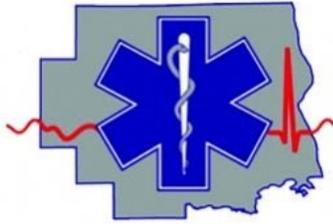


PRELIMINARY OFFICIAL STATEMENT DATED MARCH 3, 2021

**NEW ISSUE
BOOK-ENTRY ONLY**

**MOODY'S RATING: Aa2
See "BOND RATING" herein.**

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



**LINCOLN COUNTY AMBULANCE DISTRICT
(MISSOURI)**

\$6,125,000*
**GENERAL OBLIGATION BONDS
SERIES 2021**

Dated: Date of original issuance

Due: March 1, as shown on the inside cover

The General Obligation Bonds, Series 2021 (the "Bonds") will be issued by the Lincoln County Ambulance District (the "District") for the purpose of providing funds to (1) acquire, construct, furnish, and equip facilities and equipment for the District, (2) prepay certain outstanding lease obligations of the District and (3) pay the costs of issuing the Bonds, as further described herein under the caption "PLAN OF FINANCING."

Principal of the Bonds is payable annually as set forth on the inside cover of this Official Statement, commencing on March 1, 2022. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing on March 1, 2022, by check or draft (or by wire transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the 15th day of the calendar month preceding the applicable interest payment date.

The Bonds are subject to redemption prior to maturity as described herein.

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

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

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the District, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about March 30, 2021.

The date of this Official Statement is March ____, 2021.

* Preliminary; subject to change as described in the Notice of Bond Sale.

**LINCOLN COUNTY AMBULANCE DISTRICT
(MISSOURI)**

\$6,125,000*
GENERAL OBLIGATION BONDS
SERIES 2021

MATURITY SCHEDULE*

Base CUSIP: _____

SERIAL BONDS

<u>Maturity (March 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP**</u>
2022	\$400,000	%	%	
2023	500,000			
2024	500,000			
2025	240,000			
2026	245,000			
2027	250,000			
2028	255,000			
2029	255,000			
2030	260,000			
2031	265,000			
2032	270,000			
2033	275,000			
2034	280,000			
2035	285,000			
2036	290,000			
2037	295,000			
2038	305,000			
2039	310,000			
2040	320,000			
2041	325,000			

* Preliminary; subject to change as described in the Notice of Bond Sale.

** CUSIP numbers have been assigned by an independent company not affiliated with the District or the Underwriter and are included solely for the convenience of the holders of the Bonds. Neither the District nor the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above.

LINCOLN COUNTY AMBULANCE DISTRICT

1392 South Third Street
Troy, Missouri 63379
(636) 528-8488

BOARD OF DIRECTORS

David Gulley, *Chairman & Director*
Melissa Squires, *Vice Chairman & Director*
Tammie Taubig, *Secretary & Director*
Tim Ens, *Director*
Jeanine Key, *Director*
Sam Sullivan, *Director*

DISTRICT ADMINISTRATION

Ray Antonacci, *Chief Administrator*
Shannon Burkemper, *Chief Medical Officer*
James Wright, *Field Training Officer*
Janet Norton, *Battalion Chief – Shift A*
Mike Quattrocchi, *Battalion Chief – Shift B*
Claudette Arthur, *Battalion Chief – Shift C*

DISTRICT’S COUNSEL

Bruntrager & Billings, P.C.
Clayton, Missouri

MUNICIPAL ADVISOR

WM Financial Strategies
St. Louis, Missouri

BOND AND DISCLOSURE COUNSEL

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

PAYING AGENT

U.S. Bank National Association
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

The information set forth herein has been obtained from the District and other sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the District or Municipal Advisor.

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

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

This Preliminary Official Statement is in a form "deemed final" by the District for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information to be omitted pursuant to Rule 15c2-12(B)(1).

