PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2026

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PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2026

INDEPENDENT AUDITORS' REPORT		1
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)		4
BASIC FINANCIAL STATEMENTS		
STATEMENT OF NET POSITION		14
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION		16
STATEMENT OF CASH FLOWS		17
NOTES TO BASIC FINANCIAL STATEMENTS		19
SUPPLEMENTARY INFORMATION (UNAUDITED)		
SCHEDULE CUPPLES GARAGE		
SCHEDULE OF ASSETS, LIABILITIES, AND FUND NET POSITION	1	48
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	2	49

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of
the Board of Aldermen of the
City of St. Louis, Missouri
Parking Division – City of St. Louis, Missouri
St. Louis, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Parking Division (an enterprise fund) of the City of St. Louis, Missouri (Parking Division) as of and for the year ended June 30, 2026 and the related notes to the financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Parking Division as of June 30, 2026, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Parking Division 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Parking Division and do not purport to, and do not, present fairly the financial position of the City of St. Louis, Missouri, as of June 30, 2026, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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.

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Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parking Division'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.

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 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS 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 financial statements, and other knowledge we obtained during our audit of the 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.

Honorable Mayor and Members of
the Board of Aldermen of the
City of St. Louis, Missouri
Parking Division – City of St. Louis, Missouri

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Schedule 1 and Schedule 2, which are the responsibility of management, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2026, on our consideration of Parking Division'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 Parking Division'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 Parking Division's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Louis, Missouri
October 22, 2026

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PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026
(UNAUDITED)
(IN THOUSANDS)

Overview of the Financial Statements

Our discussion and analysis of the Parking Division of the City of St. Louis, Missouri (Parking Division) for the City of St. Louis, Missouri's (the City) financial performance provides an overview of the Parking Division's financial activities for the fiscal year ended June 30, 2026. Please read it in conjunction with the Parking Division's financial statements, which are attached.

The Parking Division

The Parking Division manages off-street parking, on-street parking meters, and on-street parking enforcement programs. Off-street parking includes seven operating parking garages and multiple surface parking lots. The on-street parking system comprises over 7,600 parking meters/spaces throughout downtown and in a number of key commercial and institutional districts outside of downtown. The on-street parking enforcement division enforces parking ordinances, primarily in the areas of the City, where parking meters are installed.

Using this Annual Report

The Parking Division is an enterprise fund, which is similar to a business-type activity in which the fees charged to customers are structured to cover the costs of the services provided. This annual report consists of a series of financial statements. The statements of net position and the statements of revenues, expenses, and changes in net position help answer the following question: Is the Parking Division fiscally better off or worse off than the year before? These statements are intended to account for all assets, deferred outflow of resources, liabilities, and deferred inflow of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. These statements also include the activities of the City of St. Louis Parking Commission Finance Corporation (SLPCFC) as a blended component unit.

Financial Summary

A condensed summary of the Parking Division's net position at June 30 is shown below:

			Change	
	2026	2025	Amount	Percent
ASSETS				
Current Assets	$ 5,620	$ 6,696	$ (1,076)	(16)%
Capital Assets	54,247	55,526	(1,279)	(2)
Other Noncurrent Assets	6,513	7,511	(998)	(13)
Total Assets	66,380	69,733	(3,353)	(5)
DEFERRED OUTFLOW OF RESOURCES	3,217	3,518	(301)	(9)
Total Assets and Deferred Outflow of Resources	$ 69,597	$ 73,251	$ (3,654)	(5)

Using this Annual Report (Continued)

	2026	2025	Change Amount	Change Percent
LIABILITIES				
Current Liabilities	$ 7,450	$ 7,267	$ 183	3 %
Noncurrent Liabilities	33,606	38,695	(5,089)	(13)
Total Liabilities	41,056	45,962	(4,906)	(11)
DEFERRED INFLOW OF RESOURCES	2,089	2,121	(32)	(2)
Total Liabilities and Deferred Inflow of Resources	43,145	48,083	(4,938)	(10)
NET POSITION				
Net Investment in Capital Assets	23,749	21,091	2,658	13
Restricted - Bond Reserve Funds	5,896	5,738	158	3
Unrestricted	(3,193)	(1,661)	(1,532)	92
Total Net Position	26,452	25,168	1,284	5
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 69,597	$ 73,251	$ (3,654)	(5)

Total Assets and Deferred Outflow of Resources: Total current assets decreased from last year by $1,076, mainly due to a decrease in unrestricted investments of $1,654 and an increase in restricted cash of $606. The $1,279 decrease in net capital assets is due to an increase in assets of $1,677 offset by depreciation expense of $2,761 for the year. The decrease in other noncurrent assets of $998 is due to a decrease in restricted investments of $449, the amortization of Right to Use Assets and Subscription IT Assets of $136 and the recognition of deferred inflow of resources on lease receivables netted against new leases, equal to $382. Deferred outflow of resources decreased $301 due to a $21 increase relating to differences between expected and actual experience and contributions made subsequent to the measurement date for the pension plan investments and by the annual decrease of $347 for bond amortization.

Total Liabilities and Deferred Inflow of Resources: Current liabilities increased $183 mainly due to an increase in accrued medical benefits of $131, an increase in the current portion of revenue bonds of $180 and a decrease in unearned revenue of $88. Noncurrent liabilities decreased $5,089 due to bond principal payments and amortization of $4,304 and a decrease in the net pension liability of $609. The $32 decrease in deferred inflow of resources as due to a $320 increase relating to a net difference between the projected and actual earnings and changes in proportion on the pension plan investments, and a $332 decrease for subsequent entries relating to Statement No. 87, Leases (GASB 87) for lessor obligations.

Using this Annual Report (Continued)

Financial highlights and analytics of the Parking Division:

	2026	2025	Change Amount	Change Percent
OPERATING REVENUES	$ 21,015	$ 20,516	$ 499	2 %
OPERATING EXPENSES	18,033	17,809	224	1
OPERATING INCOME	2,982	2,707	275	10
NONCAPITAL SUBSIDIES				
Transfers In	350	370	(20)	(5)
Transfer Out	(1,249)	(1,198)	(51)	4
Total Noncapital Subsidies	(899)	(828)	(71)	9
OPERATING INCOME AND NONCAPITAL SUBSIDIES	2,083	1,879	204	11
OTHER NONOPERATING EXPENSES	(799)	(757)	(42)	6
INCREASE IN NET POSITION	1,284	1,122	162	14
Net Position - Beginning of Year	25,168	24,046	1,122	5
NET POSITION - END OF YEAR	$ 26,452	$ 25,168	$ 1,284	5

Operating Revenues: Operating revenues increased 2% from fiscal year 2025. Parking ticket violations revenue increased $1,180 (30%) due to reinstituting booting and towing in March 2026, which resulted in an increase of $732. Meter revenue decreased by 6% and garage revenues decreased from last year by 2%. Rental revenue and contract revenue were down 6%.

Operating Expenses: Operating expenses increased 1% from fiscal year 2025. Personnel expenditures increased by 1% due to the addition of GASB 101 accrued medical benefits of $131 and a salary increase for all FTEs for 2%. There was a 33% increase in material and supplies due to computer upgrades and batteries/mainboards for Flowbird paystations. Noncapitalizable repairs had a decrease of 11% due to earnest money and engineering requirements being incurred in FY25. Depreciation and amortization expense decreased by 8%.

Using this Annual Report (Continued)

Noncapital Subsidies: Noncapital subsidies decreased 9%, driven by a 10% decrease in Office of Financial Empowerment funding, partially offset by a 12% increase in General Fund funding. The Parking Division, per State Statutes, may transfer up to 40% of the increase in net position to the General Fund of the City. The Parking Division was able to contribute $874 to the General Fund of the City for fiscal year 2026. In addition, the Parking Division did a transfer of $376 to the Office of Financial Empowerment, a Special Revenue Fund for the City of St. Louis, per approval of the Parking Commission. Transfers-in traditionally represent the funds received from the Taxable Increment Financing (TIF) Districts on the Euclid/Buckingham Garage. TIF revenues of $350 were received for Euclid/Buckingham.

