Amount available in Debt Service Fund	<u>6,224,299</u>
Legal debt margin	<u><u>\$ 106,535,771</u></u>

NOTE F - 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 the 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. An Annual Comprehensive Financial Report ("ACFR") can be obtained at www.psrs-peers.org.

General Information about the Pension Plan

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.

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2025

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.

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

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 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 2.50% benefit factor. Members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the “Rule of 80” but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

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)

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at www.psrs-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows:

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for 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.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2023, 2024 and 2025. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2023, 2024 and 2025. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PSRS and PEERS were \$3,733,120 and \$609,204, respectively, for the year ended June 30, 2025.

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NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District recorded a liability of \$30,579,452 for its proportionate share of the PSRS net pension liability and \$3,147,310 for its proportionate share of the PEERS net pension liability. In total, the District recorded net pension liabilities of \$33,726,762. The net pension liability for the plans in total was measured as of June 30, 2024, 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 and PEERS of \$3,616,920 and \$588,645, respectively, for the year ended June 30, 2024, relative to the total contributions of \$818,841,138 for PSRS and \$161,237,992 for PEERS from all participating employers. At June 30, 2024, the District's proportionate share was 0.4417% for PSRS and 0.3651% for PEERS.

For the year ended June 30, 2025, the District recognized a pension expense (income) of \$2,883,296 for PSRS and \$653,182 for PEERS, its proportionate share of the total pension expense (income). Pension expense is the change in the net pension liability from the previous reporting period to the current reporting period, less adjustments. This may be a negative expense (pension income).

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS and PEERS pension benefits:

	PSRS		PEERS		District Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows Due to:						
- Differences between expected and actual experience	\$ 4,943,688	\$ -	\$ 383,244	\$ -	\$ 5,326,932	\$ -
- Changes of assumptions	777,991	-	-	-	777,991	-
- Net difference between projected and actual earnings on pension plan investments	10,529,718	12,694,997	1,116,493	1,362,036	11,646,211	14,057,033
- Changes in proportion and differences between Employer contributions and proportionate share of contributions	19,845	521,611	-	50,858	19,845	572,469
- Employer contributions subsequent to the measurement date	<u>3,733,120</u>	<u>-</u>	<u>609,204</u>	<u>-</u>	<u>4,342,324</u>	<u>-</u>
Total	<u>\$ 20,004,362</u>	<u>\$ 13,216,608</u>	<u>\$ 2,108,941</u>	<u>\$ 1,412,894</u>	<u>\$ 22,113,303</u>	<u>\$ 14,629,502</u>

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date of June 30, 2024, will be recognized as a reduction to the net pension liability in the year ended June 30, 2026. Other amounts reported as collective deferred (inflows) / outflows of resources are to be recognized in pension expense as follows:

Year Ending June 30:	<u>PSRS</u>	<u>PEERS</u>	<u>District Total</u>
2026	\$ (1,432,205)	\$ (157,932)	\$ (1,590,137)
2027	5,543,788	489,814	6,033,602
2028	(29,620)	(96,279)	(125,899)
2029	(1,066,586)	(148,760)	(1,215,346)
2030	39,257	-	39,257
Thereafter	-	-	-
	<u>\$ 3,054,634</u>	<u>\$ 86,843</u>	<u>\$ 3,141,477</u>

Actuarial Assumptions

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 May 2021. All economic and demographic assumptions were reviewed and certain assumptions were updated, where appropriate, based on the results of the studies and effective with the June 30, 2021 valuations. For PSRS, the retirement rates assumption was updated for the June 30, 2023 valuation due to the passage of Senate Bill 75 (HCS/SS/SB 75), which added the 2.55% formula factor benefit for members that retire with 32 or more years of service. There have been no other changes to the actuarial assumptions and methods for PSRS or PEERS since the June 30, 2021 valuations. Significant actuarial assumptions and methods are detailed below. For additional information please refer to the Systems' Annual Comprehensive Financial Report (ACFR). The next experience studies are scheduled for 2026.

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

<u>Measurement Date</u>	June 30, 2024
<u>Valuation Date</u>	June 30, 2024
<u>Expected Return on Investments</u>	7.30%, net of investment expenses and including 2.00% inflation

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

Inflation 2.00% per annum

Total Payroll Growth

PSRS – 2.25% per annum, consisting of 2.00% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity.

PEERS – 2.50% per annum, consisting of 2.00% 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.

Future Salary Increases

PSRS – 2.625% - 8.875%, depending on service and including 2.00% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity, and real wage growth for merit.

PEERS – 3.25% - 9.75%, depending on service and including 2.00% 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.

Cost-of-Living Increases

PSRS & PEERS – Given that the actual increase in the CPI-U index from June 2023 to June 2024 was 2.97%, the Board approved an actual cost-of-living adjustment (“COLA”) as of January 1, 2025 of 2.00%, in accordance with the Board’s funding policy and Missouri statutes, consistent with the assumed COLA of 1.35%. Future COLAs assumed in the valuation are 1.35% each January 1. This COLA assumption is based on the 20-year stochastic analysis of inflation performed in the 2021 experience study and application of the Board’s funding policy to those expectations. 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.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

PSRS & PEERS – 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, while PEERS members receive a COLA on the fourth January after retirement.

Mortality Assumption

Actives:

- PSRS: Experience-adjusted PubT-2010 Teachers Amount-Weighted Employees mortality tables with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.
- PEERS: Experience-adjusted PubG-2010(B) General Employees Below-Median Income Amount-Weighted Employees mortality table with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.

Non-Disabled Retirees:

- PSRS: Mortality rates for non-disabled retirees and beneficiaries prior to the member's death are based on the experience-adjusted PubT-2010 (Teachers) Amount-Weighted Healthy Retiree mortality tables with generational projection using the MP-2020 improvement scale. Mortality rates for non-disabled beneficiaries after the member's death are based on experience-adjusted Pub-2010 Amount-Weighted Contingent Survivor mortality tables with generational projection using the MP-2020 improvement scale. The Plan-specific experience adjustments are as follows:

	<u>Males</u>	<u>Females</u>
Non-Disabled	1.10	1.04
Contingent Survivor	1.18	1.07

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

- PEERS: Mortality rates for non-disabled retirees and beneficiaries prior to the member's death are based on the experience-adjusted PubG-2010(B) General Employees Below Median Income Amount-Weighted Healthy Retiree mortality tables with generational projection using the MP-2020 improvement scale. Mortality rates for non-disabled beneficiaries after the member's death are based on the experience-adjusted Pub-2010(B) Below Median Income Amount-Weighted Contingent Survivor mortality tables with generational projection using the MP-2020 improvement scale. The Plan-specific experience adjustments are as follows:

	<u>Males</u>	<u>Females</u>
Non-Disabled	1.13	0.94
Contingent Survivor	1.01	1.07

Disabled Retirees:

- PSRS: Mortality rates for disabled retirees and beneficiaries are based on the experience-adjusted PubT-2010 (Teachers) Amount-Weighted Disabled Retiree mortality tables with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.
- PEERS: Mortality rates for disabled retirees and beneficiaries are based on the experience-adjusted Pub-2010 General Employees Amount-Weighted Disabled Retiree mortality tables with generational projection using the MP-2020 improvement scale. Experience adjustments are equal to the healthy retiree experience-based adjustment factors at all ages for both males and females.

Fiduciary Net Position

The Systems issue a publicly available financial report (ACFR) that can be obtained at www.psr-peers.org.

Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of 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

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target allocation as of June 30, 2024 are summarized below.

Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis
U.S. Public Equity	23.00%	4.81%
Hedged Assets	6.00%	2.39%
Global Equity	16.00%	6.88%
U.S. Treasuries	15.00%	-0.02%
U.S. TIPS	0.00%	0.29%
Public Credit	0.00%	0.80%
Private Credit	8.00%	5.61%
Private Equity	21.00%	10.90%
Private Real Estate	11.00%	7.47%
Total	100.00%	

Discount Rate

The long-term expected rate of return used to measure the total pension liability was 7.3% as of June 30, 2024, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return of 7.3% is consistent with the June 30, 2023 valuations and is based on the actuarial experience studies conducted during the 2021 fiscal year. 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 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 7.3% is presented as well as the net pension liabilities (assets) using a discount rate that is 1.0% lower (6.3%) or 1.0% higher (8.3%) than the current rate.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

	Discount Rate	<u>1% Decrease (6.30%)</u>	<u>Current Rate (7.30%)</u>	<u>1% Increase (8.30%)</u>
PSRS	Proportionate share of the Net Pension Liability / (Asset)	\$ 63,453,202	\$ 30,579,452	\$ 3,360,193
PEERS	Proportionate share of the Net Pension Liability / (Asset)	\$ 6,637,669	\$ 3,147,310	\$ 238,972

NOTE G – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

In addition to providing the pension benefits described above, the District provides continuation of medical, dental and vision insurance coverage to employees who are eligible for normal or early retirement under PSRS or PEERS under a single employer plan. Retirees may cover spouses and eligible dependent children. Surviving spouses can continue coverage after retiree's death. The District does not have a trust for this plan, and the plan does not issue a standalone report. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the District's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation.

Relationship Between Valuation Date, Measurement Date, and Reporting Date

The Valuation Date is June 30, 2024. This is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2025. This is the date as of which the total OPEB liability is determined. The Reporting Date is June 30, 2025. This is the plan's and/or employer's fiscal year ending date.

Significant Changes

There have been no significant changes between the valuation date and fiscal year end.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Participant Data as of June 30, 2024

Actives	575
Retirees and Surviving Spouses*	147
Spouses of Current Retirees**	<u>38</u>
Total	760

*Includes 86 with medical coverage and 134 with Vision coverage.

**Includes 10 with medical coverage and 36 with Vision coverage.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

As of June 30, 2025, the District reported a liability of \$3,883,914 for its net OPEB liability. The net OPEB liability was measured as of June 30, 2025. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2024.

For the year ended June 30, 2025, the District recognized OPEB expense of \$381,678. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
- Differences between expected and actual experience	\$ -	\$ 246,227
- Changes of assumptions	<u>(676,151)</u>	<u>259,493</u>
Total	<u>\$ (676,151)</u>	<u>\$ 505,720</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Year ended June 30:

2025	\$ 10,738
2026	15,565
2027	12,934
2028	(32,318)
2029	(55,836)
Thereafter	<u>(121,514)</u>
Total	<u><u>\$(170,431)</u></u>

Actuarial Methods and Assumptions

The District does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the accounting valuation performed as of June 30, 2024.

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

Valuation date	Actuarial valuations are performed biennially as of June 30 for accounting purposes only. The most recent valuation was performed as of June 30, 2024.
Measurement date	The date as of which the total OPEB liability is determined. The measurement date is June 30, 2025.
Actuarial Cost Method	Entry Age Normal
Inflation	2.40%
Salary Increases including inflation	3.00%
Discount Rate	The interest rate for discounting liabilities is 5.20% per annum based on the 20 year bond GO index at the fiscal year end. The rate for the prior fiscal year was 3.93%.
Vision Premium Inflation Rate	4.0% trending to 3.7% over 49 years.
Mortality	Pub-2010 Teacher Mortality for Employees and Healthy Annuitants, with generational projection per Scale MP-2021.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Medical/Retiree Premium Inflation Rate

<u>Year</u>	<u>Medical</u>	<u>Year</u>	<u>Medical</u>
2024	6.30%	2040	4.00%
2025	5.60%	2045	4.00%
2026	5.20%	2050	4.00%
2027	5.00%	2055	4.10%
2028	4.90%	2060	4.10%
2029	4.70%	2065	4.00%
2030	4.50%	2070	3.80%
2035	4.00%	2072+	3.70%

The healthcare trends used in this valuation are based on long term healthcare trends generated by the Getzen Model. The Getzen Model is the result of research sponsored by the Society of Actuaries and completed by a committee of economists and actuaries. This model is the current industry standard for projecting long term medical trends. Inputs to the model are consistent with the assumptions used in deriving the discount rate used in the valuation.

Turnover
(Adopted 6/30/2022)

Rates based on length of service:

<u>Service</u>	<u>Rate</u>
0	28.4%
1	16.1%
2	13.2%
3	10.8%
4	9.2%
5	7.6%
10	3.9%
15	2.2%
20	1.3%

Retirement
(Adopted 6/30/2022)

<u>Age</u>	<u>Rate</u>	
	<u>Eligible For Early Retirement</u>	<u>Eligible For Normal/ Unreduced</u>
50-54	0.0%	20.0%
55-59	5.0%	20.0%
60-64	N/A	25.0%
65-69	N/A	35.0%
70 & up	N/A	100.0%

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

Future Retiree Coverage

45% of employees who retire prior to age 65 are assumed to elect medical coverage under the plan.

Medicare eligible retirees:

All participants are assumed to be eligible for Medicare. Medicare eligible retirees are assumed to discontinue coverage under the plan when they reach age 65.

Dental Coverage:

Dental benefits are not subsidized by the District.

Vision Coverage:

45% of retiring employees are assumed to elect vision coverage. Retirees are expected to discontinue coverage at a rate of 3% per year after attaining age 65.

Future Dependent Coverage:

(Adopted 6/30/2022)

Current active members are assumed to elect spouse coverage at retirement as follows. All female spouses are assumed to be 3 years younger than males.

	<u>Male</u>	<u>Female</u>
Medical	20%	20%
Vision	25%	25%

No dependent children are assumed to be covered in retirement.

