

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

FOR THE YEAR ENDED DECEMBER 31, 2023

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, 2023, 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, 2023, 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 Auditors' 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's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 34-35 be presented to supplement the basic financial statements.

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 36-37 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 11, 2024 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 11, 2024

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2023

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, 2023 (2023). 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 2023 are as follows:

- The District's net position of \$116.5 million increased by \$23.1 million or 24.7%.
- The net investment in capital assets increased to \$12.1 million, an increase of \$7.2 million or 144.6%. The increase is an approximate net result of an increase in capital assets of \$4.9 million and a decrease in long-term debt of \$2.3 million.
- As of the close of the current fiscal year, the District's governmental funds reported ending fund balances of \$102.9 million, an increase of \$16.9 million in comparison with the prior year. The increase reflects increased investment revenue resulting from favorable investment market rates and lower than budget project expenses. The unassigned fund balance is \$57.5 million and is available for spending in the District's Capital Improvement Plan which includes significant 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, 2023
(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, 2023
(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 2023 compared to 2022.

Table 1
Condensed Statement of Net Position
December 31,

	2023	2022
Current and other assets	\$110,993,801	\$ 95,459,539
Capital assets	<u>91,337,937</u>	<u>86,429,645</u>
Total Assets	202,331,738	181,889,184
Deferred outflows of resources, net	<u>1,256,734</u>	<u>1,382,408</u>
Total Assets and Deferred Outflows of Resources	<u>\$203,588,472</u>	<u>\$183,271,592</u>
Current and other liabilities	\$ 19,671,423	\$ 13,300,097
Noncurrent liabilities	<u>66,016,935</u>	<u>74,111,441</u>
Total Liabilities	85,688,358	87,411,538
Deferred inflows of resources - lease	<u>1,348,872</u>	<u>2,427,969</u>
Total liabilities and deferred inflows of resources	<u>87,037,230</u>	<u>89,839,507</u>
Net Position		
Net investment in capital assets	12,116,002	4,953,204
Restricted	35,240,776	34,298,061
Board Designated	10,014,757	9,029,464
Unrestricted	<u>59,179,707</u>	<u>45,151,356</u>
Total Net Position	<u>116,551,242</u>	<u>93,432,085</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$203,588,472</u>	<u>\$183,271,592</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2023
(Continued)

The increase in total net position is primarily the result of an increase of cash and investments to be used to fund ongoing projects and future matching grant requirements.

Current and other assets increased \$15.5 million from last year due to strong investment income from favorable market rates and lower than budgeted project costs.

Capital assets increased primarily as a result of an increase of \$9.5 million in construction in progress less \$4.7 million in depreciation expense.

Overall, total assets and deferred outflows of resources increased approximately \$20.3 million.

Overall, total liabilities and deferred inflows of resources decreased \$2.8 million as a result of scheduled current year bond payments.

Table 2 shows the changes in net position for the year ended December 31, 2023 as compared to the year ended December 31, 2022.

Table 2
Changes in Net Position
Year Ended December 31,

	<u>2023</u>	<u>2022</u>	<u>Percentage Change</u>
Revenues			
Program revenues			
Charges for services	\$ 1,290,054	\$ 1,289,654	0.0%
Capital grants and contributions	3,881,745	4,390,208	(11.6%)
General revenues			
Sales taxes	38,099,224	37,675,450	1.1%
Investment return	<u>4,045,210</u>	<u>1,026,477</u>	294.1%
Total Revenues	<u>47,316,233</u>	<u>44,381,789</u>	6.6%
Expenses			
Project planning and development			
Operations			
Salary and fringe benefits	4,308,167	3,609,041	19.4%
Contractual and professional services	817,427	880,543	(7.2%)
Office and support	364,683	372,966	(2.2%)
Space and occupancy	320,179	302,834	5.7%
Depreciation and disposals	4,892,315	5,858,517	(16.5%)
Project expenses	4,818,151	4,460,435	8.0%
Contributions – Other Governmental Agencies	6,953,071	24,522,246	(71.6%)
Interest and fiscal charges	<u>1,723,083</u>	<u>2,094,777</u>	(17.7%)
Total Expenses	<u>24,197,076</u>	<u>42,101,359</u>	(42.5%)
Increase in Net Position	<u>\$23,119,157</u>	<u>\$ 2,280,430</u>	913.8%

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2023
(Continued)

The increase in total net position is primarily the result of an increase of cash and investments to be used to fund ongoing projects and future matching grant requirements.