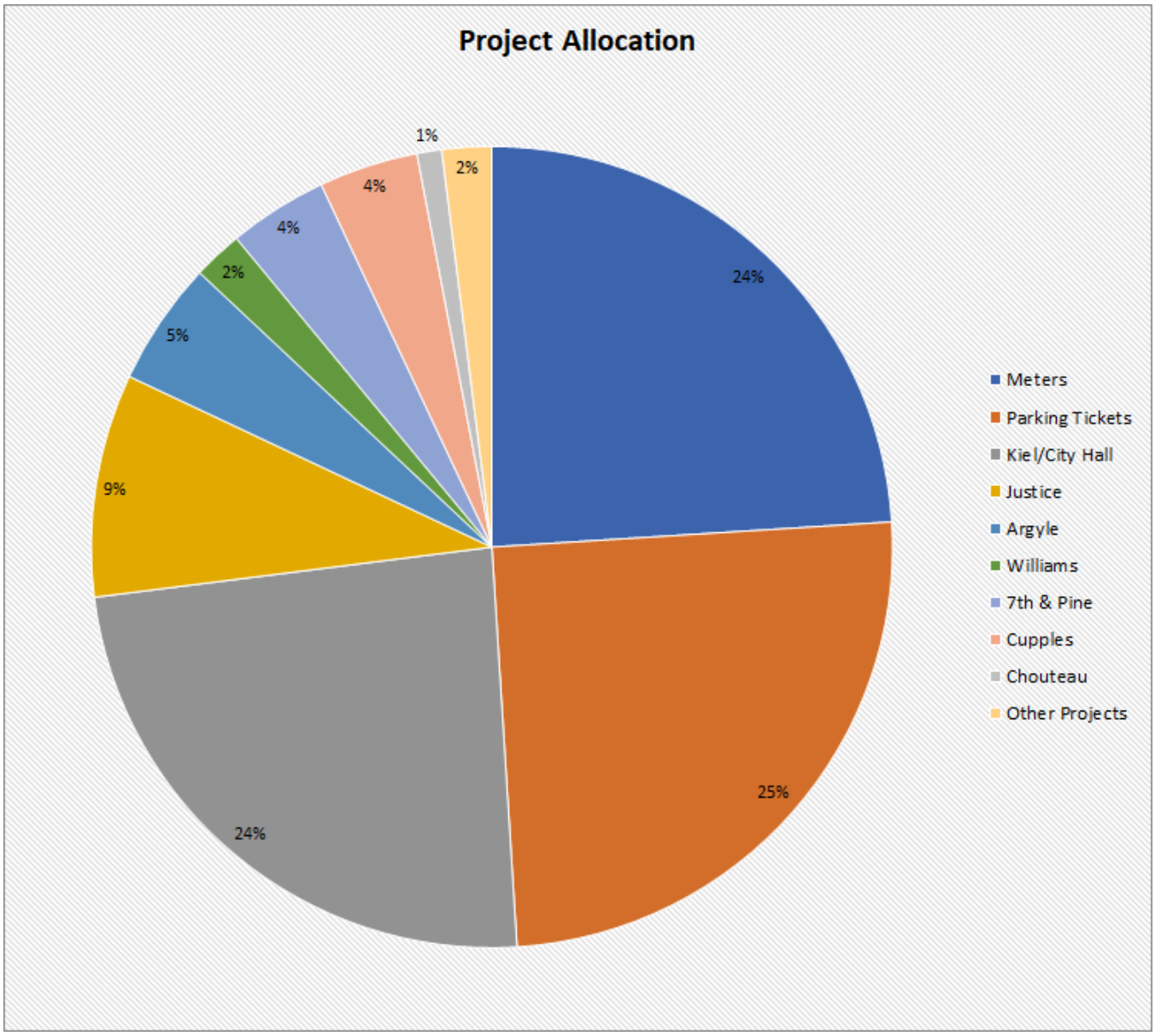
Nonoperating Expenses, Net: The current year's nonoperating expenses, net increased 6% due to a 27% decrease in investment income offset by a 9% decrease in bond interest expense.

Net Position: The Parking Division's total net position increased 5% in fiscal year 2026. The main reason for this increase is due to the 2% increase in Operating Revenues associated with reinstituting the policy of booting and towing.

Detailed Analysis

Revenues, Expenses, and Changes in Net Position

The following chart shows the major sources of operating revenues and their percentage share of total operating revenues for the year ended June 30, 2026:



Revenues, Expenses, and Changes in Net Position (Continued)

The following table summarizes all Parking Division operating revenues and their change from the previous year:

	2026	2025	Change Amount	Change Percent
Parking Meters	$ 5,050	$ 5,370	$ (320)	(6)%
Parking Violation Notices	5,163	3,983	1,180	30
Kiel Parking Project	4,989	5,147	(158)	(3)
7th and Pine Garage	856	860	(4)	(0.5)
Argyle Garage	1,120	1,021	99	10
Williams Lot	477	536	(59)	(11)
Justice Garage	1,853	1,956	(103)	(5)
Euclid/Buckingham Garage	243	213	30	14
Abrams Garage	221	242	(21)	(9)
Cupples Garage	725	738	(13)	(2)
Rental Property (Chouteau Building)	112	270	(158)	(59)
Miscellaneous	206	180	26	14
Total Operating Revenues	$ 21,015	$ 20,516	$ 499	2 %

Parking Meters: Gross parking meter revenue decreased $320. The Parking Division continues to implement the Pay By Plate technology, but there has been a noticeable decrease in parking needs in the downtown area. The number of parking enforcement officers also continues to be below budget, with FY26 having 22 FTEs against a budget of 27 FTEs.

Parking Violation Notices: Gross parking violation notice revenues increased $1,180. The Parking Division reinstituted booting and towing in March 2026 which resulted in an increase of $732. In addition, patrons are paying delinquent tickets to prevent booting/towing.

Kiel Parking Project: Revenue from the Kiel Garage Project decreased $158 or 3%, in fiscal year 2026. This is mainly due to a decrease in transient parking and event parking of 16% and 1%, respectively. Monthly parking experienced an increase of 2%.

7th & Pine Garage: The revenues at the 7th & Pine Garage decreased $4, in fiscal year 2026. Transient parking increased by $23 or 15%. Monthly parking remained constant with an increase of $2 or 1% and event parking was $0 for fiscal year 2026, which was a $6 decrease or 100%. Rental revenue decreased $8 or 6% due to requested lease abatements.

Argyle Garage: The revenues at the Argyle Garage increased by approximately $99 or 10%, in fiscal year 2026. Monthly parking increased at this facility by $46 or 14%. Transient parking remained constant at this facility. Argyle rental revenue increased $41 or 25% due to lease agreement base rent increases and a full year of rental income for one tenant in fiscal year 2026.

Revenues, Expenses, and Changes in Net Position (Continued)

Williams Lot: The revenues at Williams Lot decreased by $59 or 11%, in fiscal year 2026. Monthly parking experienced an increase of $29 or 305%, but event parking decreased $90 or 17%.

Justice Garage: The revenues at Justice Garage decreased by $103 or 5%, in fiscal year 2026. Monthly parking increased at this facility by $5 or 1%. Transient and event parking decreased 5% and 12%, respectively. Justice's garage continues to have one rental space and rental revenue remained constant.

Euclid/Buckingham Garage: The revenues at the Euclid/Buckingham Garage increased by $30 or 14%, in fiscal year 2026. Monthly parking increased by $33 or 23%. Transient parking decreased at this facility by $6 or 9%.

Abrams Garage: The revenues at Abrams Garage decreased by $21 or 9% in fiscal year 2026. This is mainly due to event parking for the Stifel Theater decreasing $18 or 17%, with monthly parking remaining constant.

Cupples Garage: The revenues at Cupples decreased by $12 or 2%, in fiscal year 2026. Monthly parking increased $81 or 22%. Event parking was down $101 or 29%.

Rental Property (Chouteau Building): The Chouteau Building is an office building located next to the Justice Garage. The building houses the executive, fiscal, and personnel offices of the Parking Division. Approximately 57% of the building's office space is occupied by various professional businesses (including the Parking Division), which is a decrease of 14% from fiscal year 2025. Lease revenues decreased by $158 or 59% due to one tenant, which occupied 23% of the building's office space, leaving in July, 2025, reflecting a full year of vacancy in fiscal 2026.

Miscellaneous: Miscellaneous revenues increased $25 or 14%, mainly due to an increase in parking permit zone revenue of $60 (366%) coupled with a decrease in meter contract revenue of $32 or (22%).

The following table summarizes the operating expenses for the current year compared to the prior year:

	2026	2025	Change Amount	Change Percent
Personnel Services	$ 7,261	$ 7,167	$ 94	1 %
Materials and Supplies	405	305	100	33
Contractual Services	1,366	1,286	80	6
Utilities	341	318	23	7
Insurance	389	353	36	10
Bank Fees	516	475	41	9
Operating Services	3,901	3,725	176	5
Noncapitalizable Repairs	826	931	(105)	(11)
Interfund Services Used	132	118	14	12
Depreciation and Amortization	2,896	3,131	(235)	(8)
Total Operating Expenses	$ 18,033	$ 17,809	$ 224	1 %

Revenues, Expenses, and Changes in Net Position (Continued)

Personnel Services: Personnel salaries and benefits remain the largest annual expense of the Parking Division, representing 40% of total expenses for fiscal year 2026. In fiscal year 2026, personnel expenditures increased $94 and 1%, respectively, due to the addition of GASB 101 accrued medical benefits of $131 and a salary increase for all FTEs for 2%.