Sensitivity Analysis

The following presents the total OPEB liability of the District, calculated using the discount rate of 5.20%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.20%) or 1 percentage point higher (6.20%) than the current rate.

	<u>1% Decrease 4.20%</u>	<u>Discount Rate 5.20%</u>	<u>1% Increase 6.20%</u>
Total OPEB liability	\$ 4,211,897	\$ 3,883,914	\$ 3,591,904

SCHOOL DISTRICT OF WASHINGTON

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

The following presents the total OPEB liability of the District, calculated using the current healthcare cost trend rates as well as what the District's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 3,497,961	\$ 3,883,914	\$ 4,338,601

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disaster. To cover these risks, the District is a participant in the Missouri United School Insurance Council (the "Council"), which is a Protected Self-Insurance Program of Missouri Public School Districts with approximately 92 percent of Missouri school districts and eight community colleges participating in the MUSIC Program. The District pays an assessment to the Council. Part of the assessment then goes to buy excess insurance contracts for the group as a whole. Should the contributions received by the Council not be sufficient, special assessments can be made to the member Districts.

NOTE I - COMMITMENTS AND CONTINGENCIES

Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2025.

NOTE J – TAX ABATEMENTS

The City of Washington has entered into three tax abatement agreements for redevelopment projects within the City as provided for in the Real Property Tax Increment Allocation Redevelopment Act (R.S. MO. Sections 99.800 to 99.865, as amended) (the "TIF Act"). These agreements allow for abatement of the incremental real estate taxes, personal property taxes and sales taxes within those redevelopment project areas. This resulted in the District forgoing tax revenue in the amount of \$430,137 for the year ended June 30, 2025, \$396,316 for the year ended June 30, 2024, \$337,940 for the year ended June 30, 2023, \$329,823 for the year ended June 30, 2022 and \$283,616 for the year ended June 30, 2021.

SCHOOL DISTRICT OF WASHINGTON

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE K – PRIOR PERIOD ADJUSTMENT

The net position as of June 30, 2024, has been restated as follows to reflect a correction to estimates used to determine Other Post Employment Benefits Liability in the prior year annual comprehensive financial report:

	<u>Governmental Activities</u>
Net position as previously reported at June 30, 2024:	\$ 41,727,592
Prior period adjustment:	
Correction of estimates used for Other Post Employment Benefits	
Decrease in Deferred OPEB related outflows	(72,448)
Decrease in Other Post Employment Benefits Liability	229,725
Decrease in Deferred OPEB related inflows	<u>(88,034)</u>
Total prior period adjustment	<u>69,243</u>
Net position at June 30 2024, as restated	<u><u>\$ 41,796,835</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

SCHOOL DISTRICT OF WASHINGTON

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - UNAUDITED For the year ended June 30, 2025

	Budgeted amounts		Actual (budgetary basis)	Variances— positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Local	\$ 36,157,735	\$ 38,920,529	\$ 39,896,890	\$ 2,762,794	\$ 976,361
County	1,438,922	1,460,571	1,460,571	21,649	-
State	2,632,571	2,944,506	2,835,647	311,935	(108,859)
Federal	2,129,259	1,944,836	1,701,661	(184,423)	(243,175)
Total revenues	42,358,487	45,270,442	45,894,769	2,911,955	624,327
Expenditures					
Current					
Instruction	2,831,177	4,266,880	4,234,234	(1,435,703)	32,646
Attendance	191,726	182,106	182,246	9,620	(140)
Guidance	433,522	378,568	379,699	54,954	(1,131)
Health services	1,049,263	1,067,975	1,072,669	(18,712)	(4,694)
Improvement of instruction	245,677	182,315	183,156	63,362	(841)
Professional development	-	11,464	11,464	(11,464)	-
Media services	167,177	204,160	205,534	(36,983)	(1,374)
Board of Education services	736,866	177,313	177,163	559,553	150
Executive administration	2,503,882	2,370,849	2,301,520	133,033	69,329
Building level administration	797,868	836,432	839,985	(38,564)	(3,553)
Operation of plant	7,037,233	6,775,018	6,755,833	262,215	19,185
Pupil transportation	3,695,982	3,782,089	3,783,576	(86,107)	(1,487)
Food services	2,309,826	2,374,656	2,373,430	(64,830)	1,226
Central office support	350,488	321,842	322,538	28,646	(696)
Business and internal services	1,269,585	702,170	709,308	567,415	(7,138)
Security services	343,871	298,215	298,255	45,656	(40)
Adult/Community services	367,634	491,376	505,754	(123,742)	(14,378)
Total expenditures	24,331,777	24,423,428	24,336,364	(91,651)	87,064
Excess of revenues over (under) expenditures	18,026,710	20,847,014	21,558,405	2,820,304	711,391
Other financing uses					
Transfers	(18,912,539)	(18,912,539)	(18,912,539)	-	-
Net Insurance Recovery	-	-	23,251	-	23,251
NET CHANGE IN FUND BALANCE	\$ (885,829)	\$ 1,934,475	\$ 2,669,117	\$ 2,820,304	\$ 734,642
Reconciliation of budgetary basis (cash basis) of accounting to modified accrual basis of accounting					
Revenues per above - cash basis			\$ 45,918,020		
Current year revenue accruals			948,270		
Prior year revenue accruals			(703,045)		
Revenues - modified accrual basis			\$ 46,163,245		
Expenditures per above - cash basis			\$ 24,336,364		
Current year expenditure accruals			(2,397,173)		
Prior year expenditure accruals			1,943,995		
Expenditures - modified accrual basis			\$ 23,883,186		

The accompanying notes to budgetary comparison schedules are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND - UNAUDITED For the year ended June 30, 2025

	Budgeted amounts		Actual (budgetary basis)	Variances— positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Local	\$ 5,990,225	\$ 5,466,463	\$ 5,582,378	\$ (523,762)	\$ 115,915
County	118,193	125,658	125,658	7,465	-
State	4,869,845	4,970,797	5,076,394	100,952	105,597
Federal	2,870,038	2,607,945	2,607,070	(262,093)	(875)
Other	784,490	1,087,082	1,093,236	302,592	6,154
Total revenues	14,632,791	14,257,945	14,484,736	(374,846)	226,791
Expenditures					
Current					
Instruction	25,900,685	25,177,595	25,088,981	723,090	88,614
Attendance	217,852	221,643	221,747	(3,791)	(104)
Guidance	1,459,359	1,481,798	1,482,450	(22,439)	(652)
Health services	1,362,612	1,327,417	1,327,203	35,195	214
Improvement of instruction	690,513	620,674	620,906	69,839	(232)
Professional development	29,625	14,023	14,023	15,602	-
Media services	631,389	632,476	632,817	(1,087)	(341)
Board of Education	-	3,380	3,380	(3,380)	-
Executive administration	823,992	923,166	925,321	(99,174)	(2,155)
Building level administration	2,307,744	2,364,413	2,365,165	(56,669)	(752)
Central Office Support Services	189,400	190,001	190,042	(601)	(41)
Business and internal services	-	-	-	-	-
Adult education	369,930	372,215	372,365	(2,285)	(150)
Community services	983,487	904,317	904,738	79,170	(421)
Total expenditures	34,966,588	34,233,118	34,149,138	733,470	83,980
Excess of revenues over (under) expenditures	(20,333,797)	(19,975,173)	(19,664,402)	358,624	310,771
Other financing sources					
Transfers	17,243,890	17,243,890	17,243,890	-	-
NET CHANGE IN FUND BALANCE	\$ (3,089,907)	\$ (2,731,283)	\$ (2,420,512)	\$ 358,624	\$ 310,771
Reconciliation of budgetary basis (cash basis) of accounting to modified accrual basis of accounting					
Revenues per above - cash basis			\$ 14,484,736		
Current year revenue accruals			1,454,121		
Prior year revenue accruals			(1,479,511)		
Revenues - modified accrual basis			\$ 14,459,346		
Expenditures per above - cash basis			\$ 34,149,138		
Current year expenditure accruals			214,949		
Prior year expenditure accruals			(236,184)		
Expenditures - modified accrual basis			\$ 34,127,903		

The accompanying notes to budgetary comparison schedules are an integral part of this statement.

SCHOOL DISTRICT OF WASHINGTON
NOTES TO BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2025

NOTE A – BUDGETS AND BUDGETARY ACCOUNTING

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

1. In accordance with Chapter 67 RSMo, the District adopts a budget for each fund.
2. Prior to July, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on 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. For each fund, total fund expenditures may not legally exceed final amended budgeted expenditures. Expenditure appropriations lapse at the end of the fiscal year.
6. Budgets are presented on the cash basis of accounting for all governmental funds. The cash basis is used to enable the District to more accurately budget revenue and expenditures as the resources are expended or received.

SCHOOL DISTRICT OF WASHINGTON

PENSION OBLIGATION – UNAUDITED SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS JUNE 30, 2025

Public School Retirement System of Missouri

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
6/30/2015	0.4794%	27,675,091	21,869,279	126.55%	85.78%
6/30/2016	0.4772%	35,506,776	22,261,559	159.50%	82.18%
6/30/2017	0.4519%	32,634,073	21,527,927	151.59%	83.77%
6/30/2018	0.4544%	33,818,522	22,043,846	153.41%	84.06%
6/30/2019	0.4571%	33,734,302	22,617,973	149.15%	84.62%
6/30/2020	0.4553%	40,661,551	22,897,826	177.58%	82.01%
6/30/2021	0.4520%	10,006,275	23,386,356	42.79%	95.81%
6/30/2022	0.4465%	34,533,227	23,715,455	145.61%	86.04%
6/30/2023	0.4470%	37,371,538	24,582,349	152.03%	85.38%
6/30/2024	0.4417%	30,579,452	25,190,354	121.39%	88.26%

Public Education Employee Retirement System of Missouri

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
6/30/2015	0.4523%	2,392,243	6,782,051	35.27%	88.28%
6/30/2016	0.4397%	3,527,868	6,790,341	51.95%	83.32%
6/30/2017	0.4244%	3,237,963	6,820,281	47.48%	85.35%
6/30/2018	0.4087%	3,158,075	6,800,970	46.44%	86.06%
6/30/2019	0.4047%	3,201,020	6,973,457	45.90%	86.38%
6/30/2020	0.4001%	3,883,200	7,160,767	54.23%	84.06%
6/30/2021	0.3832%	412,677	7,021,926	5.88%	98.36%
6/30/2022	0.3811%	3,220,744	7,425,437	43.37%	87.92%
6/30/2023	0.3695%	3,690,950	7,834,064	47.11%	86.50%
6/30/2024	0.3651%	3,147,310	8,547,715	36.82%	88.96%

* The data provided in the schedules is based as of the measurement date of the Systems' net pension liability, which is as of the beginning of the District's fiscal year.

SCHOOL DISTRICT OF WASHINGTON

PENSION OBLIGATION – UNAUDITED (CONCLUDED) SCHEDULES OF EMPLOYER CONTRIBUTIONS JUNE 30, 2025

Public School Retirement System of Missouri

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess / (Deficiency) (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	3,147,842	3,147,842	-	21,869,279	14.39%
6/30/2016	3,196,537	3,196,537	-	22,261,559	14.36%
6/30/2017	3,091,334	3,091,334	-	21,527,927	14.36%
6/30/2018	3,168,155	3,168,155	-	22,043,846	14.37%
6/30/2019	3,253,245	3,253,245	-	22,617,973	14.38%
6/30/2020	3,295,917	3,295,917	-	22,897,826	14.39%
6/30/2021	3,365,907	3,365,907	-	23,386,356	14.39%
6/30/2022	3,410,101	3,410,101	-	23,715,455	14.38%
6/30/2023	3,531,536	3,531,536	-	24,582,349	14.37%
6/30/2024	3,616,920	3,616,920	-	25,190,354	14.36%
6/30/2025			-		#DIV/0!