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, Dardenne Greenway, Maline Greenway, River Des Peres 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 thirty in 2022 to thirty-five in 2023 or 17%. Salaries and Benefits increased 19.4%. Salaries comprised 79.1% of Salary and Fringe Benefits.

Contractual and professional services include legal fees, public relations, graphic design, accounting and various consulting fees which continued in 2023. Fees were lower in 2023 than 2022 as non-recurring human resource consulting expenses incurred in 2022 were not needed in 2023.

Project expenses in 2023 were higher than 2022 as a result of slightly higher greenway maintenance and repair expenses, professional services related project design and project control system expenses.

The Contributions – Other Governmental Agencies were significantly lower in 2023 than 2022 as contributions for construction projects not owned by the District were lower in 2023.

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 \$38.1 million and increased slightly from 2022 levels. Investment income increased in 2023 due to higher level of cash being available to invest coupled with generally higher available market rates. Contributions and grants of \$4.6 million were received during the year. Budgeted revenues not received in 2023 will be received in 2024 as projects are completed.

Actual project and capital expenditures of \$18.0 million were less than the budgeted amount of \$22.8 million due to unexpected project delays related to land acquisition and coordinating construction schedules with partner organizations.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
MANAGEMENT DISCUSSION AND ANALYSIS
For The Year Ended December 31, 2023
(Continued)

Capital Assets

Table 3
Capital Assets
December 31,

	2023	2022
Land	\$27,978,506	\$27,890,423
Construction in process	45,488,364	35,944,267
Site and leasehold improvements (net of a/d)	17,291,846	22,010,651
Equipment and furniture (net of a/d)	476,245	501,760
Automobiles (net of a/d)	102,976	82,544
	\$91,337,937	\$86,429,645

As of December 31, 2023, the District’s capital assets amounted to \$91.3 million, net of accumulated depreciation. Before depreciation, there was a net increase during the year of \$9.8 million. The net increase, before depreciation, results primarily from capital projects at Old Chain of Rocks Park and the Brickline Greenway contributing \$4.1 million each.

Additional information on the District’s capital assets can be found in Note E 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, 2023

	Primary Government	Component Unit
	Governmental Activities	Great Rivers Greenway Foundation
ASSETS		
Cash and temporary investments	\$ 62,774,967	\$ 19,787,009
Receivables		
Sales taxes	6,734,070	-
Interest	394,110	-
Grants and other	1,118,790	9,824,128
Due from Great Rivers Greenway Foundation	1,381,239	-
Lease receivable	1,456,803	-
Prepaid expenses	187,152	-
Restricted cash and temporary investments	35,719,767	-
Right to use leased assets, net of amortization	1,226,903	-
Capital assets, net of accumulated depreciation		
Land	27,978,506	-
Construction in progress	45,488,364	-
Site and leasehold improvements	17,291,846	-
Equipment and furniture	476,245	-
Automobiles	102,976	-
Total Assets	202,331,738	29,611,137
DEFERRED OUTFLOWS OF RESOURCES, NET	1,256,734	-
Total Assets and Deferred Outflows of Resources	\$ 203,588,472	\$ 29,611,137
LIABILITIES		
Accounts payable	\$ 4,174,018	\$ -
Accrued expenses	306,904	-
Accrued interest	598,936	-
Due to The Great Rivers Greenway District	-	1,381,239
Leases payable	1,386,565	-
Long term debt:		
Due within one year	13,205,000	-
Due in more than one year	66,016,935	-
Total Liabilities	85,688,358	1,381,239
DEFERRED INFLOWS OF RESOURCES - LEASE	1,348,872	-
Total Liabilities and Deferred Inflows of Resources	87,037,230	1,381,239
NET POSITION		
Net investment in capital assets	12,116,002	-
Restricted for:		
Debt service	16,077,624	-
Program	19,163,152	27,678,370
Board Designated	10,014,757	-
Unrestricted	59,179,707	551,528
Total Net Position	\$ 116,551,242	\$ 28,229,898