Materials and Supplies: Materials and supplies increased $100 or 33% in fiscal year 2026 due to computer upgrades and batteries/mainboards for Flowbird paystations.

Contractual Services: Contractual service costs increased 6% due to increased security expense of 22%, financial and technology consultants of 5% and a decrease in legal fees of 11%.

Utilities: Utilities increased 7% due to an increase in winter heating costs in the garage facilities of 13%.

Insurance: Insurance increased 10% due to insurance industry rates increasing on average of 10% - 15%.

Bank Fees: Merchant processing fees increased 11%. Monthly parkers were charged processing fees, equal to $29 for a full year, which offset total merchant fees paid. The increase in parking violations being paid online of 25% also contributed to an increase of merchant fees.

Operating Services: Operating services increased 5% due to the maximization of the outsourced ticket processing fees associated with booting/towing.

Noncapitalizable Repairs: Noncapitalizable repairs decreased by 11% due to earnest money and engineering requirements for the Parrish Laundry project and the Kimley Horn 10-year maintenance study for the garages, both occurring in fiscal 2025.

Interfund Services Used: Interfund services represent the cost allocation fees charged to the Parking Division by the General Fund of the City of St. Louis for using City services. These base costs experienced a 12% increase in fiscal year 2026

Depreciation and Amortization: Depreciation expense decreased by 5% due to an increase in fully depreciated assets of 1% and most additions for fiscal year 2026 being capitalized in the last six months. Amortization expense decreased 36% due to the Konica lease being completed in fiscal year 2025.

Significant Capital Asset and Long-Term Financing Activity

The Parking Division received an "A" rating from Standard & Poor's in 2026 on the senior-lien parking revenue bonds Series 2016. At the same time, they affirmed the Parking Division's 'A-' rating on the City's subordinate-lien parking revenue bonds Series 2015A and 2015B.

Additional information on capital assets and long-term debt can be found in notes 4 and 6, respectively, to the basic financial statements. During fiscal year 2026, we have focused on garage security issues by beginning elevator restorations in all facilities ($275), installing LED lighting in Justice garage ($148), completing roof repairs at Kiel garage ($303) and installing fencing at Cupples garage ($54.) The Parking Division also continued to upgrade our fleet because of excessive repairs and breakdowns with the older vehicles ($400).

Currently Known Facts, Decisions, or Conditions

The Parking Division submitted a budget reflecting $1,061 in excess revenues over expenses for fiscal year 2027. The revenue budget was developed based on events that are scheduled for downtown St. Louis, as well as incorporating a delinquent ticket contractual service that was awarded during the parking maintenance RFP process in 2024. The operating expenditure budget included continued focus on garage facility/ground needs and a focus on switching to "pay by app" for the meters. This focus will require additional signage, a conversion of meter posts and additional LPR technology.

Contacting the Parking Division's Financial Management

This financial report is designed to provide our citizens and creditors with a general overview of the Parking Division's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office, 1200 Market Street, City Hall – Room 220, Saint Louis, Missouri.

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BASIC FINANCIAL STATEMENTS

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
STATEMENT OF NET POSITION
JUNE 30, 2026
(IN THOUSANDS)

ASSETS		
Current Assets:		
Cash and Cash Equivalents:		
Restricted	$	1,025
Unrestricted		1,934
Investments – Unrestricted		2,014
Receivables		216
Lease Receivable		412
Due From the City of St. Louis, Missouri		19
Total Current Assets		5,620
Noncurrent Assets:		
Investments – Restricted		4,871
Lease Receivable		939
Capital Assets, Net:		
Nondepreciable – CWIP		116
Nondepreciable – Land		22,053
Depreciable		32,078
Right-to-Use Lease and Subscription IT Asset, Net		451
Intangible and Other Assets, Net		252
Total Noncurrent Assets		60,760
Total Assets		66,380
DEFERRED OUTFLOW OF RESOURCES		
Deferred Debt Related Items		2,491
Deferred Pension Related Items		726
Total Deferred Outflow of Resources		3,217
Total Assets and Deferred Outflow of Resources	$	69,597

See accompanying Notes to Basic Financial Statements.

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2026
(IN THOUSANDS)

LIABILITIES		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable and Accrued Expenses	$	434
Accrued Salaries and Other Benefits		342
Accrued Vacation and Compensatory Benefits		355
Current Portion of Lease and Subscription IT Liabilities		144
Due To the City of St. Louis, Missouri		1,019
Due To Other Governmental Agencies		12
Unearned Revenue and Other Deposits		951
Total Payable from Unrestricted Assets		3,257
Payable from Restricted Assets:		
Accrued Interest		77
Current Portion of Revenue Bonds Payable		4,116
Total Payable from Restricted Assets		4,193
Total Current Liabilities		7,450
Noncurrent Liabilities:		
Revenue Bonds Payable, Net		28,729
Lease and Subscription IT Liabilities		313
Net Pension Liability		3,979
Other		585
Total Noncurrent Liabilities		33,606
Total Liabilities		41,056
DEFERRED INFLOW OF RESOURCES		
Deferred Debt Related Items		136
Deferred Pension Related Items		725
Deferred Lease Related Items		1,228
Total Deferred Inflow of Resources		2,089
Total Liabilities and Deferred Inflow of Resources		43,145
NET POSITION		
Net Investment in Capital Assets		23,749
Restricted – Bond Reserve Funds		5,896
Unrestricted		(3,193)
Total Net Position		26,452
Total Liabilities, Deferred Inflow of Resources, and Net Position	$	69,597

See accompanying Notes to Basic Financial Statements.

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2026
(IN THOUSANDS)

OPERATING REVENUES		
Parking Meters	$	5,050
Parking Violation Notices		5,163
Parking Facilities		10,485
Rental Property		112
Miscellaneous		205
Total Operating Revenues		21,015
OPERATING EXPENSES		
Personnel Services		7,261
Materials and Supplies		405
Contractual Services		1,366
Utilities		341
Insurance		389
Bank Fees		516
Operating Services		3,901
Noncapitalizable Repairs		826
Interfund Services Used		132
Depreciation and Amortization		2,896
Total Operating Expenses		18,033
OPERATING INCOME		2,982
NONCAPITAL SUBSIDIES		
Transfers In		350
Transfer Out		(1,249)
Total Noncapital Subsidies		(899)
OPERATING INCOME AND NONCAPITAL SUBSIDIES		2,083
OTHER NONOPERATING REVENUES (EXPENSES)		
Net Investment Income		540
Interest and Debt Service Expenses		(1,380)
Other		41
Total Other Nonoperating Revenues (Expenses)		(799)
INCREASE IN FUND NET POSITION		1,284
Fund Net Position - Beginning of Year		25,168
FUND NET POSITION - END OF YEAR	$	26,452

See accompanying Notes to Basic Financial Statements.

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2026
(IN THOUSANDS)

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$	20,736
Other Operating Cash Receipts		205
Payments to Suppliers of Goods and Services		(7,922)
Payments to Employees		(7,479)
Net Cash Provided by Operating Activities		5,540
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Funds From the State of Missouri		41
Transfers From the City of St. Louis, Missouri TIF Districts		350
Transfers To the City of St. Louis, Missouri Office of Financial Empowerment		(376)
Transfers To the City of St. Louis, Missouri – 40%		(874)
Net Cash Used by Noncapital Financing Activities		(859)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets		(1,465)
Principal Paid on Right-to-Use Lease and Subscription IT		(142)
Interest Paid on Right-to-Use Lease and Subscription IT		(4)
Principal Paid on Revenue Bonds Payable		(3,936)
Interest Paid on Revenue Bonds Payable		(1,255)
Net Cash Used by Capital and Related Financing Activities		(6,802)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments		(13,182)
Proceeds from Maturities of Investments		15,285
Investment Gain on Cash and Investments		541
Net Cash Provided by Investing Activities		2,644
NET INCREASE IN CASH AND CASH EQUIVALENTS		523
Cash and Cash Equivalents - Beginning of Year		2,436
CASH AND CASH EQUIVALENTS - END OF YEAR	$	2,959

See accompanying Notes to Basic Financial Statements.