Public Education Employee Retirement System of Missouri

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess / (Deficiency) (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	465,249	465,249	-	6,782,051	6.86%
6/30/2016	465,817	465,817	-	6,790,341	6.86%
6/30/2017	467,873	467,873	-	6,820,281	6.86%
6/30/2018	466,546	466,546	-	6,800,970	6.86%
6/30/2019	481,917	481,917	-	6,973,457	6.91%
6/30/2020	493,825	493,825	-	7,160,767	6.90%
6/30/2021	481,704	481,704	-	7,021,926	6.86%
6/30/2022	510,398	510,398	-	7,425,437	6.87%
6/30/2023	539,690	539,690	-	7,834,064	6.89%

SCHOOL DISTRICT OF WASHINGTON

OTHER POST-EMPLOYMENT BENEFIT OBLIGATION – UNAUDITED SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022	2021
Total OPEB Liability					
Service cost	\$ 202,362	\$ 199,016	\$ 210,387	\$ 257,883	\$ 257,043
Interest on total OPEB liability	168,578	156,783	145,920	89,816	88,646
Effect of economic/demographic gains or (losses)	-	27,473	-	303,279	-
Effect of assumption changes or inputs	(423,340)	(100,044)	96,623	(395,619)	19,562
Benefit payments	(298,765)	(286,597)	(250,036)	(238,892)	(199,359)
Net change in total OPEB liability	(351,165)	(3,369)	202,894	16,467	165,892
Total OPEB liability, beginning	4,235,079	4,238,448	4,035,554	4,019,087	3,853,195
Total OPEB liability, ending	<u>\$ 3,883,914</u>	<u>\$ 4,235,079</u>	<u>\$ 4,238,448</u>	<u>\$ 4,035,554</u>	<u>\$ 4,019,087</u>
Covered payroll	\$ 32,912,284	\$ 32,124,440	\$ 31,241,408	\$ 30,463,071	\$ 28,519,276
Total OPEB liability as a % of covered payroll	11.80%	13.18%	13.57%	13.25%	14.09%
	2020	2019	2018		
Total OPEB Liability					
Service cost	\$ 190,280	\$ 152,800	\$ 151,199		
Interest on total OPEB liability	112,990	115,491	105,702		
Effect of economic/demographic gains or (losses)	167,603				
Effect of assumption changes or inputs	440,607	108,408	(81,453)		
Benefit payments	(190,933)	(149,595)	(141,328)		
Net change in total OPEB liability	720,547	227,104	34,120		
Total OPEB liability, beginning	3,132,648	2,905,544	2,871,424		
Total OPEB liability, ending	<u>\$ 3,853,195</u>	<u>\$ 3,132,648</u>	<u>\$ 2,905,544</u>		
Covered payroll	\$ 28,819,175	\$ 28,038,447	\$ 27,492,635		
Total OPEB liability as a % of covered payroll	13.37%	11.17%	10.57%		

Note: Schedule is intended to show information for 10 fiscal years. Additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION

SCHOOL DISTRICT OF WASHINGTON

BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND For the year ended June 30, 2025

	Budgeted amounts		Actual (budgetary basis)	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Local	\$ 4,711,423	\$ 5,154,679	\$ 5,152,406	\$ 443,256	\$ (2,273)
County	309,181	317,378	317,378	8,197	-
Total revenues	5,020,604	5,472,057	5,469,784	451,453	(2,273)
Expenditures					
Debt service					
Principal retirement	2,210,000	2,210,000	2,210,000	-	-
Interest and other charges	2,134,845	2,134,845	2,134,563	-	282
Total expenditures	4,344,845	4,344,845	4,344,563	-	282
NET CHANGE IN FUND BALANCE	\$ 675,759	\$ 1,127,212	\$ 1,125,221	\$ 451,453	\$ (1,991)

Reconciliation of budgetary basis (cash basis) of
accounting to modified accrual basis of accounting

Revenues per above - cash basis	\$ 5,469,784
Current year revenue accruals	37,519
Prior year revenue accruals	(73,524)
Revenues - modified accrual basis	\$ 5,433,779
Expenditures per above - cash basis	\$ 4,344,563
Current year expenditure accruals	-
Prior year expenditure accruals	-
Expenditures - modified accrual basis	\$ 4,344,563

SCHOOL DISTRICT OF WASHINGTON

BUDGETARY COMPARISON SCHEDULE - CAPITAL PROJECTS FUND For the year ended June 30, 2025

	Budgeted amounts		Actual (budgetary basis)	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
Revenues					
Local	\$ 1,536,986	\$ 1,739,781	\$ 1,749,819	\$ 202,795	\$ 10,038
County	47,719	54,888	54,888	7,169	-
State	1,721,345	1,616,545	1,623,470	(104,800)	6,925
Federal	389,650	-	-	(389,650)	-
Total revenues	3,695,700	3,411,214	3,428,177	(284,486)	16,963
Expenditures					
Instruction	416,689	334,137	334,137	82,552	-
Executive administration	557,300	171,336	171,336	385,964	-
Building Level Administration	24,000	5,850	5,850	18,150	-
Operation of plant	340,059	319,630	319,630	20,429	-
Food services	126,503	96,935	96,935	29,568	-
Business and central services	35,740	-	-	35,740	-
Facilities acquisition and construction	1,471,834	2,936,228	2,836,228	(1,464,394)	100,000
Total expenditures	2,972,125	3,864,116	3,764,116	(891,991)	100,000
Excess of revenues over (under) expenditures	723,575	(452,902)	(335,939)	(1,176,477)	116,963
Other financing sources (uses)					
Transfers	1,668,649	1,668,649	1,668,649	-	-
Sale of other property	40,000	713,005	717,408	673,005	4,403
Total other financing sources	1,708,649	2,381,654	2,386,057	673,005	4,403
NET CHANGE IN FUND BALANCE	\$ 2,432,224	\$ 1,928,752	\$ 2,050,118	\$ (503,472)	\$ 121,366
Reconciliation of budgetary basis (cash basis) of accounting to modified accrual basis of accounting					
Revenues per above - cash basis			\$ 4,145,585		
Current year revenue accruals			257,663		
Prior year revenue accruals			(355,341)		
Revenues - modified accrual basis			\$ 4,047,907		
Expenditures per above - cash basis			\$ 3,764,116		
Current year expenditure accruals			18,475		
Prior year expenditure accruals			(469,180)		
Expenditures - modified accrual basis			\$ 3,313,411		



Annual
Comprehensive
Financial
Report

2025

STATISTICAL SECTION

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

	Pages
Financial Trends	60-66

These schedules contain trend information to help the reader understand how the District’s financial performance and position have changed over time.

Revenue Capacity	67-72
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These schedules contain information to help the reader assess the District’s most significant local revenue source – property tax.

Debt Capacity	73-74
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These schedules contain information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.

Demographic and Economic Information	75-77
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These schedules offer demographic economic indicators to help the reader understand the environment within which the District’s financial activities take place.

Operating Information	78-83
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These schedules contain service data to help the reader assess how information in the District’s financial reports relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**SCHOOL DISTRICT OF WASHINGTON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

Net Position	2025	2024	2023	2022	2021
Net Investment in Capital Assets	\$ 29,931,931	\$ 31,087,756	\$ 28,018,345	\$ 10,927,197	\$ 1,973,952
Restricted	\$ 9,366,066	\$ 10,706,423	\$ 3,552,025	\$ 12,997,732	\$ 25,120,791
Unrestricted	\$ 6,824,550	\$ 2,656	\$ 4,290,336	\$ 469,356	\$ (15,967,904)
Total net position	\$ 46,122,547	\$ 41,796,835	\$ 35,860,706	\$ 24,394,285	\$ 11,126,839

Net Position	2020	2019	2018	2017	2016
Net Investment in Capital Assets	\$ (22,420,810)	\$ (42,842,023)	\$ (20,401,038)	\$ (723,901)	\$ 8,566,739
Restricted	\$ 48,798,602	\$ 66,544,369	\$ 42,064,527	\$ 18,788,555	\$ 14,975,526
Unrestricted	\$ (15,900,636)	\$ (12,298,048)	\$ (12,281,880)	\$ (8,677,734)	\$ (11,573,713)
Total net position	\$ 10,477,156	\$ 11,404,298	\$ 9,381,609	\$ 9,386,920	\$ 11,968,552

Source: School District of Washington records

Note: During 2017-2018, GASB 75: Postemployment Benefits other than Pensions reporting requirements were implemented. The balances for 2017 were also restated to reflect those requirements, but the years prior to 2016 were not restated.

SCHOOL DISTRICT OF WASHINGTON
EXPENSES, PROGRAM REVENUES AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental Activities:										
Total Instruction	\$ 28,143,329	\$ 27,583,069	\$ 25,453,861	\$ 21,811,241	\$ 26,988,504	\$ 26,588,110	\$ 24,621,667	\$ 26,654,686	\$ 26,152,172	\$ 25,136,046
Support Services										
Attendance	398,550	470,607	290,267	291,436	343,612	268,931	247,657	187,256	199,313	228,992
Guidance	2,063,166	1,436,097	1,826,405	1,382,757	1,523,272	1,461,481	1,201,870	1,211,833	1,126,730	999,417
Health, Psych, Speech and Audio	2,302,153	2,478,547	2,206,433	2,109,531	2,633,065	2,665,563	2,658,825	481,245	487,003	349,647
Improvement of Instruction	795,432	845,634	726,661	567,581	691,802	710,103	666,312	610,049	689,252	553,065
Professional Development	1,829	74,426	25,080	30,313	34,520	34,919	38,685	36,188	36,068	41,651
Media Services (Library)	789,762	811,255	735,925	649,913	859,409	757,402	753,329	1,003,378	1,318,785	870,894
Board of Education Services	176,536	221,012	196,942	131,986	187,316	177,395	212,573	181,851	198,274	138,281
Executive Administration	3,905,906	3,703,410	3,121,635	2,882,386	3,183,845	2,949,449	2,650,253	2,356,131	2,049,388	2,103,396
Building Level Administration	3,168,700	3,101,160	2,926,054	2,536,460	3,169,992	3,168,157	2,737,818	2,507,482	2,544,707	2,238,186
Business Services	638,074	680,145	667,125	610,594	697,034	590,742	477,420	540,656	694,500	585,623
Security Services	290,758	397,881	312,673	212,873	204,712	213,966	210,071	131,168	96,547	68,558
Operation of Plant	10,932,336	10,220,392	9,561,465	8,842,025	8,133,870	7,615,984	7,591,490	7,334,323	7,611,865	7,356,927
Pupil Transportation	3,824,549	3,332,944	3,246,455	3,212,234	2,934,795	2,844,689	3,497,146	3,353,519	2,997,473	2,985,638
Food Services	2,486,530	2,398,451	2,175,428	2,107,181	1,736,184	1,658,381	1,704,699	1,790,916	1,767,584	1,743,496
Central Office Support Services	516,265	446,561	493,326	459,427	490,469	452,234	597,082	88,671	85,173	79,118
Adult Education and Community Services	1,846,113	1,667,183	1,577,323	1,090,486	1,427,635	1,519,670	1,457,601	1,681,093	1,456,287	1,508,016
Capital Outlay	-	-	-	-	-	-	32,335	356,952	63,288	4,151
Debt Service:										
Interest and Fiscal Charges	1,789,309	1,867,620	371,873	1,409,693	2,607,287	3,141,745	3,026,798	2,850,123	2,479,110	2,169,826
Total Primary Government Expenses	\$ 64,069,297	\$ 61,736,394	\$ 55,914,931	\$ 50,338,117	\$ 57,847,323	\$ 56,818,921	\$ 54,383,631	\$ 53,357,520	\$ 52,053,519	\$ 49,160,928
Program Revenues										
Government Activities										
Charges for services										
Total Instruction	\$ 1,703,319	\$ 1,535,756	\$ 1,346,935	\$ 1,222,037	\$ 1,124,712	\$ 1,184,926	\$ 1,301,340	\$ 1,309,597	\$ 1,381,239	\$ 1,228,258
Support Services:										
Food Services	1,034,675	1,073,758	1,043,053	235,899	137,728	677,585	904,412	850,707	832,693	857,792
Adult Education and Community Services	324,507	401,110	374,534	342,782	217,487	343,421	545,497	607,594	368,459	592,055
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	11,304,703	9,130,217	11,374,873	13,270,539	10,706,474	7,618,304	8,522,963	8,243,082	7,887,093	8,073,259
Capital Grants and Contributions	314,388	808,596	473,467	291,172	-	-	-	-	-	-
Total Primary Government Program Revenue	\$ 14,681,592	\$ 12,949,437	\$ 14,612,862	\$ 15,362,429	\$ 12,186,401	\$ 9,824,236	\$ 11,274,212	\$ 11,010,980	\$ 10,469,484	\$ 10,751,364
Net (Expense)/Revenue										
Total Primary Government Net Expense	\$ (49,387,705)	\$ (48,786,957)	\$ (41,302,069)	\$ (34,975,688)	\$ (45,660,922)	\$ (46,994,685)	\$ (43,109,419)	\$ (42,346,540)	\$ (41,584,035)	\$ (38,409,564)

Source: School District of Washington records

SCHOOL DISTRICT OF WASHINGTON
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (Expense)/Revenue										
Total Primary Government Net Expense	\$ (49,387,705)	\$ (48,786,957)	\$ (41,302,069)	\$ (34,975,688)	\$ (45,660,922)	\$ (46,994,685)	\$ (43,109,419)	\$ (42,346,540)	\$ (41,584,035)	\$ (38,409,564)
General Revenues:										
Taxes:										
Property Tax	\$ 41,500,491	\$ 39,709,494	\$ 38,825,556	\$ 36,170,441	\$ 34,555,832	\$ 33,635,962	\$ 33,085,476	\$ 31,544,225	\$ 30,136,954	\$ 28,606,540
Sales Tax	4,763,358	5,097,612	4,817,404	4,670,427	4,058,071	3,740,489	3,753,910	3,605,450	3,615,606	3,630,271
Other	2,575,178	2,688,706	2,597,770	2,483,538	2,361,578	2,282,660	2,149,434	2,218,126	2,236,402	2,202,430
State Aid	2,835,178	3,797,947	3,920,057	3,964,470	3,884,270	4,148,703	3,772,780	3,514,662	3,563,032	4,014,474
Interest and Investment Earnings	2,434,840	2,588,786	1,706,526	50,389	506,553	1,546,224	1,372,208	807,617	721,008	496,534
Miscellaneous	(395,516)	771,298	901,177	902,726	847,378	713,505	998,301	651,149	828,224	708,514
Total General Revenues	53,713,529	54,653,843	52,768,490	48,241,991	46,213,682	46,067,543	45,132,109	42,341,229	41,101,226	39,658,763
Change in Net Position										
Total Primary Government	\$ 4,325,824	\$ 5,866,886	\$ 11,466,421	\$ 13,266,303	\$ 552,760	\$ (927,142)	\$ 2,022,690	\$ (5,311)	\$ (482,809)	\$ 1,249,199