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, 2023

<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	\$ 15,520,922	\$ 1,290,054	\$ -	\$ 3,881,745	(\$ 10,349,123)	\$ -
Contributions - Other Governmental Agencies	6,953,071	-	-	-	(6,953,071)	-
Interest and fiscal charges	<u>1,723,083</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,723,083)</u>	<u>-</u>
Total Governmental Activities	<u>\$ 24,197,076</u>	<u>\$ 1,290,054</u>	<u>\$ -</u>	<u>\$ 3,881,745</u>	<u>(19,025,277)</u>	<u>-</u>
Component Unit						
Great Rivers Greenway Foundation	<u>\$ 2,997,232</u>	<u>\$ -</u>	<u>\$ 10,267,541</u>	<u>\$ -</u>	<u>-</u>	<u>7,270,309</u>
General Revenues:						
Sales taxes					38,099,224	-
Investment return					<u>4,045,210</u>	<u>720,320</u>
Total General Revenues					<u>42,144,434</u>	<u>720,320</u>
Changes in Net Position					23,119,157	7,990,629
Net Position - Beginning					<u>93,432,085</u>	<u>20,239,269</u>
Net Position - Ending					<u>\$ 116,551,242</u>	<u>\$ 28,229,898</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, 2023

	ASSETS		
	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and temporary investments	\$ 62,774,967	\$ -	\$ 62,774,967
Receivables			
Sales taxes	6,734,070	-	6,734,070
Interest	322,500	71,610	394,110
Grants and other	2,041,286	-	2,041,286
Prepaid expenditures	187,152	-	187,152
Restricted cash and temporary investments	19,114,817	16,604,950	35,719,767
 Total Assets	\$ 91,174,792	\$ 16,676,560	\$ 107,851,352
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 4,174,018	\$ -	\$ 4,174,018
Accrued expenses	179,250	589,562	768,812
 Total Liabilities	4,353,268	589,562	4,942,830
 FUND BALANCES			
Nonspendable			
Prepaid expenditures	187,152	-	187,152
Restricted			
Debt service	-	16,086,998	16,086,998
Program	19,163,152	-	19,163,152
Committed	9,550,134	-	9,550,134
Assigned	464,623	-	464,623
Unassigned	57,456,463	-	57,456,463
 Total Fund Balances	86,821,524	16,086,998	102,908,522
 Total Liabilities and Fund Balances	\$ 91,174,792	\$ 16,676,560	\$ 107,851,352

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, 2023

Total Fund Balances - Governmental Funds \$ 102,908,522

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

Some grants receivables will be collected this year, but they are not available soon enough to pay for the current period expenditures, therefore are deferred in the fund statements. 410,131

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 \$168,605,280 and the accumulated depreciation is \$77,267,343. 91,337,937

Right to use leased assets are not financial resources and therefore are not reported as assets in governmental funds. The value of the assets is \$2,013,623 and the accumulated amortization is \$786,720. 1,226,903

Lease receivable will not be collected in the current period and therefore is not available to pay for current period expenditures and, therefore, are deferred in the funds. 1,456,803

Amounts due from Great Rivers Greenway Foundation will not be collected in the current period and therefore are not available to pay for current period expenditures and, therefore, are deferred in the funds. 48,612

Deferred outflows, net of accumulated amortization of \$251,347, related to refunding of bonds are not financial resources and therefore are not reported in governmental funds. 1,256,734

Compensated absences are not due and payable in the current period, therefore are not reported as a liability in the governmental funds. (127,654)

Bonds payable are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. (76,160,000)

Interest accrued on bonds has not been reported in the governmental funds but is reported in the Statement of Net Position. (9,374)

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. (3,061,935)

Leases payable are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. (1,386,565)

Deferred inflows of resources relate to an acquisition of right to use leased assets that is applicable to a future period and therefore are not reported in the governmental funds. (1,348,872)