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2026
(IN THOUSANDS)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	$	2,982
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization		2,896
Change in Assets and Liabilities:		
Decrease in Receivables		5
Decrease in Lease Receivables		8
Decrease in Intangible and Other Assets, Net		21
Decrease in Accounts Payable and Accrued Expenses		(20)
Increase in Accrued Salaries and Other Benefits		48
Increase in Accrued Vacation and Compensatory Benefits		110
Decrease in Due to City of St. Louis, Missouri, and Other Government Agencies		(46)
Decrease in Unearned Revenue and Other Deposits		(88)
Decrease in Net Pension Liability		(335)
Decrease in Other Noncurrent Liabilities		(41)
Net Cash Provided by Operating Activities	$	5,540
SUPPLEMENTAL DISCLOSURE FOR NONCASH INVESTING ACTIVITIES		
Unrealized Loss on Investments	$	13

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Parking Division of the City of St. Louis, Missouri (Parking Division) established by state statute, is operated by the City of St. Louis, Missouri (the City). The management of the Parking Division is no longer overseen by the Parking Commission pursuant to the Missouri Supreme Court decision in Wilson v. City of St. Louis, 662 S.W.3d 749, dated March 7, 2023. The Treasurer of the City of St. Louis is the Supervisor of Parking Meters and has full control over parking and the revenues generated by parking pursuant to Sections 82.485 and 82.487 of the Missouri Revised Statutes. The Supervisor of Parking Meters shall draw upon parking funds to pay all operating expenses, capital improvement expenses and debt obligations. At the end of each fiscal year, no more than 40% of the parking division fund net balance shall be transferred to the City's general revenue fund.

The Parking Division represents an enterprise fund of the City, and therefore, the financial statements of the Parking Division are not intended to present the financial position and changes in financial position or cash flows of the City as a whole in conformity with U.S. generally accepted accounting principles. The Parking Division operates over 7,700 parking meters and various off-street parking lots, garages, and parking zones.

A. Reporting Entity

The Parking Division's financial reporting entity consists of the Parking Division and the following blended component unit:

The City of St. Louis Parking Commission Finance Corporation (SLPCFC). The SLPCFC, a legally separate not-for-profit corporation established in 2003, is governed by a five-member board of directors as appointed by the Parking Commission with three officers. The SLPCFC finances the purchase of and owns, leases, and sells certain real property on behalf of the Parking Division. SLPCFC is considered to be a component unit of the Parking Division because the Parking Division is financially accountable for SLPCFC, as it appoints all of SLPCFC's directors and is able to impose its will on SLPCFC. SLPCFC provides services entirely to the Parking Division and is reported as if it were part of the Parking Division because its sole purpose is to lessen the burden on the Parking Division by coordinating real property transactions. Separate audited financial statements and notes that conform to U.S. generally accepted accounting principles for SLPCFC are not available.

B. Basis of Accounting

Governmental enterprise funds are used to account for operations of governmental entities that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting (Continued)

The financial statements of the Parking Division are reported using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting recognizes revenues when earned and expenses when incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In reporting financial activity, the Parking Division applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

Interest and other income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

The Parking Division distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Division's principal ongoing operations. Transactions that are capital, financing, or investing related are reported as nonoperating revenues. The principal operating revenues of the Parking Division are charges to customers for sales and services. Operating expenses for the Parking Division include the cost of sales and services, administrative expenses, and depreciation and amortization. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Capital Asset, Net

Capital assets, excluding intangible right-to-use lease and subscription IT assets, are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The contributions are reflected as capital contributions. Depreciation is computed using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives for depreciable capital assets are as follows:

Buildings, Land Improvements, and Parking Garages	5 to 40 Years
Equipment	5 to 15 Years
Parking Meters and Lot Equipment	5 to 10 Years

Nondepreciable assets include land.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Intangible and Other Assets, Net

Intangible and other assets, net of $252 at June 30, 2026, represent (1) a note receivable to assist in the tenant improvements for a leased parking lot; this intangible asset has a loan repayment schedule for 20 years, principal and interest; and 2) prepaid bond insurance on the Series 2015B and Series 2016 Parking Revenue Refunding Bonds issued on December 28, 2015, and November 25, 2016, respectively, being amortized over the life of the bond.

E. Amortization

Bond discounts are recorded as a reduction of the debt obligation. Bond premiums are recorded as an increase of the debt obligation. Both are recorded as a deferred charge. Such amounts are amortized using the straight-line method, which approximates the effective-interest method, over the term of the related revenue bonds. Bond issuance costs are expensed as incurred.

F. Compensated Absences

The liability for compensated absences reported in the financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

G. Revenues, Net

Parking meter revenues, net represents operating revenues collected in conjunction with the collection of parking meters, net of related outsourcing expenses. The outsourcing of parking meter collections and maintenance began on June 1, 2009. Gross parking meter revenues and outsourcing expenses for the year ended June 30, 2026 are as follows:

Parking Meter Revenues	$	5,050
Outsourcing Expenses		(2,339)
Parking Meter Revenues, Net	$	2,711

Parking violation notices revenues, net represents operating revenues collected in conjunction with the parking violations issued, net of related expenses and overpayments by citizens. Gross parking violation notices revenues and parking violation notices expenses for the year ended June 30, 2026 are as follows:

Parking Violation Notices Revenues and Related Boot Fees	$	5,163
Parking Violation Notices Expenses		(759)
Parking Violation Notices Revenues, Net	$	4,404

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Unearned Revenue and Other Deposits

Unearned revenue and other deposits represent a prepaid parking lease agreement in the Argyle Garage, which is being amortized over 40 years. At June 30, 2026, approximately 14 years remain on the lease. Other items include prepaid monthly parking and security deposits associated with the issuance of parking cards to monthly parkers.

I. Cash and Investments

For purposes of the statements of cash flows, cash and cash equivalents are defined as all highly liquid investments (including restricted assets) with a maturity of six months or less when purchased.

Investments are recorded at fair value. Fair values for investments are determined by closing market prices at year end, based on quotations from national security exchanges or by using other observable inputs as reported by the respective investment custodian.

The Parking Division invests in various investments. Investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the fair values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Parking Division to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, and deferred inflows of resources at fiscal year-end and revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Leases (Lessor)

The Parking Division is a lessor for various noncancellable leases of buildings. For leases with a maximum possible term of 12 months or less at commencement, the Parking Division recognizes income based on the provisions of the lease contract. For all other leases (i.e. those that are not short-term), the Parking Division recognizes a lease receivable and an offsetting deferred inflow of resources.

At lease commencement, the Parking Division initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. The Parking Division recognizes interest income on the lease receivable, and lease revenue from the deferred inflows of resources in a systematic and rational manner over the term of the lease.

Key estimates and judgments include how the Parking Division determines the (1) discount rate it uses to calculate the present value of the expected lease payments to be received, (2) lease term, and (3) lease payments to be received.

- The Parking Division uses its estimated incremental borrowing rate as the discount rate for leases. The Parking Division’s incremental borrowing rate for leases is based on the rate of interest it would need to pay if it issued revenue bonds.

- The lease term includes the noncancellable portion of the lease, plus any additional periods covered by either a Parking Division or lessee unilateral option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the Parking Division and the lessee have an option to terminate are excluded from the lease term.

- Lease payments to be received are evaluated by the Parking Division to determine if they should be included in the measurement of the lease receivable, including those payments that require a determination of whether they are reasonably certain of being received, such as base rent, percentage rent, and lease extension fees.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Lessor) (Continued)

The Parking Division monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease, the receivable is remeasured, and a corresponding adjustment is made to the deferred inflow of resources.

L. Subscription IT Arrangements

The Parking Division also has noncancellable subscription IT arrangements (similar to a lease) for the right-to-use information technology hardware and software (subscription IT arrangements).

1. Short-Term Subscription IT Arrangements

For subscription IT arrangements with a maximum possible term of 12 months or less at commencement, the Parking Division recognizes expense based on the provisions of the subscription IT arrangement, respectively.

2. Subscription IT Arrangements Other than Short-Term

The Parking Division initially measured the subscription IT liability at the present value of payments expected to be made during the subscription IT term. Subsequently, the subscription IT liability is reduced by the principal portion of subscription IT payments made. The subscription IT asset is initially measured as the initial amount of the subscription IT liability, less subscription IT payments made at or before the subscription IT commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any subscription IT incentives received at or before the subscription IT commencement date. Subsequently, the subscription IT asset is amortized into subscription IT expense on a straight-line basis over the term of the subscription IT arrangement.

The terms on the subscription IT range from 2.5 to 7.5 years. The discount rates used for the calculation of the subscription IT liability range from 2.54% to 3.79%, depending on the subscription IT term. Interest expense from the subscription IT totaled $15 for the year ended June 30, 2026. Subscription IT assets and subscription IT Liabilities were $987 and $457, respectively for the year ended June 30, 2026.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Adoption of New Accounting Pronouncements

During fiscal year 2026, the Parking Division implemented GASB Statement No 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The implementation resulted in changes to the Management's Discussion and Analysis, the presentation of certain financial statement elements, and related disclosures. The implementation did not result in significant changes to the Division's financial position or results of operations.