Source: School District of Washington records

SCHOOL DISTRICT OF WASHINGTON
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable										
Prepaid items	\$ 2,784,306	\$ 2,271,226	\$ 2,276,731	\$ 1,856,308	\$ 1,320,512	\$ 1,014,090	\$ 1,047,828	\$ 446,132	\$ 750,820	\$ 240,300
Inventory	793,979	1,070,056	1,353,792	393,437	271,661	206,764	151,991	231,617	239,697	418,539
Restricted										
Student Scholarships	1,766	4,000	-	500	2,200	-	-	-	-	-
Committed										
Health Reimbursement Account	929,917	1,053,799	867,710	686,151	574,177	424,955	278,078	148,177	-	-
Assigned Fund Balance										
Future Year Budget Deficit	3,129,592	1,707,088	54,599	661,590	-	-	-	-	-	-
Unassigned	25,628,668	23,794,539	24,496,702	22,392,476	19,552,475	18,564,180	17,600,366	17,459,747	17,277,533	15,098,554
Total General Fund	33,268,228	29,900,708	29,049,534	25,990,462	21,721,025	20,209,989	19,078,263	18,285,673	18,268,050	15,757,393
All Other Governmental Funds										
Nonspendable										
Prepaid items	33,772	6,388	12,861	9,063	-	-	-	-	-	-
Restricted										
Debt Service	6,224,299	5,135,083	4,186,006	13,846,443	13,688,537	13,928,244	29,240,808	28,998,668	4,439,762	3,249,326
Teacher salaries and benefits	3,706,508	6,158,559	5,354,189	3,309,320	2,773,191	1,521,848	1,479,148	1,295,787	1,208,974	1,295,493
Capital Projects	-	-	532,696	669,206	8,664,746	33,348,510	35,824,413	11,770,072	13,139,819	10,430,707
Assigned Fund Balance										
Unspent Bond Proceeds	-	-	-	-	-	214,970	230,563	350,378	1,731,746	-
Other Capital Projects	6,378,530	3,975,385	4,569,393	7,211,951	4,959,725	2,944,813	4,239,608	4,422,295	4,316,551	3,119,879
Total all other governmental funds	16,343,109	15,275,415	14,655,145	25,045,983	30,086,199	51,958,385	71,014,540	46,837,200	24,836,852	18,095,405
Total Fund Balance	\$49,611,337	\$ 45,176,123	\$ 43,704,679	\$51,036,445	\$ 51,807,224	\$ 72,168,374	\$ 90,092,803	\$ 65,122,873	\$ 43,104,902	\$ 33,852,798

Source: School District of Washington records

**SCHOOL DISTRICT OF WASHINGTON
GOVERNMENTAL FUND REVENUES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Local Sources	\$ 52,080,561	\$ 50,594,531	\$ 49,409,454	\$ 43,621,118	\$ 41,971,635	\$ 41,486,024	\$ 41,346,237	\$ 40,074,536	\$ 37,777,100	\$ 36,136,144
County Sources	1,958,496	2,089,655	1,897,954	1,829,898	1,838,549	1,745,278	1,659,846	1,732,548	1,713,840	1,748,247
State Sources	9,786,311	10,446,661	10,141,238	8,533,698	8,576,742	8,349,668	8,621,012	8,196,467	8,025,311	8,762,137
Federal Sources	4,460,710	3,093,926	5,591,080	8,964,364	5,993,098	3,395,639	3,628,829	3,530,220	3,341,919	3,225,992
Other Sources	1,047,538	936,953	794,750	785,570	914,808	768,261	848,481	732,754	653,816	671,666
Total Revenues	\$ 69,333,616	\$ 67,161,726	\$ 67,834,476	\$ 63,734,648	\$ 59,294,832	\$ 55,744,870	\$ 56,104,405	\$ 54,266,525	\$ 51,511,986	\$ 50,544,186

Source: School District of Washington records

SCHOOL DISTRICT OF WASHINGTON
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXPENDITURES										
Total Instruction	\$ 29,114,904	\$28,576,017	\$26,519,630	\$25,606,554	\$24,842,096	\$24,431,861	\$24,534,881	\$26,554,833	\$24,962,684	\$25,835,808
Support Services										
Attendance	404,179	464,250	292,881	371,854	318,764	249,847	236,932	178,718	180,521	250,969
Guidance	1,860,849	1,767,792	1,865,597	1,590,316	1,406,445	1,291,182	1,182,684	1,185,075	1,070,962	1,047,376
Health, Psych, Speech, and Audio	2,405,540	2,444,807	2,310,742	2,444,814	2,399,979	2,496,519	2,455,792	490,915	463,072	427,077
Improvement of Instruction	819,561	822,378	742,318	668,036	698,332	654,000	663,018	621,965	672,656	543,130
Professional Development	2,036	74,263	25,775	33,739	32,349	34,716	38,340	35,839	34,572	41,987
Media Services (Library)	804,806	778,066	755,576	781,634	742,704	667,086	732,462	954,921	1,142,618	732,710
Board of Education Services	176,537	221,012	198,026	143,419	187,316	176,189	212,379	181,782	196,577	138,532
Executive Administration	3,470,813	2,917,380	2,716,225	2,227,356	3,371,381	2,271,100	2,505,691	2,528,084	1,862,457	2,356,841
Building Level Administration	3,205,468	3,137,877	3,145,304	3,098,000	2,874,536	2,827,231	2,653,146	2,472,395	2,362,876	2,428,113
Business Services	696,144	676,091	659,208	665,675	646,682	538,511	538,946	547,079	613,186	575,039
Operation of Plant	6,978,059	6,204,919	5,852,024	5,429,297	5,144,420	4,983,123	5,013,810	4,925,346	4,821,637	4,793,437
Security Services	290,758	397,881	312,673	212,873	204,712	213,966	210,071	131,168	96,547	68,559
Pupil Transportation	3,783,877	3,373,796	3,246,924	3,213,890	2,934,795	2,844,689	3,497,146	3,353,519	2,997,473	2,985,638
Food Services	2,578,572	2,422,761	2,242,235	2,255,986	1,699,233	1,601,145	1,719,448	1,819,697	1,719,432	1,697,056
Central Office Support Services	520,370	430,185	503,510	494,135	462,677	424,138	576,140	82,888	80,387	77,817
Adult Education	476,023	447,949	443,592	370,322	565,505	400,196	387,833	410,538	331,663	356,670
Community Services	1,317,408	1,285,645	1,130,091	848,845	907,095	1,028,393	1,147,115	1,235,610	1,078,641	1,187,453
Capital Outlay	2,418,596	5,028,413	6,687,763	9,641,845	17,797,588	5,586,724	2,293,357	2,125,662	836,800	1,273,318
Debt Service										
Principal Retirement	2,210,000	2,050,000	12,660,000	1,605,000	14,925,000	17,225,000	5,600,000	3,460,000	11,730,000	7,630,000
Interest and Fiscal Charges	2,134,563	2,208,406	2,947,761	2,798,233	3,432,299	3,741,812	3,424,152	2,986,441	2,328,881	2,316,106
Total Support Services	36,554,159	37,153,871	48,738,225	38,895,269	60,751,812	49,255,567	35,088,462	29,727,642	34,620,958	30,927,828
TOTAL EXPENDITURES	\$ 65,669,063	\$65,729,888	\$75,257,855	\$64,501,823	\$85,593,908	\$73,687,428	\$59,623,343	\$56,282,475	\$59,583,642	\$56,763,636
Debt Service as a % of non-capital expenditur	6.87%	7.02%	22.76%	8.03%	27.08%	30.79%	15.74%	11.90%	25.48%	17.92%

Source: School District of Washington records

SCHOOL DISTRICT OF WASHINGTON
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Excess (deficiency) of revenues over expenditures	\$ 3,664,553	\$ 1,431,838	\$ (7,423,379)	\$ (767,175)	\$ (26,299,076)	\$ (17,942,558)	\$ (3,518,938)	\$ (2,015,950)	\$ (8,071,656)	\$ (6,219,450)
Other Financing Sources (Uses):										
Bond Issuance	\$ -	\$ -	\$ -	\$ -	\$ 5,895,000	\$ -	\$ 26,000,000	\$ 24,065,000	\$ 15,000,000	\$ 9,685,000
Refunding bond issued	-	-	-	-	-	-	-	-	-	4,775,000
Premium on issuance of bonds	-	-	-	-	-	-	2,463,525	-	1,854,591	240,700
Other Noncurrent/Sale of Property	770,661	39,606	42,995	45,014	42,926	18,129	25,343	13,921	469,169	22,888
Net change in fund balances	\$ 4,435,214	\$ 1,471,444	\$ (7,380,384)	\$ (722,161)	\$ (20,361,150)	\$ (17,924,429)	\$ 24,969,930	\$ 22,062,971	\$ 9,252,104	\$ 8,504,138

Basic Financial Statements

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

Calendar Year Ending 12/31	Real Property Assessed Value 19%	Real Property Est. Actual Value	Personal Property Assessed Value 33%	Personal Property Est. Actual Value	Total Property Assessed Value	Total Property Est. Actual Value	Total Tax Rate per \$100 A/V
2024	\$ 797,465,798	\$ 3,807,845,097	\$ 217,810,685	\$ 653,497,405	\$ 1,015,276,483	\$ 4,461,342,502	\$ 4.0427
2023	\$ 768,649,930	\$ 3,684,010,861	\$ 221,170,289	\$ 663,577,225	\$ 989,820,219	\$ 4,347,588,086	\$ 4.0471
2022	\$ 728,917,303	\$ 3,507,011,996	\$ 230,502,232	\$ 691,575,854	\$ 959,419,535	\$ 4,198,587,850	\$ 4.0452
2021	\$ 712,624,795	\$ 3,430,340,502	\$ 196,560,804	\$ 589,741,386	\$ 909,185,599	\$ 4,020,081,888	\$ 4.0345
2020	\$ 652,459,513	\$ 3,129,133,959	\$ 175,920,142	\$ 527,813,207	\$ 828,379,655	\$ 3,656,947,166	\$ 4.1743
2019	\$ 646,979,557	\$ 3,095,845,124	\$ 173,886,739	\$ 521,712,388	\$ 820,866,296	\$ 3,617,557,512	\$ 4.1695
2018	\$ 611,241,420	\$ 2,923,994,883	\$ 180,853,669	\$ 542,615,269	\$ 792,095,089	\$ 3,466,610,152	\$ 4.1862
2017	\$ 597,046,179	\$ 2,864,093,322	\$ 171,178,341	\$ 513,586,382	\$ 768,224,520	\$ 3,377,679,704	\$ 4.1779
2016	\$ 575,619,011	\$ 2,735,435,448	\$ 174,367,932	\$ 523,156,112	\$ 749,986,943	\$ 3,258,591,560	\$ 4.0738
2015	\$ 555,993,578	\$ 2,666,278,694	\$ 154,582,195	\$ 463,792,964	\$ 710,575,773	\$ 3,130,071,658	\$ 4.0738

Source: Franklin, St. Charles, and Warren County Assessor's Offices

Note: On January 1 of every second year the property values are rendered for appraisal (reassessment). The appraisal process for the School District of Washington is conducted by the Franklin, St. Charles and Warren County Assessor's offices. For the School District of Washington, residential real estate is appraised at 19% of market value, commercial at 32% of value, agricultural at 12% of value and personal property at 33% of value.

The Assessor's Office submits preliminary values to the school district by June. These values are usually a realistic estimate of the ultimate certified values that come by August. The preliminary values are good estimates upon which to base the tax levies for the operating and debt service budgets. Once the certified values are received by the district, the tax rate adoption is completed prior to October and the budgeting process can begin for the subsequent fiscal year.

Property owners (both Real Estate and Personal Property) are taxed by the various taxing authorities (including the school district) in their county of residence. Tax levy rates (so much per \$100 of assessed valuations) are set by the taxing authorities according to the State law. Assessed valuations are set by the county in which the property resides and every other year is a reassessment year. The tax obligation is billed by the county department of revenue and paid through that department to the taxing authorities. The tax billed is simply the levy rate multiplied by the assessed valuation. There are normally multiple taxing authority obligations included on one tax bill which is typically mailed to tax payers in November with a due date of December 31. The District receives the majority of its revenue in late December and January.

