

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 13, 2026

**NEW ISSUE
BOOK-ENTRY ONLY**

**RATINGS: Direct Deposit Program: S&P: AA+
Underlying: S&P: A+
See "BOND RATINGS" herein**

In the opinion of Gilmore & Bell, P.C., St. Louis, Missouri, and White Coleman & Associates, LLC, St. Louis, Missouri, Co-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) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Co-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.

\$32,230,000*
HAZELWOOD SCHOOL DISTRICT
ST. LOUIS COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

Dated: Date of Delivery

Due: As shown on the inside cover

The Hazelwood School District, St. Louis County, Missouri (the "District") will issue its General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026 (the "Bonds") to, together with certain other available funds of the District, (1) refund the Refunded Bonds and (2) pay costs of issuing the Bonds, all as defined and described herein.

The Bonds will be issued as fully registered bonds, and, when issued, will be registered in the name of Cede & Co., as bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or integral multiples thereof. Purchasers of the Bonds ("Beneficial Owners") will not receive certificates representing their interest in the Bonds. So long as Cede & Co. is the owner of the Bonds, as nominee of DTC, references herein to the owners of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

Principal on the Bonds will be payable annually on March 1, commencing on March 1, 2027. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing September 1, 2026. So long as DTC or its nominee, Cede & Co., is the bondowner, such payments will be made by UMB Bank, N.A., St. Louis, Missouri, as paying agent and bond registrar (the "Paying Agent") directly to such bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC. Distribution of such payments to Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. See "THE BONDS – Book-Entry Only System" herein.

The Bonds are not subject to optional redemption prior to maturity. See the caption "THE BONDS – No Redemption of Bonds."

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 page 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 Underwriters, subject to the approval of their validity by Gilmore & Bell, P.C., St. Louis, Missouri, and White Coleman & Associates, LLC, St. Louis, Missouri, Co-Bond Counsel to the District, and subject to certain other conditions. Certain legal matters related to this Official Statement will be passed upon for the Underwriters by Thompson Coburn LLP, St. Louis, Missouri, Underwriters' Counsel. 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 3, 2026.

STIFEL
BACKSTROM MCCARLEY BERRY & CO., LLC

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

* Preliminary, subject to change.

\$32,230,000*
HAZELWOOD SCHOOL DISTRICT
ST. LOUIS COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

MATURITY SCHEDULE*
Base CUSIP: 421722

<u>Maturity</u> (March 1)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP¹</u>
2027	\$ 3,140,000	%	%	
2028	14,460,000			
***	***			
2030	14,630,000			

* Preliminary, subject to change.

¹ CUSIP numbers shown above have been assigned by an organization not affiliated with the District or the Underwriters. The District nor the Underwriters were responsible for the selection of CUSIP numbers and neither make any representation as to the correctness of such numbers on the Bonds or as indicated herein.

**HAZELWOOD SCHOOL DISTRICT
ST. LOUIS COUNTY, MISSOURI**

15955 New Halls Ferry Road
Florissant, Missouri 63031
(314) 953-5015

BOARD OF EDUCATION

Sylvester Taylor II, *President and Director*
Andrea R. Gregory, *Vice President and Director*
Sparkl A. West-Pruitt, *Secretary and Director*
Robert Birdsong, *Treasurer and Director*
Stephen H. Lewis, *Director*
Betsy Rachel, *Director*
Clem Smith, *Director*

ADMINISTRATION

Dr. Nettie Collins-Hart, *Superintendent*
Dr. Chauncey Granger, *Assistant Superintendent for High School Education*
Dr. Lanetra Thomas, *Assistant Superintendent for Middle School Education*
Keith Bausman, *Assistant Superintendent for Human Resources*
Monica Miller-Seawood, *Assistant Superintendent for Elementary School Education*
Dr. Erik Melton, *Assistant Superintendent for Elementary School Education*
Dr. Rhonda Key, *Deputy Superintendent*
Dr. Tristal Watson, *Assistant Superintendent for Elementary School Education*
David McCorkle, *Chief Information Officer*
Christopher Norman, *Chief Financial Officer/Assistant Superintendent for Finance and Facilities*

CO-BOND COUNSEL

Gilmore & Bell, P.C. White Coleman & Associates, LLC
St. Louis, Missouri St. Louis, Missouri

UNDERWRITERS

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

Backstrom McCarley Berry & Co., LLC
St. Louis, Missouri

UNDERWRITERS' COUNSEL

Thompson Coburn LLP
St. Louis, Missouri

PAYING AGENT AND ESCROW AGENT

UMB Bank, N.A.
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 herein 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 Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do 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 herein 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 UNDERWRITERS MAY OVER-ALLOT 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 (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) 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 INDICATED UNDER THE CAPTION “CONTINUING DISCLOSURE UNDERTAKING.”

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OFFICIAL STATEMENT

\$32,230,000*
HAZELWOOD SCHOOL DISTRICT
ST. LOUIS COUNTY, MISSOURI
GENERAL OBLIGATION REFUNDING BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM)
SERIES 2026

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 hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover pages 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 pages and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$32,230,000* aggregate principal amount of General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026 (the “**Bonds**”) by the Hazelwood School District, St. Louis County, Missouri (the “**District**”). The issuance and sale of the Bonds is authorized by a resolution expected to be adopted by the Board of Education of the District on January 20, 2026 (the “**Resolution**”). All capitalized terms not otherwise defined herein have the meanings assigned to those terms in the Resolution.

Purpose of the Bonds

The District will issue the Bonds to, together with certain other available funds of the District, (1) refund a portion of the District’s remaining outstanding General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2017A (the “**Series 2017A Bonds**”), being those Series 2017A Bonds maturing on March 1 in the years 2027, 2028 and 2030, outstanding in the aggregate principal amount of \$33,925,000 (the “**Refunded Bonds**”) and (2) pay the costs of issuance of the Bonds. See “**PLAN OF FINANCING**” herein.

Security for the Bonds

General. The Bonds will constitute general obligations of the District and will be payable as to principal 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. See “**SECURITY FOR THE BONDS**” herein.

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, dated as of the date of issuance of the Bonds, the District will agree that a portion of its State Aid (defined herein) 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 herein captioned “**SECURITY FOR THE BONDS — Direct Deposit of State Aid Payments**.”

* Preliminary, subject to change.

Continuing Disclosure

The District has agreed in the 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. 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 (the “**Rule**”). See “**CONTINUING DISCLOSURE UNDERTAKING**” herein and the form of the proposed Continuing Disclosure Undertaking included in **Appendix D** hereto.

Descriptions 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 herein to the Bonds and the Resolution are qualified in their entirety by reference to such documents.

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of \$32,230,000*. The Bonds shall consist of fully registered bonds, numbered from R-1 upward in order of issuance, in denominations of \$5,000 or any integral multiple thereof. The Bonds shall be dated the date of initial issuance and delivery thereof and shall become due in the amounts on the Stated Maturities set forth on the inside cover page hereof, and will bear interest at the rates shown on the inside cover page hereof (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 in each year (each an “**Interest Payment Date**”), beginning on September 1, 2026.

The interest payable on each Bond on any Interest 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 Interest Payment Date (the “**Record Date**”) for such interest (1) by check or draft mailed by UMB Bank, N.A., St. Louis, Missouri (the “**Paying Agent**”) to the address of such Registered Owner shown on the Bond Register or at such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) by 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, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed.

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

No Redemption of Bonds

The Bonds shall not be subject to redemption and payment prior to their Stated Maturity.

* 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 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.

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 MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Registration, Transfer and Exchange of Bonds

The District covenants that, as long as any Bonds remain Outstanding, it 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. 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 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 or 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. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of the Resolution. The District shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by the Resolution and the cost of printing a reasonable supply of registered bond blanks. 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 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.

Defeasance

When any or all of the Bonds and 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 shall terminate with respect to the Bonds, and scheduled interest payments thereon, so paid and discharged. Bonds, and 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 of said Bonds and the 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 said Bonds and interest accrued to the Stated Maturity, or if default in such payment has occurred on such date, then to the date of the tender of such payments.

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 of and interest 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.

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 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 of and interest on the Bonds as and when the same become due 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, as amended, and related statutes (the "**Deposit Law**"), the State and the District may agree to transfer to a State bank, as direct deposit trustee (the "**Deposit Trustee**"), a portion of the District's State aid payments and distributions normally used for operational purposes ("**State Aid**") in order to provide for payment of debt service on the Bonds. On the date of issuance of the Bonds, the District will enter into a Direct Deposit Agreement (the "**Deposit Agreement**") with the Office of the Treasurer of the State of Missouri ("**Treasurer's Office**"), the Department of Elementary and Secondary Education of the State of Missouri ("**DESE**"), the Health and Educational Facilities Authority of the State of Missouri and the Deposit Trustee. 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 for as long as the Bonds are outstanding. Amounts of State Aid to the 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 Treasurer's Office of the amount of the District's State Aid to be deposited with the Deposit Trustee for the purpose of paying the Bonds, as specified in the Deposit Agreement. If there is a shortfall in a monthly payment, it is to be made up in the succeeding monthly payment of State Aid. Following receipt of the deposits, the Deposit Trustee will invest the amounts for the benefit of the District. The Deposit Trustee will transfer to the Paying Agent the amount necessary for payment of debt service on the Bonds not later than the 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

General

The District will issue the Bonds to, together with certain other available funds of the District, (1) refund the Refunded Bonds and (2) pay costs of issuing the Bonds.

Refunding of the Refunded Bonds

A portion of the proceeds of the Bonds will be used for the purpose of refunding and redeeming the Refunded Bonds on or about March 5, 2026*, at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the date of redemption.

The District will enter into a Letter of Escrow Instructions dated February 3, 2026 (the “**Letter of Escrow Instructions**”), with UMB Bank, N.A., St. Louis, Missouri, as escrow agent (the “**Escrow Agent**”). Pursuant to the Letter of Escrow Instructions, the District will transfer a portion of the proceeds of the Bonds to the Escrow Agent for deposit in the Escrow Fund (the “**Escrow Fund**”) established under the Letter of Escrow Instructions. 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 the interest to accrue thereon and any cash deposit to the Escrow Fund, to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds as the same shall become due and payable prior to and including the redemption date of the Refunded Bonds.

After the issuance of the Bonds and the deposit of the proceeds thereof with the Escrow Agent, the principal of and interest on the Refunded Bonds will be payable from the maturing principal of, and interest income on the Escrowed Securities and other funds on deposit in the Escrow Fund. The Letter of Escrow Instructions provides that the Escrowed Securities are irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds and may be applied only to such payment.

Sources and Uses of Funds

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

Sources of Funds

Par Amount of Bonds	\$
Plus: District Contribution	
Original Issue Premium	
Total	_____

Uses of Funds

Deposit to the Escrow Fund	
Costs of Issuance (including Underwriters' Discount)	
Total	\$ _____

* Preliminary, subject to change.

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. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, or a determination that the interest on the Bonds might be deemed taxable for purposes of federal income taxation. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.**

Potential Impact of Pandemics

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. Historical revenues and expenditures for the District’s General Fund for the fiscal years ended June 30, 2021 through 2025 are set forth under the caption “**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Summary of Revenues and Expenditures**” in **Appendix A** to this Official Statement.

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 – Historic Assessed Valuation**” in **Appendix A** of this Official Statement. In addition, the issuance of additional general obligation bonds by the District or other indebtedness by other political subdivisions in 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. State of Missouri law limits the amount of general obligation debt issuable by the District to 15% of the assessed valuation of taxable tangible property in the District. See “**DEBT STRUCTURE OF THE DISTRICT – Debt Limitation and Debt Capacity**” in **Appendix A** of this Official Statement.

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. In calendar year 2025, no single property owner owned more than 0.94% of the total taxable property in the District. See “**PROPERTY TAX INFORMATION – Major Taxpayers**” in **Appendix A** of this Official Statement.

Secondary Market Prices and Liquidity

The Underwriters 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.

Ratings

The Rating Agency (defined herein) has assigned the Bonds the rating and the District the underlying rating set forth in the section "**BOND RATINGS**" herein. Such ratings reflect only the views of the Rating Agency, and an explanation of the significance of such ratings may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by the Rating Agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

State Aid and Direct Deposit Agreement

Approximately 23% of the District's revenue is derived from State Aid for the 2024-2025 fiscal year. See "**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of 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**" herein. Reductions in State Aid could occur in the future if, for example, the State faces fiscal problems 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 ratings on the Bonds or the market price of the Bonds.

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 State of 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**" herein.

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.

Cybersecurity Risks

The District relies on its information systems to provide security for processing, transmission and storage of confidential and other credit 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 and other credit information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations. The District's current insurance coverage includes risk of loss from cyber-attacks.