During fiscal year 2026, the Parking Division implemented GASB Statement No. 104, Disclosure of Certain Capital Assets. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets and to improve consistency and comparability among governments. The Parking Division evaluated the requirements of GASB Statement No. 104. Because the applicable assets were already presented separately, implementation did not require a change to the financial statements.

N. Reclassifications

Certain amounts reported in the prior year have been reclassified to conform to the current-year presentation requirements of GASB Statement No. 103, Financial Reporting Model Improvements. As a result, transfers in and transfers out, previously reported as nonoperating revenues and expenses in the Statements of Revenues, Expenses, and Changes in Net Position, have been reclassified as noncapital subsidies. These reclassifications were made to conform the prior-year presentation to the current-year classification requirements and had no effect on previously reported total net position or change in net position

NOTE 2 DEPOSITS AND INVESTMENTS

The Parking Division applies the provisions of GASB Statement No. 72, *Fair Value and Application*, for fair value measurements of financial assets and financial liabilities and for 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 the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets that the Parking Division has the ability to access at the 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 assets or liabilities.

Level 3 - Inputs are significant unobservable inputs for the asset. The Parking Division had no Level 3 assets as of June 30, 2026.

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2026:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Assets:			
U.S. Treasury Obligation	$ 2,484	$ 2,484	$ -
Obligations of the State	337	-	337
U.S. Government Agency Obligations	2,050	-	2,050
Certificates of Deposit	2,014	-	2,014
Total	$ 6,885	$ 2,484	$ 4,401

Investments are recorded at fair value. Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

The Parking Division deposits all cash with the Office of the Treasurer of the City, which maintains all banking relationships for the Parking Division.

Money market mutual funds are classified as cash and cash equivalents on the statements of net position, but as investments for custodial and other risk disclosure.

As of June 30, 2026, the Parking Division had the following cash, cash equivalents, and investments:

U.S. Treasury Obligations	$ 2,484
U.S. Government Agency Obligations	2,050
Obligations of the State	337
Certificates of Deposit	2,014
Total Investments	6,885
Money Market Mutual Funds	1,025
Cash Deposits	1,934
Total Cash, Cash Equivalents, and Investments	$ 9,844

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

State statutes and City investment policies authorize the deposit of funds in financial institutions. For City funds, investments may be made in obligations of the U.S. government or any agency or instrumentality thereof, bonds of the State of Missouri or any city within the State with a population of 400,000 inhabitants or more, or time certificates of deposit. In addition, the City may enter into repurchase agreements maturing and becoming payable within 90 days secured by U.S. Treasury obligations, obligations of U.S. government agencies, or instrumentalities of any maturity as provided by law.

A. Interest Rate Risk

The Parking Division seeks to minimize its exposure to fair value losses arising from changes in interest rates by selecting investments in adherence to the Investment Policy for the City of St. Louis, Missouri (the Investment Policy). The Investment Policy provides that, to the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities or make a time deposit with a stated maturity of more than five years from the date of purchase. The average maturity for collateral provided to the City for deposits in connection with a repurchase agreement shall not exceed five years without the written approval of the Treasurer. In connection with any outstanding bond issue, debt service reserve funds may be invested to a maximum maturity of 15 years and up to 30 years with the written approval of the Treasurer.

The Parking Division's investments (excluding cash deposits) had the following maturities (in years) on June 30, 2026:

	Fair Value	Less than One Year
U.S. Treasury Obligations	$ 2,484	$ 2,484
U.S. Government Agency Obligations	2,050	2,050
Obligations of the State	337	337
Certificates of Deposit	2,014	2,014
Money Market Mutual Funds	1,025	1,025
Total	$ 7,910	$ 7,910

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Credit Risk

The City's Investment Policy limits the types of securities available for investment to collateralized public deposits, obligations of the U.S. government or its agencies, obligations of government-sponsored corporations, banker's acceptances, and commercial paper. Banker's acceptances must be rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSRO) at the time of purchase. Investments in commercial paper is limited to issuing corporations that have a total commercial paper program size in excess of $250,000 and have long-term debt ratings "AA" or better from at least one NRSRO. The Parking Division currently does not have any banker's acceptances or commercial paper in its portfolio.

The Parking Division's investments in U.S. Treasuries are explicitly guaranteed by the U.S. government and, therefore, do not require a rating. At June 30, 2026, Parking Division's holdings in a money market mutual fund were rated Aa1/AA+ as of June 30, 2026, by Standard & Poor's and Moody's, respectively. The certificates of deposit were rated AA+ by Standard & Poor's for liquid and term series.

C. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Parking Division will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party.

The City's Investment Policy requires that all cash deposits, time certificates of deposit, deposits with listed institutions, and repurchase agreements be covered by adequate pledged collateral. Acceptable collateral includes U.S. Treasury obligations, other interest-bearing securities guaranteed as to principal and interest by the U.S. government or an agency or instrumentality of the U.S. government, bonds of the State of Missouri, or bonds of the City. The market value of the principal and accrued interest of the collateral must equal 103% of the deposits secured, less any amount subject to federal deposit insurance. All City securities and securities pledged as collateral must be held in a segregated account on behalf of the City by an independent third party with whom the City has a current custodial agreement and has been designated by the Treasurer and Funds Committee as eligible to serve in such a capacity.

At June 30, 2026, all Parking Division investments and all securities pledged as collateral are held by the counterparty's trust department or agent in the City's name.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

D. Concentration of Credit Risk

The City's Investment Policy indicates that in order to reduce overall portfolio risks while maintaining market average rates of return, the minimum diversification standards by security type shall be as follows:

	Maximum Percentage of Portfolio	Maximum Maturity
U.S. Treasury Securities	100 %	5 Years
U.S. Government Agency Obligations	100	5 Years
Obligations of the State of Missouri	25	5 Years
Collateralized certificates of Deposits	50	5 Years
FDIC-insured Certificates of deposit	35	2 Years
Collateralized Repurchase Agreements	25	90 Days
Commercial Paper	25	180 Days
Bankers Acceptance	25	180 Days

The Parking Division does not have a separate investment policy.

D. Concentration of Credit Risk (Continued)

At June 30, 2026, the concentration of the Parking Division's investments (excluding cash deposits) was as follows:

U.S. Treasury Obligations	31 %
U.S. Government Obligations	26
Obligations of the State	4
Certificates of Deposit	26
Money Market Mutual Funds	13
Total	100 %

NOTE 3 RESTRICTED ASSETS

Cash and investments restricted in accordance with bond indentures at June 30, 2026 are as follows:

Series 2016 Bonds:		
Parling Trust - Parking Division Accounts	$	765
Repair and Replacement		1,298
Debt Service		979
Total Series 2016 Bonds		3,042
Series 2015B Bonds:		
Debt Service		1,800
Total Series 2015B Bonds		1,800
Series 2015A Bonds:		
Debt Service Reserve		514
Debt Service		261
Total Series 2015A Bonds		775
Series 2003A and 2003B Bonds:		
Gross Revenues		86
Repair and Replacement		63
Operating Reserve		100
Debt Service		30
Total Series 2003A and 2003B Bonds		279
Total Restricted Cash and Investments	$	5,896

NOTE 3 RESTRICTED ASSETS

Descriptions of the funds required by the Series 2016 Bond Indentures are as follows:

- Parking trust – Parking Division accounts – Maintains funds transferred from the respective bond account to be available to pay principal and interest on the respective refunded bonds if other funds are not available.
- Repair and replacement – Provides for the repair and upkeep of parking garages.
- Debt service – Maintains funds from the proceeds of the respective bond series to be available to pay principal of and interest on the respective bonds if other funds are not available.

NOTE 3 RESTRICTED ASSETS (CONTINUED)

Descriptions of the funds required by the Series 2015B Subordinated Bond Indentures are as follows:

- Debt service – Maintains funds from the proceeds of the respective bond series to be available to pay principal of and interest on the respective bonds if other funds are not available.

Descriptions of the funds required by the Series 2015A Subordinated Bond Indentures are as follows:

- Debt service reserve – Maintains funds from the proceeds of the respective bond series to be available to pay principal of and interest on the respective bonds if other funds are not available.

- Debt service – Maintains funds from the proceeds of the respective bond series to be available to pay principal of and interest on the respective bonds if other funds are not available.

Descriptions of the funds required by the Series 2003A and 2003B Bond Indenture are as follows:

- Gross revenues – Maintains revenues resulting from the operations of the Cupples Garage and uses these to pay the operating and debt service costs associated with the Cupples Garage.

- Repair and replacement – Provides for the repair and upkeep of the Cupples Garage.

- Operating reserve – Maintains operating reserve as required by the Bond Indenture.

- Redemption – Maintains funds set aside for the future redemption of the Series 2003A and 2003B bonds.