SUMMARY STATEMENT

This Summary Statement is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendix hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

- Issuer:** Lincoln County Ambulance District.
- Issue:** The Bonds consist of \$6,125,000* aggregate principal amount of General Obligation Bonds, Series 2021.
- Dated Date:** The Bonds are dated as of the date of original issuance and delivery thereof.
- Interest Due:** Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 in each year, beginning March 1, 2022.
- Principal Due:** Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity.
- Redemption:** At the option of the District, the Bonds or portions thereof maturing on and after March 1, 2031, may be called for redemption and payment prior to their stated maturities on and after March 1, 2030, in whole or in part, at any time and in such amounts for each stated maturity as shall be determined by the District, at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.
- Authorization:** The Bonds represent the first series of \$11,500,000 principal amount of bonds authorized at an election held on November 3, 2020, by a vote of 18,129 for and 9,961 against the issuance of general obligation bonds.
- Security:** The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all taxable tangible property, real and personal, within the territorial limits of the District.
- Rating:** The Bonds are rated "Aa2" by Moody's Investors Service, Inc.
- Tax Treatment:** In the opinion of Gilmore & Bell, P.C., Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Code, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.
- Paying Agent:** U.S. Bank National Association, St. Louis, Missouri.
- Delivery:** The Bonds are expected to be delivered on or about March 30, 2021.

* Preliminary; subject to change.

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OFFICIAL STATEMENT

LINCOLN COUNTY AMBULANCE DISTRICT (MISSOURI)

\$6,125,000* GENERAL OBLIGATION BONDS SERIES 2021

INTRODUCTION

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

General

This Official Statement, including the cover page and appendix hereto, is furnished to prospective purchasers in connection with the offering and sale of \$6,125,000* aggregate principal amount of General Obligation Bonds, Series 2021 (the “**Bonds**”), by the Lincoln County Ambulance District (the “**District**”). The issuance and sale of the Bonds are authorized by a resolution of the Board of Directors of the District expected to be adopted on March 17, 2021 (the “**Resolution**”). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Resolution.*

The District

The District is an ambulance district and political subdivision organized and existing under the laws of the State of Missouri. The District’s boundaries are coterminous with Lincoln County, Missouri (the “**County**”) and encompass approximately 630 square miles with an estimated population of 59,013 people. For more information concerning the District, see the captions “**GENERAL INFORMATION CONCERNING THE DISTRICT,**” “**DEMOGRAPHIC AND ECONOMIC INFORMATION CONCERNING THE DISTRICT,**” “**DEBT STRUCTURE OF THE DISTRICT**” and “**FINANCIAL INFORMATION CONCERNING THE DISTRICT**” herein.

Authorization and Purpose of the Bonds

The Bonds represent the first series of \$11,500,000 principal amount of bonds authorized at an election held on November 3, 2020, by a vote of 18,129 for and 9,961 against the issuance of general obligation bonds.

The Bonds are being issued for the purpose of (1) acquiring, constructing, improving, equipping and furnishing ambulance stations and other District facilities including the purchase of any land necessary therefor, acquiring and equipping ambulances and other emergency response vehicles, acquiring and installing medical, communication and other life-saving service apparatus and auxiliary equipment (the “**Project**”); (2) prepaying outstanding lease obligations of the District previously entered into to finance the acquisition of certain equipment; and (3) paying the costs of issuing the Bonds. See the caption “**PLAN OF FINANCING**” herein for further information.

* Preliminary; subject to change.

Security for the Bonds

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

Continuing Disclosure

The District has covenanted in a Continuing Disclosure Undertaking dated as of March 30, 2021 (the “**Continuing Disclosure Undertaking**”), to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The Continuing Disclosure Undertaking was entered into by the District to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “**Rule**”). See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein.

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of \$6,125,000*. The Bonds are dated as of the date of original issuance and delivery thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity, upon the terms and conditions described under the section herein captioned “**THE BONDS – Redemption Provisions.**” Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 in each year, beginning March 1, 2022.