Total Net Position - Governmental Activities \$ 116,551,242

See accompanying notes to financial statements

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, 2023

	General Fund	Debt Service Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Sales taxes	\$ 38,099,224	\$ -	\$ 38,099,224
Investment return	3,320,538	724,672	4,045,210
Contributions and grants	4,642,730	-	4,642,730
Miscellaneous income	<u>1,252,516</u>	<u>67,525</u>	<u>1,320,041</u>
 Total Revenues	 <u>47,315,008</u>	 <u>792,197</u>	 <u>48,107,205</u>
EXPENDITURES			
Current			
Salaries and fringe benefits	4,301,807	-	4,301,807
Contractual and professional services	806,721	10,706	817,427
Office and support	364,683	-	364,683
Space and occupancy	291,122	-	291,122
Capital Outlay			
Project expenses - non-capitalized	4,818,151	-	4,818,151
Project expenses - capitalized	13,163,695	-	13,163,695
Project expenses - other governmental agencies	3,589,986	-	3,589,986
Debt Service			
Principal retirements	-	1,935,000	1,935,000
Interest and fiscal charges	<u>-</u>	<u>1,921,111</u>	<u>1,921,111</u>
 Total Expenditures	 <u>27,336,165</u>	 <u>3,866,817</u>	 <u>31,202,982</u>
 Excess (Deficit) of Revenue Over (Under) Expenditures	 19,978,843	 (3,074,620)	 16,904,223
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>(5,418,725)</u>	<u>5,418,725</u>	<u>-</u>
 Net Change in Fund Balance	 14,560,118	 2,344,105	 16,904,223
FUND BALANCE, Beginning of year	<u>72,261,406</u>	<u>13,742,893</u>	<u>86,004,299</u>
FUND BALANCE, End of year	<u>\$ 86,821,524</u>	<u>\$ 16,086,998</u>	<u>\$ 102,908,522</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, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 16,904,223

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:

Change in revenues received after the 60-day accrual period (760,985)

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 \$8,255,400 and expenditures for capital outlay of \$13,163,695 for 2023. 4,908,295

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. 35,951

Some rental 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. 123,760

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). (6,360)

Governmental funds do not report amortization expense related to right to use leased assets. However, in the Statement of Activities, the balance of the right to use leased assets are allocated over the lease terms and reported as amortization expense. (214,560)

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:

Repayment of bonds	1,935,000	
Net amortization of bond premium	319,506	
Net amortization of deferred outflows	(125,673)	
		<u>2,128,833</u>

Change in Net Position of Governmental Activities **\$ 23,119,157**

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

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 may be 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, 2023
(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, 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, 2023
(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, 2023 the District had \$3,130,466 designated for operating reserves and \$6,419,668 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 Chief Executive Officer through the budgetary process. At December 31, 2023 the District had \$464,623 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, 2023
(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, 2023
(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.

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, 2023, the Foundation received from the District contributed services and resources in the amount of \$414,780.

Lease Receivable

The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Right to Use Leased Assets

The District's right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease terms, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

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 outlays 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.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

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

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.

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 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. A deferred inflow of resources is recorded for the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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.

Leases Payable

The District leases property and office space which qualifies as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

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.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

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

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, 2023 amounts restricted for debt service total \$16,077,624 and amounts restricted for programs total \$19,163,152 for the District. In addition, amounts restricted for programs total \$27,678,370 for the Foundation. At December 31, 2023 board designated amounts consisted of \$464,623 designated for the North Riverfront, \$3,130,466 designated for operating reserves and \$6,419,668 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.

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.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

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

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 11, 2024 the date the financial statements were available to be issued.

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, 2023:

Carrying amount of deposits	\$27,280,605
Investments	<u>91,001,138</u>
	<u>\$118,281,743</u>
Cash and temporary investments - District	\$62,774,967
Cash and temporary investments - Foundation	19,787,009
Restricted cash and temporary investments	<u>35,719,767</u>
	<u>\$118,281,743</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

B. CASH AND TEMPORARY INVESTMENTS (Continued)

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, 2023, the carrying amount of the deposits under District’s control was \$26,179,190 and the bank balance was \$26,086,590. 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, 2023, the carrying amount of the Foundation’s deposits was \$1,101,415 and the bank balance was \$332,139. At December 31, 2023, 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, 2023:

		Investment Maturities		
	Fair Value	0 to 1 Year	1 to 4 years	4+ years
Agency securities	\$ 91,001,138	\$ 91,001,138	\$ -	\$ -

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Agency securities are Federal Home Loan Bank Discount Notes which are rated P-1 by Moody’s and A-1+ by Standard & Poor’s.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

B. **CASH AND TEMPORARY INVESTMENTS** (Continued)

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, – 100%; (d) collateralized repurchase agreements – 100%; (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 2023, 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, 2023
(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, 2023.