SCHOOL DISTRICT OF WASHINGTON
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)

For the Years Ended June 30										
Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed Valuation Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District of Washington	\$4.0427	\$4.0471	\$ 4.0452	\$ 4.0345	\$ 4.1743	\$ 4.1695	\$ 4.1862	\$ 4.1779	\$ 4.0738	\$ 4.0738
General Fund	\$3.4366	\$3.4366	\$ 3.4366	\$ 3.4366	\$ 3.5764	\$ 3.5716	\$ 3.5883	\$ 3.5883	\$ 3.5842	\$ 3.4338
Special (Teachers') Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$0.1361	\$0.1405	\$ 0.1386	\$ 0.1279	\$ 0.1279	\$ 0.1279	\$ 0.1279	\$ 0.1196	\$ 0.1196	\$ 0.2700
Debt Service Fund	\$0.4700	\$0.4700	\$ 0.4700	\$ 0.4700	\$ 0.4700	\$ 0.4700	\$ 0.4700	\$ 0.4700	\$ 0.3700	\$ 0.3700
Overlapping										
City of Washington	\$0.5687	\$0.5641	\$ 0.5641	\$ 0.5641	\$ 0.5952	\$ 0.5939	\$ 0.6049	\$ 0.6045	\$ 0.6062	\$ 0.6062
City of Augusta	\$0.2527	\$0.2473	\$ 0.2574	\$ 0.2573	\$ 0.2922	\$ 0.2922	\$ 0.3070	\$ 0.3010	\$ 0.3090	\$ 0.3082
City of Marthasville	\$0.7112	\$0.7112	\$ 0.7112	\$ 0.7112	\$ 0.7119	\$ 0.7069	\$ 0.7112	\$ 0.7036	\$ 0.7036	\$ 0.6894
State of Missouri	\$0.0300	\$0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300	\$ 0.0300
Augusta Fire District	\$0.3797	\$0.3797	\$ 0.4132	\$ 0.4121	\$ 0.4384	\$ 0.4376	\$ 0.4526	\$ 0.4373	\$ 0.2326	\$ 0.2326
Marthasville Fire District	\$0.6144	\$0.6209	\$ 0.6614	\$ 0.7215	\$ 0.7215	\$ 0.6995	\$ 0.3965	\$ 0.3933	\$ 0.3933	\$ 0.3925
New Melle Fire District	\$1.0613	\$0.7813	\$ 0.8489	\$ 0.8489	\$ 0.7372	\$ 0.7372	\$ 0.6609	\$ 0.6609	\$ 0.6780	\$ 0.6906
Washington Fire District	\$0.2857	\$0.2653	\$ 0.2646	\$ 0.2632	\$ 0.2867	\$ 0.2793	\$ 0.2892	\$ 0.2892	\$ 0.3000	\$ -
Marthasville Ambulance	\$0.3962	\$0.3962	\$ 0.3962	\$ 0.3962	\$ 0.4069	\$ 0.4069	\$ 0.4069	\$ 0.2962	\$ 0.2962	\$ 0.2930
St. Charles County Ambulance	\$0.3273	\$0.3273	\$ 0.2573	\$ 0.2573	\$ 0.2595	\$ 0.2595	\$ 0.2716	\$ 0.2394	\$ 0.2619	\$ 0.2619
Warren County Ambulance	\$0.4901	\$0.4901	\$ 0.4931	\$ 0.4931	\$ 0.4991	\$ 0.4991	\$ 0.4991	\$ 0.4991	\$ 0.4991	\$ 0.4991
St. Charles County Dispatch & Alarm	\$0.0335	\$0.0335	\$ 0.0370	\$ 0.0382	\$ 0.0400	\$ 0.0400	\$ 0.0422	\$ 0.0422	\$ 0.0441	\$ 0.0378
Franklin County - General	\$0.1028	\$0.1041	\$ 0.1111	\$ 0.1066	\$ 0.1326	\$ 0.1273	\$ 0.1258	\$ 0.1258	\$ 0.1258	\$ 0.1243
St. Charles County - General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Warren County - General	\$0.0519	\$0.0806	\$ 0.0736	\$ 0.0635	\$ 0.0987	\$ 0.1005	\$ 0.1031	\$ 0.0990	\$ 0.1049	\$ 0.1122
Franklin County - Road and Bridge	\$0.2005	\$0.2005	\$ 0.2005	\$ 0.2005	\$ 0.2102	\$ 0.2102	\$ 0.2156	\$ 0.2156	\$ 0.2159	\$ 0.2145
St. Charles County - Road and Bridge	\$0.1743	\$0.1743	\$ 0.1924	\$ 0.1988	\$ 0.0208	\$ 0.1781	\$ 0.1879	\$ 0.1879	\$ 0.1962	\$ 0.1962
Warren County - Road and Bridge	\$0.1761	\$0.1761	\$ 0.1767	\$ 0.1767	\$ 0.1767	\$ 0.1767	\$ 0.1767	\$ 0.1767	\$ 0.1767	\$ 0.1760
Developmental Services of Franklin County	\$0.0930	\$0.0930	\$ 0.0930	\$ 0.0930	\$ 0.0975	\$ 0.0975	\$ 0.1000	\$ 0.0999	\$ 0.1000	\$ 0.1000
Developmental Services of St Charles County	\$0.1108	\$0.1108	\$ 0.1223	\$ 0.1223	\$ 0.1279	\$ 0.1279	\$ 0.1350	\$ 0.1350	\$ 0.1410	\$ 0.1410
Developmental Services of Warren County	\$0.1598	\$0.1598	\$ 0.1603	\$ 0.1603	\$ 0.1603	\$ 0.1603	\$ 0.1603	\$ 0.1603	\$ 0.1603	\$ 0.1603
Franklin County Library	\$0.1908	\$0.1908	\$ 0.1908	\$ 0.1908	\$ 0.1973	\$ 0.1973	\$ 0.2008	\$ 0.2008	\$ 0.2008	\$ 0.2008
St. Charles County Library	\$0.1728	\$0.1728	\$ 0.1908	\$ 0.1908	\$ 0.1996	\$ 0.1996	\$ 0.2106	\$ 0.2106	\$ 0.2200	\$ 0.2200
Warren County Library	\$0.1908	\$0.1908	\$ 0.1908	\$ 0.1908	\$ 0.1973	\$ 0.1973	\$ 0.2008	\$ 0.2008	\$ 0.2008	\$ 0.2008
Washington Library	\$0.1949	\$0.1909	\$ 0.1909	\$ 0.1909	\$ 0.2000	\$ 0.2000	\$ 0.1000	\$ 0.1000	\$ 0.1000	\$ 0.1000
East Central College	\$0.4472	\$0.4472	\$ 0.4472	\$ 0.4472	\$ 0.4469	\$ 0.4467	\$ 0.4541	\$ 0.4535	\$ 0.4541	\$ 0.4541
Total Overlapping	\$7.4165	\$7.1386	\$ 7.2748	\$ 7.3253	\$ 7.2844	\$ 7.4015	\$ 7.0428	\$ 6.8626	\$ 6.7505	\$ 6.4415

Source: Franklin County Collector and Assessor's Offices, Warren County Collector's Office, St. Charles Collector's Office

**SCHOOL DISTRICT OF WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS
2015-2024**

Assessed Valuation Year		2024			2023			2022			2021			2020		
Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	
Real Estate																
AmerenUE	\$ 22,363,058	1	2.80%	\$ 18,496,579	1	2.41%	\$ 19,360,501	1	2.66%	\$ 16,371,931	1	2.30%	\$ 16,239,311	1	2.49%	
PC II Vertical LLC	8,198,810	2	1.03%	8,198,810	2	1.07%	7,614,775	2	1.04%	7,614,775	2	1.07%	7,881,204	2	1.21%	
Wal-Mart Real Estate Business	5,582,413	3	0.70%	5,582,413	3	0.73%	5,138,756	3	0.70%	5,138,756	3	0.72%	5,109,741	3	0.78%	
Hollingsworth Capital Partners	4,524,295	4	0.57%	4,524,295	4	0.59%	2,579,741	7	0.35%	2,579,741	7	0.36%	2,357,972	9	0.36%	
Parker-Hannifin Corp	3,566,118	5	0.45%	3,566,118	5	0.46%	3,318,805	4	0.46%	3,318,805	4	0.47%	3,325,042	4	0.51%	
WEG Transformers USA LLC	3,459,801	6	0.43%													
Bluff Road LLC	3,247,053	7	0.41%	3,247,053	6	0.42%	2,566,163	8	0.35%	2,566,163	8	0.36%	2,513,366	7	0.39%	
USR-DESCO Washington Crossing	3,070,622	8	0.39%	3,070,622	7	0.40%	2,827,605	5	0.39%	2,827,605	5	0.40%	2,844,830	5	0.44%	
Washington Country Club	2,578,760	9	0.32%													
Country Club of St Albans Inc	2,521,405	10	0.32%	2,513,127	8	0.33%	2,320,295	9	0.32%	2,320,295	9	0.33%	2,297,182	10	0.35%	
Melton Machine & Control				2,475,014	9	0.32%	2,227,624	10	0.31%	2,227,624	10	0.31%				
Target Corporation Target Pro				2,406,749	10	0.31%							2,400,000	8	0.37%	
Lowes Home Centers Inc							2,741,290	6	0.38%	2,741,290	6	0.38%	2,741,761	6	0.42%	
Subtotal Top Ten Property Owners	\$ 59,112,335		7.41%	\$ 54,080,780		7.04%	\$ 50,695,555		6.95%	\$ 47,706,985		6.69%	\$ 47,710,409		7.31%	
Remaining property owners	\$ 738,353,463		92.59%	\$ 714,569,150		92.96%	\$ 678,221,748		93.05%	\$ 664,917,810		93.31%	\$ 604,749,104		92.69%	
Total Assessed Value	\$ 797,465,798		100.00%	\$ 768,649,930		100.00%	\$ 728,917,303		100.00%	\$ 712,624,795		100.00%	\$ 652,459,513		100.00%	
Personal Property																
AmerenUE	\$ 34,364,769	1	15.78%	\$ 23,382,532	1	10.57%	\$ 27,490,397	1	11.93%	\$ 30,182,604	1	15.36%	\$ 28,001,816	1	15.92%	
WEG Transformers USA LLC	3,381,279	2	1.55%	5,401,234	2	2.44%	5,566,011	2	2.41%	1,940,995	5	0.99%	1,655,180	5	0.94%	
Excel Utility Contractors LLC	2,576,555	3	1.18%													
W M F Inc	1,903,906	4	0.87%	1,906,775	4	0.86%	1,768,372	5	0.77%	1,451,300	6					
Fricks Meat Products	1,833,670	5	0.84%	1,959,941	3	0.89%	2,079,574	3	0.90%	2,123,144	4	1.08%	2,234,579	4	1.27%	
Valent Aerostructures-Wash. LLC	1,534,229	6	0.70%	1,579,136	5	0.71%	1,830,153	4	0.79%	3,646,067	2	1.85%	2,333,338	3	1.33%	
H T H Companies Inc	1,484,756	7	0.68%	1,546,775	6	0.70%	1,556,228	6	0.68%	973,617	8					
Riverstone Quarry Inc.	1,052,747	8	0.48%	1,209,976	8	0.55%	981,891	10	0.43%							
RTI Advanced Forming Inc	1,045,022	9	0.48%	1,319,742	7	0.60%	1,532,967	7	0.67%	3,298,888	3	1.68%	2,918,099	2	1.66%	
Magnet LLC	919,216	10	0.42%										859,927	8	0.49%	
Wal-Mart/Sams Club				1,019,544	9	0.46%										
Deere Credit Inc - Enterprise				930,875	10	0.42%	1,439,034	8	0.62%							
Enterprise Rent-A-Car (Washington)							1,254,134	9	0.54%	901,698	10	0.46%	955,727	7	0.54%	
Canam Steel Corp-Midwestern										1,052,034	7	0.54%	1,006,032	6	0.57%	
First Student Inc										907,986	9	0.46%	851,121	9	0.48%	
G H T M LC													805,004	10	0.46%	
Subtotal Top Ten Property Owners	\$ 50,096,149		23.00%	\$ 40,256,530		18.20%	\$ 45,498,761		19.74%	\$ 46,478,333		22.41%	\$ 41,620,823		23.66%	
Remaining Property Owners	\$ 167,714,536		77.00%	\$ 180,913,759		81.80%	\$ 185,003,471		80.26%	\$ 150,082,471		76.35%	\$ 134,299,319		76.34%	
Total Assessed Value	\$ 217,810,685		100.00%	\$ 221,170,289		100.00%	\$ 230,502,232		100.00%	\$ 196,560,804		98.77%	\$ 175,920,142		100.00%	