Payment of the interest on the Bonds will be made to the person in whose name such Bond is registered on the registration books (the “**Bond Register**”) at the close of business on the 15th day (whether or not a Business Day) of the calendar month preceding the applicable interest payment date (the “**Record Date**”). Interest on the Bonds will be paid to the Registered Owners thereof by check or draft mailed by U.S. Bank National Association, St. Louis, Missouri (the “**Paying Agent**”) to each Registered Owner at the address shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner, or by wire transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest payment, containing the wire transfer instructions, including the name and address of the bank (which shall be in the United States), the ABA routing number and the account number to which such Owner wishes to have such transfer directed, and an acknowledgement that a wire transfer fee may be applicable.

Principal or the Redemption Price (as defined herein) of the Bonds will be paid by check, wire transfer or draft to the Registered Owner of such Bond at the maturity of such Bond or otherwise, upon presentation and surrender of such Bond at the designated payment office of the Paying Agent.

Redemption Provisions

Optional Redemption. At the option of the District, the Bonds or portions thereof maturing on and after March 1, 2031, may be called for redemption and payment prior to their Stated Maturities on and after

* Preliminary; subject to change.

March 1, 2030, in whole or in part, at any time and in such amounts for each Stated Maturity as shall be determined by the District, at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date (as defined herein).

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

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

Notice of Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the District's behalf, by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to the State Auditor of Missouri and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

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

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

Effect of Call for Redemption. After an amount of money sufficient to pay the Redemption Price has been deposited with the Paying Agent and notice of redemption has been given, (1) the Bonds (or portions thereof) to be redeemed will become due and payable on the Redemption Date at the Redemption Price specified in the notice and (2) from and after the Redemption Date (unless the District defaults in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest.

All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent pursuant to the Resolution and shall not be reissued.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to

purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York.

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

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

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

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

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in

effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

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

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

Registration, Transfer and Exchange of Bonds

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

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

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

SECURITY FOR THE BONDS

Pledge of Full Faith and Credit. The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

Levy and Collection of Annual Tax. Under the Resolution, the District has authorized the imposition upon all of the taxable tangible property within the District of a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. The proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District and shall be used solely for the payment of the principal of and interest on the Bonds, as and when the same become due, and the fees and expenses of the Paying Agent.

RISK FACTORS

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

Ad Valorem Property Taxes

Under the Resolution the District has authorized the levy of a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds and to establish a reserve in an amount not to exceed one year of debt service. If property values in the District decline, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations"** in this Official Statement. In addition, the issuance of additional general obligation bonds by the District or other indebtedness by other political subdivisions in the District would increase the tax burden on taxpayers in the District. See **"DEBT STRUCTURE OF THE DISTRICT – Overlapping and Underlying Indebtedness"** in this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 5%

of the assessed valuation of taxable tangible property in the District. See **“DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity”** in this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities, school districts, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 15%, 10% and 5% of assessed valuation of taxable tangible property, respectively. All general obligation bonds in Missouri require approval by four-sevenths or two-thirds of the votes cast, depending on the date on which the election is held.

If there is a concentration of property ownership in the District it could impact the District’s ability to collect ad valorem property taxes. See **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations”** and **“– Major Property Taxpayers”** in this Official Statement.

Secondary Market Prices and Liquidity

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

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

Rating

Moody’s Investors Service, Inc. (**“Moody’s”**) has assigned the Bonds the rating set forth under **“BOND RATING”** in this Official Statement. The rating reflects only the views of the rating agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in its judgment, circumstances warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Bankruptcy

In addition to the limitations on remedies contained in the Resolution, the rights and remedies provided by the Bonds may be limited by and are subject to (1) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors’ rights, (2) the application of equitable principles, and (3) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri requires that any interest and sinking fund moneys only be used to pay principal of and interest on the Bonds. The District, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

Amendment of the Resolution

Certain amendments to the Resolution may be made without the consent of or notice to the owners of the Bonds, other amendments may be made with the consent of the owners of not less than a majority in principal amount of the Bonds then outstanding, and other amendments may be made with the consent of the owners of all the Bonds then outstanding. Such amendments may adversely affect the owners of the Bonds.

Loss of Premium from Redemption

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See **“THE BONDS – Redemption Provisions”** in this Official Statement.

