

**METROPOLITAN PARK AND RECREATION DISTRICT
D/B/A THE GREAT RIVERS GREENWAY DISTRICT
FINANCIAL STATEMENTS,
REQUIRED SUPPLEMENTARY INFORMATION,
ADDITIONAL INFORMATION, AND
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2021

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District

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Independent Auditors' Report

Board of Directors
Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
St. Louis, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit and each major fund of the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District (the "District"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, discretely presented component unit and each major fund of the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway 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.

The financial statements of Great Rivers Greenway Foundation (Component Unit) were not audited in accordance with Government Auditing Standards.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-9 and 32-33 be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Additional Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's basic financial statements. The Schedule of Expenditures – General Fund on pages 34-35 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures – General Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2022, on our consideration of the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control over financial reporting and compliance.

Schmersahl Treloar & Co.

St. Louis, Missouri
June 14, 2022

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021

The management discussion and analysis of Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2021 (2021). The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the financial statements to enhance their understanding of the District's financial performance.

Financial Summary

Notable facts for 2021 are as follows:

- The District's net position of \$91.1 million increased by \$14.6 million or 19.0%.
- The net investment in capital assets, decreased to \$11.0 million, a decrease of \$16.2 million or 59.5%. The decrease is an approximate net result of an increase in capital assets of \$1.1 million and an increase in long term debt of \$17.3 million.
- As of the close of the current fiscal year, the District's governmental funds reported ending fund balances of \$78.7 million, an increase of \$29.3 million in comparison with the prior year. The increase reflects higher than anticipated revenues as the economy recovered from the effects of COVID 19, lower than anticipated project expenditures and issuance of \$20.6 million in new bonds in 2021. The unassigned fund balance is \$33.3 million and is available for spending in the District's Capital Improvement Plan including funding of future years' capital improvement projects.

Financial statement reports included are:

1. Statement of Net Position
2. Statement of Activities
3. Balance Sheet – Governmental Funds
4. Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
5. Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
6. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those financial statements. The statements are prepared and organized in accordance with industry standards (GASB) so the readers can understand the financial information of the District as a whole. The statements then proceed to provide an increasingly detailed look at the District's specific financial condition.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021
(Continued)

Government-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregated view of the District's finances and a longer-term view of those assets. Each statement distinguishes between the primary government and its discretely aggregate component unit. Those two statements report the District's net position and the changes in net position. This change in net position is important because it tells the reader whether, for the District or the component unit as a whole, the financial position has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as the condition of the District's capital assets also needs to be evaluated.

The District's financial statements also include the activity of the Great Rivers Greenway Foundation, a separate not-for-profit corporation. The Foundation is accounted for as a discretely presented component unit. Accordingly, balances and transactions of the Foundation are presented in a separate column in the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District has one category of funds, the governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of a government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information in the governmental funds is presented by fund in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The District's general fund and debt service fund are considered to be major funds.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021
(Continued)

The District adopts an annual budget for all funds. A budgetary comparison statement has been provided to demonstrate performance compared with this budget.

Following the financial statements are Notes to the Financial Statements which provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information. Included is a comparison of the actual results of operations of the District's general fund to the budget adopted by the District's Board of Directors.

The Statement of Net Position presents the District as a whole. Table 1 provides a summary of the District's net position for 2021 compared to 2020.

Table 1
Condensed Statement of Net Position
December 31,

	2021	2020
Current and other assets	\$ 82,285,050	\$ 51,293,584
Capital assets	<u>99,823,291</u>	<u>98,693,190</u>
Total Assets	182,108,341	149,986,774
Deferred outflows of resources	<u>1,508,081</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$183,616,422</u>	<u>\$149,986,774</u>
Current and other liabilities	\$ 10,699,002	\$ 6,508,035
Noncurrent liabilities	<u>81,795,947</u>	<u>66,930,236</u>
Total Liabilities	<u>92,494,949</u>	<u>73,438,271</u>
Net Position		
Net investment in capital assets	11,032,344	27,262,954
Restricted	38,454,890	19,504,431
Board Designated	6,831,290	6,066,733
Unrestricted	<u>34,802,949</u>	<u>23,714,385</u>
Total Net Position	<u>91,121,473</u>	<u>76,548,503</u>
Total Liabilities and Net Position	<u>\$183,616,422</u>	<u>\$149,986,774</u>

The increase in total net position is primarily the result of the increase in cash and investments to be used to fund ongoing projects. The main drivers of these increases were higher than anticipated sales tax revenues, lower than expected project expenditures and issuance of \$20.6 million in new project bonds.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021
(Continued)

Current and other assets increased \$30.9 million from last year as retail sales tax revenues were favorable to budget as the economy showed a strong recovery from the effects of COVID-19. Project expenditures were lower than anticipated as projects experienced delays due to site control. \$20.6 million in new bonds were issued and other existing bonds were refinanced in 2021 to take advantage of very favorable interest rates.

Capital assets increased primarily as a result of additions to construction in progress.

Overall, total assets and deferred outflows of resources increased approximately \$33.6 million.

Overall, total liabilities increased \$19.1 million as a result of new long term debt related to the issuance of \$20.6 million in new bonds.

Table 2 shows the changes in net position for the year ended December 31, 2021 as compared to the year ended December 31, 2020.