NOTE 4 CAPITAL ASSETS AND RIGHT-TO-USE LEASE AND SUBSCRIPTION IT ASSETS

Following is a summary of the changes in capital assets for the year ended June 30, 2026:

	Balance Beginning of Year	Additions	Retirements	Balance End of Year
Capital Assets Being Depreciated:				
Buildings and Parking Garages	$ 78,052	$ 998	$ -	$ 79,050
Equipment	2,481	644	(43)	3,082
Parking Meters and Lot Equipment	8,536	77	-	8,613
Total Capital Assets Being Depreciated	89,069	1,719	(43)	90,745
Less Accumulated Depreciation:				
Buildings and Parking Garages	(46,498)	(2,173)	-	(48,671)
Equipment	(2,040)	(255)	43	(2,252)
Parking Meters and Lot Equipment	(7,368)	(376)	-	(7,744)
Total Less Accumulated Depreciation	(55,906)	(2,804)	43	(58,667)
Total Capital Assets Being Depreciated, Net	33,163	(1,085)	-	32,078
Capital Assets Not Being Depreciated:				
Parking Meters and Lot Equipment - CWIP	310	6	(200)	116
Land	22,053	-	-	22,053
Total Capital Assets Not Being Depreciated	22,363	6	(200)	22,169
Total Capital Assets, Net	$ 55,526	$ (1,079)	$ (200)	$ 54,247

Following is a summary of the right-to-use lease and subscription IT asset activity during the year ended June 30, 2026:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Right-to-Use Lease Assets:				
Equipment	$ 113	$ -	$ (113)	$ -
Total Right-to-Use Lease Assets	113	-	(113)	-
Less Accumulated Amortization:				
Equipment	(113)	-	113	-
Total Less Accumulated Amortization	(113)	-	113	-
Total Right-to-Use Lease Assets, Net	-	-	-	-
Subscription IT Assets:				
Subscription IT Assets	988	18	(19)	987
Less Accumulated Amortization	(401)	(153)	18	(536)
Total Subscription IT Assets, Net	587	(135)	(1)	451
Total Right-to-Use Lease and Subscription IT Assets, Net	$ 587	$ (135)	$ (1)	$ 451

NOTE 5 RELATED PARTY TRANSACTIONS

The Parking Division is required by a state statute to remit no more than 40% of the increase in net position to the City. During the year ended June 30, 2026, the Parking Division recorded a transfer to the City of St. Louis, Missouri of $874 for this requirement.

Additionally, at June 30, 2026, the Parking Division had the following amounts due to the City of St. Louis, Missouri:

- A net amount of $2 due from the City to the Parking Division for payment of June 2026 vouchers and additional City parking fees that were due, respectively.

- An amount of $123, due to the City for unreimbursed workers' compensation claim liabilities (note 9).

- Under the terms of the Bond Indenture for the Series 2007 and 2016 bonds, the Parking Trust Funds consist of the Net Parking Division Revenues and City General Fund Parking Revenues. These funds are to be used in equal amounts to pay principal and interest on the bonds if other funds are not available. As of the end of the current fiscal year, none of the General Fund Parking Revenues was used to meet the debt service requirements and funds have been returned to the City by the bond trustee through the bond funds.

During the year ended June 30, 2026, the City charged the Parking Division $192 for services rendered by various City departments, which are included in the Parking Division's operating expenses as interfund services used. The charges for fiscal year 2026 were reduced by $60 for Treasury services related to Paymaster and Banking Services and 50% for ITSA services.

During the year ended June 30, 2026, the City transferred $350 to the Parking Division from the City's Tax Increment Financing Special Revenue Fund, respectively. This transfer was related to the Buckingham/Euclid TIF project.

During the year ended June 30, 2026, the Parking Division paid an amount of $376 to the City for the Office of Financial Empowerment (OFE), which is in line with the annual appropriation for the fund for fiscal year 2025. This appropriation was approved by the Parking Commission as a nonoperating expenditure from the Parking Division. The implementation of GASB 103 for fiscal year 2026 reclassifies this appropriation as a non-capital subsidy.

NOTE 6 REVENUE BONDS PAYABLE

A. Series 2016

On November 25, 2016, the Parking Division issued $12,365 in Series 2016 Parking Revenue Tax Exempt Bonds. The bonds were issued for the purpose of advance refunding the remaining portion of the outstanding Series 2006A parking revenue bonds, funding a debt service reserve with respect to the Series 2016 and paying the bond insurance premium and other costs of issuance with respect to the Series 2016 Bonds. The 2006A bond series refunded was $13,780.

Pursuant to the provisions of the Refunding Indenture, the Issuer has deposited into a refunding account in the amount of $14,094, consisting of (1) $12,347 from the proceeds of the Refunding Bonds and (2) $1,747 representing portions of (i) the amount that was on deposit in the Series 2006A Account in the Debt Service Reserve Fund of $1,457 and (ii) the termination of the Forward Delivery Agreement of $290.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $1,551. In accordance with GASB Statement No. 65, the gain on bond defeasance associated with the outstanding balance of the unamortized deferred outflow of resources for the 2006A series and the transfer of debt service reserves from 2006A of $1,747 have been recorded as a net increase to deferred outflow of resources. This is being recognized as a component of interest expense over the bonds' deemed remaining life. In addition, $324 was recorded as a deferred inflow of resources as part of the recognized gain on bond defeasance. These funds were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2006A bond series. As a result, the 2006A bond series are considered to be defeased and the liability for those bonds was removed from the statements of net position.

B. Series 2015B

On December 28, 2015, the Parking Division issued $36,410 in Series 2015B Subordinated Parking Revenue Tax Exempt Bonds. The bonds were issued for the purpose of advance refunding a portion of the outstanding Series 2006A and all of the Series 2007A parking revenue bonds, funding a debt service reserve with respect to the Series 2015B and paying the bond insurance premium and other costs of issuance with respect to the Series 2015B Bonds. The bond series refunded and the amount outstanding were:

- Parking Revenue Bonds, Series 2006A – $30,615
- Parking Revenue Bonds, Series 2007A – $9,370

NOTE 6 REVENUE BONDS PAYABLE (CONTINUED)

B. Series 2015B (Continued)

Pursuant to the provisions of the Refunding Indenture, the Issuer has deposited with the Escrow agent $41,570, consisting of (1) $38,613 from the proceeds of the Refunding Bonds and (2) $2,957 representing portions of (i) the amount that was on deposit in the Series 2006A Account in the Debt Service Reserve Fund of $2,533 and (ii) the amount that was on deposit in the Series 2007A Account in the Debt Service Reserve Fund of $424. The Escrow agent shall establish a special and irrevocable separate trust fund to be held and designated as the “Escrow Fund for Refunded Bonds.” The Issuer is providing for the defeasance and payment of the Refunded Bonds through the deposit in trust with the Escrow Agent, as described on the Debt Service payment schedule in the indenture. Therefore, the Series 2007A bonds are no longer outstanding and none of defeased Series 2006A remains outstanding due to the refunding of the remaining balance as outlined above with the issuance of the 2016 Series.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $1,318. In accordance with GASB Statement No. 65, the loss on bond defeasance, along with the transfer of debt service reserves from 2006A and 2007A Series bonds of $2,957 per above, have been recorded as a deferred outflow of resources, net of the accumulated amortization and will be recognized as a component of interest expense over its deemed remaining life.

C. Series 2015A

On April 2, 2015, the City of St. Louis, Missouri issued $6,440 of Subordinated Parking Revenue Bonds, Series 2015A (the Series 2015A Bond), acting through the Treasurer of the City in the capacity as Supervisor of Parking Meters. The Series 2015A Bond constitutes debt for the Parking Division and was issued for the purpose of financing the acquisition of new meter technology, which would replace the existing meters in the City of St. Louis. The debt will also finance the purchase of new revenue equipment at the Cupples Garage. The Series 2015A Bond is a tax-exempt subordinate parking revenue bond, bearing interest at a variable rate from 0.73% to 3.50% per annum, maturing on December 15, 2031.

NOTE 6 REVENUE BONDS PAYABLE (CONTINUED)

D. Series 2003B

On November 20, 2003, the SLPCFC issued $6,730 in Series 2003A Tax Exempt Parking Revenue Bonds at a variable interest rate not to exceed 12% and $6,882 in Series 2003B Taxable Parking Revenue Bonds at a variable interest rate not to exceed 5% for the purpose of purchasing the Cupples Garage located in downtown St. Louis. The net proceeds of the bonds were $13,127, after the deduction of $485 in underwriting fees and issuance costs. The Series 2003A and 2003B bonds are secured solely by the net revenues of the Cupples Garage and do not constitute a general obligation of the Parking Division or of the City of St. Louis. The Series 2003A bonds were secured by an irrevocable direct pay letter of credit with the Bank of America, N.A. (the Bank) in the original amount of $6,807. The letter of credit automatically would extend for successive one-year periods until the absolute termination date of June 6, 2028, unless written notice is given not less than one year prior to the actual or anticipated termination date beyond which the Bank could elect not to renew the letter of credit.