Tax-Exempt Status and Risk of Audit

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

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

Defeasance Risks

When all Bonds are deemed paid and discharged as provided in the Resolution, the requirements contained in the Resolution and the pledge of the District’s faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company, moneys and/or Defeasance Obligations (as defined in the Resolution) that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the Stated Maturity or prior Redemption Date. There is no legal requirement in the Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Future Economic, Demographic and Market Conditions

Adverse economic conditions or changes in demographics in the District, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact timely payment of property taxes by taxpayers in the District and, therefore, the District’s financial condition.

Cybersecurity Risks

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the District’s security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District

may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Potential Risks Relating to COVID-19

A novel strain of coronavirus (which leads to the disease known as “**COVID-19**”) has spread throughout the world and has been characterized by the World Health Organization as a pandemic. The impact of COVID-19 on the U.S. economy is expected to be broad based and to negatively impact national, state and local economies. In response to such expectations, on March 13, 2020, President Trump declared a “national emergency,” which, among other effects, allows the executive branch to disburse disaster relief funds to address COVID-19 and related economic dislocation.

On March 13, 2020, the Governor of Missouri (the “**Governor**”) signed an executive order declaring a state of emergency in the State in response to COVID-19. Since that time, the Governor has signed subsequent executive orders extending the state of emergency in the State through March 31, 2021. The stated purpose of the executive orders is to allow more flexibility in utilizing resources and deploying them around the State where they are most appropriate, including allowing the Governor to waive certain State laws and regulations where necessary. The State is not currently under a statewide public health order and is gradually reopening economic and social activity.

On December 9, 2020, in an effort to preserve the public health, safety and welfare of the County's residents and to prevent the community's medical resources from being overwhelmed, the Board of Trustees of the Lincoln County Health Department (the “**County Health Board**”) imposed an order mandating the use of face coverings in public indoor and outdoor spaces except as provided in the County Health Board's order. The order will remain in place until in effect until March 31, 2021 or until rescinded or amended. Additional restrictions, including “stay at home orders,” restricting the number of participants in social gatherings, restricting access to restaurants and bars and restricting the number of occupants in retail establishments, could be imposed by the County Health Board or by other federal, State or local governments at any time.

Developments regarding COVID-19 continue to occur on a daily basis and the extent to which COVID-19 will impact the District in the future is highly uncertain and cannot be predicted. The District finances a portion of its operations through local property taxes and a sales tax. The proliferation of COVID-19 and the impact of executive orders and social distancing guidelines on businesses and other organizations in the District could result in a reduction in assessed valuation of property in the District in the future. Declining property values in the District, whether caused by COVID-19 or other national or global financial crises, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes (see the caption “**RISK FACTORS - Ad Valorem Property Taxes**”). If “stay at home orders” are issued in the future the timely collection and distribution of property tax revenues by the County could be impacted. The District has not seen a significant impact on its sales tax revenues as a result of COVID-19. Based on unaudited results, the District experienced an 8.8% increase in sales tax revenues in Fiscal Year ending December 31, 2020 over the prior Fiscal Year. An increase in some sales may have been attributable to “panic buying” so it is difficult to determine the actual impact of the COVID-19 pandemic had on retail sales in the District.

The COVID-19 outbreak is ongoing and the District cannot predict (1) the duration or extent of the COVID-19 pandemic; (2) the duration or expansion of related business closings, public health orders, regulations and legislation; (3) what effect the COVID-19 pandemic will continue to have on global, national, and local economies; (4) whether job losses resulting from COVID-19-related business closures will be temporary or permanent and what effect such losses will have on consumer confidence; (5) actions that may be taken by governmental authorities to contain or mitigate the outbreak or recurrences thereof; or (6) the impact the COVID-

19 pandemic or actions taken in response thereto will have on the District's revenues, expenses and financial condition.

PLAN OF FINANCING

General

The Bonds are being issued for the purpose of (1) paying the costs of the Project, (2) prepaying the Lease and (3) paying the costs of issuing the Bonds.