Table 2
Changes in Net Position
Year Ended December 31,

	2021	2020	Percentage Change
Revenues			
Program revenues			
Charges for services	\$1,242,247	\$ 1,218,800	1.9%
Capital grants and contributions	2,702,071	1,639,560	64.8%
General revenues			
Sales taxes	34,292,864	29,693,298	15.5%
Investment return	<u>50,555</u>	<u>301,113</u>	(83.2%)
Total Revenues	<u>38,287,737</u>	<u>32,852,771</u>	16.5%
Expenses			
Project planning and development			
Operations			
Salary and fringe benefits	3,146,011	2,895,977	8.6%
Contractual and professional services	551,689	570,169	(3.2%)
Office and support	263,004	256,425	2.6%
Space and occupancy	257,727	232,329	10.9%
Depreciation and disposals	6,167,410	6,400,363	(3.6%)
Project expenses	5,207,714	3,916,074	33.0%
Contributions – Other Governmental Agencies	5,177,806	14,056,303	(63.2%)
Interest and fiscal charges	<u>2,943,406</u>	<u>2,694,673</u>	9.2%
Total Expenses	<u>23,714,767</u>	<u>31,022,313</u>	(23.6%)
Increase in Net Position	<u>\$14,572,970</u>	<u>\$1,830,458</u>	696.1%

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021
(Continued)

The increase in total net position is primarily the result of accumulation of cash and investments to fund future projects.

The current year District projects include: CAR 3/16th Greenway, Gravois Greenway, Mississippi Greenway, Brickline Greenway, St. Vincent Greenway, Meramec Greenway, Centennial Greenway, Deer Creek Greenway, Maline Greenway, Dardenne Greenway, as well as collaborative planning projects. Project expenses include various grants to agencies that oversee the development projects as well as significant professional fees in the areas of acquisition costs, legal fees, architectural and design consultation, consulting fees, etc.

District staff full-time equivalents increased from twenty-five in 2020 to twenty-seven in 2021 or 8%. Salaries and Benefits increased at a similar rate of 8.6%. Salaries comprised 80.3% of Salary and Fringe Benefits.

Contractual and professional services include legal fees, public relations, graphic design, accounting and various consulting fees which continued in 2021. Fees were lower in 2021 than 2020 due to lower legal fees in 2021.

Project expenses in 2021 were greater than 2020 as sales tax declines in 2020 caused cut back in project budgets in 2020.

The Contributions – Other Governmental Agencies were significantly lower in 2021 than 2020 due to lower contributions for constructions projects not owned by the District.

Budgetary Highlights

The District adopts an annual budget to include cost of administration, capital outlay, and promotion and sustaining programs. Actual sales tax revenues were \$34.3 million as retail sales tax revenues were higher than projected as the economy continued its recovery from COVID-19. Investment returns were in line with budgeted amounts. Contributions and grants of \$2.7 million were received during the year. Budgeted revenues not received in 2021 will be received in 2022 as projects are completed.

Actual project and capital expenditures of \$11.6 million were less than the budgeted amount of \$24.8 million due to project delays related to site control.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2021
(Continued)

Capital Assets

**Table 3
Capital Assets
December 31,**

	2021	2020
Land	\$28,196,542	\$27,306,893
Construction in process	43,698,892	37,631,161
Site and leasehold improvements (net of a/d)	27,364,899	33,242,124
Equipment and furniture (net of a/d)	499,922	496,688
Automobiles (net of a/d)	63,036	16,324
	\$99,823,291	\$98,693,190

As of December 31, 2021, the District’s capital assets amounted to \$99.8 million, net of accumulated depreciation. Before depreciation, there was a net increase during the year of \$7.3 million. The net increase, before depreciation, results primarily from normal construction in progress expenditures in 2021.

Additional information on the District’s capital assets can be found in Note C in the Notes to Financial Statements.

Requests for Additional Financial Information

This financial report will provide a general overview for everyone with a concerned interest in the District’s finances. Please address questions concerning any of the information provided in this report or requests for additional information to the Deputy of Administration, Great Rivers Greenway District, 3745 Foundry Way, Suite 253, St. Louis, MO 63110

FINANCIAL STATEMENTS

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
STATEMENT OF NET POSITION
December 31, 2021

	Primary Government	Component Unit
	Governmental Activities	Great Rivers Greenway Foundation
ASSETS		
Cash and temporary investments	\$ 38,056,515	\$ 7,099,508
Receivables		
Sales taxes	5,585,967	-
Interest	574	-
Grants and other	90,000	8,819,589
Prepaid expenses	147,886	-
Restricted cash and temporary investments	38,404,108	-
Capital assets, net of accumulated depreciation		
Land	28,196,542	-
Construction in progress	43,698,892	-
Site and leasehold improvements	27,364,899	-
Equipment and furniture	499,922	-
Automobiles	63,036	-
Total Assets	182,108,341	15,919,097
DEFERRED OUTFLOWS OF RESOURCES		
	1,508,081	-
Total Assets and Deferred Outflows of Resources	\$ 183,616,422	\$ 15,919,097
LIABILITIES		
Accounts payable	\$ 3,462,161	\$ -
Accrued expenses	229,914	-
Accrued interest	11,927	-
Long term debt:		
Due within one year	6,995,000	-
Due in more than one year	81,795,947	-
Total Liabilities	92,494,949	-
NET POSITION		
Net investment in capital assets	11,032,344	-
Restricted for:		
Debt service	20,372,471	-
Program	18,082,419	15,450,872
Board Designated	6,831,290	-
Unrestricted	34,802,949	468,225
Total Net Position	\$ 91,121,473	\$ 15,919,097