Source: Franklin County Collector's Office

**SCHOOL DISTRICT OF WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS (CONCLUDED)
2015-2024**

Assessed Valuation Year				2019				2018				2017				2016				2015			
Taxpayer				Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value		Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value		Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value		Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value		Taxable Assessed Valuation	Rank	Percentage of Total of Taxable Value	
Real Estate																							
AmerenUE				\$ 18,554,543	1	2.87%		\$ 20,561,187	1	3.36%		\$ 15,201,379	1	2.55%		\$ 24,696,640	1	4.29%		\$ 11,745,284	1	2.11%	
PC II Vertical LLC				7,881,204	2	1.22%		8,072,912	2	1.32%		8,072,912	2	1.35%		8,123,511	2	1.41%		2,355,641	10	0.42%	
Wal-Mart Real Estate Business				5,109,741	3	0.79%		4,544,000	3	0.74%		4,544,000	3	0.76%		5,440,000	3	0.95%		5,440,000	2	0.98%	
Parker-Hannifin Corp				3,325,042	4	0.51%		2,985,852	6	0.49%		3,516,092	5	0.59%		3,501,900	5	0.61%		3,429,048	4	0.62%	
USR-DESCO Washington Crossing				2,844,830	5	0.44%		2,953,477	7	0.48%		2,953,477	7	0.49%		2,958,827	7	0.51%		3,958,828	7	0.71%	
Lowes Home Centers Inc				2,741,761	6	0.42%		2,597,994	8	0.43%		2,597,994	8	0.44%		2,691,344	8	0.47%		2,691,344	8	0.48%	
Bluff Road LLC				2,513,366	7	0.39%																	
Target Corporation Target Pro				2,400,000	8	0.37%		2,281,600	9	0.37%		2,281,600	9	0.38%		2,281,629	10	0.40%					
Hollingsworth Capital Partners				2,357,972	9	0.36%		2,071,040	10	0.34%		2,071,040	10	0.35%									
Country Club of St. Albans				2,297,182	10	0.36%																	
Spire Missouri Inc								4,417,654	4	0.72%		4,167,037	4	0.70%		3,990,646	4	0.69%		3,977,654	3	0.72%	
Bank of Washington								3,030,012	5	0.50%		2,971,561	6	0.50%		3,068,175	6	0.53%		3,068,175	6	0.55%	
CG Power Systems USA Inc																2,603,249	9	0.45%		2,603,249	9	0.47%	
PCII Lots 10A and 10C LLC																				3,320,012	5	0.60%	
Subtotal Top Ten Property Owners				\$ 50,025,641		7.73%		\$ 53,515,728		8.76%		\$ 48,377,092		8.10%		\$ 59,355,921		10.31%		\$ 42,589,235		7.66%	
Remaining property owners				\$ 596,953,916		92.27%		\$ 557,725,692		91.24%		\$ 548,669,087		91.90%		\$ 516,263,090		89.69%		\$ 513,404,343		92.34%	
Total Assessed Value				\$ 646,979,557		100.00%		\$ 611,241,420		100.00%		\$ 597,046,179		100.00%		\$ 575,619,011		100.00%		\$ 555,993,578		100.00%	
Personal Property																							
AmerenUE				\$ 33,496,289	1	19.26%		\$ 46,304,029	1	25.60%		\$ 41,625,457	1	24.32%		\$ 48,046,582	1	27.55%		\$ 33,529,879	1	21.69%	
RTI Advanced Forming Inc				2,466,078	2	1.42%		2,354,771	2	1.30%		2,283,075	2	1.33%		1,695,137	2	0.97%		1,982,532	3	1.28%	
Frick's Meat Products				2,007,932	3	1.15%		1,729,490	5	0.96%		959,530	6	0.56%		767,722	10	0.44%		689,442	9	0.45%	
WEG Transformers USA LLC				1,806,913	4	1.04%		2,069,433	3	1.14%		1,179,217	3	0.69%		1,228,759	3	0.70%		1,436,719	4	0.93%	
Valent Aerostructures-Wash. LLC				1,627,198	5	0.94%		2,058,762	4	1.14%		1,076,412	4	0.63%		979,976	5	0.56%		1,006,948	6	0.65%	
W M F Inc				1,227,370	6	0.71%																	
Canam Steel Corp-Midwestern				1,161,147	7	0.67%		1,235,782	6	0.68%		1,020,990	5	0.60%		780,646	9	0.45%					
Magnet LLC				964,549	8	0.55%		777,822	10	0.43%		781,556	8	0.46%		792,827	8	0.45%		799,576	8	0.52%	
H T H Companies Inc				835,785	9	0.48%																	
First Student Inc				775,462	10	0.45%		871,060	7	0.48%		796,261	7	0.47%		1,020,171	4	0.59%					
Enterprise Rent-A-Car (Washington)								801,109	8	0.44%		739,243	10	0.43%									
SPJ Aircraft LLC								800,000	9	0.44%													
G H T M LC																				851,372	7	0.55%	
Hellebusch Tool & Die												755,143	9	0.44%									
Rudd Equipment - Goodwin Bros																933,754	6	0.54%					
C G Powers Systems USA, Inc																854,117	7	0.49%		1,084,128	5	0.70%	
Alberici Constructors																2,000,106	2	1.15%		2,000,106	2	1.29%	
Charah, Inc																668,185	10	0.38%		668,185	10	0.43%	
Subtotal Top Ten Property Owners				\$ 46,368,723		26.67%		\$ 59,002,258		32.62%		\$ 51,216,884		29.92%		\$ 59,767,982		34.28%		\$ 44,048,887		28.50%	
Remaining Property Owners				\$ 127,518,016		73.33%		\$ 121,851,411		67.38%		\$ 119,961,457		70.08%		\$ 114,599,950		65.72%		\$ 110,533,308		71.50%	
Total Assessed Value				\$ 173,886,739		100.00%		\$ 180,853,669		100.00%		\$ 171,178,341		100.00%		\$ 174,367,932		100.00%		\$ 154,582,195		100.00%	

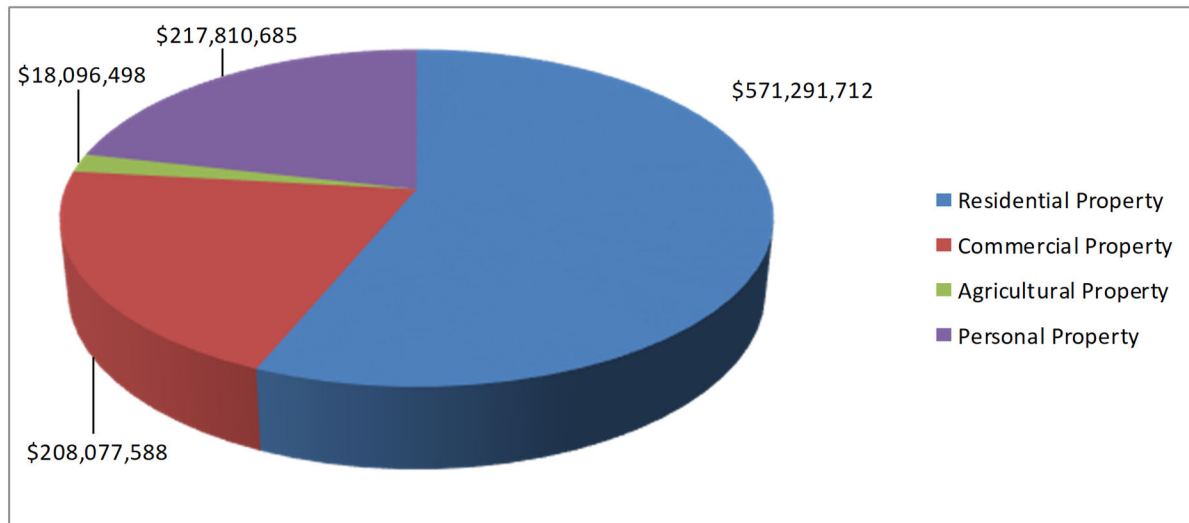
Source: Franklin County Collector's Office

**SCHOOL DISTRICT OF WASHINGTON
ASSESSED VALUE AND ESTIMATE ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

June 30	Residential Property	Commercial Property	Agricultural Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Property Est. Actual Value
2025	\$ 571,291,712	\$ 208,077,588	\$ 18,096,498	\$ 217,810,685	\$ 1,015,276,483	\$ 4.0427	\$ 4,461,342,501
2024	\$ 555,320,350	\$ 195,163,070	\$ 18,166,510	\$ 221,170,289	\$ 989,820,219	\$ 4.0471	\$ 4,347,588,086
2023	\$ 532,683,626	\$ 178,918,402	\$ 17,315,275	\$ 230,502,232	\$ 959,419,535	\$ 4.0452	\$ 4,198,587,850
2022	\$ 521,129,765	\$ 174,382,013	\$ 17,113,017	\$ 196,560,804	\$ 909,185,599	\$ 4.0345	\$ 4,020,081,889
2021	\$ 469,352,738	\$ 166,470,413	\$ 16,636,362	\$ 175,920,142	\$ 828,379,655	\$ 4.1743	\$ 3,656,947,166
2020	\$ 461,447,255	\$ 168,754,014	\$ 16,778,288	\$ 173,886,739	\$ 820,866,296	\$ 4.1695	\$ 3,617,557,512
2019	\$ 433,055,638	\$ 161,304,352	\$ 16,881,430	\$ 180,853,669	\$ 792,095,089	\$ 4.1862	\$ 3,466,610,152
2018	\$ 425,696,682	\$ 154,430,977	\$ 16,918,520	\$ 171,178,341	\$ 768,224,520	\$ 4.1779	\$ 3,377,679,704
2017	\$ 397,119,778	\$ 161,695,153	\$ 16,804,080	\$ 174,367,932	\$ 749,986,943	\$ 4.0738	\$ 3,258,591,559
2016	\$ 392,610,199	\$ 146,230,835	\$ 17,152,544	\$ 154,582,195	\$ 710,575,773	\$ 4.0738	\$ 3,130,071,659

Source: Franklin, St. Charles, and Warren County Assessor's Offices

Taxable Assessed Values



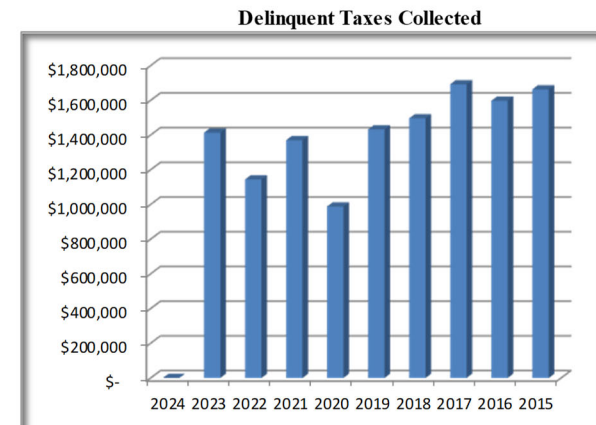
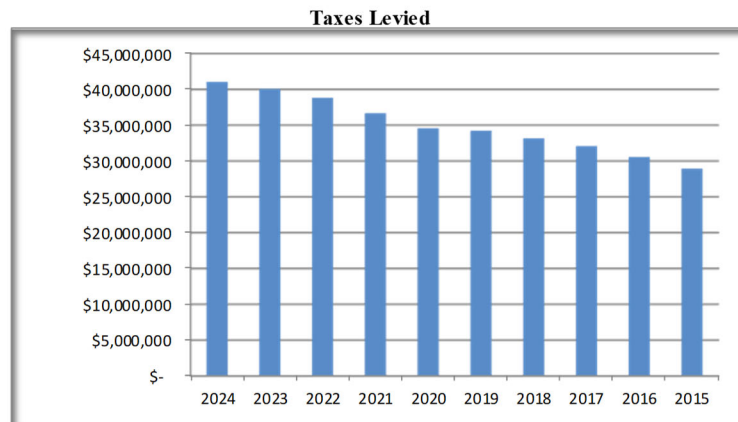
Over 60% of revenue comes from income, property and vehicle taxes with Residential being the most significant of those revenues, as indicated in the above chart.

**SCHOOL DISTRICT OF WASHINGTON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assessed Valuations	\$ 1,015,276,483	\$ 989,820,219	\$ 959,419,535	\$ 909,185,599	\$ 828,379,655	\$ 820,866,296	\$ 792,095,089	\$ 768,224,520	\$ 749,986,943	\$ 710,575,773
Tax Rate	\$ 4.0427	\$ 4.0471	\$ 4.0452	\$ 4.0345	\$ 4.1743	\$ 4.1695	\$ 4.1862	\$ 4.1779	\$ 4.0738	\$ 4.0738
Taxes Levied for the Fiscal Year	\$ 41,044,582	\$ 40,059,014	\$ 38,810,439	\$ 36,681,093	\$ 34,579,052	\$ 34,226,020	\$ 33,158,685	\$ 32,095,652	\$ 30,552,968	\$ 28,947,436
Collected within Fiscal Year of Levy										
Amount	\$ 40,636,486	\$ 38,480,431	\$ 37,537,959	\$ 35,287,541	\$ 33,576,306	\$ 32,787,610	\$ 31,641,567	\$ 30,403,050	\$ 28,955,106	\$ 27,283,761
% of Levy	99%	96%	97%	96%	97%	96%	95%	95%	95%	94%
Collected in Subsequent Years										
Amount	\$ -	\$ 1,413,453	\$ 1,144,439	\$ 1,369,846	\$ 988,233	\$ 1,432,268	\$ 1,496,408	\$ 1,692,372	\$ 1,597,734	\$ 1,663,161
% of Levy	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note: Based on Fiscal Year, Warren County unable to provide delinquent information by year.

Source: School District of Washington records and Franklin, St. Charles and Warren County Department of Revenue



**SCHOOL DISTRICT OF WASHINGTON
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,905,000	\$ 7,545,000	\$ 11,680,000	\$ 12,715,000	\$ 23,710,000
General Obligation Bonds	\$ 51,980,000	\$ 54,190,000	\$ 56,240,000	\$ 68,900,000	\$ 70,505,000	\$ 72,630,000	\$ 89,215,000	\$ 64,680,000	\$ 43,040,000	\$ 28,775,000
Total Primary	\$ 51,980,000	\$ 54,190,000	\$ 56,240,000	\$ 68,900,000	\$ 70,505,000	\$ 79,535,000	\$ 96,760,000	\$ 76,360,000	\$ 55,755,000	\$ 52,485,000
Estimated Actual Value of Taxable Property	\$4,461,342,501	\$4,347,588,086	\$4,198,587,850	\$4,020,081,889	\$ 3,656,947,166	\$3,617,557,512	\$3,466,610,152	\$3,377,679,704	\$3,258,591,559	\$3,130,071,659
% of General Bonded Debt to Estimated Actual Value of Taxable Property	1.17%	1.25%	1.34%	1.71%	1.93%	2.20%	2.79%	2.26%	1.71%	1.68%
Personal Income (County data)	N/A	N/A	6,120,621	5,700,422	5,503,443	5,133,258	4,785,969	4,555,703	4,419,190	4,200,317
% of Personal Income	N/A	N/A	9.19%	12.09%	12.81%	15.49%	20.22%	16.76%	12.62%	12.50%
Population (County data)	N/A	N/A	106,404	105,793	105,307	104,864	104,137	103,967	103,563	102,952
Per Capita	N/A	N/A	\$ 529	\$ 651	\$ 670	\$ 758	\$ 929	\$ 734	\$ 538	\$ 510

Note: N/A - Not Available; Information is for Franklin County, 2024 & 2025 demographic information not available at the time of publication.