Defeasance Risks

When all Bonds are deemed paid and discharged as provided in the Resolution, 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 Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the stated maturity. 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 ratings of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

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 in connection with the issuance 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 the heading "**SECURITY FOR THE BONDS**" herein, 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, on all taxable tangible property in the District sufficient to pay the principal of and interest on the Bonds.

Environmental Reports

In recent years, the U.S. Army Corps of Engineers, St. Louis District (the "**USACE**"), has been conducting a cleanup of certain sites in north St. Louis County under its Formerly Utilized Sites Remedial Action Program (FUSRAP). Many of these sites are adjacent to Coldwater Creek, a tributary of the Missouri River that runs through northern portions of St. Louis County. Certain of the sites contain radioactive residues as a result of activities associated with the Manhattan Engineer District, the governmental organization formed to control atomic energy, succeeded by the Atomic Energy Commission, a civilian agency, during the United States' atomic weapons program in the 1940s and the 1950s. Between approximately August 2018 and January 2022, the USACE conducted surface and subsurface soil sampling on a portion of the Jana Elementary School property immediately adjacent to Coldwater Creek. In January 2022, the USACE reported to the District that they had detected the presence of low-level radioactive contamination along the banks of Coldwater Creek at the edge of the Jana Elementary School property boundary. The District has stated that the USACE has further indicated that the contamination does not pose an immediate risk to human health or the environment because it is below ground surface.

Related testing has been conducted on the Jana Elementary School building and property by parties other than the USACE and there are varying environmental reports with respect to the contamination at the site. In light of the varying reports, in October 2022, the District closed Jana Elementary School and those students have been redistricted to other District elementary schools. Remediation measures conducted in the creek bed adjacent to Jana Elementary School by the USACE have concluded. In addition, testing was conducted at the Hazelwood Central High School football field to determine the presence of contamination based on a report that more than 25 years ago soil from Jana Elementary School had been taken to Hazelwood Central High School as fill material to raise and level the football field. The testing indicated that there was no contamination at Hazelwood Central High School. The District has converted the building to a logistics/storage center.

Further it is possible that liabilities may arise in the future with respect to Jana Elementary School and other District sites resulting from the current contamination, which could significantly affect the value of such properties and/or the finances or operations of the District. However, the District currently believes the costs to the District in connection with any testing and remediation will be covered by federal government, insurance or other available District funds and will not have a material adverse effect on the finances or operations of the District. The environmental reports referenced in this section are available upon request. See also "**THE DISTRICT – Environmental Reports**" in Appendix A of this Official Statement.

Senior Property Tax Credit Program

In 2023, the Missouri General Assembly passed Senate Bill 190, which authorizes counties to grant property tax credits to residential property owners eligible to receive social security benefits equal to the difference between the real property tax liability on the homestead in the current year minus the real property tax liability on such homestead in the year in which the taxpayer became eligible to receive the tax credit (the "**Senior Property Tax Credit Program**"). Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by the 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. On October 17, 2023, the St. Louis County Council passed a bill implementing the Senior Property Tax Credit Program in St. Louis County, which became law on November 1, 2023, and became effective beginning for the 2024 property tax cycle.

The financial impact of the Senior Property Tax Credit Program on the District is projected by St. Louis County to result in approximately \$980,000 of unrealized revenue for fiscal year 2026. The term unrealized revenue is used because this will not result in a tax reduction per se, but will reduce new revenue the District otherwise would have received. The District is permitted to retain in its debt service fund up to one year's debt service payments and can increase the debt service levy for future years to address the potential decrease from implementation of the Senior Property Tax Credit Program and to ensure continued payment of the principal of and interest on the Bonds. See "**PROPERTY TAX INFORMATION**" in Appendix A of this Official Statement.

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 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, including St. Louis County, are exempt from the bill. The initial credit year is 2024 or, if the eligible taxpayer's real property tax liability is lower in a subsequent year, the initial credit year is that subsequent calendar year. All non-exempt counties are required to place a question of whether to enact this real property tax cap on the ballot by no later than the April 2026 general election. If a majority of the votes cast on the question are in favor of the cap, the credit shall be in effect and

the county shall grant the property tax credit to eligible taxpayers. The County Collector will note the amount of any credit on the real property tax bills sent to eligible taxpayers. The potential financial impact of Senate Bill 3 on the District is not yet ascertainable. Multiple lawsuits challenging the constitutionality of Senate Bill 3 have been filed; however, such litigation is ongoing, and it is not possible to determine the final outcome or any potential impact of such proceedings on the District at this time.

THE DISTRICT

The District is located in the northern portion of St. Louis County, Missouri, covers an area of approximately 78 square miles and includes all or part of the communities of Florissant, Hazelwood, Bridgeton, Black Jack and Ferguson, plus parts of unincorporated St. Louis County. See **Appendix A – “THE DISTRICT”** for further information regarding the District.

LEGAL MATTERS

All legal matters incident to the authorization and issuance of the Bonds are subject to the approving legal opinions of Gilmore & Bell, P.C., St. Louis, Missouri and White Coleman & Associates, LLC, St. Louis, Missouri, Co-Bond Counsel to the District. Co-Bond Counsel has participated in the preparation of portions of this Official Statement; however, Co-Bond Counsel expresses no opinion as to the accuracy or sufficiency of this Official Statement except for the matters appearing in the sections of this Official Statement captioned “**THE BONDS**” (other than the information appearing in the subsection captioned “**Book-Entry Only System**”), “**SECURITY FOR THE BONDS - General**,” “**LEGAL MATTERS**,” “**TAX MATTERS**” and **Appendix C – “FORM OF OPINION OF CO-BOND COUNSEL.”** Certain legal matters related to this Official Statement will be passed upon by Thompson Coburn LLP, St. Louis, Missouri, Underwriters’ Counsel.

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

BOND RATINGS

S&P Global Ratings, a division of S&P Global, Inc. (the “**Rating Agency**”), has assigned a municipal bond rating of “AA+” to the Bonds based upon the District’s participation in the Missouri Direct Deposit Program. In addition, the Rating Agency has assigned a municipal bond rating of “A+” to the Bonds based on the underlying credit of the District.

Such ratings reflect only the view of the Rating Agency at the time the ratings are given, and neither the District nor the Underwriters make any representation as to the appropriateness of the ratings, or that the ratings will not be changed, suspended or withdrawn. The District has furnished the Rating Agency with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. The ratings are not a recommendation to buy, sell or hold the Bonds. 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 the Rating Agency if, in their judgment, circumstances warrant. The Underwriters have 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 revision or withdrawal of the ratings of the Bonds but has not undertaken any responsibility to oppose any such revision or withdrawal. See the

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

Opinion of Co-Bond Counsel

In the opinion of Gilmore & Bell, P.C., St. Louis, Missouri, and White Coleman & Associates, LLC, St. Louis, Missouri, Co-Bond Counsel, under the law existing as of the issue date of the Bonds:

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

Alternative Minimum Tax. 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 have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”).

Co-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 State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Co-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 (“**OID**”) 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, OID on tax-exempt bonds accrues on a compound basis. The amount of OID 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 OID 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 OID 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 OID, 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 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. Co-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.

Co-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 has agreed in 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. The financial information, operating data and notice of events will be filed in compliance with the Rule. See the form of the proposed Continuing Disclosure Undertaking included in **Appendix D** hereto.

The District has made similar continuing disclosure undertakings with respect to its outstanding general obligation bonds and certificates of participation to file an Annual Report for each fiscal year of the District. The District covenanted to include in its Annual Report the District's audited financial statements for the previous year in addition to updated information relating to the District and its operations. During the last five years, certain required operating data in the District's Annual Reports was in a format different than that in the original official statements, filed late and not properly linked to certain CUSIP numbers. Such information in the required format has since been filed.

ABSENCE OF LITIGATION

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or to the District's knowledge, threatened in any court (either State or federal) restraining or enjoining the issuance or delivery of the Bonds or which might affect the District's ability to meet its obligations to pay the Bonds, or questioning, disputing or affecting in any way (1) the proceedings under which the Bonds are to be issued, (2) the constitutionality or validity of the Bonds, (3) the levy and collection of a tax to pay the principal of and interest on the Bonds or the pledge by the District of the moneys under the Resolution of the District authorizing the issuance of the Bonds, or (4) the legal existence of the District or its boundaries, or the title to office of the present officials of the District.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC (collectively, the "**Underwriters**") have agreed to purchase the Bonds at a price of \$_____ (which is equal to the aggregate original principal amount of the Bonds, less an underwriting discount of \$_____, plus an original issue premium of \$_____.) The Underwriters are purchasing the Bonds for resale in the normal course of the Underwriters' business activities. The Underwriters reserve 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 Underwriters, in their discretion, shall determine.

The Underwriters and their 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 Underwriters and their 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 Underwriters and their 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 Underwriters and their 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. has represented certain of the Underwriters and the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing them in connection with the issuance of the Bonds. White Coleman & Associates, LLC has represented certain of the Underwriters in transactions unrelated to the issuance of the Bonds, but is not representing them in connection with the issuance of the Bonds.

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 Underwriters; following delivery of the Bonds, copies of such documents may be examined at the principal corporate trust office of the Paying Agent. The information contained in this Official Statement has been compiled from official and other sources 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 Underwriters and the purchasers or Owners of any Bonds.

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

**HAZELWOOD SCHOOL DISTRICT,
ST. LOUIS COUNTY, MISSOURI**

By: _____
President of the Board of Education

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APPENDIX A
INFORMATION REGARDING THE DISTRICT

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THE DISTRICT

General

The District is located in the northern portion of St. Louis County, Missouri and is one of the largest suburban districts in the State of Missouri (the “**State**”). The District encompasses approximately 78 square miles and includes all or part of the communities of Florissant, Hazelwood, Bridgeton, Black Jack and Ferguson plus parts of unincorporated St. Louis County.

The present population of the communities served by the District is approximately 118,000. The student/teacher ratio was approximately 16:1 for the past academic year. The cost of instruction in the District was approximately \$14,929 per pupil for the fiscal year ended June 30, 2025.

Board of Education

The District is governed by a seven-member Board of Education (the “**Board**”), whose members are selected by voters within the District for staggered three-year terms. The Board is a policy-making body whose primary function is to establish policies for the District, to provide for the general operation and personnel of the District, and to oversee the property and affairs of the District. The Board elects a President and a Vice President from its members for one-year terms. The present officers and members are as follows:

Title	Name	Year First Elected	Current Term Expires (April)
President and Director	Sylvester Taylor	2008	2026
Vice President and Director	Andrea R. Gregory	2023	2027
Secretary and Director	Sparkl A. West-Pruitt	2023	2026
Treasurer and Director	Robert Birdsong	2023	2026
Director	Stephen H. Lewis	2024	2027
Director	Betsy Rachel	2018	2028
Director	Clem Smith	2025	2028

Administration

The District’s general administrative team is headed by the Superintendent of Schools who reports directly to the Board and serves as the chief executive officer of the District. The Superintendent’s central administrative staff is comprised of a Deputy Superintendent, an Assistant Superintendent for High School Education, an Assistant Superintendent for Middle School Education, an Assistant Superintendent for Human Resources, three Assistant Superintendents of Elementary School Education, a Chief Information Officer, and a Chief Financial Officer/Assistant Superintendent for Finance and Facilities.

Dr. Nettie Collins-Hart has served as the District’s Superintendent of Schools since 2016. Prior to serving as Superintendent of Schools, she led Proviso Township High School District 209 in Forest Park, Illinois. In 2005, she was superintendent of Bertie County Public Schools in Windsor, North Carolina. Dr. Collins-Hart was named the National Association of School Superintendent’s 2019 Superintendent of the Year. Dr. Collins-Hart serves as a member of the Missouri Department of Elementary and Secondary Education Commissioner’s Advisory Council. She is also a member of the Board of Directors for the Greater North County Chamber of Commerce, Valley Industries, Christian Hospital and North County Incorporated. Dr. Collins-Hart earned a doctorate in educational policy and leadership from the University of Kansas in Lawrence, Kansas. She has certification in curriculum and instruction as well as two masters’ degrees from East Carolina University in Greenville, North Carolina; her masters are in educational

administration and English education. Dr. Collins-Hart's bachelor's degree in English education was earned from the University of North Carolina, Chapel Hill.

Christopher Norman has served as the District's Chief Financial Officer / Assistant Superintendent for Finance and Facilities since 2017. Mr. Norman started his professional career as a band director and music teacher for students in grades 5-12 in central and northern Illinois. While teaching he assisted with technology and data services, served as a class sponsor and as the Teachers' Union President. Administratively, Mr. Norman has served as a high school assistant principal/vocational coordinator and a junior high school principal, and in the central office as a director of financial services. In the latter role, Mr. Norman was responsible for transportation, food service, secondary-level discipline and parent concerns, music department administration, financial services and insurance. Mr. Norman holds a bachelor's degree in music education and a master's degree in educational administration, both from Eastern Illinois University. As the District's Chief Financial Officer / Assistant Superintendent for Finance and Facilities, Mr. Norman's direct departmental reports include those in finance, maintenance, transportation, food service, custodial service and purchasing.