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

<u>Functions/Program</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>	<u>Component Unit</u>
					<u>Total Governmental Activities</u>	<u>Great Rivers Greenway Foundation</u>
Governmental Activities:						
Project planning and development - operations, project expenses, and depreciation	\$ 15,593,554	\$ 1,242,247	\$ -	\$ 2,702,070	(\$ 11,649,237)	\$ -
Contributions - Other Governmental Agencies	5,177,806	-	-	-	(5,177,806)	-
Interest and fiscal charges	<u>2,943,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,943,406)</u>	<u>-</u>
Total Governmental Activities	<u>\$ 23,714,766</u>	<u>\$ 1,242,247</u>	<u>\$ -</u>	<u>\$ 2,702,070</u>	<u>(19,770,449)</u>	<u>-</u>
Component Unit						
Great Rivers Greenway Foundation	<u>\$ 2,914,775</u>	<u>\$ -</u>	<u>\$ 11,807,006</u>	<u>\$ -</u>	<u>-</u>	<u>8,892,231</u>
General Revenues:						
Sales taxes					34,292,864	-
Investment return					<u>50,555</u>	<u>7,718</u>
Total General Revenues					<u>34,343,419</u>	<u>7,718</u>
Changes in Net Position					14,572,970	8,899,949
Net Position - Beginning					<u>76,548,503</u>	<u>7,019,148</u>
Net Position - Ending					<u>\$ 91,121,473</u>	<u>\$ 15,919,097</u>

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2021

	ASSETS		
	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and temporary investments	\$ 38,056,515	\$ -	\$ 38,056,515
Receivables			
Sales taxes	5,585,967	-	5,585,967
Interest	-	574	574
Grants and other	90,000	-	90,000
Prepaid expenditures	147,886	-	147,886
Restricted cash and temporary investments	18,020,284	20,383,824	38,404,108
 Total Assets	 \$ 61,900,652	 \$ 20,384,398	 \$ 82,285,050
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 3,462,161	\$ -	\$ 3,462,161
Accrued expenses	122,354	-	122,354
 Total Liabilities	 3,584,515	 -	 3,584,515
 FUND BALANCES			
Nonspendable			
Prepaid expenditures	147,886	-	147,886
Restricted			
Debt service	-	20,384,398	20,384,398
Program	18,082,419	-	18,082,419
Committed	6,388,214		6,388,214
Assigned	443,076	-	443,076
Unassigned	33,254,542	-	33,254,542
 Total Fund Balances	 58,316,137	 20,384,398	 78,700,535
 Total Liabilities and Fund Balances	 \$ 61,900,652	 \$ 20,384,398	 \$ 82,285,050

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**
For the Year Ended December 31, 2021

Total Fund Balances - Governmental Funds \$ 78,700,535

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$166,687,189 and the accumulated depreciation is \$66,863,898. 99,823,291

Deferred outflows related to refunding of bonds are not financial resources and therefore are not reported in governmental funds. 1,508,081

Compensated absences are not due and payable in the current period, therefore are not reported as a liability in the governmental funds. (107,560)

Bonds payable are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. (85,090,000)

Interest accrued on bonds has not been reported in the governmental funds but is reported in the Statement of Net Position. (11,927)

Premiums related to bond issuance are recorded as other financing sources in the governmental funds but are recorded as liabilities and amortized over the life of the bonds in the Statement of Net Position. (3,700,947)

Total Net Position - Governmental Activities \$ 91,121,473

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	General Fund	Debt Service Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Sales taxes	\$ 34,292,864	\$ -	\$ 34,292,864
Investment return	25,665	29,541	55,206
Contributions and grants	2,713,918	-	2,713,918
Miscellaneous income	<u>1,242,247</u>	<u>-</u>	<u>1,242,247</u>
 Total Revenues	 <u>38,274,694</u>	 <u>29,541</u>	 <u>38,304,235</u>
EXPENDITURES			
Current			
Salaries and fringe benefits	3,142,038	-	3,142,038
Contractual and professional services	549,145	2,544	551,689
Office and support	262,917		262,917
Travel	-	87	87
Space and occupancy	257,727	-	257,727
Capital Outlay			
Project expenses - non-capitalized	4,204,910	-	4,204,910
Project expenses - capitalized	7,425,900	-	7,425,900
Project expenses - other governmental agencies	5,072,556	-	5,072,556
Debt Service			
Principal retirements	-	53,955,000	53,955,000
Interest and fiscal charges	<u>-</u>	<u>3,169,299</u>	<u>3,169,299</u>
 Total Expenditures	 <u>20,915,193</u>	 <u>57,126,930</u>	 <u>78,042,123</u>
 Excess (Deficit) of Revenue Over (Under) Expenditures	 17,359,501	 (57,097,389)	 (39,737,888)
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	(6,213,476)	6,236,613	23,137
Advanced refunding escrow	-	(3,677,804)	(3,677,804)
Bonds issued proceeds, including premium	<u>-</u>	<u>72,694,075</u>	<u>72,694,075</u>
 Net Change in Fund Balance	 11,146,025	 18,155,495	 29,301,520
FUND BALANCE, Beginning of year	<u>47,170,112</u>	<u>2,228,903</u>	<u>49,399,015</u>
FUND BALANCE, End of year	<u>\$ 58,316,137</u>	<u>\$ 20,384,398</u>	<u>\$ 78,700,535</u>

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
For the Year Ended December 31, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 29,301,520