Authorization of Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapter 190 of the Revised Statutes of Missouri, as amended. On November 3, 2020, the voters of the District approved, by a vote of 18,129 for and 9,961 against, the issuance of general obligation bonds in the amount of \$11,500,000 for the purpose of decreasing the District's response times to emergency calls and carrying out the mission of the District by acquiring, constructing, improving, equipping and furnishing ambulance stations and other District facilities including the purchase of any land necessary therefor; acquiring and equipping ambulances and other emergency response vehicles; acquiring and installing medical, communication and other life-saving service apparatus and auxiliary equipment; and refinancing outstanding lease obligations of the District.

The Bonds represent the first series of bonds authorized at the election are being issued pursuant to the Resolution.

The Project

Proceeds from the Bonds will be used to finance the costs of acquiring land and constructing a new Base 6 in Moscow Mills, Missouri, and constructing various upgrades to the District's existing bases. The District is in the process of selecting an architect for this project. Base 6 is anticipated to be approximately 5,000 square feet and house one, 24-hour ambulance crew. The Base is expected to have a living room, a kitchen, four bunkrooms, medical storage closets, a fitness space, an office/exam room, a gear and equipment storage area and a double drive-thru garage. The District has engaged a real estate agent and anticipates purchasing the land in the next six months with construction being complete in 2024. This portion of the Project is estimated to cost \$1,900,000 (including the purchase of land).

Existing base upgrades to be financed with proceeds of the Bonds include improvements to the training room, addition of a second bathroom and shower at Base 1, installation of a water filtration system to Base 3, addition of a second shower to Base 4, additional of second bathroom and shower to Base 5 and replacement of aging appliances and utilities, remodeling of sleeping areas, repaving parking areas and aprons, replacement of beds and lockers, additional turnout gear and equipment storage, additional secure entry systems and upgrades to fitness equipment. This portion of the Project is estimated to cost \$300,000 and is expected to be completed by January 2024.

The District expects to use the remaining proceeds of the Bonds to acquire land for a future base and to replace four ambulances and purchase two new support vehicles, two new Polaris all-terrain task vehicles (ATV), monitors, stretchers, computers, network and communication upgrades and various other life-saving medical and auxiliary equipment. These acquisitions are expected to be completed by January 2024.

Prepayment of Leases

A portion of the proceeds will be used to prepay the following outstanding leases of the District: (1) a Municipal Finance Lease Purchase Agreement dated as of September 16, 2020, between the District and U.S. Commerce Equipment Finance, LLC, as lessor, (2) a Vehicle and Equipment Lease Agreement dated January 15, 2019, between the District and Peoples Bank & Trust Co., as lessor, and (3) an Agreement for Equipment No. 0010093552, between the District and Flex Financial, a division of Stryker Sales Corporation (collectively, the “Leases”).

The Leases were entered into by the District to finance the acquisition of two ambulance remounts, two new ambulances and related radios and communication equipment. On the date of issuance of the Bonds, the District will transfer funds in an amount sufficient to pay the prepayment price of each of the Leases (collectively, estimated at \$890,000 plus accrued interest to the prepayment date (expected to be April 15, 2021) (as shown below under the caption “**PLAN OF FINANCING - Sources and Uses of Funds**”).

Sources and Uses of Funds*

The following table summarizes the estimated sources of funds and the expected uses of such funds in connection with the plan of financing:

<i>Sources of Funds:</i>	
Par Amount of the Bonds	\$6,125,000
Net Original Issue Premium ⁽¹⁾	84,872
Interest During Construction ⁽²⁾	<u>23,300</u>
Total	<u>\$6,233,172</u>
 <i>Uses of Funds:</i>	
Deposit to Project Fund	\$5,213,300
Prepayment of Leases	890,000
Costs of Issuance (including Underwriter’s Discount)	<u>129,872</u>
Total	<u>\$6,233,172</u>

⁽¹⁾ Based on assumed rates and yields.

⁽²⁾ Based on an assumed investment rate of 0.25% and a 3-year construction period.

GENERAL INFORMATION CONCERNING THE DISTRICT

General

The District is an ambulance district and political subdivision organized and existing under the laws of the State of Missouri. The District was established in 1974 to provide life-saving emergency medical treatment to Lincoln County, Missouri (the “County”).