Fair values of assets measured on a recurring basis at December 31, 2023 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Quoted Prices In Active Markets for Identical Assets Fair Value	(Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Agency securities	\$91,001,138	\$ -	\$91,001,138	\$ -

The following is a summary of the carrying value of the District's cash and investments at December 31, 2023:

	<u>Fair Value</u>	<u>Rating</u>	<u>Percent of Total Investments</u>
Agency securities	\$ 91,001,138	n/a	76.9%
Petty cash	100	n/a	-
Bank deposits	27,280,505	n/a	23.1%
Total Cash and Temporary Investments	\$118,281,743		100%

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

C. LEASE RECEIVABLE

In 2020, the District entered into a lease with a limited liability company (LLC). Under the lease, the LLC pays the District \$1,200,000 per year through March 2025 in exchange for real estate and parking. There are no variable lease components under this lease agreement. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 4.41%, which was the two year risk-free treasury rate as of December 31, 2022. There were no changes to this lease during the year ended December 31, 2023.

The net present value of the minimum lease payments expected to be received as of December 31, 2023 are as follows:

	2024	\$1,200,000
	2025	<u>300,000</u>
Total lease payments to be received		1,500,000
Amount representing interest		(<u>43,197</u>)
Present value of lease receivable		<u><u>\$1,456,803</u></u>

In fiscal year 2023, the District recognized \$1,079,097 of lease revenue and \$90,916 of interest revenue under the lease.

D. RIGHT TO USE LEASED ASSETS

The District has recorded right to use leased assets. The assets are right to use assets for leased office space and storage space. The related leases are discussed in Note G. The right to use leased assets are amortized on a straight-line basis over the term of the related leases.

Right to use assets activity for the year ended December 31, 2023, was as follows:

	Balance, December 31, 2022	Additions	Deductions	Balance, December 31, 2023
Right to Use Leased Assets – Leased Space	\$2,013,623	\$ -	\$ -	\$2,013,623
Less: accumulated amortization	(572,160)	(214,560)	-	(786,720)
Right to Use Leased Assets, Net	<u>\$1,441,463</u>	<u>(\$214,560)</u>	<u>\$ -</u>	<u>\$1,226,903</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

E. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2023:

	Balance, January 1, 2023	Additions	Transfers and Deductions	Balance, December 31, 2023
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$27,890,423	\$ 88,083	\$ -	\$27,978,506
Construction in progress	<u>35,944,267</u>	<u>12,907,182</u>	<u>(3,363,085)</u>	<u>45,488,364</u>
Total Capital Assets Not Being Depreciated	<u>63,834,690</u>	<u>12,995,265</u>	<u>(3,363,085)</u>	<u>73,466,870</u>
Capital Assets Being Depreciated:				
Site and leasehold improvements	93,478,207	-	-	93,478,207
Automobiles	166,376	48,910	-	215,286
Equipment and furniture	<u>1,325,396</u>	<u>119,521</u>	<u>-</u>	<u>1,444,917</u>
Total Capital Assets Being Depreciated	<u>94,969,979</u>	<u>168,431</u>	<u>-</u>	<u>95,138,410</u>
Less accumulated depreciation for:				
Site and leasehold improvements	(71,467,556)	(4,718,805)	-	(76,186,361)
Automobiles	(83,832)	(28,478)	-	(112,310)
Equipment and furniture	<u>(823,636)</u>	<u>(145,036)</u>	<u>-</u>	<u>(968,672)</u>
Total Accumulated Depreciation	<u>(72,375,024)</u>	<u>(4,892,319)</u>	<u>-</u>	<u>(77,267,343)</u>
Capital Assets, Net	<u>\$86,429,645</u>	<u>\$8,271,377</u>	<u>(\$3,363,085)</u>	<u>\$91,337,937</u>

F. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

<u>Description and Purpose</u>	Balance January 1, 2023	Issued	Retired	Balance December 31, 2023	Due Within One Year
Sales tax appropriation bonds 2020	\$ 3,265,000	\$ -	\$ -	\$ 3,265,000	\$3,265,000
Sales tax appropriation bonds 2020	7,825,000	-	1,935,000	5,890,000	1,955,000
Sales tax appropriation bonds 2021	15,680,000	-	-	15,680,000	2,265,000
Sales tax appropriation bonds 2021	51,325,000	-	-	51,325,000	5,720,000
Bond premium – 2021	<u>3,381,441</u>	-	<u>319,506</u>	<u>3,061,935</u>	-
	<u>\$81,476,441</u>	<u>\$ -</u>	<u>\$2,254,506</u>	<u>\$79,221,935</u>	<u>\$13,205,000</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