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund financial statements. These amounts represent the extent to which revenues not providing current financial resources in the current fiscal year exceeded revenues not providing current financial resources in the prior fiscal year (which are recognized in the fund financial statements in the current year). Such amounts attributed to the following factors:

Deferred outflows of resources - bond refunding 1,508,081

Change in revenues received after the 60-day accrual period (11,848)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. This is the difference between depreciation and disposal expense of \$6,272,660 and expenditures for capital outlay of \$7,425,900 for 2021. 1,153,240

Transfer of cash received from the sale of fixed assets is recognized as an other financing source on governmental funds, but is recognized as an other financing use on the statement of activities. (23,137)

Some interest income will not be collected for several months after the District's fiscal year end, thereafter it is not considered as available resources in the governmental funds when earned, but rather when received. The income is recorded in the Statement of Activities when earned. (4,651)

In the Statement of Activities compensated absences are measured by the amounts earned during the year. In governmental funds, however, these expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). (3,973)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 14,449

The governmental funds report debt (e.g. bond) proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Also, governmental funds report the effect of premiums when debt is first issued, whereas this amount is deferred and amortized in the Statement of Activities. The net effect of these differences in treatment of debt and related items is as follows:

Bonds issued proceeds	(72,694,075)	
Repayment of bonds	53,955,000	
Advance refunding bond premium	1,166,920	
Net amortization of bond premium	<u>211,444</u>	
		(17,360,711)

Change in Net Position of Governmental Activities \$ 14,572,970

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District (the “District”) was established in November 2000 by the successful passage of the Clean Water, Safe Parks, and Community Trails Initiative in St. Louis City, St. Louis County, and St. Charles County, Missouri. The District is a corporate and political subdivision established by Section 67.1700 et seq. RSMo. The primary purpose of the District is to develop, implement, manage, and administer a public system of interconnecting trails and parks throughout the counties comprising the District, section 67.1706 RSMo. The District shall supplement other public parks and recreation entities within the District for development, operation, and maintenance of its public systems.

The District is governed by a Board of Directors. The Board is in charge of the affairs of the District and employs an administrative staff to manage the District’s activities. The administrative staff is responsible for incorporating the various Board actions and policies into the daily affairs of the District. In accordance with section 67.1754 RSMo, the District’s administrative expenses are limited to fifteen percent of the sales tax revenue collected. The District is in compliance with this State statute.

The District’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (“FASB”) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Significant accounting policies established in GAAP and used by the District are discussed below.

Reporting Entity

Generally accepted accounting principles require the financial reporting entity to include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units maybe presented as blended or discreetly presented in the financial statements. Blended component units, although legally separate entities, are in substance, part of the primary government’s operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government. The Great Rivers Greenway Foundation (the “Foundation”) is a separate not-for-profit organization formed for the purpose of accepting contributions from the community to fund certain programs for the exclusive benefit of the District. Separate financial statements, audited in accordance with auditing standards generally accepted in the United States of America, are issued for the Foundation.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting unit as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. Governmental activities are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. The District has no business-type activities.

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

Fund Financial Statements

The fund financial statements are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, fund equity, revenues, and expenditures. The District segregates transactions related to certain functions or activities into separate funds in order to aid in financial management and to demonstrate legal compliance. The focus is on major funds. Each major fund is presented in a separate column while non-major funds are aggregated and presented in a single column. All of the District's funds are considered to be major funds.

The major funds of the District are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

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

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Non-spendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District's Debt Service Fund was created through enabling legislation when it was authorized to issue the sales tax appropriation bonds. Restricted fund balances are in the Debt Service Fund and General Fund.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. At December 31, 2021 the District had \$2,391,028 designated for operating reserves and \$3,997,186 designated for capital repair reserves.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Directors or through the Board of Directors delegating their responsibility to the Executive Director through the budgetary process. At December 31, 2021 the District had \$443,076 designated for the North Riverfront.

Unassigned – This classification includes residual fund balance for the General Fund as well as negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

Measurement Focus

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

The fund financial statements are prepared using the current financial resources measurement focus. 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. The fund financial statements use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end, except for expenditure-driven grants for which the availability period is one year. Sales taxes, interest, and certain grants are susceptible to accrual. Miscellaneous revenue items, which are not susceptible to accrual, are recognized as revenues only as they are received in cash. Expenditures, including capital outlay, are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt which are reported when due.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Restricted Cash and Temporary Investments

Restricted cash and temporary investments represent amounts whose use is limited by legal requirements and consist of amounts restricted for the future repayment of bond principal and interest.

Compensated Absences

Employees earn vacation during the year. No more than ten days may be carried forward to the subsequent year without approval. Accrued vacation is payable to employees upon termination. A liability for accrued vacation is recorded in the government-wide statements. Sick leave benefits for all employees do not vest and, accordingly, are recorded as expenditures when paid.

Contributed Services

Contributed or donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. At December 31, 2021, the Foundation received from the District contributed services and resources in the amount of \$298,894.

Capital Assets and Depreciation

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Contributed assets are reported at their fair market value as of the date received. Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on assets is provided on the straight-line basis over the following estimated useful lives:

Site and leasehold improvements	5 – 15 years
Equipment and furniture	3 – 10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Deferred Inflows/Outflows of Resources

A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period and a deferred outflow of resources is defined as a consumption of net position by the District that is applicable to a future reporting period.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Deferred Inflows/Outflows of Resources (Continued)

A deferred inflow of resources has a negative impact on net position similar to liabilities but is required to be reported within the statement of net position in a separate section following liabilities and the total may be added to the total for liabilities. A deferred outflow of resources has a positive effect on net position similar to assets but is required to be reported in the statement of net position in a separate section following assets and the total may be added to the total for assets.