Professional Staff

The District employs 121 administrators, 1,206 teacher-level staff and 823 support personnel. Below is some information regarding the District's professional staff.

- Approximately 61% of the District's teachers hold master's degrees or higher – Many are accomplished experts in fields such as writing, history, music, art, science, athletics, and many more. They are highly sought-after speakers for local, state and nationwide conventions, and frequently are invited to write articles for assorted professional publications.
- Top-Quality Professional Staff Hired – The District maintains its present staff's high standards for quality by hiring the best candidates available for new openings. The District's interviewing and selection procedures for professional staff are extensive and sophisticated.
- Staff Development Program – The District conducts an on-going staff development program to help keep up to date on the latest in educational research and theory. Days during the school year are set aside specifically for this purpose, as are several days during the summer. The District also sends teachers to many workshops conducted outside the District. Selected as a finalist for a national award, the District's program is viewed as a model for other districts throughout the State and the nation.

The following table sets forth the number of staff employed by the District for the five prior school years:

School Year	Certificated Personnel	Non-Certificated Personnel	Total Staff
2024-25	1,327	855	2,182
2023-24	1,325	841	2,166
2022-23	1,327	823	2,150
2021-22	1,454	868	2,322
2020-21	1,451	859	2,310

Source: District.

School Facilities and Enrollment

The District has 19 elementary schools. The District has six middle schools and three high schools. In addition, the District runs three centers for early childhood education, one special programs center for gifted students and one alternative education center. Listed below are the District's enrollment figures for the five prior school years:

Year	Early Childhood Education	Elementary & Middle School Grades K-8	High School Grades 9-12	Total	% Increase (Decrease)
2024-25	744	10,574	5,028	16,346	0.18
2023-24	649	10,552	5,115	16,316	0.78
2022-23	839	10,487	4,864	16,190	(6.87)
2021-22	664	11,198	5,523	17,385	3.40
2020-21	670	11,069	5,074	16,813	(4.39)

Source: District.

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 the State. 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.

National School Lunch Program

Certain students are eligible to receive free or reduced price lunches ("FRL") under The National School Lunch Program (the "NSLP"), which include students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program) or that qualify based on household income. The Healthy, Hunger-Free Kids Act of 2010 passed by Congress offers school districts the Community Eligibility Provision ("CEP") as an alternative to reduce the administrative burden of the National School Breakfast and NSLP. In order to participate in the CEP, districts must demonstrate that at least 40% of students would automatically qualify for free meals based on participation in other need based programs. A qualifying school must agree to serve free breakfasts and lunches to all students. In exchange, the district is exempt from collecting and processing household applications. All of the District's schools have renewed their participation in CEP for the 2025-2026 school year.

Environmental Reports

In recent years, the U.S. Army Corps of Engineers, St. Louis District (the "USACE"), has been conducting a cleanup of certain sites in north St. Louis County under its Formerly Utilized Sites Remedial Action Program (FUSRAP). Many of these sites are adjacent to Coldwater Creek, a tributary of the Missouri River that runs through northern portions of St. Louis County. Certain of the sites contain radioactive residues as a result of activities associated with the Manhattan Engineer District, the governmental organization formed to control atomic energy, succeeded by the Atomic Energy Commission, a civilian agency, during the United States' atomic weapons program in the 1940s and the 1950s. Between approximately August 2018 and January 2022, the USACE conducted surface and subsurface soil sampling on a portion of the Jana Elementary School property immediately adjacent to Coldwater Creek. In

January 2022, the USACE reported to the District that they had detected the presence of low-level radioactive contamination along the banks of Coldwater Creek at the edge of the Jana Elementary School property boundary. The District has stated that the USACE has further indicated that the contamination does not pose an immediate risk to human health or the environment because it is below ground surface.

Related testing has been conducted on the Jana Elementary School building and property by parties other than the USACE and there are varying environmental reports with respect to the contamination at the site. In light of the varying reports, in October 2022, the District closed Jana Elementary School and those students have been redistricted to other District elementary schools. Remediation measures conducted in the creek bed adjacent to Jana Elementary School by the USACE have concluded. In addition, testing was conducted at the Hazelwood Central High School football field to determine the presence of contamination based on a report that more than 25 years ago soil from Jana Elementary School had been taken to Hazelwood Central High School as fill material to raise and level the football field. The testing indicated that there was no contamination at Hazelwood Central High School. The District has converted the building to a logistics/storage center.

Further it is possible that liabilities may arise in the future with respect to Jana Elementary School and other District sites resulting from the current contamination, which could significantly affect the value of such properties and/or the finances or operations of the District. However, the District currently believes the costs to the District in connection with any testing and remediation will be covered by the federal government, insurance or other available District funds and will not have a material adverse effect on the finances or operations of the District. The environmental reports referenced in this section are available upon request. See also "**THE DISTRICT – Environmental Reports**" in Appendix A of this Official Statement.

Educational Programs and Services

The District is proud of the programs and services it provides and the quality of students it educates. Outlined in the following paragraphs are selected honors programs, special education programs and extracurricular activities offered by the District.

Accelerated Programs. The District identifies gifted and talented students at all levels and provides them with differentiated instruction suitable for their levels of intellectual, physical and social maturity.

Special Education Programs. The District is a component district of the Special School District of St. Louis County. The District's special education for its students is supplied by the Special School District of St. Louis County.

Extracurricular Activities. Each of the high schools have a full program of extracurricular activities. The athletic program includes fall, winter and spring sports for both boys and girls. Some interscholastic teams include both underclass and varsity level competition. An intramural program offers recreational opportunities for students interested in exercise and leisure time pursuits. Clubs and organizations ranging from athletic support groups to music, journalism, drama, yearbook and student council are also available.

At the intermediate schools, students have the opportunity to participate in intramurals, student council, drama and music. The District is committed to encouraging students to take advantage of the opportunities offered by its program of extracurricular activities.

Other Programs. The District has a strong commitment to provide programs that meet the academic needs of students. The District believes that early intervention is important in identifying and working with student reading problems. To this end, the District has several special reading programs that

are designed to provide instructional support, which are based on effective teaching practices and research on how children learn to successfully read and communicate.

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Sources of Revenue

The District finances its operations through the local property tax levy, State sales tax, State Aid (as defined below), federal grant programs and miscellaneous sources, including without limitation State Aid for transportation, a State sales tax on cigarettes and a pro rata share of interest income from the counties in which each school district operates. Debt service on general obligation bonds is paid from amounts in the District's Debt Service Fund. The primary source of money in the Debt Service Fund is local property taxes derived from a debt service levy. As discussed below, the Debt Service Fund may, however, also contain money derived from transfers from the Incidental Fund, from State Aid in the Classroom Trust Fund, and from certain other taxes or payments-in-lieu-of-taxes that may be placed in the Debt Service Fund at the discretion of the Board.

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

For the 2024-25 fiscal year, the District's sources of revenue are as follows:

Revenue Source	Amount	% of Total
Local Revenue	\$185,025,498	65.89%
County Revenue	3,137,072	1.12
State Revenue	65,414,525	23.29
Federal Revenue	26,516,430	9.44
Other Revenue	<u>727,218</u>	<u>0.26</u>
Total	<u><u>\$280,820,744</u></u>	<u><u>100.00%</u></u>

Source: District.

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A recent history of the breakdown of the sources of revenues (all funds) for the District is as follows:

Source	2025	2024	2023	2022	2021
Local Revenue ¹	\$185,025,498	\$178,673,673	\$167,761,116	\$154,781,049	\$147,095,087
County Revenue	3,137,072	3,186,194	3,239,577	3,002,516	3,072,216
State Revenue	65,414,525	68,006,041	65,507,311	62,571,596	63,252,967
Federal Revenue ²	26,516,430	22,284,851	21,990,587	79,783,066	20,943,039
Other Revenue	<u>727,218</u>	<u>118,773</u>	<u>544,579</u>	<u>558,171</u>	<u>655,158</u>
Total ³	<u><u>\$280,820,744</u></u>	<u><u>\$272,969,532</u></u>	<u><u>\$259,043,170</u></u>	<u><u>\$300,696,398</u></u>	<u><u>\$235,018,467</u></u>

Source: District's Audited Financial Statements.

¹ Under the provisions of an initiative petition adopted by the voters of the State on November 2, 1982, 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. See the section below captioned "**Local Revenue**."

² Includes CARES Act and other federal funds.

³ Excludes certain general obligation bond proceeds.

Local Revenue

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

Proposition C revenues are deemed to be "local" revenues for school district accounting purposes. Proposition C revenues are distributed to each school district based on the district's weighted average daily attendance (see "**Weighted ADA**" under "**Missouri School Finance Laws**" 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 June 30	Proposition C Revenue Per Pupil
2024	\$1,574
2023	1,287
2022	1,214
2021	1,046
2020	1,006

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 of the Revised Statutes of Missouri, as amended, that is primarily student-needs-based. See “**Missouri School Finance Laws**” for a description of the State Aid distribution laws.

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.” Each state education agency must develop a state accountability plan (“**ESSA Plan**”) that incorporates testing based on challenging academic standards. The ESSA Plans were required to be submitted to the United States Department of Education (the “**DOE**”) in 2017. Under ESSA, states can decide how much weight to give standardized tests in their accountability systems and determine what consequences, if any, should attach to poor performance. However, at least 95% of eligible students are required to take the state-chosen standardized tests, and federal funding can be withheld if states fall below the 95% threshold.

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

Missouri School Finance Laws

State Aid. The amount of State Aid for school districts in Missouri is calculated using a formula that is primarily student-needs-based.

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

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

Weighted ADA. Weighted ADA is based upon regular term ADA plus summer school ADA, with additional weight assigned in certain circumstances for students who qualify for free and reduced-price lunch (“**FRL**”), receive special education services (“**IEP**”), or possess limited English language proficiency (“**LEP**”). These FRL, IEP and LEP students are weighted to the extent they exceed certain thresholds (based on the percentage of students in each of the categories in certain high performing districts (“**Performance Districts**”)), which thresholds can change every two years. Beginning with the 2018-2019 fiscal year, certain school districts who operate early childhood education programs, such as the District, are also able to claim a portion of their pre-kindergarten FRL students in their calculation of ADA; however, the portion of pre-kindergarten FRL students included in the calculation of ADA cannot exceed 4% of the

total number of FRL students between the ages of 5 and 18 who are included in the school district's calculation of ADA. The District's State Aid revenues would be adversely affected by decreases in its Weighted ADA resulting from decreased enrollment generally and, specifically, decreased enrollment of FRL, IEP and LEP students. However, in the event that the District's Weighted ADA is substantially reduced for any current fiscal year, the District may use the higher of the District's Weighted ADA for the immediately preceding fiscal year or the second preceding fiscal year. This process is designed to absorb a one-year attendance irregularity.

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

State Adequacy Target. The State Aid formula requires DESE to calculate a "**State Adequacy Target**," which is intended to be the minimum amount of funds a school district needs in order to educate each student. DESE's calculation of the State Adequacy Target is based upon amounts spent, excluding federal and state transportation revenues, by Performance Districts. Every two years, using the most current list of Performance Districts, DESE will recalculate the State Adequacy Target. The recalculation can never result in a decrease from the State Adequacy Target as calculated for fiscal years 2017 and 2018 and any State Adequacy Target figure calculated thereafter. For the fiscal years ended June 30, 2020 through June 30, 2024, the State Adequacy Target was \$6,375 per pupil. For the fiscal year ending June 30, 2025, the State Adequacy Target was \$6,760 per pupil.

Dollar Value Modifier. The DVM is an index of the relative purchasing power of a dollar in different areas of the state. The DVM is calculated as one plus 15% of the difference of the regional wage ratio (the ratio of the regional wage per job divided by the state median wage per job) minus one. The law provides that the DVM can never be less than 1.000. DESE revises the DVM for each district on an annual basis. The DVM for the District for the 2023-2024 fiscal year was 1.092, and the DVM for the District for the 2024-2025 fiscal year and the 2025-2026 fiscal year is 1.088.

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

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

Classroom Trust Fund (Gambling Revenue) Distributions. A portion of the funds received from the State under the formula will be in the form of a distribution from the "**Classroom Trust Fund**," a fund in the State treasury containing a portion of the State's gambling revenues. This money is distributed to school districts on the basis of ADA (versus *Weighted ADA*, which applies to the basic formula distribution). The funds deposited into the Classroom Trust Fund are not earmarked for a particular fund

or expense and may be spent at the discretion of the local school district except that, beginning with the 2010-2011 fiscal year, all proceeds of the Classroom Trust Fund in excess of amounts received in the 2009-2010 fiscal year must be placed in the Teachers' or Incidental Funds. The table below shows the approximate amount each school district received per pupil from the Classroom Trust Fund for the following fiscal years:

Fiscal Year Ended June 30	Classroom Trust Fund (Per Pupil)
2024	\$472
2023	426
2022	430
2021	435
2020	327 ⁽¹⁾

Source: DESE.