On March 1, 2024, the final draw was made on the letter of credit as a result of the maturity, acceleration, or redemption of all outstanding Bonds in accordance with the terms and conditions of the Series A Bonds and the Indenture.

NOTE 6 REVENUE BONDS PAYABLE (CONTINUED)

E. Revenue Bonds Outstanding

Revenue bonds outstanding at June 30, 2026, are as follows:

Direct Placement:		
SLPCFC Series 2003B Taxable Revenue Bonds, Interest Rates Variable, Not to Exceed 5.00%, Payable in Varying Amounts Through 2038	$	4,545
Current Portion of Direct Placement Revenue Bonds Payable		(156)
Noncurrent Portion of Direct Placement Revenue Bonds Payable		4,389
Public Offering:		
Series 2015A Subordinated Parking Revenue Bond, Interest Rates Variable, Not to Exceed 3.50%, Payable in Varying Amounts Through 2031		2,740
Series 2015B Subordinated Parking Revenue Refunding Bond, Interest Rates Variable, Not to Exceed 5.00%, Payable in Varying Amounts Through 2033		18,445
Series 2016 Revenue Bonds Interest Ranging from 3.00% to 4.00%, Payable in Varying Amounts Through 2031		5,725
Total		26,910
Unamortized Discount and Premium		1,390
Current Portion of Public Offering Revenue Bonds Payable		(3,960)
Noncurrent Portion of Public Offering Revenue Bonds Payable	$	24,340
Total Current Portion of Revenue Bonds Payable	$	4,116
Total Noncurrent Portion of Revenue Bonds Payable	$	28,729

NOTE 6 REVENUE BONDS PAYABLE (CONTINUED)

F. Debt Service Requirements

Debt service requirements of the revenue bonds at June 30, 2026, are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 4,116	$ 1,057	$ 5,173
2028	4,302	891	5,193
2029	4,690	746	5,436
2030	4,829	584	5,413
2031	4,987	418	5,405
2032 - 2036	7,643	635	8,278
2037 - 2038	888	54	942
Total	$ 31,455	$ 4,385	$ 35,840

G. Changes in Noncurrent Revenue Bonds Payable

Following is a summary of the changes in noncurrent revenue bonds payable for the year ended June 30, 2026:

Balances - Beginning of Year, Net	$ 33,033
Revenue Bonds Paid or Reclassified as Current	(4,116)
Reclassification of Interest from Principal	-
Amortization of Discounts and Premiums	(188)
Balances - End of Year, Net	$ 28,729
Amounts Due Within One Year	$ 4,116

H. Debt-Related Items Presented as Deferred Outflows/Inflows of Resources

The Parking Division recognizes certain debt-related items as deferred outflows/inflows of resources. The detail of the debt-related items recognized as deferred outflows/inflows of resources at June 30, 2026, is presented below:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Loss on Bond Refunding	$ 2,491	$ -
Gain on Bond Refunding	-	136
Total	$ 2,491	$ 136

For the years ended June 30, 2026, the amortization of the loss on bond refunding for deferred outflows of resources totaled $347, which increased interest expense. The amortization of the gain on bond refunding for deferred inflows of resources totaled ($21), which decreased interest expense.

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS

The Parking Division participates in the Employees Retirement System of the City of St. Louis (Employees System), a cost-sharing, multiple-employer public defined benefit pension plan.

A. Plan Description

All Parking Division employees become members of the Employees System upon employment, with the exception of employees hired after attaining age 60.

The Employees System issues a publicly available financial report that includes financial statements and required supplementary information. The Employees System financial statements are prepared using the accrual basis of accounting. That report may be obtained by writing to the Employees Retirement System of the City of St. Louis; 1114 Market Street, Suite 900; St. Louis, Missouri 63101.

The Employees System provides for defined benefit payments for retirement, death, or disability to eligible employees or their beneficiaries based upon creditable service, final average compensation, and a benefit compensation base. Benefits vest to employees covered by the Employees System after the employee has attained five years of creditable service. Employees retire with full retirement benefits after the age of 65 or if the employee's age and creditable service combined equal or exceed 85 years.

Employees may retire and receive a reduced benefit after age 60 with five years of creditable service; age 55 with at least 20 years of creditable service; or at any age with 30 years of creditable service. The monthly pension benefits of all retirees or their beneficiaries are adjusted according to the changes in the Consumer Price Index of the U.S. Department of Labor. Increases are limited each year, with total increases to retirees or their beneficiaries limited to 25%.

On June 8, 2000, the Mayor of the City approved an ordinance passed by the Board of Aldermen, authorizing a Deferred Retirement Option Plan (DROP), which became effective January 1, 2001. This plan states that when members reach retirement age, they are allowed to work for five additional years and defer receipt of their retirement allowance. The calculation of average salary for retirement benefits will not include the additional years of service after normal retirement age. The amount that would have been received as retirement benefit is put in a special DROP account monthly. The DROP account will not be adjusted for cost-of-living increases. The DROP account earns interest at the actuarial valuation rate of return and at the 10-year U.S. Treasury bond yield as of September 30 for DROP participants enrolling February 1, 2003, and thereafter. After the members completely terminate employment, the member can withdraw amounts from the DROP account in a lump sum or according to a deferred retirement payment plan.

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (CONTINUED)

B. Funding Policy

The Employees System's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits due. If contributions are necessary, level percentage of payroll employer contribution rates are determined using the projected unit credit actuarial cost method.

Employer contribution rates are established annually by the Board of Trustees of the Employees System based on an actuarial study. The Board of Trustees established the required employer contributions rate based on active member payroll of 17.35% effective July 2025 through June 2026. The previous contribution rate was 17.51% effective July 2024 through June 2025.

Employees who became members of the Employees System prior to October 14, 1977, and continued to make contributions, may make voluntary contributions to the Employees System equal to 3% of their compensation until the employee's compensation equals the maximum annual taxable earnings under the Federal Social Security Act. Thereafter, employees may contribute 6% of their compensation for the remainder of the calendar year.

The Parking Division's contributions to the Employees System for the year ended June 30, 2026 were $833.

C. Net Pension Liability

The Parking Division reported a liability of $3,979 for its proportionate share of the net pension liability as of June 30, 2026. The net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2025. The Parking Division's proportion of the net pension liability was based on the Parking Division's share of contributions to the Employees System relative to the contributions of all Employees System participating employers. As of September 30, 2025, the Parking Division's collective proportion was 1.61%, which was an increase of 0.03% from its proportion as of September 30, 2024.

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (CONTINUED)

C. Net Pension Liability (Continued)

The following were some of the significant actuarial assumptions used in the valuation of the Employees System:

Date of Actuarial Valuation	October 1, 2025
Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Long-Term Rate of Return	7.25%
Projected Salary Increases	2.50% Plus Merit Component Based on Years of Service
Mortality and Death Rates:	
Active	120% of the Pub-2010 General Employee below-median income mortality table for males and 120% for females projected with generational mortality improvements from 2010 using Scale MP-2019
Healthy	120% of the Pub-2010 General Retiree below-median income mortality table for males and 120% for females projected with generational mortality improvements from 2010 using Scale MP-2019
Disabled	120% of the Pub-2010 Non-Safety Disabled Retiree mortality table for males and 110% for females projected with generational mortality improvements from 2010 using Scale MP-2019

The actuarial assumptions used in the October 1, 2025 actuarial valuation were based on the results of an actuarial experience study performed in 2020 which reviewed all the economic and demographic assumptions.

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (CONTINUED)

C. Net Pension Liability (Continued)

The long-term expected rate of return on the Employees System investments was determined using a building-block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of September 30, 2025, these best estimates are summarized in the following table:

Investment Type	Policy Target	Policy Ranges	Long-Term Expected Real Rate of Return
Debt securities			
Core fixed Income	11.00%	6.00%-16.00%	4.68%
Core plus fixed income	11.00%	6.00%-16.00%	5.11%
Bank loans	3.00%	0.00%-8.00%	7.13%
High yield	3.00%	0.00%-8.00%	6.61%
Total debt securities	28.00%		
Equity securities			
Large value	5.50%	0.50%-10.50%	7.03%
Large core	9.50%	4.50%-14.50%	6.98%
Large growth	5.50%	2.00%-12.00%	7.09%
Mid value	3.50%	0.00%-8.50%	7.55%
Mid growth	3.50%	0.00%-8.50%	7.30%
Small value	2.00%	0.00%-7.00%	7.93%
Small core	2.00%	0.00%-7.00%	7.82%
Small growth	2.00%	0.00%-7.00%	7.62%
International value	4.50%	0.00%-9.50%	6.94%
International growth	4.50%	0.00%-9.50%	7.17%
International small cap	3.00%	0.00%-8.00%	7.68%
Emerging markets equity	3.00%	0.00%-8.00%	7.74%
Total equity securities	48.50%		
Alternative securities			
Real estate	7.50%	2.50%-12.50%	6.50%
Infrastructure	5.00%	0.00%-10.00%	6.99%
Hedge funds	3.00%	0.00%-10.00%	5.46%
High yield	3.00%	0.00%-10.00%	6.57%
Private equity	5.00%	0.00%-10.00%	9.85%
Total alternative securities	23.50%		
Total	100.00%		

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (CONTINUED)

C. Net Pension Liability (Continued)

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. For the October 1, 2025 actuarial valuation, a 7.25% long-term rate of return was used. The sensitivity of the net pension liability to changes in the discount rate for the year ended June 30, 2026 for the Parking Division is as follows:

	1% Decrease in Discount Rate 6.25%	Current Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
Net Pension Liability	$ 5,860	$ 3,979	$ 2,379

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees System financial report.