Deferred outflows of resources include the unamortized loss on bond refunding, which is deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt.

Expenses

Expenses include certain office and supporting expenses identifiable with the development of specific projects. Expenses also include amounts incurred for marketing, community engagement, legal and maintenance of the District's greenways.

Long-Term Liabilities

All long-term obligations to be repaid from governmental activities are reported as liabilities in the government-wide financial statements. Long-term obligations consist of sales tax appropriation bonds.

Long-term liabilities are not due and are not payable in the current period and therefore are not reported as liabilities in the governmental fund financial statements.

Net Position

In the government-wide financial statements, net position is reported in four components – net investment in capital assets, restricted, board designated, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balance of any bonds or notes issued to acquire, construct, or improve those assets. Net position is reported as restricted when there are limitations imposed on their use either by the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At December 31, 2021 amounts restricted for debt service total \$20,372,471 and amounts restricted for programs total \$18,082,419. At December 31, 2021 board designated amounts consisted of \$443,076 designated for the North Riverfront, \$2,391,028 designated for operating reserves and \$3,997,186 designated for capital repair reserves. Net position amounts reported as unrestricted do not meet the definition of either of the first two categories of net assets. The District first utilizes restricted resources to finance qualifying activities.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Revenues

The District is funded by a one-tenth of one cent sales tax on all retail sales subject to taxation. The tax revenue is collected and held by the St. Louis County Treasurer for credit to the District, pursuant to sections 144.010 to 144.525 RSMo. Sales taxes received by the District in January and February which represent tax on retail sales for November and December have been accrued and reported as sales tax receivable.

On April 2, 2013, voters in the City of Saint Louis, Missouri and Saint Louis County, Missouri passed Proposition P, which is a regional 3/16th of a cent sales tax increase for the Safe and Accessible Arch and Public Parks Initiative. In 2013, the District entered an agreement with the National Park Service to make ongoing payments to support the CityArchRiver 2015 project. These expenditures are included in Contributions – Other Governmental Agencies.

Grants are recognized as revenue in the fiscal year in which all eligibility requirements have been satisfied. Grants received before the eligibility requirements are met are reported as deferred revenue.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Interfund receivables and payables within the governmental activities are eliminated in the Statement of Net Position.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through June 14, 2022, the date the financial statements were available to be issued.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

B. CASH AND TEMPORARY INVESTMENTS

The cash deposits and temporary investments are summarized and presented in the financial statements as follows as of December 31, 2021:

Carrying amount of deposits	\$80,061,288
Investments	<u>3,498,843</u>
	<u>\$83,560,131</u>
Cash and temporary investments - District	\$38,056,515
Cash and temporary investments - Foundation	7,099,508
Restricted cash and temporary investments	<u>38,404,108</u>
	<u>\$83,560,131</u>

Deposits

Missouri statutes require that all deposits held by the District with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2021, the carrying amount of the deposits under District's control was \$76,460,623 and the bank balance was \$25,514,663. The District utilizes a sweep account to maximize the return on bank deposits. There are sweep balances of \$51,501,505 at December 31, 2021. All District deposits were covered by federal depository insurance or collateralized with securities held by the District or by its agent in the name of the District.

The Foundation's deposits are not subject to the District's collateralization requirements. At December 31, 2021, the carrying amount of the Foundation's deposits was \$3,600,665 and the bank balance was \$3,483,620. At December 31, 2021, all deposits of the Foundation were covered by federal depository insurance.

Investments

All investment decisions of the District are recommended by the District's Investment Officers and made in accordance with the Investment Policy adopted July 24, 2007. The primary objectives of the Investment Policy, in priority order, are safety, liquidity, and yield. In addition to collateralized deposits, the District is authorized to invest in U.S. Treasury and agency securities, repurchase agreements, bankers' acceptances, and commercial paper. The investment policy requires that securities underlying repurchase agreements be limited to U.S. Treasury and agency securities.

The District had the following investments and maturities at December 31, 2021:

	Fair Value	Investment Maturities		
		0 to 1 Year	1 to 4 years	4+ years
Certificates of deposit	\$ 3,498,843	\$ 3,498,843	\$ -	\$ -

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

B. CASH AND TEMPORARY INVESTMENTS (Continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Certificates of deposit are limited to \$250,000 per financial institution and are fully covered by federal depository insurance.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments must mature and become payable within five years from the date of purchase. Also, the District's investment policy requires that the weighted average maturity of all investments shall not exceed three years.

Concentration of 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 a specific maturity, specific issuer, or specific class of securities. At a minimum, diversification standards by security type and issuer are established as follows: (a) U.S. treasuries and securities guaranteed by the U.S. government – 100%; (b) collateralized time and demand deposits – 100%; (c) U.S. Government agencies, and government sponsored enterprises, with no more than 40% of total agency holdings to be in the securities of any one issuer – 75%; (d) collateralized repurchase agreements – 50%; (e) U.S. Government agency callable securities – 30%; (f) bankers' acceptances, with no more than 5% of the total market value of the portfolio invested in bankers' acceptances issued by any one commercial bank – 20%; and (g) commercial paper – 5%.