Source: School District of Washington records and Bureau of Economic Analysis

**SCHOOL DISTRICT OF WASHINGTON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year 2024

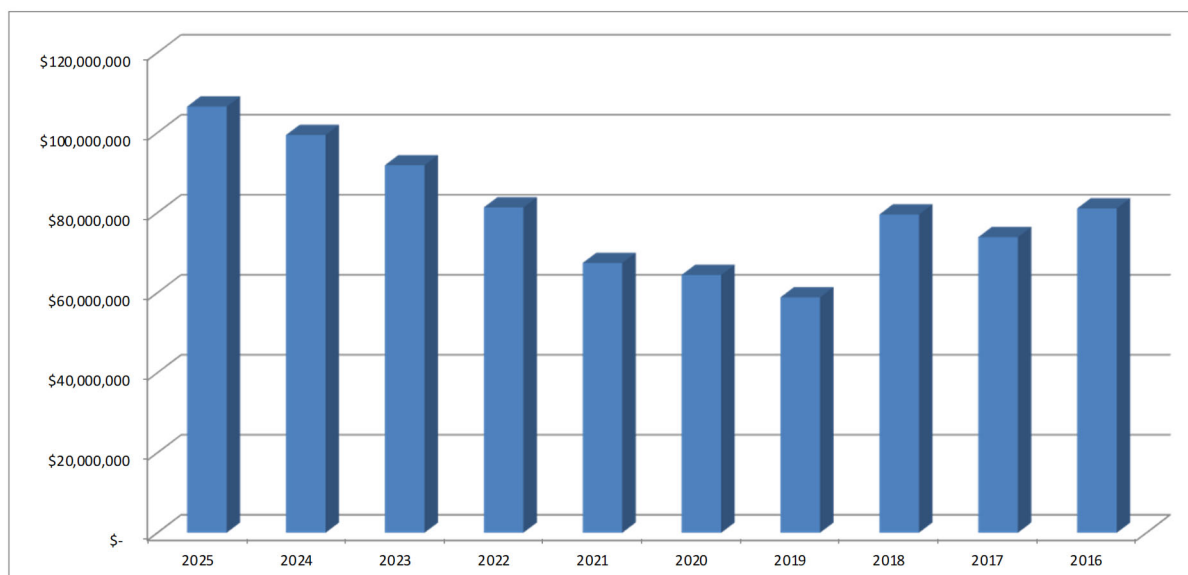
Assessed Value	\$ 1,015,276,483
Debt Limit (15% of Assessed Value)	\$ 152,291,472
Debt Applicable to Limit	\$ 51,980,000
Amount Available in Debt Service Fund	\$ 6,224,299

Legal Debt Margin \$ 106,535,771

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limitation	\$ 152,291,472	\$148,473,033	\$143,912,930	\$136,377,840	\$124,256,948	\$123,129,944	\$118,814,263	\$115,233,678	\$112,498,041	\$106,586,366
General Obligation Bonds Payable	\$ (51,980,000)	\$ (54,190,000)	\$ (56,240,000)	\$ (68,900,000)	\$ (70,505,000)	\$ (72,630,000)	\$ (89,215,000)	\$ (64,680,000)	\$ (43,040,000)	\$ (28,775,000)
Avail. Debt Service Fund Balance	\$ 6,224,299	\$ 5,135,083	\$ 4,186,006	\$ 13,846,443	\$ 13,688,537	\$ 13,928,244	\$ 29,240,808	\$ 28,998,668	\$ 4,439,762	\$ 3,249,326
Net Debt Applicable	\$ (45,755,701)	\$ (49,054,917)	\$ (52,053,994)	\$ (55,053,557)	\$ (56,816,463)	\$ (58,701,756)	\$ (59,974,192)	\$ (35,681,332)	\$ (38,600,238)	\$ (25,525,674)
Legal Debt Margin	\$ 106,535,771	\$ 99,418,116	\$ 91,858,936	\$ 81,324,283	\$ 67,440,485	\$ 64,428,188	\$ 58,840,071	\$ 79,552,346	\$ 73,897,803	\$ 81,060,692
Legal Debt Margin as a % of Debt Limit	69.96%	66.96%	63.83%	59.63%	54.28%	52.33%	49.52%	69.04%	65.69%	76.05%

Note: Legal Debt Margin is the additional amount of debt the District may incur. Legal Debt Limit is the assessed valuation (A/V) multiplied by 15%.

Source: School District of Washington financial records

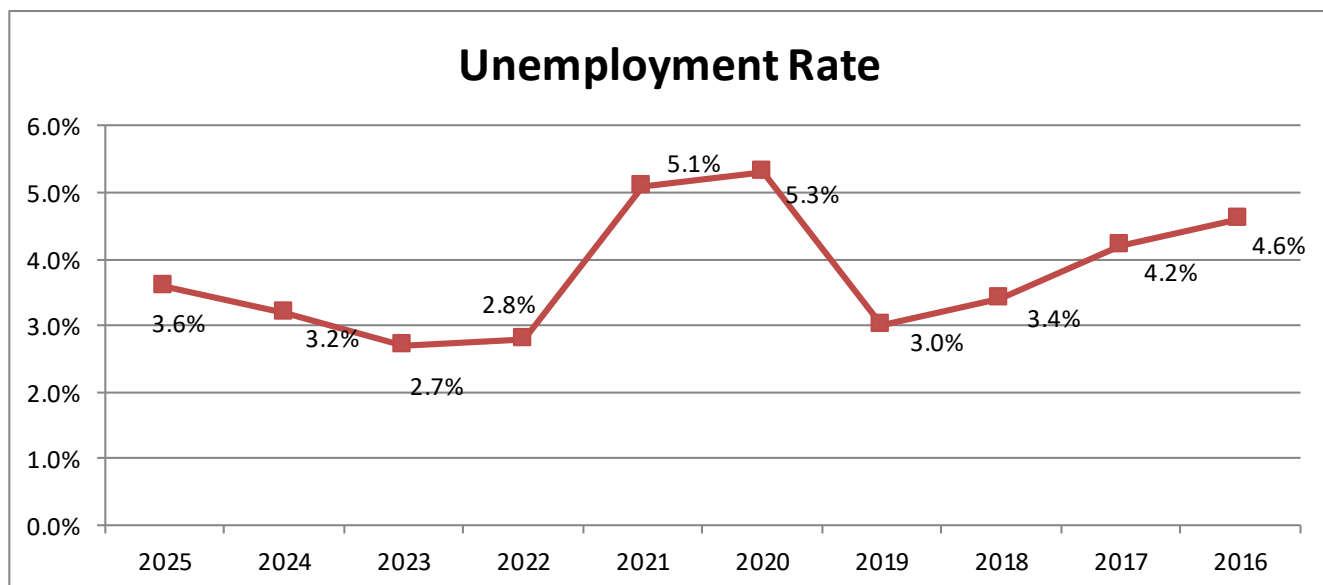


**SCHOOL DISTRICT OF WASHINGTON
DEMOGRAPHIC AND ECONOMIC STATISTICS - FRANKLIN COUNTY ONLY
LAST TEN FISCAL YEARS**

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2025	N/A	N/A	N/A	3.6%
2024	N/A	N/A	N/A	3.2%
2023	106,404	\$ 6,120,621	\$ 57,522	2.7%
2022	105,793	\$ 5,700,422	\$ 53,883	2.8%
2021	105,307	\$ 5,503,443	\$ 52,261	5.1%
2020	104,864	\$ 5,133,258	\$ 48,952	5.3%
2019	104,137	\$ 4,785,969	\$ 45,958	3.0%
2018	103,967	\$ 4,555,703	\$ 43,819	3.4%
2017	103,563	\$ 4,419,190	\$ 42,672	4.2%
2016	102,952	\$ 4,200,317	\$ 40,799	4.6%

Note: N/A - Not available

Source: U.S. Census Bureau, Bureau of Economic Analysis and Federal Reserve Bank of St. Louis



**SCHOOL DISTRICT OF WASHINGTON
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

		2025			2016		
Employer	Type	Employees	Rank	Percent of Total Employment	Employees	Rank	Percent of Total Employment
Mercy Hospital	Health Care	1,788	1	2.98%	1,382	1	6.88%
Parker Hannifin	Manufacturer	729	2	1.22%	1,041	2	5.18%
Washington School District	Education	661	3	1.10%	620	3	3.09%
WEG Transformers (Pauwels)	Manufacturer	575	4	0.96%	451	4	2.24%
Rawlings Sporting Goods	Manufacturer	400	5	0.67%			
Walmart Super Center	Retail Merchant	302	6	0.50%	413	5	2.06%
Frick's Quality Meats	Meat Processing	315	7	0.53%	192	8	0.96%
Canam Steel Corporation	Manufacturer	242	8	0.40%			
The Magnet Group	Advertising Spec	214	9	0.36%	292	6	1.45%
GH Tool & Mold	Manufacturer	144	10	0.24%			
Howmet Aerospace (Tradco)	Manufacturer				240	7	1.19%
YMCA	Athletic Club				174	9	0.87%
Valent Aerostructures	Manufacturer				156	10	0.78%

Source: City of Washington, Finance Department

**SCHOOL DISTRICT OF WASHINGTON
EMPLOYEE COUNTS
LAST TEN FISCAL YEARS**

POSITION	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
ADMINISTRATION										
SUPT/ASST. SUPT	4	4	4	4	4	4	4	4	4	4
PRINCIPAL HS AND MS	2	2	2	2	2	2	2	2	2	2
PRINCIPAL/ASST PRINCIPAL-ELEMENTARY	9	9	9	9	9	9	9	9	9	9
ASSOC & ASST. PRINCIPAL HS & MS	4	4	4	4	4	4	4	4	4	4
DIRECTOR/COORDINATORS	12	11	12	12	11	11	11	11	13	12
SUB TOTAL	31	30	31	31	30	30	30	30	32	31
TEACHERS (INCLUDES COUNSELORS, LIBRARIANS, SPEECH PATHOLOGISTS, PSYCH EXAMINERS)										
ELEMENTARY	153	159	162	163	168	162	159	165	160	183
MIDDLE SCHOOL	44	44	43	45	42	45	48	47	45	47
HIGH SCHOOL	85	87	87	90	89	89	90	88	90	94
CAREER CENTER	27	28	27	28	26	26	25	23	20	19
EARLY CHILDHOOD	14	12	12	12	12	16	19	18	15	9
INSTRUCT. COOR/PROCESS COOR	10	10	6	6	6	6	6	6	5	5
SUB TOTAL	333	340	337	344	343	344	347	347	335	357
SUPPORT STAFF										
DISTRICT OFFICE SUPPORT STAFF	12	11	11	11	12	11	11	11	12	12
ALL OTHER SEC/ADMIN. ASST.	25	25	25	25	23	25	26	27	29	28
TECHNOLOGY	8	9	6	5	6	6	6	5	5	6
PARAPROFESSIONAL	74	77	70	68	65	82	88	85	84	83
NURSE	15	14	14	15	13	12	12	11	11	10
PT /OT AND ASST.	4	4	4	4	4	5	6	5	6	5
PARENT EDUCATOR	8	8	8	8	8	8	8	8	7	8
SOCIAL WORKER	3	2	2	2	2	2	2	2	2	2
FOOD SERVICE DIRECTOR	1	1	1	1	1	1	1	1	1	1
FOOD SERVICE COOK & KITCHEN MGR.	43	43	42	42	41	42	45	44	44	45
LUNCH MONITOR	18	19	15	18	17	15	17	14	14	17
BEFORE/AFTER CARE FACILITATOR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5
BUS DRIVER	5	5	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BLDG GROUNDS DIR/ASST DIR	2	2	2	2	2	2	2	2	2	2
GROUNDS/DELIVERY/MAINT.	17	15	15	14	14	13	13	13	14	12
CUSTODIANS/CUST. SUPERVISOR	45	44	43	43	46	45	45	47	45	47
SUB TOTAL	280	279	262	258	254	269	282	275	276	283
GRAND TOTAL	644	649	630	633	627	643	659	652	643	671

Note: Does not include substitutes, temporaries or seasonal employees

Source: School District of Washington HR records

**SCHOOL DISTRICT OF WASHINGTON
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Enrolled Pupils	3482	3456	3623	3685	3755	3923	3903	3970	#VALUE!	4095
Operating Expenditures	\$ 52,289,367	\$ 48,886,793	\$ 47,038,262	\$ 46,587,147	\$ 43,958,571	\$ 41,960,456	\$ 42,040,874	\$ 42,232,343	\$ 39,832,577	\$ 40,332,549
Cost Per Enrolled Pupil	\$ 16,057	\$ 14,517	\$ 13,273	\$ 13,163	\$ 12,727	\$ 11,253	\$ 11,309	\$ 11,489	\$ 10,896	\$ 10,825
% of Change	1.11%	1.09%	1.01%	1.17%	1.13%	1.00%	0.98%	1.05%	1.01%	1.23%
Teaching Staff	333	340	337	344	343	344	347	347	335	357
Enrolled Pupils/Teacher Ratio	15	15	16	16	16	18	18	18	19	19
# of Free & Reduced	899	892	892	733	775	1134	1084	1151	1141	1303
% of Enrolled Pupils Qualifying for Free/Reduced	26.81%	26.16%	25.41%	20.98%	21.50%	30.80%	29.10%	30.90%	30.50%	31.82%
Fund Balance % (Reserves)	53.85%	56.71%	54.60%	45.14%	41.45%	40.56%	37.64%	37.23%	39.46%	33.22%

Note: Operating Expenditures are before transfers; Teaching Staff includes Counselors

Source: School District of Washington records

**SCHOOL DISTRICT OF WASHINGTON
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District of Washington										
Minimum Salary	\$ 40,800	\$ 40,025	\$ 39,025	\$ 38,450	\$ 37,200	\$ 37,200	\$ 36,800	\$ 36,500	\$ 35,400	\$ 35,400
Maximum Salary	\$ 86,973	\$ 85,325	\$ 83,203	\$ 81,035	\$ 76,135	\$ 76,135	\$ 75,323	\$ 74,706	\$ 72,456	\$ 72,456
SDOW Average Salary	\$ 57,623	\$ 55,982	\$ 54,075	\$ 51,807	\$ 49,849	\$ 49,396	\$ 48,390	\$ 48,065	\$ 47,888	\$ 46,710
County Average Salary	\$ 50,464	\$ 48,091	\$ 47,151	\$ 45,795	\$ 44,517	\$ 44,296	\$ 43,737	\$ 43,305	\$ 43,045	\$ 42,305
Statewide Average Salary	\$ 57,501	\$ 55,625	\$ 53,815	\$ 51,938	\$ 51,065	\$ 49,591	\$ 48,872	\$ 48,613	\$ 47,958	\$ 47,410

Note: Amounts do not include benefits such as pension, health insurance, disability, etc.