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

Classroom Trust Fund dollars are subtracted from the State Aid formula described above and thus do not increase the amount of State Aid a school district receives.

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

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

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

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

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

Capital Projects Fund Levy. Prior to setting tax rates for the 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 Adequacy Target**" above) times the district's Weighted ADA. The District made no transfer from the Incidental Fund to the Debt Service Fund or the Capital Projects Fund under this provision during the 2024-2025 fiscal year.

Transfers from the Incidental Fund to the Debt Service Fund and/or the Capital Projects Fund. If a school district is not using the \$162,326 or seven percent (7%) transfer discussed in parts (5)(a) and (5)(b) of the prior paragraph and is not making payments on lease purchases pursuant to Section 177.088, RSMo, then the school district may transfer from the Incidental Fund to the Debt Service and/or the Capital Projects Fund the greater of (1) the State Aid received in the 2005-2006 school year as a result of no more than eighteen (18) cents of the sum of the Debt Service Fund levy and Capital Projects Fund levy used in the foundation formula and placed in the Capital Projects Fund or Debt Service Fund, or (2) five percent (5%) of the State Adequacy Target (see "**State Adequacy Target**" above) times the district's Weighted ADA. The District made no transfer from the Incidental Fund to the Debt Service Fund or the Capital Projects Fund under this provision during the 2024-2025 fiscal year.

Accounting, Budgeting and Auditing Procedures

The accounts of the District are organized on the basis of legally established funds and account groups, 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, 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 and account groups are used by the District.

Governmental Funds

General (Incidental) Fund – This fund 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 – This fund is used to account for financial resources and 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.

Capital Projects Fund – This fund is used to account for the accumulation of resources to be used for the acquisition or construction of major capital assets.

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

Basis of Presentation and Accounting

The District's audited financial statements present financial information regarding the District in two formats: one regarding the District as a whole (District-wide financial statements) and one that provides information about District funds (fund financial statements).

Basis of accounting refers to when transactions are recorded in the financial records and reported in the financial statements. The District prepares its District-wide and fund financial statements using the modified cash basis which is a comprehensive basis of accounting other than U.S. generally accepted accounting procedures.

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 of the Revised Statutes of Missouri, as amended, the District adopts a budget for each fund.
2. Prior to July, the Superintendent, who serves as the budget officer, submits to the Board a proposed budget for the fiscal year beginning on the following 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, the budget document is available for public inspection.
4. Prior to July 1, the budget is enacted by a vote of the Board.
5. Subsequent to its formal approval of the budget, the Board has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgeted amounts are as originally adopted or as finally amended by the Board.

The financial statements of the District are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. The firm of Kerber, Eck & Braeckel LLP, audited the financial statements of the District for the fiscal year ended June 30, 2025, a copy of which is included in this Official Statement as **Appendix B**. A summary of significant accounting policies of the District is contained in the notes to the financial statements. *The District neither requested nor received the consent of Kerber, Eck & Braeckel LLP to the inclusion of its audit report in this Official Statement. Neither the firm of Kerber, Eck & Braeckel LLP, nor any other independent accountants, has examined the District's records, or performed any procedures with respect to the District since the date of the District's audit for the fiscal year ended June 30, 2025.*

Summary of Revenues and Expenditures

Under State law each school district accounts for its moneys within four funds: The Special Revenue (Teachers') Fund, the General (Incidental) Fund, the Capital Projects Fund and the Debt Service Fund. Summary revenues, expenditures and fund balances for each fund are shown below and are comprised of financial information for the fiscal years shown. Copies of the audited financial statements of the District for any of the fiscal years shown on the following table are available upon request from the District's Chief Financial Officer.

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**SUMMARY STATEMENT OF REVENUES, EXPENDITURES
CHANGES IN FUND BALANCES
Fiscal Years Ended June 30**

	2025	2024	2023	2022	2021
<u>Incidental Fund:</u>					
Beginning Balance	\$ 76,521,346	\$ 85,236,012	\$ 91,174,117	\$ 41,378,661	\$ 40,577,415
Revenues	165,277,822	162,041,792	146,842,406	177,635,858	132,619,949
Expenditures	(117,234,602)	(107,082,989)	(96,065,352)	(86,144,088)	(76,046,975)
Other Sources (Uses)	(63,304,084)	(63,673,469)	(56,715,159)	(41,696,314)	(55,771,728)
Ending Balance	<u>\$ 61,260,482</u>	<u>\$ 76,521,346</u>	<u>\$ 85,236,012</u>	<u>\$ 91,174,117</u>	<u>\$ 41,378,661</u>
<u>Teachers' Fund:</u>					
Beginning Balance	\$ —	\$ —	\$ —	\$ —	\$ —
Revenues	76,594,860	74,887,713	74,789,884	90,435,774	72,796,433
Expenditures	(139,898,944)	(138,561,182)	(131,505,043)	(132,132,088)	(128,568,161)
Other Sources (Uses)	63,304,084	63,673,469	—	41,696,314	55,771,728
Ending Balance	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
<u>Capital Projects Fund:</u>					
Beginning Balance	\$ 75,737,157	\$ 88,345,512	\$ 1,437,992	\$ 4,168,924	\$ 4,135,164
Revenues	6,650,968	4,635,254	10,300,662	4,051,477	5,904,596
Expenditures	(33,185,110)	(50,825,113)	(21,541,407)	(6,782,409)	(5,991,300)
Other Sources (Uses)	47,522	33,581,504	98,148,265 ²	—	120,465
Ending Balance	<u>\$ 49,250,537</u>	<u>\$ 75,737,157</u>	<u>\$ 88,345,512</u>	<u>\$ 1,437,992</u>	<u>\$ 4,168,924</u>
<u>Debt Service Fund:</u>					
Beginning Balance	\$ 29,621,648	\$ 26,447,600	\$ 21,651,184	\$ 21,871,705	\$ 16,796,349
Revenues	32,297,094	31,404,773	27,110,218	28,573,289	23,697,489
Expenditures	(32,163,871)	(27,835,865) ³	(16,987,719)	(68,313,810) ¹	(18,622,133)
Other Sources (Uses)	—	(394,860) ³	(5,326,083) ²	39,520,000 ¹	—
Ending Balance	<u>\$ 29,754,871</u>	<u>\$ 29,621,648</u>	<u>\$ 26,447,600</u>	<u>\$ 21,651,184</u>	<u>\$ 21,871,705</u>
<u>Total Funds:</u>					
Beginning Balance	\$ 181,880,151	\$ 200,029,124	\$ 114,263,293	\$ 67,419,290	\$ 61,508,928
Revenues	280,820,744	272,969,532	259,043,170 ⁴	300,696,398 ⁴	235,018,467 ⁴
Expenditures	(322,482,527)	(324,305,149) ³	(266,099,521)	(293,372,395) ¹	(229,228,560)
Other Sources (Uses)	47,522	33,186,644 ³	92,822,182 ²	39,520,000 ¹	120,465
Ending Balance	<u>\$ 140,265,890</u>	<u>\$ 181,880,151</u>	<u>\$ 200,029,124</u>	<u>\$ 114,263,293</u>	<u>\$ 67,419,290</u>

Source: District's Audited Financial Statements.

¹ Includes proceeds of the District's General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2021.

² Includes proceeds of the District's General Obligation Refunding and Improvement Bonds, Series 2023A and Taxable General Obligation Refunding Bonds, Series 2023B.

³ Includes proceeds of the District's General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2024

⁴ Includes CARES Act and other federal funds.

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Employee Relations

Pursuant to State law, the District conducts a meet and confer process with the representative teacher organization. The District's teaching staff may not strike in order that the District accept certain demands. The District's teaching staff may join various professional groups and/or associations.

Retirement Plan

The District contributes to two cost-sharing multiple-employer defined benefit pension plans on behalf of its employees: (1) The Public School Retirement System of Missouri ("PSRS"), which provides retirement, disability and death benefits to full-time (and certain part-time) certificated employees of school districts in Missouri and employees of certain related employers; and (2) The Public Education Employee Retirement System of Missouri ("PEERS"), which provides retirement and disability benefits to employees of school districts 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 533 and 530 contributing employers, respectively, during the fiscal year ended June 30, 2024.

PSRS and PEERS issue a publicly available financial report that includes financial statements and required supplementary information. The PSRS/PEERS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 (the "2024 PSRS/PEERS ACFR"), the comprehensive financial report for the plans, is available at <https://www.psrs-peers.org/About-Us>. The link to the 2024 PSRS/PEERS ACFR is provided for general background information only, and the information in the 2024 PSRS/PEERS ACFR is not incorporated by reference herein. The 2024 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, 2024, 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, 2024, 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 87.2% and 88.1%, respectively, as of June 30, 2024, according to the 2024 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

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 2024 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

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

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

⁽¹⁾ The annual statutory increase in the total contribution rate may not exceed 1.0% of pay for PSRS and 0.5% of pay for PEERS. Contributions were funded to the maximum statutory limit each year.

Schedule of Funding Progress
(Dollar amounts in thousands)

<u>PSRS</u>				<u>PEERS</u>		
<u>Year Ended June 30,</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>
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 2024 PSRS/PEERS ACFR.

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

District Contributions to PSRS and PEERS

Year Ended June 30,	<u>PSRS</u>		<u>PEERS</u>	
	Annual Contribution¹	Contribution (% of Payroll)	Annual Contribution¹	Contribution (% of Payroll)
2025	\$15,945,919	14.50%	\$3,353,135	6.86%
2024	15,982,946	14.50	3,204,863	6.86
2023	15,243,681	14.50	2,992,835	6.86
2022	15,991,865	14.50	2,832,714	6.86
2021	15,520,885	14.50	2,612,904	6.86

Source: Audited financial statements of the District for the fiscal years ended June 30, 2021 – 2025.

¹ The annual contributions equaled the amounts required by the PSRS and PEERS Board for each year.

The District's contribution to PSRS and PEERS during the fiscal year ended June 30, 2025 constituted approximately 5.98% of the District's total expenditures during the fiscal year. The District will be required to contribute 14.5% of covered payroll for PSRS contributing employees and 6.86% of covered payroll for PEERS contributing employees during the fiscal year ending June 30, 2025, equal to the contribution percentages for the fiscal years ended June 30, 2023 and June 30, 2024.

Estimated Proportionate Share of PSRS/PEERS Liability. The District has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. This Statement requires the District to record its proportionate share of the net pension liability of PSRS and PEERS. PSRS and PEERS have implemented GASB Statement No. 67, *Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25*. Accordingly, PSRS and PEERS provide annually to each contributing Missouri school district reports estimating each district's proportional share of the net pension liability of PSRS and PEERS as of the end of the prior fiscal year. The estimate is computed for each district by multiplying the net pension liability of a plan (calculated by determining the difference between the plan's total pension liability and fiduciary net position) by a percentage reflecting the district's proportionate share of contributions to the plan during the fiscal year.

The estimate is computed for each district by multiplying the net pension liability of a plan (calculated by determining the difference between the plan's total pension liability and fiduciary net position) by a percentage reflecting the district's proportionate share of contributions to the plan during the fiscal year (calculated by dividing the District's actual contributions by the actual contributions of all participating employers for PSRS and PEERS, respectively, for the fiscal year ended June 30, 2024). At June 30, 2025 (measured as of June 30, 2024), the District's proportionate share of the net pension liability of PSRS and PEERS will be \$134,814,052 and \$17,134,782, respectively, as determined by PSRS and PEERS on an accrual basis of accounting. At June 30, 2025 (measured as of June 30, 2024), the District's contribution to PSRS and PEERS will represent 1.9473% and 1.9877%, respectively, of the overall contributions to PSRS and PEERS during the fiscal year. In addition, for the year ending June 30, 2025, the District will recognize pension expense of \$15,945,374 for PSRS and \$3,204,919 for PEERS, its proportionate share of the total pension expense. Detailed information about the calculation of the net pension liability of the plans, including information about the assumptions used, is available in Actuarial Section the 2024 PSRS/PEERS ACFR.

The net pension liability of PSRS and PEERS is based on a 7.3% discount rate, which was also the assumed investment rate of return for the plans effective for the fiscal year ending June 30, 2025. PSRS and PEERS further advised the District that its proportionate share of the net pension liability using a 1.0% higher or lower discount rate at June 30, 2025 (measured as of June 30, 2024) would be as follows:

Proportionate Share of Net Pension Liability Sensitivity

	Current Discount		
	1.0% Decrease (6.3%)	Rate (7.3%)	1.0% Increase (8.3%)
District's proportionate share of PSRS net pension liability	\$279,742,860	\$134,814,052	\$14,813,907
District's proportionate share of PEERS net pension liability / (asset)	\$36,137,209	\$17,134,782	\$1,301,024

Source: PSRS/PEERS.