During 2021, none of the District's investments in any one issuer represent 5% or more of the total investments (excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools, and other pooled investments).

Fair Value Measurement

The District applies the provisions of GASB Statement No. 72 for the fair value measurements of financial assets and financial liabilities and for the fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. GASB Statement No. 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

B. CASH AND TEMPORARY INVESTMENTS (Continued)

Fair Value Measurement (Continued)

The three levels of the fair value hierarchy are as follows:

Level 1—Inputs are quoted prices (unadjusted) in active markets for identical assets that the entity has the ability to access at measurement date.

Level 2—Inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3—Inputs are significant unobservable inputs for the asset. The District had no Level 3 investments as of December 31, 2021.

Fair values of assets measured on a recurring basis at December 31, 2021 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit	\$3,498,843	\$ -	\$3,498,843	\$ -

The following is a summary of the carrying value of the District's cash and investments at December 31, 2021:

	<u>Fair Value</u>	<u>Rating</u>	<u>Percent of Total Investments</u>
Certificates of deposit	\$ 3,498,843	n/a	4.2
Petty cash	100	n/a	-
Bank deposits	80,061,188	n/a	95.8
Total Cash and Temporary Investments	\$83,560,131		100%

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

C. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2021:

	Balance, January 1, 2021	Additions	Transfers and Deductions	Balance, December 31, 2021
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 27,306,893	\$ 889,649	\$ -	\$ 28,196,542
Construction in progress	<u>37,631,161</u>	<u>6,323,622</u>	<u>(255,891)</u>	<u>43,698,892</u>
Total Capital Assets Not Being Depreciated	<u>64,938,054</u>	<u>7,213,271</u>	<u>(255,891)</u>	<u>71,895,434</u>
Capital Assets Being Depreciated:				
Site and leasehold improvements	93,310,861	167,346	-	93,478,207
Automobiles	82,773	62,341	(22,395)	122,719
Equipment and furniture	<u>1,063,061</u>	<u>127,768</u>	<u>-</u>	<u>1,190,829</u>
Total Capital Assets Being Depreciated	<u>94,456,695</u>	<u>357,455</u>	<u>(22,395)</u>	<u>94,791,755</u>
Less accumulated depreciation for:				
Site and leasehold improvements	(60,068,737)	(6,044,571)	-	(66,113,308)
Automobiles	(66,449)	(11,893)	18,659	(59,683)
Equipment and furniture	<u>(566,373)</u>	<u>(124,534)</u>	<u>-</u>	<u>(690,907)</u>
Total Accumulated Depreciation	<u>(60,701,559)</u>	<u>(6,180,998)</u>	<u>18,659</u>	<u>(66,863,898)</u>
Capital Assets, Net	<u>\$98,693,190</u>	<u>\$1,389,728</u>	<u>(\$ 259,627)</u>	<u>\$99,823,291</u>

D. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended December 31, 2021:

<u>Description and Purpose</u>	Balance January 1, 2021	Issued	Retired	Balance December 31, 2021	Due Within One Year
Sales tax appropriation bonds 2014	\$50,030,000	\$ -	\$50,030,000	\$ -	\$ -
Sales tax appropriation bonds 2020	9,700,000	-	3,205,000	6,495,000	3,230,000
Sales tax appropriation bonds 2020	10,455,000	-	720,000	9,735,000	1,910,000
Sales tax appropriation bonds 2021	-	16,730,000	-	16,730,000	1,050,000
Sales tax appropriation bonds 2021	-	52,130,000	-	52,130,000	805,000
Bond premium – 2021	-	3,834,075	133,128	3,700,947	-
Bond premium – 2014	<u>1,245,236</u>	-	<u>1,245,236</u>	-	-
	<u>\$71,430,236</u>	<u>\$72,694,075</u>	<u>\$55,333,364</u>	<u>\$88,790,947</u>	<u>\$6,995,000</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

D. LONG-TERM DEBT (Continued)

On March 1, 2014, the District issued \$54,070,000 in sales tax appropriation bonds. The serial bonds carried interest rates between 2.0% and 5.0% and were due in varying installments through 2033. The bonds were issued to finance certain capital improvement projects of the District. Principal and interest on the sales tax appropriation bonds were paid from the annual appropriation of sales tax revenues by the Debt Service Fund. On November 8, 2021, the District used the proceeds from the 2021 sales tax appropriation bonds to retire the 2014 sales tax appropriation bonds.

On November 6, 2020, the District issued \$10,240,000 in sales tax appropriation bonds. The serial bonds carry an interest rate of 0.96% and are due in varying installments through 2023. The bonds were issued to finance certain capital improvement projects of the District. Principal and interest on the sales tax appropriation bonds will be paid from the annual appropriation of sales tax revenues by the Debt Service Fund.

The annual requirements to amortize the 2020 sales tax appropriation bonds as of December 31, 2021, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$3,230,000	\$62,352	\$3,292,352
2023	<u>3,265,000</u>	<u>31,344</u>	<u>3,296,344</u>
Total	<u>\$6,495,000</u>	<u>\$93,696</u>	<u>\$6,588,696</u>

On November 6, 2020, the District issued \$10,455,000 in sales tax appropriation bonds. The serial bonds carry an interest rate of 1.19% and are due in varying installments through 2026. The bonds were issued to finance certain capital improvement projects of the District. Principal and interest on the sales tax appropriation bonds will be paid from the annual appropriation of sales tax revenues by the Debt Service Fund.