D. Pension Expense

For the year ended June 30, 2026, the Parking Division recognized pension expense of $490. Annual pension expense consists of service cost, interest, and administrative expenses on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five-year period.

NOTE 7 EMPLOYEES RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS (CONTINUED)

E. Deferred Outflows/Inflows of Resources Related to Pensions

In accordance with GASB Statements No. 68, the Parking Division recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, the difference between actual and expected investment returns, changes in proportion, and contributions subsequent to the measurement date as deferred outflows/inflows of resources. At June 30, 2026, the Parking Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources as follows:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 94	$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(573)
Changes in Proportion	46	(152)
Parking Division Contributions Subsequent to the Measurement Date	586	-
Total	$ 726	$ (725)

The $586 reported as deferred outflow of resources related to pensions resulting from the Parking Division's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2027.

The Parking Division recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the Employee System's employees. The following table summarizes the future recognition of these items:

Year Ending June 30,	Amount
2027	$ 207
2028	(387)
2029	(337)
2030	(69)
Total	$ (586)

F. Pension Funding Project

During fiscal year 2008, the City of St. Louis Municipal Finance Corporation issued $46,700 in Taxable Leasehold Revenue and Refunding Bonds Series 2007 (Pension Funding Project) to fund the Employees System. While the Parking Division is not legally responsible for these bonds, $887 of the proceeds was allocated to the Parking Division. A $544 liability is reflected as other noncurrent liabilities on the statements of net position and is payable to the City of St. Louis by June 30, 2037.

NOTE 8 CHANGE IN NONCURRENT LIABILITIES

The following table shows the changes in noncurrent liabilities for the fiscal years ended June 30, 2026:

	Balance Beginning of Year	Additions	Retirements	Balance End of Year	Due Within One Year
Revenue Bonds Payable (Note 6)	$ 35,391	$ -	$ (3,936)	$ 31,455	$ 4,116
Lease and Subscription IT Liabilities (Note 1 (L))	585	10	(138)	457	144
Net Pension Liability (Note 7)	4,588	-	(609)	3,979	-
Pending Funding Project (note 7)	577	-	(33)	544	
Unamortized Discounts and Premiums, Net (Note 6)	1,578	-	(188)	1,390	-
Other	49	-	(8)	41	-
Total	$ 42,768	$ 10	$ (4,912)	$ 37,866	$ 4,260

The following table shows the future annual subscription IT payments:

Year Ending June 30,	Principal	Interest	Total
2027	$ 144	$ 11	$ 155
2028	137	7	144
2029	123	3	126
2030	53	-	53
Total	$ 457	$ 21	$ 478

NOTE 9 RISK MANAGEMENT AND LITIGATION

The Parking Division is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Parking Division participates in the Settlement Fund, an internal service fund of the City of St. Louis, Missouri. The purpose of the Settlement Fund is to account for risks in which the City is self-insured, primarily workers' compensation, unemployment benefits, certain general liability, and various other claims and legal actions. All self-insured claims, liabilities, and payments are recorded in the Settlement Fund. The Parking Division reimburses the Settlement Fund for workers' compensation claims on a cost-reimbursement basis. At June 30, 2026, the Parking Division owed the Settlement Fund $123 for unreimbursed workers' compensation claim liabilities, which is recorded as part of due to the City of St. Louis, Missouri, respectively. All other self-insured risks are paid for by the General Fund of the City on behalf of the Parking Division. The Parking Division also purchases commercial insurance for other risks it considers significant, including surety bonds on various employees that handle cash, general liability, and property damage for its buildings and parking garages. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

NOTE 10 PLEDGED REVENUE

The Parking Division has pledged specific net Parking Division project revenues and net Parking Division revenues, net of specified operating expenses, to secure the repayment of the City of St. Louis Parking Revenue Bonds, Series 2015A, 2015B, and 2016. The general purpose of the bonds is to build parking facilities in the City. As of June 30, 2026, the remaining principal and interest requirement is $29,750, payable through fiscal year 2038. Principal and interest paid for the Series 2015A, 2015B, and 2016 Parking Revenue Bonds was $4,799 for the year ended June 30, 2026. The pledged net revenue recognized for the year ended June 30, 2026 was $6,286.

NOTE 11 LEASE RECEIVABLE

The Parking Division is a lessor for various noncancellable long-term leases of its buildings. Lease terms for the leases vary from 1 year to 11 years. The discount rate used for the calculation of the lease receivable varies depending on the length of the respective leases, and ranged from 1.06% to 3.93%.

Lease income from noncancellable long-term fixed payment leases totaled $396 for the year ended June 30, 2026. Interest income from noncancellable long-term leases totaled $37 for the year ended June 30, 2026.

Where a monthly lease payment is less than the calculated interest amount for that month, the difference is recorded as accrued interest receivable and accounted for separately from the respective lease receivable balance. Monthly interest accrues based on prior month-end balances of both the lease receivable account and the related accrued interest receivable account. This accrued interest account will accumulate until such time that monthly lease payment is greater than the interest calculated for that month. In leases that have outstanding accrued interest receivable balances, the related lease payments are applied in the following order: (1) to the interest portion of the rent, (2) to the accrued interest balance until fully paid, and (3) to the lease receivable balance. Accrued interest receivable totaled $337 at June 30, 2026.

NOTE 12 CAPITAL COMMITMENTS AND SUBSEQUENT EVENTS

The Parking Division has issued an RFP to upgrade/replace the revenue control equipment for all garage facilities, which will allow for additional processing and payment options. This equipment will also allow for new services to be offered to support additional revenue opportunities. As of June 30, 2026 no contract has been awarded.

SUPPLEMENTARY INFORMATION
(UNAUDITED)

SCHEDULE 1

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
CUPPLES GARAGE
SCHEDULE OF ASSETS, LIABILITIES, AND FUND NET POSITION
JUNE 30, 2026
(UNAUDITED)
(IN THOUSANDS)

ASSETS

CURRENT ASSETS		
Cash and Cash Equivalents	$	248
Accounts Receivable		16
Due From the City of St. Louis, Missouri		4
Total Current Assets		268
NONCURRENT ASSETS		
Capital Assets:		
Equipment		17
Cupples Garage Building		11,159
Less: Accumulated Depreciation		(7,210)
Total Capital Assets		3,966
Cupples Garage Land		1,950
Total Capital Assets, Net		5,916
Total Noncurrent Assets		5,916
Total Assets	$	6,184

LIABILITIES AND NET POSITION

CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	$	45
Accrued Salaries and Other Benefits		16
Current Portion of Revenue Bonds Payable		156
Total Current Liabilities		217
NONCURRENT LIABILITIES		
Revenue Bonds Payable, Net		4,389
Total Noncurrent Liabilities		4,389
Total Liabilities		4,606
NET POSITION – NET INVESTMENT IN CAPITAL ASSETS		1,578
Total Liabilities and Net Position	$	6,184

SCHEDULE 2

PARKING DIVISION OF THE CITY OF ST. LOUIS, MISSOURI
(AN ENTERPRISE FUND OF THE CITY OF ST. LOUIS, MISSOURI)
CUPPLES GARAGE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2026
(UNAUDITED)
(IN THOUSANDS)

OPERATING REVENUES		
Cupples Garage	$	725
Total Operating Revenues		725
OPERATING EXPENSES		
Parking Division Management Fees		92
Personnel Services		187
Materials and Supplies		2
Contractual Services		74
Insurance		42
Utilities		29
Miscellaneous		8
Depreciation and Amortization		320
Total Operating Expenses		754
OPERATING LOSS		(29)
NONOPERATING EXPENSES		
Investment Income		16
Interest Expense		(186)
Total Nonoperating Expenses		(170)
CHANGE IN NET POSITION		(199)
Net Position - Beginning of Year		1,777
NET POSITION - END OF YEAR	$	1,578

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