For additional information regarding the District's pensions and employee retirement plans, see Note 4 to the District's financial statements included in **Appendix B** to this Official Statement. For additional information regarding PSRS and PEERS, see the 2024 PSRS/PEERS ACFR.

PROPERTY TAX INFORMATION

Historic Assessed Valuation

The assessed valuation of all taxable tangible property situated in the District as of January 1, as finalized by the Board of Equalization, for the following years is shown below:

Calendar	Assessed	Percentage
Year	Valuation¹	Change
2025	\$2,855,120,480 ²	10.95%
2024	2,573,314,260	0.89
2023	2,550,552,190	18.70
2022	2,148,766,070	4.78
2021	2,050,703,990	N/A

Source: St. Louis County Department of Revenue Collections Division.

¹ This amount includes assessed valuation attributable to TIF districts located within the District.

² As of January 1, 2025, as adjusted by the Board of Equalization through September 12, 2025.

Assessed Valuation Components

The following table shows the total assessed valuation and the estimated actual value by category, of all taxable tangible property (excluding State assessed railroad and utility property) situated in the District as of January 1, 2025, as adjusted by the Board of Equalization through September 12, 2025.

	<u>Assessed Valuation¹</u>	<u>Assessment Rate</u>	<u>Estimated Actual Total Valuation</u>
Real Estate: ²			
Residential	\$1,584,407,550	19%	\$ 8,338,987,105
Commercial	746,444,180	32	2,332,638,062
Agriculture	<u>1,158,550</u>	12	<u>9,654,583</u>
Total Real Estate	\$2,332,010,280		\$10,681,279,750
Personal Property ²	<u>523,110,200</u>	<u>33¹/₃</u>	<u>1,569,487,548</u>
Total	<u>\$2,855,120,480</u>		<u>\$12,250,767,298</u>

Source: St. Louis County Department of Revenue Collections Division.

¹ Includes the incremental increase in assessed valuation over the established assessed valuation base within tax increment financing districts within the District.

² Locally assessed railroad and utility property are included in the real estate and personal property totals.

Tax Assessments and Collections

Property taxes are levied and collected for the District by St. Louis County (the “**County**”), for which the County receives a collection fee of 1.5% of the gross tax collections.

On or before the first day of October in each year, the Board estimates the amount of taxes that will be required during the next succeeding fiscal year to pay interest due on bonds issued and the principal of bonds maturing in such year and the costs of operation and maintenance plus such amount as may be required to cover emergencies and anticipated tax delinquencies, and the tax rate required to produce that amount. The Board certifies the tax rate to the County Clerk (the “**County Clerk**”). The officers of the County, at the time they make the levy for State, County, city, school district, and other *ad valorem* taxes, levy the tax rate certified by the Board upon all taxable tangible property in the District. All officers of the County and of the State concerned with the assessment and collection of taxes, fines, and penalties must perform their duties in relation to the levy, assessment, and collection of District taxes as they do in relation to State, County, city, school district, and other *ad valorem* taxes. All District taxes levied must be based upon the assessed valuation of lands and other taxable tangible property in the District as may be determined by the records in the offices of the County Assessor (the “**County Assessor**”) and County Clerk, and must be collected and remitted to the District. All the rights and remedies provided by the laws of the State for the collection of State, County, city, school district, and other *ad valorem* taxes are applicable to the collection of taxes authorized to be collected by the District.

The County levies taxes against real and tangible personal property, other than inventory of merchants and manufacturers and household goods of individuals. Prior to January 1, 1985, State law required that property be assessed at 33- $\frac{1}{3}$ percent of its true value. A 1982 amendment to the Constitution of Missouri changed the provisions requiring uniformity in taxation of real property by directing such property to be subclassed as agricultural, residential or commercial and permitting different assessment ratios for each subclass. As a result of the 1982 amendment, agricultural property is assessed at 12 percent of true value, residential property is assessed at 19 percent of true value, and commercial property is assessed at 32 percent of true value. Tangible personal property continues to be assessed at 33- $\frac{1}{3}$ percent of its true value. Real property within each County is assessed by the County Assessor.

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

Certain properties, such as those used for charitable, educational, and religious purposes, are exempt from *ad valorem* taxes. In addition, pursuant to various State statutes, the County may grant real property tax abatement, under certain conditions, to businesses building or rehabilitating property within the County.

Tax Rates

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

Operating Levy. The District's operating levy (all *ad valorem* taxes levied except the debt service levy) for the 2025-2026 year is \$4.1670 per \$100 of assessed valuation.

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

Fiscal Year Ended June 30	Incidental Fund	Teachers' Fund	Capital Projects Fund	Debt Service Fund	Tax Adjusted Levy Total
2026	\$4.1670	\$0.0000	\$0.0000	\$1.2400	\$5.4070
2025	4.4653	0.0000	0.0000	1.2400	5.7053
2024	4.4604	0.0000	0.0000	1.2400	5.7004
2023	4.9520	0.0000	0.0000	1.2400	6.1920
2022	4.8127	0.0000	0.0000	1.2400	6.0527

Source: District.

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Tax Collection Rates

The following table sets forth tax collection information for the District for the five most recent fiscal years for which such information is available

Fiscal Year Ended June 30	Total Taxes Levied ²	Current Taxes Collected ^{1,2}		Current and Delinquent Taxes Collected ^{2,3}	
		Amount	%	Amount	%
2025	\$146,925,036	\$136,847,534	93.14%	\$142,937,712	97.29%
2024	145,337,972	136,833,885	93.14	139,821,461	96.20
2023	133,518,423	125,313,914	93.86	128,618,092	96.33
2022	121,946,462	116,487,189	95.52	119,462,661	97.96
2021	118,577,892	113,773,736	95.96	116,666,679	98.39

Source: District.

¹ Tax collection figures reflect the taxes actually received by the District and are therefore net of any payments in lieu of taxes allocable to the incremental increase in assessed valuation over the established base assessed valuation for real property within tax increment financing districts within the District.

² Taxes are levied and collected on a calendar year basis. Numbers shown reflect taxes levied and collected in the District's fiscal year, as indicated.

³ Delinquent taxes are shown in the year payment is actually received, which may cause the percentage of current and delinquent taxes collected to exceed 100%.

Major Taxpayers

The ten largest real and personal property taxpayers within the District according to their 2025 assessed valuations are listed below. These taxpayers represent approximately 4.57% of the District's 2024 assessed valuation of \$2,573,314,260, as of January 1, as finalized by the Board of Equalization.

	Assessed Valuation ¹	% of District's Total Assessed Valuation
Missouri American Water Co	\$ 20,183,910	0.78%
Gateway LL LLC	14,432,080	0.56
Hogan Motor Leasing Inc.	13,122,230	0.51
The Boeing Company	11,961,840	0.46
Chapter 100 City of Hazelwood	10,847,840	0.42
McDonnell Douglas Corporation	10,813,360	0.42
Laclede Gas Company	9,986,140	0.39
EAN Holdings LLC	8,982,280	0.35
DP Properties LP	8,954,690	0.35
United Parcel Service	8,593,390	0.33
Total	<u>\$117,877,760</u>	<u>4.57%</u>

Source: St. Louis County Department of Revenue Collections Division.

¹ Includes taxpayers located in TIF districts within the District. See the explanation below under the caption "Tax Abatement and Tax Increment Financing."

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, Revised Statutes of Missouri, as amended. In lieu of 10-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, Revised Statutes of Missouri, as amended, may seek real property tax abatement for a total period of 25 years. In addition, the Industrial Development Law, Chapter 100, Revised Statutes of Missouri, as amended, authorizes real and personal property tax abatement for corporations for projects for industrial development.

The Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, Revised Statutes of Missouri, as amended, 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.

Portions of the District are currently located in tax increment financing districts (“**TIF districts**”). Neither tax abatement nor tax increment financing would diminish the amount of property tax revenues currently collected by the District in the affected areas, but instead would act to freeze such revenues at current levels and would deprive the District of future increases in ad valorem property tax revenues which would otherwise have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid and the tax abatement period terminates.

According to the County Assessor’s Office, the tax increment financing increment attributable to property in the District is \$3,236,240 as of January 1, as adjusted by the Board of Equalization as of July 7, 2025.

District’s Rights in the Event of Tax Delinquencies

Taxes on real estate become delinquent on January 1 and the collector is required to enforce the State’s lien by offering the property for sale on the fourth Monday in August. If the offering does not produce a bid equal to the delinquent taxes plus interest, penalty, and costs, the property is offered for sale again the following year. If the second offering also does not produce a bid adequate to cover the amount due, the property is sold the following year to the highest bidder. Tax sales at the first or second offerings are subject to the owner’s redemption rights.

Delinquent personal property taxes constitute a debt of the person assessed with the taxes, and a personal judgment can be rendered for such taxes against the debtor. Personal property taxes become delinquent on January 1. Collection suits may be commenced on or after February 1 and must be commenced within three years.

DEBT STRUCTURE OF THE DISTRICT

General Obligation Bonds Outstanding

The District fixes an annual debt service levy and levies taxes to meet the annual debt service requirements of its general obligation bonds. Article VI, Section 26(b) of the Missouri Constitution limits the outstanding amount of authorized general obligation bonds of a school district to 15% of assessed valuation of taxable tangible property within the school district. The District’s total outstanding general obligation indebtedness is currently \$235,521,062.* The District has never defaulted on the payment of any of its debt obligations.

* Preliminary, subject to change.

The following table illustrates the District's total principal amount of outstanding general obligation bond debt at the time of issuance of the Bonds, excluding the Refunded Bonds.

Series of Bonds²	Original Amount of Issue	Range of Interest Rates	Amount Outstanding	Final Maturity
2013A	\$ 39,999,122	3.90-4.60% ¹	\$ 6,222,479	2031
2017	29,638,583	3.00-5.00 ³	9,523,583	2027
2017A	55,945,000	3.00-5.00	19,000,000 ²	2029
2021	39,520,000	4.00	10,295,000	2031
2023A	112,630,000	4.00-5.00	110,730,000	2042
2023B	13,475,000	4.50-5.00	10,695,000	2034
2024	48,815,000	5.00	35,905,000	2032
2026	<u>32,230,000*</u>	<u>—</u>	<u>32,230,000*</u>	2030*
Total	<u><u>\$372,252,705*</u></u>		<u><u>\$234,601,062*</u></u>	

Source: District.

¹ Includes accretion rates ranging from 3.70% - 4.60% for capital appreciation bonds.

² Excludes the Refunded Bonds.

³ Includes accretion rate of 3.27% for capital appreciation bonds.

History of General Obligation Indebtedness

The following table sets forth District debt information as of the end of each of the last five fiscal years:

As of June 30	Total Outstanding General Obligation Debt³	Assessed Value^{1,2}	Debt as % of Assessed Value
2025	\$236,296,062	\$2,573,314,260	9.18%
2024	256,937,950	2,550,552,190	10.07
2023	243,647,846	2,148,766,070	11.34
2022	164,146,829	2,050,703,990	8.00
2021	184,518,452	1,897,040,940	9.73

Source: District's Audited Financial Statements for fiscal years ended June 30, 2021 – June 30, 2025 for total outstanding general obligation debt; the St. Louis County Department of Revenue Collections Division for assessed value.

¹ Includes the incremental increase in assessed valuation over the established assessed valuation base within tax increment financing districts within the District.

² As of December 31 of the immediately preceding calendar year.

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General Obligation Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for all outstanding general obligation indebtedness of the District, including the Bonds and excluding the Refunded Bonds:

Fiscal Year Ended June 30	Outstanding Bonds ¹	The Bonds*			Total Debt Service
		Principal	Interest	Total	
2026	\$ 31,602,365				
2027	27,084,890	\$ 3,140,000			
2028	9,723,200	14,460,000			
2029	25,309,000	-			
2030	10,295,550	14,630,000			
2031	23,844,350	-			
2032	24,087,850	-			
2033	23,225,600	-			
2034	12,646,600	-			
2035	12,656,600	-			
2036	12,665,350	-			
2037	12,676,850	-			
2038	12,684,850	-			
2039	12,643,350	-			
2040	12,709,550	-			
2041	12,665,300	-			
2042	<u>12,736,500</u>	<u>-</u>			
Total	\$ 289,257,755		\$ 32,230,000		

* Preliminary, subject to change.

¹ Excludes the Refunded Bonds.

Lease Obligations

Obligations secured by annually appropriated funds do not constitute an indebtedness for purposes of any State statutory or constitutional debt limit. Such obligations are payable solely from annually appropriated funds of a governmental body available therefor and neither taxes nor a specific source of revenues can be pledged to make payments on such obligations. Any increase in taxes required to generate sufficient funds with which to make payments on such obligations are subject to voter approval.