The annual requirements to amortize the 2020 sales tax appropriation bonds as of December 31, 2021, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$1,910,000	\$104,482	\$ 2,014,482
2023	1,935,000	81,604	2,016,604
2024	1,955,000	58,459	2,013,459
2025	1,955,000	35,194	1,990,194
2026	<u>1,980,000</u>	<u>11,781</u>	<u>1,991,781</u>
Total	<u>\$9,735,000</u>	<u>\$291,520</u>	<u>\$10,026,520</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

D. LONG-TERM DEBT (Continued)

On July 28, 2021, the District issued \$16,730,000 in sales tax appropriation bonds. The serial bonds carry an interest rate of 4.49% and are due in varying installments through 2033. The bonds were issued to finance certain capital improvement projects of the District. Principal and interest on the sales tax appropriation bonds will be paid from the annual appropriation of sales tax revenues by the Debt Service Fund.

The annual requirements to amortize the 2021 sales tax appropriation bonds as of December 31, 2021, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,050,000	\$ 783,750	\$ 1,833,750
2023	1,105,000	731,250	1,836,250
2024	1,160,000	676,000	1,836,000
2025	1,220,000	618,000	1,838,000
2026	1,280,000	557,000	1,837,000
2027-2031	7,420,000	1,758,750	9,178,750
2032-2033	<u>3,495,000</u>	<u>175,400</u>	<u>3,670,400</u>
Total	<u>\$16,730,000</u>	<u>\$5,300,150</u>	<u>\$22,030,150</u>

On November 8, 2021, the District issued \$52,130,000 in sales tax appropriation bonds. The serial bonds carry an interest rate of 1.80% and are due in varying installments through 2033. The bonds were issued to finance certain capital improvement projects of the District. Principal and interest on the sales tax appropriation bonds will be paid from the annual appropriation of sales tax revenues by the Debt Service Fund.

The annual requirements to amortize the 2021 sales tax appropriation bonds as of December 31, 2021, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 805,000	\$1,336,382	\$ 2,141,382
2023	1,060,000	1,076,913	2,136,913
2024	4,660,000	834,399	5,494,399
2025	4,740,000	757,043	5,497,043
2026	4,820,000	678,359	5,498,359
2027-2031	25,325,000	2,164,806	27,489,806
2032-2033	<u>10,720,000</u>	<u>267,592</u>	<u>10,987,592</u>
Total	<u>\$52,130,000</u>	<u>\$ 7,115,494</u>	<u>\$59,245,494</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

D. LONG-TERM DEBT (Continued)

The District has pledged its sales tax revenue, subject to appropriation, to repay the sales tax appropriation bonds payable through 2033. Proceeds from the bonds were used to finance capital projects. The bonds are payable solely from sales tax revenue. The remaining principal and interest to be paid on the bonds total \$97,890,860. During the current year, sales tax revenue was \$34,292,864 compared to approximate annual debt service requirements of \$8,157,572.

E. RETIREMENT PLAN

The District has a defined contribution plan and a matching contribution plan covering all regular employees. The defined contribution plan allows for deferral of compensation into the plan on a pre-tax basis. The matching contribution plan allows the District to make matching contributions equal to a percentage of the employees' pre-tax contributions made under the deferred compensation plan. The District has discretion whether to make matching contributions for a year, and to vary the percentage of matching contribution for years in which it decides to make matching contributions. Currently, matching contributions are equal to 100% of the employee pre-tax contributions to the deferred compensation plan up to 5% of compensation. The defined contribution expense was \$116,945 for the year ended December 31, 2021.

F. LEASE COMMITMENTS

The District leases its office space and storage space under non-cancelable operating leases that expire between 2023 and 2030. At December 31, 2021, the cumulative future minimum rental payments under these leases are as follows:

<u>Years Ended December 31,</u>	
2022	\$ 269,710
2023	276,653
2024	254,013
2025	240,518
2026	237,029
Thereafter	<u>839,593</u>
	<u>\$2,117,516</u>

Rent expense was \$231,464 for the year ended December 31, 2021.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

G. LEASE REVENUE

The District leases various real property to third parties under non-cancelable operating leases that expire between 2025 and 2031. At December 31, 2021, the future lease revenue to be received under these leases is as follows:

Years Ended <u>December 31,</u>	
2022	\$1,232,166
2023	1,232,166
2024	1,232,166
2025	312,291
2026	6,000
Thereafter	<u>24,000</u>
	<u>\$4,038,789</u>

Lease revenue received was \$1,231,833 for the year ended December 31, 2021, and is reported as charges for services in program revenues in the Statement of Activities.

H. TRANSFERS

The District transferred \$6,213,476 from the General Fund to the Debt Service Fund for payments associated with outstanding debt.

I. TRANASCTIONS WITH COMPONENT UNIT

The value of donated services included in-kind contributions for the Foundation in the financial statements and the corresponding expenses for the year ended December 31, 2021 are as follows:

Salaries and benefits	\$191,008
Professional fees	71,584
Office expenses	<u>36,302</u>
	<u>\$298,894</u>

The Foundation administers grants to fund certain programs of the District. For the year ended December 31, 2021, these grants totaled \$2,511,295. Additionally, the Foundation transferred unrestricted funds totaling \$45,776 to the District during the year ended December 31, 2021 as reimbursement for various improvements to greenways.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021
(Continued)

J. RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To mitigate these risks, the District has purchased commercial insurance policies and is covered for general liability claims and property damage. There have been no significant reductions in coverage for the year and there were no settlements in the current year.