F. **LONG-TERM DEBT** (Continued)

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 principal and interest payment scheduled for December 30, 2023, was delayed due to timing of the bank holiday and the funds were disbursed on January 2, 2024. 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, 2023, including interest payments, are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$3,265,000	\$15,672	\$3,280,672

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, 2023, including interest payments, are as follows:

<u>Years Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$5,890,000</u>	<u>\$105,434</u>	<u>\$5,995,434</u>

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 principal and interest payment scheduled for December 30, 2023, was delayed due to timing of the bank holiday and the funds were disbursed on January 2, 2024.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

F. **LONG-TERM DEBT** (Continued)

The annual requirements to amortize the 2021 sales tax appropriation bonds as of December 31, 2023, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,265,000	\$1,041,625	\$ 3,306,625
2025	1,220,000	618,000	1,838,000
2026	1,280,000	557,000	1,837,000
2027	1,345,000	493,000	1,838,000
2028	1,410,000	425,750	1,835,750
2029-2033	<u>8,160,000</u>	<u>1,015,400</u>	<u>9,175,400</u>
Total	<u>\$15,680,000</u>	<u>\$4,150,775</u>	<u>\$19,830,775</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 principal and interest payment scheduled for December 30, 2023, was delayed due to timing of the bank holiday and the funds were disbursed on January 2, 2024. 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, 2023, including interest payments, are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 5,720,000	\$1,336,472	\$ 7,056,472
2025	4,740,000	757,043	5,497,043
2026	4,820,000	678,359	5,498,359
2027	4,900,000	598,347	5,498,347
2028	4,980,000	517,007	5,497,007
2029-2033	<u>26,165,000</u>	<u>1,317,044</u>	<u>27,482,044</u>
Total	<u>\$51,325,000</u>	<u>\$5,204,272</u>	<u>\$56,529,272</u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

F. **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 \$85,636,153. During the current year, sales tax revenue was \$38,099,224 compared to approximate annual debt service requirements of \$8,563,615.

G. **LEASES PAYABLE**

The District leases office space and storage space under two agreements which expire in 2025 and 2030.

There are no variable payment components of the leases. The lease expiring in 2025 is measured at a discount rate of 4.41%, which was the two year risk-free treasury rate as of December 31, 2022. The lease expiring in 2030 is measured at a discount rate of 3.96%, which was the seven year risk-free treasury rate as of December 31, 2022. There were no changes to these leases during the year ended December 31, 2023. As a result of these leases, the District has recorded right to use assets with a net book value of \$1,226,903 at December 31, 2023. The right to use assets is discussed in Note D.

Future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2023 are as follows:

	2024	\$ 253,813
	2025	240,021
	2026	239,275
	2027	243,493
	2028	252,437
	Thereafter	<u>342,547</u>
	Total lease payments	1,571,586
	Amount representing interest	(<u>185,021</u>)
	Present value of future lease payments	<u><u>\$1,386,565</u></u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

H. 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 \$158,482 for the year ended December 31, 2023.

I. TRANSFERS

The District transferred \$5,418,725 from the General Fund to the Debt Service Fund for payments associated with outstanding debt.

J. TRANSACTIONS WITH COMPONENT UNIT

The value of donated services included contributions of non-financial assets for the Foundation in the financial statements and the corresponding expenses for the year ended December 31, 2023 are as follows:

Salaries and benefits	\$296,128
Professional fees	88,562
Office and support	<u>30,090</u>
	<u>\$414,780</u>

The Foundation administers grants to fund certain programs of the District. For the year ended December 31, 2023, these grants totaled \$2,270,064. Additionally, the Foundation transferred unrestricted funds totaling \$96,472 to the District during the year ended December 31, 2023 as reimbursement for various improvements to greenways. The transfers to the District for the year ended December 31, 2023 include \$1,381,239 accrued to the District at December 31, 2023.

K. 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.

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023
(Continued)

L. **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 \$22,529,602 at December 31, 2023.

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, 2023.