The District has entered into certain lease agreements described in the notes to the District's audited financial statements for the fiscal year ended June 30, 2025 set forth in **Appendix B** hereto. Since June 30, 2025, the District has entered into a copier lease for \$177,877.

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Overlapping Bonded Indebtedness

(As of January 1, 2025)

Taxing Body	General Obligation Debt	Approximate Percent Applicable	Amount of Overlapping Debt
St. Louis County	\$ 54,945,000 ¹	16%	\$ 8,791,200
City of Hazelwood	1,045,000 ²	90	940,500
City of Black Jack	930,000	100	930,000
City of Bellefontaine Neighbors	9,460,000	27	2,554,200
City of Ferguson	4,065,000	6	243,900
City of Florissant	9,690,000	13	1,259,700
Black Jack Fire Protection District	9,170,000	95	8,711,500
Florissant Valley Fire Protection District	3,305,000 ³	64	2,115,200
Spanish Lake Fire Protection District	3,540,000 ¹	100	3,540,000
Riverview Fire Protection District (now known as the North County Fire & Rescue Fire Protection District)	16,230,000 ¹	2	324,600
Pattonville Fire Protection District	13,910,000 ¹	11	1,530,100
Robertson Fire Protection District	4,285,000 ¹	82	3,513,700
Totals	<u>\$130,575,000</u>		<u>\$34,454,600</u>

Source: St. Louis County, Municipal Securities Rulemaking Board's EMMA website, individual taxing jurisdiction's records and finance officers of respective taxing bodies.

¹ As of December 30, 2024.

² As of June 1, 2026.

³ As of March 1, 2026.

To the knowledge of the District, there are no other political subdivisions with boundaries overlapping the District or lying wholly within the District that have any general obligation bonds outstanding. However, political subdivisions may have ongoing programs requiring the issuance of bonds, the amounts of which cannot be determined at this time.

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Debt Ratios and Related Information

Estimated Population, District (2021):	118,000
Assessed Valuation	\$ 2,855,120,480.00
Estimated Actual Value	\$12,250,767,298.00
Outstanding Direct General Obligation Debt ^{*, 1}	\$ 234,601,062.00
Overlapping General Obligation Debt	\$ 34,454,600.00
Total Direct and Overlapping General Obligation Debt ^{*, 1}	\$ 269,055,662.00
Per Capita Direct Debt ^{*, 1}	\$ 2,029.84
Per Capita Direct and Overlapping General Obligation Debt ^{*, 1}	\$ 2,280.13
Ratio of Direct Debt to Assessed Valuation ^{*, 1}	8.39%
Ratio of Direct Debt to Estimated Actual Value ^{*, 1}	1.96%
Ratio of Direct and Overlapping General Obligation Debt to Assessed Valuation ^{*, 1}	9.42%
Ratio of Direct and Overlapping General Obligation Debt to Estimated Actual Value ^{*, 1}	2.20%

Source: District; St. Louis County Department of Revenue Collections Division.

* Preliminary, subject to change.

¹ Includes the Bonds; excludes the Refunded Bonds.

Debt Limitation and Debt Capacity

Under Article VI, Section 26(b) of the Missouri Constitution, a school district, by the vote of the qualified voters voting thereon, may become indebted in an amount not to exceed 15% of the value of taxable tangible property in the District according to the last completed assessment for State and county purposes. Based on \$2,573,314,260 assessed valuation as of January 1, 2024, as finalized by the Board of Equalization, the current legal debt limit of the District is approximately \$385,997,139. The total outstanding indebtedness of the District is \$234,601,062^{*} resulting in a legal debt margin of the District of approximately \$151,396,077^{*}.

* * *

* Preliminary, subject to change.

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APPENDIX B

**AUDITED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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HAZELWOOD SCHOOL DISTRICT

FINANCIAL STATEMENTS

June 30, 2025

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Independent Auditors' Report

Board of Education
Hazelwood School District

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Hazelwood School District as of June 30, 2025, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

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 Hazelwood School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement issuance 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 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, 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 Hazelwood School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hazelwood School District's ability to continue as a going concern for a reasonable period of time.

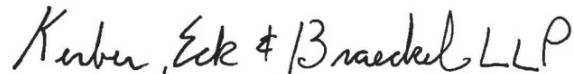
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2025, on our consideration of the Hazelwood School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Hazelwood School District's internal control over financial reporting and compliance.



HAZELWOOD SCHOOL DISTRICT

STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments.....	\$ 84,032,468
Restricted cash and investments.....	<u>64,595,058</u>
TOTAL ASSETS.....	148,627,526
LIABILITIES	
Liabilities related to payroll.....	<u>8,361,636</u>
NET POSITION	
Restricted for:	
Debt service.....	29,754,871
Child Nutrition Program.....	2,436,463
Capital projects.....	49,250,537
Unrestricted.....	<u>58,824,019</u>
TOTAL NET POSITION.....	<u>\$ 140,265,890</u>

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 YEAR ENDED JUNE 30, 2025

								Net (Expense) Revenue and Changes in Net Position
				Program Revenues				
			Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Total Governmental Activities
GOVERNMENTAL ACTIVITIES:								
Instruction.....	\$ 132,423,550	\$ 2,436,263	\$ 32,568,647	\$ 488,720	\$ (96,929,920)			
Attendance.....	188,619	-	-	-	(188,619)			
Guidance.....	7,398,474	-	-	-	(7,398,474)			
Health services.....	4,339,873	-	-	-	(4,339,873)			
Improvement of instruction.....	9,075,103	-	772,481	-	(8,302,622)			
Professional development.....	364,528	-	433,998	-	69,470			
Media services.....	2,795,546	-	-	-	(2,795,546)			
Board of Education services.....	2,519,266	-	-	-	(2,519,266)			
Executive administration.....	2,809,784	-	-	-	(2,809,784)			
Building level administration.....	15,799,804	-	-	-	(15,799,804)			
Business, fiscal and internal services.....	1,690,158	-	-	-	(1,690,158)			
Operation of plant.....	40,599,330	-	-	-	(40,599,330)			
Security services.....	8,992,607	-	-	-	(8,992,607)			
Pupil transportation.....	15,620,179	-	6,056,977	-	(9,563,202)			
Food service.....	9,172,898	78,603	8,686,942	-	(407,353)			
Central office support services.....	18,551,701	-	-	-	(18,551,701)			
Community services.....	6,410,090	108,950	212,692	-	(6,088,448)			
Facilities, acquisition, and construction.....	11,567,146	-	-	-	(11,567,146)			
Debt service:								
Principal retirements.....	20,641,888	-	-	-	(20,641,888)			
Interest.....	11,515,395	-	-	-	(11,515,395)			
Other expenses.....	6,588	-	-	-	(6,588)			
TOTAL GOVERNMENTAL ACTIVITIES.....	\$ 322,482,527	\$ 2,623,816	\$ 48,731,737	\$ 488,720	(270,638,254)			
General revenues								
Taxes								
Property taxes.....								142,941,745
Sales taxes.....								22,507,483
M&M surtax.....								8,265,097
Other taxes.....								2,904,886
State aid.....								42,965,826
Grants and contributions not restricted to specific programs.....								2,053,840
Sale of property.....								47,522
Investment earnings.....								7,337,594
TOTAL GENERAL REVENUES.....								229,023,993
CHANGE IN NET POSITION.....								
								(41,614,261)
NET POSITION - BEGINNING OF YEAR.....								
								181,880,151
NET POSITION - END OF YEAR.....								
								\$ 140,265,890

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS					
Cash and investments.....	\$ 59,836,446	\$ -	\$ 24,196,022	\$ -	\$ 84,032,468
Restricted cash and investments.....	-	-	9,837,914	54,757,144	64,595,058
Due from other funds.....	<u>9,785,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,785,672</u>
TOTAL ASSETS.....	<u>\$ 69,622,118</u>	<u>\$ -</u>	<u>\$ 34,033,936</u>	<u>\$ 54,757,144</u>	<u>\$ 158,413,198</u>
LIABILITIES					
Payroll liabilities.....	\$ 8,361,636	\$ -	\$ -	\$ -	\$ 8,361,636
Due to other funds.....	<u>-</u>	<u>-</u>	<u>4,279,065</u>	<u>5,506,607</u>	<u>9,785,672</u>
TOTAL LIABILITIES.....	8,361,636		4,279,065	5,506,607	18,147,308
FUND BALANCES					
Restricted for:					
Child Nutrition Program.....	2,436,463	-	-	-	2,436,463
Retirement of long-term debt.....	-	-	29,754,871	-	29,754,871
Capital projects.....	-	-	-	49,250,537	49,250,537
Assigned for:					
Subsequent years budget.....	11,127,497	-	-	-	11,127,497
Student activities.....	424,128	-	-	-	424,128
Unassigned.....	<u>47,272,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,272,394</u>
TOTAL FUND BALANCES.....	<u>61,260,482</u>	<u>-</u>	<u>29,754,871</u>	<u>49,250,537</u>	<u>140,265,890</u>
TOTAL LIABILITIES AND FUND BALANCE.....	<u>\$ 69,622,118</u>	<u>\$ -</u>	<u>\$ 34,033,936</u>	<u>\$ 54,757,144</u>	<u>\$ 158,413,198</u>

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Property taxes.....	\$ 111,899,842	\$ -	\$ 31,065,043	\$ -	\$ 142,964,885
Sales taxes.....	-	22,507,483	-	-	22,507,483
Investment income.....	4,062,480	-	606,035	2,669,079	7,337,594
Student activities.....	1,709,045	-	-	-	1,709,045
Food service.....	78,603	-	-	-	78,603
M&M surtax.....	4,812,321	-	-	3,452,776	8,265,097
Other local.....	<u>2,050,771</u>	<u>97,020</u>	<u>-</u>	<u>15,000</u>	<u>2,162,791</u>
Total local.....	124,613,062	22,604,503	31,671,078	6,136,855	185,025,498
County sources:					
State assessed utilities.....	2,255,729	-	626,016	-	2,881,745
Other county.....	-	255,327	-	-	255,327
Total county.....	2,255,729	255,327	626,016	-	3,137,072
State sources:					
Basic formula.....	10,849,956	40,386,493	-	-	51,236,449
State grants and contributions.....	9,503,396	4,262,227	-	412,454	14,178,077
Total state.....	<u>20,353,352</u>	<u>44,648,720</u>	<u>-</u>	<u>412,454</u>	<u>65,414,526</u>
Federal sources:					
17,328,461	9,086,310	-	-	101,659	26,516,430
Other.....	<u>727,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>727,218</u>
Total Revenues.....	165,277,822	76,594,860	32,297,094	6,650,968	280,820,744
EXPENDITURES:					
Current:					
Instruction.....	21,624,819	110,795,371	-	-	132,420,190
Attendance.....	188,619	-	-	-	188,619
Guidance.....	1,742,046	5,656,428	-	-	7,398,474
Health services.....	4,017,961	321,912	-	-	4,339,873
Improvement of instruction.....	5,194,406	3,880,697	-	-	9,075,103
Professional development.....	238,378	126,150	-	-	364,528
Media services.....	296,453	2,499,093	-	-	2,795,546
Board of Education services.....	2,519,266	-	-	-	2,519,266
Executive administration.....	942,795	1,866,989	-	-	2,809,784
Building level administration.....	4,993,852	10,805,952	-	-	15,799,804
Business, fiscal and internal services.....	1,690,158	-	-	-	1,690,158
Operation of plant.....	30,469,059	-	-	-	30,469,059
Security services.....	5,892,516	-	-	-	5,892,516
Pupil transportation.....	14,205,944	-	-	-	14,205,944
Food services.....	8,460,608	-	-	-	8,460,608
Central office support services.....	11,766,479	527,505	-	-	12,293,984
Community services.....	<u>2,991,243</u>	<u>3,418,847</u>	<u>-</u>	<u>-</u>	<u>6,410,090</u>
Capital outlay.....	-	-	-	33,185,110	33,185,110
Debt service:					
Principal retirements.....	-	-	20,641,888	-	20,641,888
Interest.....	-	-	11,515,395	-	11,515,395
Other charges.....	-	-	6,588	-	6,588
Total Expenditures.....	117,234,602	139,898,944	32,163,871	33,185,110	322,482,527
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES:					
48,043,220	(63,304,084)	133,223	(26,534,142)	(41,661,783)	
OTHER FINANCING SOURCES (USES):					
Transfers (to) from other funds.....	(63,304,084)	63,304,084	-	-	-
Sale of school buses.....	-	-	-	47,522	47,522
Total Other Financing Sources (Uses).....	(63,304,084)	63,304,084	-	47,522	47,522
NET CHANGES IN FUND BALANCES					
(15,260,864)	-	133,223	(26,486,620)	(41,614,261)	
FUND BALANCES, BEGINNING OF YEAR					
76,521,346	-	29,621,648	75,737,157	181,880,151	
FUND BALANCES, END OF YEAR					
\$ 61,260,482	\$ -	\$ 29,754,871	\$ 49,250,537	\$ 140,265,890	

The accompanying notes are an integral part of this statement.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Hazelwood School District (the "District") operates under the regulations pursuant to Section 162.092 RSMo of the Public School Laws of Missouri, which designates a Board of Education to act as the governing authority. The District provides educational services.