K. COMMITMENTS AND CONTINGENCIES

Litigation

The District is involved in litigation through their insurer and believes the insurance coverage is adequate to protect the District. An estimate of possible damages, if any, cannot be made at this time. If any other claims exist that the District is not aware of, in the opinion of District management, the potential loss on all claims and lawsuits will not be significant to the District's financial statements taken as a whole.

Construction

The District currently has construction contracts for the development of interconnecting trails and parks throughout the counties comprising the District. The remaining balance to complete those contracts was \$19,331,610 at December 31, 2021.

Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, any such disallowed claim will not have a material adverse effect on the overall financial position of the District at December 31, 2021.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL -
GENERAL FUND - UNAUDITED
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES					
Sales taxes	\$ 27,267,347	\$ 27,267,347	\$ 34,292,864	\$ -	\$ 7,025,517
Investment return	0	0	25,665	-	25,665
Contributions and grants	4,207,000	5,073,316	2,713,918	(866,316)	(2,359,398)
Miscellaneous income	1,200,000	1,200,000	1,242,247	-	42,247
Total Revenues	<u>32,674,347</u>	<u>33,540,663</u>	<u>38,274,694</u>	<u>(866,316)</u>	<u>4,734,031</u>
EXPENDITURES					
Current					
Salaries and fringe benefits	3,637,100	3,387,100	3,142,038	250,000	245,062
Contractual and professional services	816,500	816,500	549,145	-	267,355
Office and support	437,850	437,850	262,917	-	174,933
Space and occupancy	274,654	302,716	257,727	(28,062)	44,989
	5,166,104	4,944,166	4,211,827	221,938	732,339
Capital expenditures	105,000	327,000	125,258	(222,000)	201,742
Project expenditures	24,001,693	24,768,518	11,505,552	(766,825)	13,262,966
Contributions - Other Governmental Agencies	5,875,060	5,886,690	5,072,556	(11,630)	814,134
Total Expenditures	<u>35,147,857</u>	<u>35,926,374</u>	<u>20,915,193</u>	<u>(778,517)</u>	<u>15,011,181</u>
Excess of Revenues Over Expenditures	(2,473,510)	(2,385,711)	17,359,501	87,799	19,745,212
OTHER FINANCING (USES)					
Transfers in (out)	(6,910,423)	(7,257,173)	(6,213,476)	-	1,043,697
Net Change in Fund Balance	<u>(\$ 9,383,933)</u>	<u>(\$ 9,642,884)</u>	11,146,025	<u>\$ 87,799</u>	<u>\$ 20,788,909</u>
FUND BALANCE, Beginning of year			<u>47,170,112</u>		
FUND BALANCE, End of year			<u>\$ 58,316,137</u>		

See accompanying notes to financial statements

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2021

A. **BUDGETS AND BUDGETARY ACCOUNTING**

As set forth in the Bylaws of the Board of Directors, the District's Executive Director shall present an annual budget to the Board no later than November 15th for the next fiscal year. The annual budget shall contain an operating and capital budget outlining revenues and expenditures for current operations and for approved capital projects. The Board shall approve the annual budget with or without modification no later than December 15th.

**ADDITIONAL
INFORMATION**

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
SCHEDULE OF EXPENDITURES - GENERAL FUND
For the Year Ended December 31, 2021

OPERATIONS

Salaries and Fringe Benefits	
Salaries	\$ 2,521,759
Fringe benefits	415,454
Payroll taxes	<u>204,825</u>

Total Salaries and Fringe Benefits \$ 3,142,038

Contractual and Professional Services	
Legal fees	\$ 324,639
Professional fees	193,019
Accounting and auditing fees	<u>31,487</u>

Total Contractual and Professional Services \$ 549,145

Office and Support	
Software maintenance	\$ 59,962
Insurance	53,147
Supplies	27,224
Telephone	26,620
Miscellaneous	18,309
Conferences	15,099
Printing	13,714
Dues and subscriptions	12,064
Advertising	10,092
Equipment rental	9,625
Travel and parking fees	7,515
Meeting expense	4,731
Postage and shipping	4,347
Taxes and licenses	<u>468</u>

Total Office and Support \$ 262,917

Space and Occupancy	
Rent	\$ 231,464
Maintenance and cleaning	<u>26,263</u>

Total Space and Occupancy \$ 257,727

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
SCHEDULE OF EXPENDITURES - GENERAL FUND
For the Year Ended December 31, 2021
(Continued)

OPERATIONS

Capital Expenditures	<u>\$ 125,258</u>
Project Expenditures	
CAR 3/16th Greenway	4,537,715
Brickline Greenway	3,049,113
Collaborative Planning	2,250,924
St. Vincent Greenway	2,019,303
Mississippi Greenway	1,895,149
Deer Creek Greenway	898,905
Gravois Greenway	745,374
Centennial Greenway	521,846
Dardenne Greenway	353,206
Maline Greenway	227,140
Meramec Greenway	<u>79,433</u>
 Total Project Expenses	 <u>\$ 16,578,108</u>

**ADDITIONAL
INDEPENDENT
AUDITORS'
REPORT**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit and each major fund Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's basic financial statements, and have issued our report thereon dated June 14, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control. Accordingly, we do not express an opinion on the effectiveness of Metropolitan Park and Recreation District d/b/a The Great Rivers Greenway District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Schmersahl Treloar & Co.

St. Louis, Missouri
June 14, 2022