**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, 2023

	Budgeted Amounts		Actual	Variances - Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES					
Sales taxes	\$ 35,433,237	\$ 35,433,237	\$ 38,099,224	\$ -	\$ 2,665,987
Investment return	900,000	3,300,000	3,320,538	(2,400,000)	20,538
Contributions and grants	7,345,090	6,222,739	4,642,730	1,122,351	(1,580,009)
Miscellaneous income	1,200,000	1,200,000	1,252,516	-	52,516
Total Revenues	<u>44,878,327</u>	<u>46,155,976</u>	<u>47,315,008</u>	<u>(1,277,649)</u>	<u>1,159,032</u>
EXPENDITURES					
Current					
Salaries and fringe benefits	4,810,147	4,810,147	4,301,807	-	508,340
Contractual and professional services	1,178,500	1,178,500	806,721	-	371,779
Office and support	545,607	545,607	364,683	-	180,924
Space and occupancy	<u>297,653</u>	<u>297,653</u>	<u>291,122</u>	-	<u>6,531</u>
	6,831,907	6,831,907	5,764,333	-	1,067,574
Capital expenditures	85,000	85,000	51,897	-	33,103
Project expenditures	24,621,759	22,748,211	17,929,949	1,873,548	4,818,262
Contributions - Other Governmental Agencies	<u>5,261,171</u>	<u>3,804,277</u>	<u>3,589,986</u>	<u>1,456,894</u>	<u>214,291</u>
Total Expenditures	<u>36,799,837</u>	<u>33,469,395</u>	<u>27,336,165</u>	<u>3,330,442</u>	<u>6,133,230</u>
Excess of Revenues Over Expenditures	8,078,490	12,686,581	19,978,843	4,608,091	7,292,262
OTHER FINANCING (USES)					
Transfers in (out)	<u>(9,370,392)</u>	<u>(9,370,392)</u>	<u>(5,418,725)</u>	-	<u>3,951,667</u>
Net Change in Fund Balance	<u>(\$ 1,291,902)</u>	<u>\$ 3,316,189</u>	14,560,118	<u>\$ 4,608,091</u>	<u>\$ 11,243,929</u>
FUND BALANCE, Beginning of year			<u>72,261,406</u>		
FUND BALANCE, End of year			<u>\$ 86,821,524</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, 2023

A. **BUDGETS AND BUDGETARY ACCOUNTING**

As set forth in the Bylaws of the Board of Directors, the District's Chief Executive Officer 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.

**SUPPLEMENTARY
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, 2023

OPERATIONS

Salaries and Fringe Benefits	
Salaries	\$ 3,404,228
Fringe benefits	622,840
Payroll taxes	<u>274,739</u>
Total Salaries and Fringe Benefits	<u><u>\$ 4,301,807</u></u>

Contractual and Professional Services	
Professional fees	\$ 403,885
Legal fees	373,210
Accounting and auditing fees	<u>29,626</u>
Total Contractual and Professional Services	<u><u>\$ 806,721</u></u>

Office and Support	
Software maintenance	\$ 85,810
Insurance	68,683
Supplies	37,275
Conferences	28,481
Telephone	28,139
Miscellaneous	26,944
Advertising	20,684
Dues and subscriptions	15,937
Travel and parking fees	14,831
Printing	13,522
Meeting expense	10,349
Equipment rental	9,445
Postage and shipping	4,517
Taxes and licenses	<u>66</u>
Total Office and Support	<u><u>\$ 364,683</u></u>

Space and Occupancy	
Rent	\$ 244,663
Maintenance and cleaning	<u>46,459</u>
Total Space and Occupancy	<u><u>\$ 291,122</u></u>

Metropolitan Park and Recreation District
d/b/a The Great Rivers Greenway District
SCHEDULE OF EXPENDITURES - GENERAL FUND
For the Year Ended December 31, 2023
(Continued)

OPERATIONS

Capital Expenditures	<u>\$ 51,897</u>
Project Expenditures	
Brickline Greenway	6,164,389
Mississippi Greenway	5,138,364
CAR 3/16th Greenway	3,407,019
Collaborative Planning	2,760,399
Centennial Greenway	1,299,145
St. Vincent Greenway	686,340
Meramec Greenway	681,734
Dardenne Greenway	497,314
Maline Greenway	454,011
Deer Creek Greenway	343,672
River Des Peres Greenway	46,640
Gravois Greenway	<u>40,908</u>
Total Project Expenses	<u>\$ 21,519,935</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, 2023, 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 11, 2024.

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 11, 2024