As discussed further in Note 1, these financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB).

Principles Determining the Scope of Reporting Entity

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

In addition, the District is associated with other organizations which may include various Parent Teacher Associations (PTA's), booster clubs, etc. Under governmental standards for defining the financial reporting entity, these organizations may be considered to be part of the reporting entity of the District. However, the balances and activities of such organizations have not been included in these financial statements due to the overall immateriality to 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 balance, 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 District's policy is to close all encumbrances at the end of each fiscal year. The following fund types are used by the District:

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 upon determination of changes in the financial position rather than upon net income determination. The following are the District's governmental funds, each of which the District considers to be a major fund:

General 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 expenditures not required or permitted to be accounted for in other funds.

Special Revenue Fund

A special revenue fund accounts for restricted sales tax and revenue sources assigned for the payment of salaries and certain benefits of certified teachers involved in administration and instruction.

Debt Service Fund

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

Capital Projects Fund

This fund is used to account for the proceeds of long-term debt, taxes and other revenues assigned for acquisition or construction of major capital assets.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Financial Statements:

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

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus and Basis of Accounting

Measurement Focus:

The government-wide financial statements are prepared using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives under this measurement focus are the determination of changes in net position, financial position and cash flows. All assets and liabilities, whether current or noncurrent, are reported.

The governmental fund financial statements are prepared using the current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included in the balance sheets. The operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and fund financial statements are prepared using a modified cash basis of accounting. This basis of accounting recognizes assets, liabilities, net position/fund balances, revenues, and expenditures/expenses when they result from cash transactions except that the purchases of investments are recorded as assets and payroll withholdings are reported as liabilities. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, general and leasehold revenue bonds and obligations under capital leases) and certain expenses (such as expenses for goods or services received but not yet paid) are not recorded in these financial statements.

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

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

The assessed valuation of the tangible taxable property for the calendar years 2023 and 2024 for purposes of local taxation was \$2,548,532,300 and \$2,571,293,240, respectively.

The blended tax levy per \$100 of the assessed valuations of tangible taxable property for the calendar year 2024 for purposes of local taxation was:

General Fund.....	\$ 4.4653
Debt Service Fund.....	<u>1.2400</u>
Total	<u><u>\$ 5.7053</u></u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 97.44% 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 District may invest in United States Treasury bills, United States Treasury notes, bonds, government agency and instrumentality obligations, repurchase agreements collateralized by government securities, time certificates of deposit, bankers' acceptances issued by domestic commercial banks, and commercial paper issued by domestic corporations.

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

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Cash and Investments

Restricted cash and investments represent amounts whose use is limited by legal requirements and consist of amounts escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program as discussed in Note 2 and Note 3 and unexpended bond proceeds.

Fund Balance

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 be maintained intact.

Restricted – includes amounts restricted by external sources or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes determined by a resolution of the Board of Education. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

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 all amounts not included in other spendable classifications. The District's policy requires a minimum unassigned fund balance of 15% of the prior year General Fund and Special Revenue Fund expenditures in order to cover unexpected expenditures and revenue shortfalls.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are 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.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance (continued)

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

Net Position

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

Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. A transfer of \$63,304,084 was made from the General Fund to the Special Revenue Fund to cover the Special Revenue Fund expenditures in excess of revenues.

Interfund balances are due to timing and are expected to be repaid in the next fiscal year. All interfund activity and balances have been eliminated in the government-wide financial statements.

Payroll Liabilities

The District incurred certain payroll obligations for the 2024-25 fiscal year that were paid after the end of the fiscal year, creating payroll liabilities totaling \$8,361,638 at June 30, 2025.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

2. CASH AND INVESTMENTS

The District is governed by the deposit and investment limitations of state law. The depository bank is to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes.

The District may invest the funds in bonds or any instrument permitted by law for the investment of state money's in accordance with section 165.051 of the Missouri Revised Statutes. The District participates in the Missouri School District Direct Deposit Program which is a mechanism for public school bond repayments through the MOHEFA Bond Program. It authorizes the direct deposit of a portion of the school 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 agent on the bonds. The direct deposits occur monthly and the balance is withdrawn every six months to pay the debt service requirement of the related bond issues. At June 30, 2025, the District had \$9,837,914 in this program, which has been included in investments.

The District also participates in the Missouri Securities Investment Program (MOSIP) and the Missouri Capital Asset Advantage Treasury (MOCAAT). MOSIP and MOCAAT are external investment pools in which a District's monies are pooled with other Districts' monies to purchase investments that are permitted by state statutes. The District's monies purchase a pro-rata share of the pool. A board of directors comprised of Missouri school administrators, school board members, and school business officials provides governance and oversight of both MOSIP's and MOCAAT's operations. The board seeks to maintain a stable net asset value of \$1 per share.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

2. CASH AND INVESTMENTS (continued)

The deposits and investments held at June 30, 2025 and reported at cost, are as follows:

Type	Maturities	Carrying Value
Deposits:		
Demand deposits	N/A	\$ 71,438,273
MOCAAT - Savings Deposit Accounts	N/A	34,082,334
Investments:		
External investment pool		
MOHEFA	N/A	9,837,914
MOSIP - Liquid Series	N/A	3,284,243
MOCAAT - Liquid Series	N/A	<u>29,984,762</u>
Total Deposits and Investments		<u>\$ 148,627,526</u>
Type	Carrying Value	
Reconciliation to financial statements:		
Cash and investments		\$ 84,032,468
Cahs and investments - restricted		<u>64,595,058</u>
		<u>\$ 148,627,526</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. As of June 30, 2025, none of the District's deposits were exposed to custodial credit risk.

Custodial Credit Risk - Investments - Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the district or its agent but not in the government's name. All investments, evidenced by individual securities, are registered in the name of the District or of a type that are not exposed to custodial credit risk.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

2. CASH AND INVESTMENTS (continued)

Investment Interest Rate Risk – The District minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities. Investments in banker's acceptances and commercial paper shall mature in no more than 180 days from purchase date and all other investments shall mature and become payable in no more than five (5) years from purchase date. Maturities of investments held at June 30, 2025, are provided in the schedule above.

Investment Credit Risk – The District has policies in place to minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by pre-qualifying the institution with which the District will do business and by diversifying the portfolio so that potential losses on individual securities will be minimized. At June 30, 2025, the District's investments were rated as follows:

Rating	Amount
AAAm (S&P)	\$ 33,269,005
N/A	\$ 9,837,914

Concentration of Investment Credit Risk – As a means of limiting its exposure to losses arising from concentration of investments, the District's investment policy mandates that the portfolio not have a concentration of assets in specific maturity, specific issuer or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: (a) U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. Government, 100%; (b) collateralized time and demand deposits, 100%; (c) U.S. Government agencies, instrumentalities, and government sponsored enterprises, no more than 70%; (d) collateralized repurchase agreements, no more than 75%; (e) U.S. Government agency callable securities, no more than 50%; (f) commercial paper and bankers' acceptances, no more than 75% combined. The District's investments were not exposed to custodial credit risk at year end.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

3. LONG-TERM DEBT

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

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation bonds	<u>\$ 256,937,950</u>	\$	-	\$ 20,641,888	\$ 236,296,062
					<u>\$ 21,555,191</u>

Payments on the general obligation bonds are made by the debt service fund.

Bonds Payable

Bonds payable at June 30, 2025, consist of:

\$39,999,121 2013A general obligation bonds, due in varying installments through 2031, average interest rate of 4.85%.....	\$6,222,479
\$29,638,583 2017 general obligation refunding bonds, due in varying installments through 2027, average interest rate of 2.33%.....	9,523,583
\$55,945,000 2017A general obligation refunding bonds, due in varying installments through 2030, average interest rate of 3.90%.....	52,925,000
\$39,520,000 2021 general obligation refunding bonds, due in varying installments through 2031, average interest rate of 4.00%.....	10,295,000
\$112,630,000 2023A general obligation refunding and improvement bonds, due in varying installments through 2042, average interest rate of 4.93%.....	110,730,000

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

3. LONG-TERM DEBT (continued)

\$13,475,000 2023B taxable general obligation refunding bonds, due in varying installments through 2034, average interest rate of 4.78%	10,695,000
\$48,815,000 2024 general obligation refunding and improvement bonds, due in varying installments through 2032, average interest rate of 5.00%.....	<u>35,905,000</u>
<u>\$236,296,062</u>	

The District defeased certificates of participation and lease obligations in prior years by placing the proceeds of new bonds and the District's own resources in irrevocable trust accounts to provide for all future debt service payments on the defeased obligations. Accordingly, those trusts assets and the liability for the defeased obligations are not included in the District's financial statements. As of June 30, 2025, the following defeased obligations remain outstanding:

- Series 2020 Certificates of Participation in the amount of \$4,435,000 (prepayment date of April 1, 2028).
- Series 2022 Certificates of Participation in the amount of \$6,030,000 (prepayment date of April 1, 2029).
- Lease obligations in the amount of \$3,185,084 (purchased option date of April 30, 2026.)

The escrowed securities and interest to accrue thereon will be sufficient for the payment of principal and interest on the refunded obligations.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

3. LONG-TERM DEBT (continued)

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

Year Ending June, 30	Principal	Interest	Total
2026	\$ 21,555,191	\$ 10,744,549	\$ 32,299,740
2027	21,841,673	10,412,968	32,254,641
2028	17,077,530	8,901,670	25,979,200
2029	17,640,972	8,272,028	25,913,000
2030	18,098,121	7,901,429	25,999,550
2031-2035	65,737,575	30,723,425	96,461,000
2036-2040	50,620,000	12,759,950	63,379,950
2041-2042	23,725,000	1,676,800	25,401,800
	\$ 236,296,062	\$ 91,392,819	\$ 327,688,881

Repayment of the Series 2013A, 2017, 2017A, 2021, and 2024 bond issues are made through the Missouri School District Direct Deposit Program which is a mechanism for public school bond payments. It authorizes the direct deposit of a portion of the school 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 agent on the bonds.

The District has \$9,837,914 on deposit with BOK Financial in conjunction with this program, as discussed in Note 2.

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 excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2025, was:

Constitutional debt limit	\$ 385,693,986
General obligation bonds payable	(236,296,062)
Amount available in Debt Service Fund	29,754,871
Legal debt margin	\$ 179,152,795

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

4. RETIREMENT PLAN

The District contributes to the Public School Retirement System of Missouri (PSRS), a cost-sharing multiple-employer defined benefit pension plan. PSRS provides retirement and disability benefits to full-time (and certain part-time) certified employees and death benefits to members and beneficiaries. Positions covered by PSRS are not covered by Social Security. PSRS benefit provisions are set forth in Chapter 169.010-.141 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to a seven member Board of Trustees. PSRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public School Retirement System of Missouri, P.O. Box 268, Jefferson City, Missouri, 65102, or by calling 1-800-392-6848.

PSRS members are required to contribute 14.50% of their annual covered salary and certain benefits and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the PSRS Board of Trustees. The District's contributions to PSRS for the years ended June 30, 2023 through June 30, 2025 were equal to the required contributions as listed in the table below.

The District also contributes to The Public Education Employee Retirement System of Missouri (PEERS), a cost-sharing multiple-employer defined benefit pension plan. PEERS provides retirement and disability benefits to employees of the district who work 20 or more hours per week and who do not contribute to PSRS. Positions covered by PEERS are also covered by Social Security. Benefit provisions are set forth in Chapter 169.600-.715 of the Missouri Revised Statutes. The statutes assign responsibility for the administration of the system to the Board of Trustees of PSRS. PEERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public Education Employee Retirement System of Missouri, P. O. Box 268, Jefferson City, Missouri, 65102 or by calling 1-800-392-6848.

PEERS members are required to contribute 6.86% of their annual covered salary and certain benefits and the District is required to contribute a matching amount. The contribution requirements of members and the District are established and may be amended by the Board of Trustees. The District's contributions to PEERS for the years ended June 30, 2023 through June 30, 2025 were equal to the required contributions as listed in the table below.

<u>Year Ended June 30,</u>	<u>PSRS</u>	<u>PEERS</u>
2025.....	\$15,945,919	\$3,353,135
2024.....	\$15,982,946	\$3,204,863
2023.....	\$15,243,647	\$2,992,835

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

5. EMPLOYEE BENEFIT PLANS

The District offers its employees tax-sheltered annuity programs created in accordance with Internal Revenue Code Section 403(b). The plans, available to all District employees, permit them to defer a portion of their salary for investment purposes. The District offers a Section 125 cafeteria plan to all employees. Under this plan, the deferred portion can be used to purchase health insurance benefits.