Source: District data from School District of Washington records; Dept of Secondary Education

**SCHOOL DISTRICT OF WASHINGTON
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

Location	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Elementary										
Augusta - 1939										
Square Feet	26392	26392	26392	26392	26392	26392	26392	26392	26392	26392
Capacity	235	235	235	235	235	235	235	235	235	235
Enrollment	104	112	116	123	112	117	130	145	141	153
Campbellton - 1958										
Square Feet	30941	30941	30941	30941	30941	30941	30941	30941	30941	30941
Capacity	280	280	280	280	280	280	280	280	280	280
Enrollment	133	122	135	123	133	156	139	141	153	148
Clearview - 1963										
Square Feet	35596	35596	35596	35596	35596	35596	35596	35596	35596	35596
Capacity	324	324	324	324	324	324	324	324	324	324
Enrollment	295	292	309	299	289	316	315	340	340	341
Fifth Street - 1938										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26392
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	236
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	113
Labadie - 1962										
Square Feet	25142	25142	25142	25142	25142	25142	25142	25142	25142	25142
Capacity	229	229	229	229	229	229	229	229	229	229
Enrollment	116	105	124	138	136	139	137	139	133	125
Marthasville - 1940										
Square Feet	36325	36325	36325	36325	36325	36325	36325	29315	29315	29315
Capacity	275	275	275	275	275	275	275	275	275	275
Enrollment	189	199	181	202	205	210	197	212	215	213
South Point - 1952										
Square Feet	N/A	N/A	N/A	N/A	48980	48980	48980	48980	48980	48980
Capacity	N/A	N/A	N/A	N/A	445	445	445	445	445	445
Enrollment	N/A	N/A	N/A	N/A	386	409	433	435	440	431
South Point - 2021										
Square Feet	78113	78113	78113	78113	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	673	673	673	673	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	444	427	407	387	N/A	N/A	N/A	N/A	N/A	N/A
Washington West - 1998										
Square Feet	63340	63340	63340	63340	63340	63340	63340	63340	58385	58385
Capacity	736	736	736	736	736	736	736	736	736	736
Enrollment	415	401	466	479	540	634	613	614	601	622

**SCHOOL DISTRICT OF WASHINGTON
SCHOOL BUILDING INFORMATION (CONCLUDED)
LAST TEN FISCAL YEARS**

Location	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Middle School										
Washington Middle School - 1970										
Square Feet	81531	81531	81531	77131	77131	77131	77131	77131	77131	77131
Capacity	591	591	591	563	563	563	563	563	563	563
Enrollment	511	528	556	597	606	600	646	615	593	606
High School										
Washington High School - 1955										
Square Feet	277287	277287	277287	277287	277287	277287	277287	277287	277287	277287
Capacity	1713	1713	1713	1713	1713	1713	1713	1713	1713	1713
Enrollment	1275	1270	1329	1337	1348	1342	1293	1329	1326	1343
Other Structures										
Administration Building - 1889										
Square Feet	19131	19131	19131	19131	19131	19131	19131	19131	19131	19131
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Early Learning Center - 2014										
Square Feet	25320	25320	25320	25320	25320	25320	25320	25320	25320	25320
Capacity	300	300	300	300	300	300	300	300	300	300
Enrollment	150	124	124	117	94	132	150	151	124	170
Central Warehouse - 1960										
Square Feet	16725	16725	16725	16725	16725	16725	16725	16725	16725	16725
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Family Resource Center - 1979										
Square Feet	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Four Rivers Career Center - 1979										
Square Feet	83727	83727	83727	83727	83727	83727	83727	83727	83727	83727
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Technology and Learning Center - 2008										
Square Feet	22500	21868	21868	21868	21868	21868	21868	21868	21868	21868
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: September Official Enrollment, Facilities Department

**SCHOOL DISTRICT OF WASHINGTON
PERSONNEL INFORMATION**

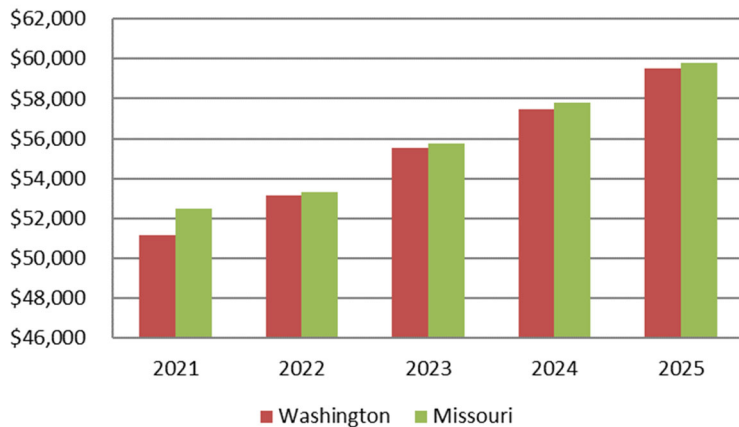
Year		2021	2022	2023	2024	2025
Average Teacher Salary	Washington	\$49,849	\$51,807	\$54,075	\$55,982	\$57,623
	Missouri	\$51,065	\$51,938	\$53,815	\$55,625	\$57,501
Average Teacher Salary (*total)	Washington	\$51,167	\$53,178	\$55,525	\$57,448	\$59,510
	Missouri	\$52,514	\$53,305	\$55,749	\$57,788	\$59,811
Average Administrator Salary	Washington	\$100,280	\$102,758	\$103,342	\$104,251	\$106,165
	Missouri	\$95,564	\$97,735	\$100,825	\$103,600	\$106,652
Average Years of Experience	Washington	12.5	13.2	13.7	13.8	14.2
	Missouri	12.7	12.7	12.6	12.7	12.8
Teachers with a Master's Degree or Higher (%)	Washington	49.8	51.4	55.3	65.4	66.2
	Missouri	59.7	59	58.3	58.2	57.8

*Includes extended contract salary and extra duty pay.

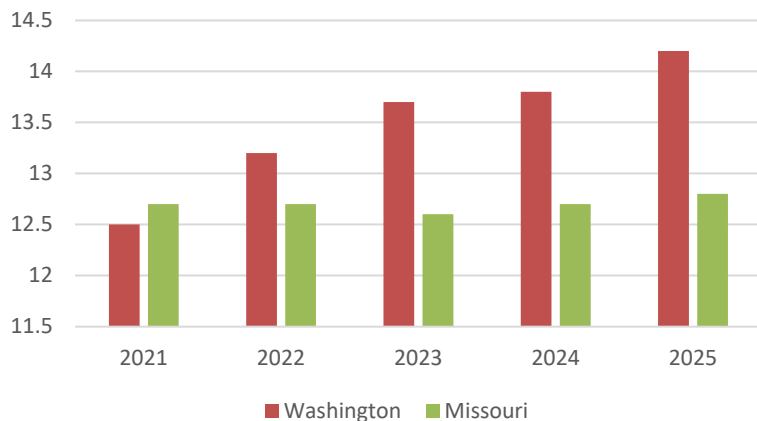
Source: Missouri Dept. of Elementary and Secondary Education

Core Data as Submitted by Missouri Public Schools

Average Teacher Salary



Average Years of Experience - Teachers



**SCHOOL DISTRICT OF WASHINGTON
STUDENT TEACHER RATIOS**

Student/Teacher Ratios	2021	2022	2023	2024	2025
Washington High School	22	23	23	21	23
Washington Middle School	15	15	14	14	14
Augusta Elementary	12	14	13	13	11
Campbellton Elementary	13	13	15	14	15
Clearview Elementary	14	15	17	16	17
Labadie Elementary	15	15	14	11	13
Marthasville Elementary	15	15	14	14	15
South Point Elementary	15	14	14	17	16
Washington West Elementary	17	17	16	14	15
Average Elementary Ratio	14	15	15	14	15

As you can see from the spreadsheet above, many of the outlying elementaries have relatively low populations, thus low student to teacher ratios. Also, by this report, the buildings look right in range to what would be considered an ideal ratio. But each year it seems the District has a few buildings with pockets of growth at varying grade levels. So much so, it means that they are at the bubble of what is acceptable or an additional class needs to be added.

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

Dated as of February 1, 2026

By the

THE SCHOOL DISTRICT OF WASHINGTON, FRANKLIN COUNTY, MISSOURI

\$ _____
General Obligation Refunding Bonds
(Missouri Direct Deposit Program)
Series 2026A

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of February 1, 2026 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by **THE SCHOOL DISTRICT OF WASHINGTON, FRANKLIN COUNTY, MISSOURI** (the “**Issuer**”).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$_____ **General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026A** (the “**Bonds**”), pursuant to a resolution adopted by the governing body of the Issuer on January 21, 2026, as supplemented by a Final Terms Certificate (the “**Resolution**”).

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2**.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation;

or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the **12-month** period beginning on **July 1** and ending on **June 30** or any other **12-month** period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“Material Events” means any of the events listed in **Section 3**.

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

“Participating Underwriter” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall, not later than 210 days after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the **“Annual Report”**):
 - (1) The audited financial statements of the Issuer for the prior Fiscal Year prepared in accordance with the accounting principles described in the notes to the financial statements contained in the final Official Statement related to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

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

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be

submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

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

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall, in a timely manner, send a notice to the MSRB, in substantially the form attached as **Exhibit B**, of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this Section.

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

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

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

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

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

Section 8. Default. If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance

by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

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

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

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

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

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed this _____ day of February, 2026.

**THE SCHOOL DISTRICT OF
WASHINGTON, FRANKLIN COUNTY,
MISSOURI**

By: _____
Title: President of the Board of Education

EXHIBIT A
TO CONTINUING DISCLOSURE UNDERTAKING

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

The financial information and operating data contained in the tables in the following sections contained in **Appendix A** of the final Official Statement relating to the Bonds:

1. **“THE DISTRICT – History of Enrollment.”**
2. **“DEBT STRUCTURE OF THE DISTRICT – Current Long-Term General Obligation Indebtedness.”**
3. **“FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenues.”**
4. **“PROPERTY TAX INFORMATION – Property Valuations – *History of Property Valuations.*”**
5. **“PROPERTY TAX INFORMATION – History of Tax Levies.”**
6. **“PROPERTY TAX INFORMATION – Tax Collection Record.”**

EXHIBIT B
TO CONTINUING DISCLOSURE UNDERTAKING

FORM OF FAILURE TO FILE NOTICE

Event Notice Pursuant to SEC Rule 15c2-12(b)(5)(C)

Issuer/Obligated Person: The School District of Washington, Franklin County, Missouri

Issues to which this Notice relates: General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026A

CUSIP Numbers for Issue to which this Notice relates:

<u>Maturity Date</u>	<u>CUSIP Number</u>
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Event Reported: Failure to Timely File Annual Financial Information/Audited Financial Statements

The Obligated Person did not timely file its operating data for the fiscal year ended June 30, 20____. Such operating data [*will be*] [*was*] filed with the MSRB through EMMA on _____, 20____.

The Obligated Person did not timely file its audited financial statements for the fiscal year ended June 30, 20____. Such audited financial statements [*will be*] [*were*] filed with the MSRB through EMMA on _____, 20____.

The information contained in this Notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Notice is, or should be construed as, a representation by the Obligated Person that the information included in this Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.

For additional information, contact:

Mr./Ms. _____

The School District of Washington, Franklin County, Missouri
220 Locust Street
Washington, Missouri 63090
(636) 231-2000

Date Submitted:

[Date]

**THE SCHOOL DISTRICT OF WASHINGTON,
FRANKLIN COUNTY, MISSOURI**