6. DEFERRED COMPENSATION PLAN

Employees of the District may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code ("IRC") Section 457. The deferred compensation plan is available to all employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency.

7. INSURANCE PROGRAM

The District, along with various other local school districts, participates in the Missouri United School Insurance Council (MUSIC), an insurance association for workers' compensation, general liability and property and casualty insurance. The District, along with various other local school districts, also participates in the CSD Insurance Trust, an insurance association for employee medical, dental, life, vision, long term care, and short and long term disability insurance. The purpose of these associations is to distribute the cost of self-insurance over similar entities. These associations require an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of these associations have no legal interest in the assets, liabilities or fund balances of the insurance association. However, the District retains a contingent liability to fund its pro rata share of any deficit incurred by these associations should it cease operations at some future date.

8. COMMITMENTS AND CONTINGENCIES

The District is involved in various lawsuits at June 30, 2025. In the District's opinion these items will be resolved with no material adverse effect on the District.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2025

8. COMMITMENTS AND CONTINGENCIES (continued)

The District has entered into leases for office equipment, print shop services network upgrades, chromebooks, and other equipment. Future minimum lease payments are as follows:

<u>Year Ended June, 30</u>	<u>Principal</u>
2026	\$ 2,560,418
2027	2,071,432
2028	1,964,157
2029	984,431
2030	102,268
	<hr/>
	<u>\$ 7,682,706</u>

The District receives Federal grants and State funding for specific purposes that are subject to review and audit. These reviews and audits could lead to request for reimbursement or to withholding of future funding for disallowed expenditures or other noncompliance with the terms of grants and funding. The District is not aware of any noncompliance with the Federal or State provisions that might require the District to provide reimbursement.

Each year, the County remits certain unresolved tax payments to the District. When County refunds tax payments to those who are successful in their protests, it withholds the refunded amount from future distributions to taxing districts. Normal withholdings by the County are not material in relation to the District's financial position and results of operations.

9. POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 4, the District allows employees who retire from the District to participate in the District's health, dental and life insurance plans. Upon meeting the retirement requirements per PSRS or PEERS, the employees can elect to participate in the District's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single blended rate used for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the District is considered to be a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay as you go basis. A stand alone financial report is not available for the plan. During the current year, 897 retirees participated in the District's insurance plans and paid premiums totaling \$3,171,621.

HAZELWOOD SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

10. TAX ABATEMENT DISCLOSURES

The District is subject to tax abatement agreements granted by St. Louis County and municipalities within the District. District property tax revenues were reduced by \$11,213,636 as a result of these abatements for year ended June 30, 2025.

SUPPLEMENTARY INFORMATION

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL - GENERAL FUND - UNAUDITED
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES :				
Local.....	\$ 120,639,525	\$ 122,122,950	\$ 124,613,062	\$ 2,490,112
County.....	2,495,000	1,995,000	2,255,729	260,729
State.....	22,387,575	22,384,764	20,353,352	(2,031,412)
Federal.....	15,469,754	15,393,018	17,328,461	1,935,443
Other.....	545,000	545,000	727,218	182,218
 Total Revenues	 161,536,854	 162,440,732	 165,277,822	 2,837,090
 EXPENDITURES:				
Instruction.....	15,139,995	21,727,495	21,624,819	102,676
Attendance.....	211,927	211,927	188,619	23,308
Guidance.....	1,759,531	1,759,831	1,742,046	17,785
Health services.....	3,184,856	4,184,856	4,017,961	166,895
Other support services.....	61,934	61,934	-	61,934
Improvement of instruction.....	4,548,907	5,148,907	5,194,406	(45,499)
Professional development.....	250,000	250,000	238,378	11,622
Media services.....	527,671	527,471	296,453	231,018
Board of Education services.....	1,501,480	2,501,480	2,519,266	(17,786)
Executive administration.....	675,288	975,288	942,795	32,493
Building level administration.....	3,686,884	4,936,884	4,993,852	(56,968)
Business, fiscal and internal services	1,282,673	1,682,873	1,690,158	(7,285)
Operation of plant.....	21,912,989	30,662,989	30,469,059	193,930
Security services.....	4,890,541	5,901,515	5,892,516	8,999
Pupil transportation.....	9,938,631	14,313,631	14,205,944	107,687
Food services.....	8,411,133	8,411,133	8,460,608	(49,475)
Central office support services.....	13,205,375	11,889,375	11,766,479	122,896
Adult continuing education.....	500	500	-	500
Community services.....	3,301,595	3,301,595	2,991,243	310,352
 Total Expenditures.....	 94,491,910	 118,449,684	 117,234,602	 1,215,082
 EXCESS OF REVENUES OVER EXPENDITURES.....	 67,044,944	 43,991,048	 48,043,220	 4,052,172
 OTHER FINANCING USES:				
Transfers out.....	(74,564,889)	(66,880,866)	(63,304,084)	3,576,782
 NET CHANGE IN FUND BALANCE.....	 (7,519,945)	 (22,889,818)	 (15,260,864)	 7,628,954
 FUND BALANCE, BEGINNING OF YEAR.....	 76,521,346	 76,521,346	 76,521,346	 -
 FUND BALANCE, END OF YEAR.....	 \$ 69,001,401	 \$ 53,631,528	 \$ 61,260,482	 \$ 7,628,954

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - UNAUDITED
YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES :				
Local.....	\$ 22,978,950	\$ 23,313,691	\$ 22,604,503	\$ (709,188)
County.....	180,000	292,602	255,327	(37,275)
State.....	43,602,458	44,548,425	44,648,720	100,295
Federal.....	3,030,187	5,441,008	9,086,310	3,645,302
Total Revenues	69,791,595	73,595,726	76,594,860	2,999,134
EXPENDITURES:				
Instruction.....	115,688,464	115,588,464	110,795,371	4,793,093
Guidance.....	5,359,430	5,359,430	5,656,428	(296,998)
Health Services.....	-	-	321,912	(321,912)
Improvement of instruction.....	4,218,072	4,218,072	3,880,697	337,375
Professional development.....	128,407	128,407	126,150	2,257
Media services.....	3,006,907	3,006,907	2,499,093	507,814
Executive administration.....	1,810,896	1,810,896	1,866,989	(56,093)
Building level administration.....	10,712,063	10,712,063	10,805,952	(93,889)
Business, fiscal and internal services	207,359	207,359	-	207,359
Central office support services.....	481,121	481,121	527,505	(46,384)
Community services.....	2,743,765	3,343,765	3,418,847	(75,082)
Total Expenditures	144,356,484	144,856,484	139,898,944	4,957,540
EXCESS OF REVENUES UNDER EXPENDITURES	(74,564,889)	(71,260,758)	(63,304,084)	7,956,674
OTHER FINANCING SOURCES:				
Transfers in.....	74,564,889	66,880,866	63,304,084	(3,576,782)
NET CHANGE IN FUND BALANCE	-	(4,379,892)	-	4,379,892
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ (4,379,892)	\$ -	\$ 4,379,892

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL - DEBT SERVICE FUND - UNAUDITED
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES :				
Local.....	\$ 29,403,264	\$ 31,003,264	\$ 31,671,078	\$ 667,814
County.....	<u>500,000</u>	<u>500,000</u>	<u>626,016</u>	<u>126,016</u>
Total Revenues	29,903,264	31,503,264	32,297,094	793,830
EXPENDITURES:				
Debt service:				
Principal retirements.....	16,349,896	20,641,888	20,641,888	-
Interest.....	11,361,349	11,550,395	11,515,395	35,000
Other charges.....	-	-	6,588	(6,588)
Total Expenditures.....	27,711,245	32,192,283	32,163,871	28,412
NET CHANGE IN FUND BALANCE.....	2,192,019	(689,019)	133,223	822,242
FUND BALANCE, BEGINNING OF YEAR.....	29,621,648	29,621,648	29,621,648	-
FUND BALANCE, END OF YEAR.....	<u>\$ 31,813,667</u>	<u>\$ 28,932,629</u>	<u>\$ 29,754,871</u>	<u>\$ 822,242</u>

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - UNAUDITED
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES :				
Local.....	\$ 2,978,575	\$ 4,978,575	\$ 6,136,855	\$ 1,158,280
State.....	-	-	412,454	412,454
Federal.....	<u>166,736</u>	<u>166,736</u>	<u>101,659</u>	<u>(65,077)</u>
Total Revenues	3,145,311	5,145,311	6,650,968	1,505,657
EXPENDITURES:				
Capital outlay.....	<u>4,578,341</u>	<u>44,523,341</u>	<u>33,185,110</u>	<u>11,338,231</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,433,030)	(39,378,030)	(26,534,142)	12,843,888
OTHER FINANCING SOURCES:				
Sale of other property.....	-	-	47,522	47,522
NET CHANGE IN FUND BALANCE.....	<u>(1,433,030)</u>	<u>(39,378,030)</u>	<u>(26,486,620)</u>	<u>12,891,410</u>
FUND BALANCE, BEGINNING OF YEAR.....	<u>75,737,157</u>	<u>75,737,157</u>	<u>75,737,157</u>	<u>-</u>
FUND BALANCE, END OF YEAR.....	<u>\$ 74,304,127</u>	<u>\$ 36,359,127</u>	<u>\$ 49,250,537</u>	<u>\$ 12,891,410</u>

The accompanying note is an integral part of this schedule.

HAZELWOOD SCHOOL DISTRICT

NOTES TO OTHER INFORMATION JUNE 30, 2025

Budgets and Budgetary Accounting

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

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

Budgeted amounts are as originally adopted on June 18, 2024, or as amended by the Board of Education on March 4, 2025 and June 17, 2025.

6. Budgets are adopted on the modified cash basis of accounting.
7. Lapsing of appropriations at the close of each year, all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.

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APPENDIX C
FORM OF OPINION OF CO-BOND COUNSEL

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Gilmore & Bell, P.C., St. Louis, Missouri, and White Coleman & Associates, LLC, St. Louis, Missouri, Co-Bond Counsel, propose to issue their approving opinions upon the issuance of the Bonds in substantially the following form:

February ___, 2026

Hazelwood School District,
St. Louis County, Missouri
Florissant, Missouri

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

Backstrom McCarley Berry & Co., LLC
St. Louis, Missouri

Re: \$ _____ Hazelwood School District, St. Louis County, Missouri, General Obligation
Refunding Bonds (Missouri Direct Deposit Program), Series 2026

To the Addressees:

We have served as bond counsel to the Hazelwood School District, St. Louis County, Missouri (the “*Issuer*”), in connection with the issuance by the Issuer of the above-captioned bonds (the “*Bonds*”). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property within the territorial limits of the Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the “*Code*”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the

interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

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

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

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Very truly yours,

APPENDIX D
FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

Dated as of February 1, 2026

By the

**HAZELWOOD SCHOOL DISTRICT,
ST. LOUIS COUNTY, MISSOURI**

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

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CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of February 1, 2026 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by the **HAZELWOOD SCHOOL DISTRICT, ST. LOUIS 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 2026** (the “**Bonds**”), pursuant to a resolution adopted by the governing body of the Issuer on January 20, 2026 (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 (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** hereof.

“**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** hereof.

“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 180 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** hereof.

(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"):

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) 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 security, or other material events affecting the tax status of the security;
- (g) modifications to rights of security holders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the securities, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (m) 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;
- (n) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (o) 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
- (p) 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.

For purposes of the Material Events identified above, the term "security" or "securities" means the Bond or Bonds, respectively, and "obligated person" means the Issuer.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)** hereof, the Issuer shall, in a timely manner, send a notice to the MSRB, in substantially the form attached hereto 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** hereof.

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, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3** hereof, and (b) 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.

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

**HAZELWOOD SCHOOL DISTRICT,
ST. LOUIS 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 – School Facilities and Enrollment”**
2. **“PROPERTY TAX INFORMATION – Historic Assessed Valuation,” “–Tax Rates” and “– Tax Collection Rates”**

EXHIBIT B
TO CONTINUING DISCLOSURE UNDERTAKING

FORM OF FAILURE TO FILE NOTICE

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

Issuer/Obligated Person: Hazelwood School District, St. Louis County, Missouri

**Issue to which this
Notice relates:** \$_____ General Obligation Refunding Bonds (Missouri Direct Deposit Program), Series 2026

CUSIP Numbers for Issue to which this Notice relates:

<u>Maturity Date</u>	<u>CUSIP Number</u>
-----------------------------	----------------------------

Event Reported: Failure to Timely File Annual Operating Data/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. Christopher Norman
Chief Financial Officer
Hazelwood School District, St. Louis County, Missouri
15955 New Halls Ferry Road
Florissant, Missouri 63031
(314) 953-5015

Date Submitted: [Date]

**HAZELWOOD SCHOOL DISTRICT,
ST. LOUIS COUNTY, MISSOURI**