The District is located in east central Missouri approximately 55 miles northwest of the City of St. Louis. Its boundaries are coterminous with the County and encompass approximately 630 square miles and includes the incorporated cities of Elsberry, Foley, Hawk Point, Moscow Mills, Old Monroe, Silex, Troy and Winfield and villages of Chain of Rocks, Fountain 'N Lakes, Truxton and Whiteside.

The District is also located within the St. Louis Metropolitan Statistical Area (the “**St. Louis MSA**”), which consists of the City of St. Louis and Franklin, Jefferson, Lincoln, St. Charles, St. Louis, Warren and

* Preliminary; subject to change.

Washington Counties in Missouri, the City of Sullivan in Crawford County, Missouri and Bond, Calhoun, Clinton, Jersey, Macoupin, Madison, Monroe and St. Clair Counties in Illinois. The District has an estimated population of 59,013 people.

The District is the sole provider of transport and advanced life support services to its residents. The District’s ambulances are stocked with advanced equipment that allow them to operate in accordance with current best practices in the field of paramedicine. Ambulances are also stocked with a wide variety of emergency medications, many of which may be administered with standing protocols provided to the District by Washington University located in St. Louis, Missouri, in conjunction with Barnes Jewish Hospital, a level 1 trauma and stroke center. The District’s current medical director is Dr. Hawnwun Moy.

The District finances its operations through user fees and charges, sales tax revenue and property tax revenue.

Government and Organization

The District is governed by a six-member Board of Directors (the “**Board**”). The members of the Board must be registered voters of the District and at least 24 years of age. They are elected at-large by the qualified voters of the District and serve three-year terms. The Board elects a chairman from its members and appoints a secretary and a treasurer, which may or may not be a member of the Board.

The Board is responsible for the overall safety and soundness of the District, setting policy and providing for the fiscal management of the District.

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

<u>Name</u>	<u>Office</u>	<u>Service Began</u>	<u>Current Term Expires</u>
David Gulley	Chairman/Director	March 2008	April 2023
Melissa Squires	Vice Chairman/Director	February 2008	April 2022
Tammie Taubig	Secretary/Director	February 2015	April 2022
Tim Ens	Director	July 2008	April 2023
Jeanine Key	Director	April 2018	April 2021
Sam Sullivan	Director	April 2015	April 2021

The Board appoints the Chief Administrator, who is the chief administrative officer of the District and is responsible for managing the day-to-day affairs of the District and implementing the policies set by the Board. The Chief Administrator’s duties also include making recommendations to the Board concerning the budget, building plans, and future staffing. Ray Antonacci was appointed as Chief Administrator April 2014. Prior to joining the District, Chief Administrator Antonacci was the Public Education Officer and a Firefighter Paramedic with the Monarch Fire Protection District in Chesterfield, Missouri since 2000. He received his Bachelor of Science in mass communications and advertising from Southeast Missouri State University in 1988 and his paramedic education from St. Louis Community College in 1992. He has been an Adjunct Clinical Instructor for Lindenwood University’s Department of Paramedicine since 2018. He serves as the President of the Ambulance District Association of Missouri and as a member and Secretary of the Executive Board of the Missouri Ambulance Association. Chief Administrator Antonacci holds a 40-hour EMS Instructor Certification and is a Certified Ambulance Privacy Officer, a Basic Life Support (BLS) Instructor, an Advance Cardiovascular Life Support (ACLS) Instructor, an Advance Medical Life Support (AMLS) Instructor, an International Trauma Life Support (ITLS) Instructor, an EMS Safety Instructor and an All Hazard Response Instructor.

The District’s administrative team consists of Shannon Burkemper, Chief Medical Officer, who has been employed with the District since 2019; James Wright, Field Training Officer, who has been employed with

the District since 2019; Janet Norton, Battalion Chief – Shift A; Mike Quattrocchi Battalion Chief – Shift B; Claudette Arthur, Battalion Chief – Shift C; and two office administrators.

The District currently employs 39 full-time licensed EMTs and paramedics and 32 part-time licensed EMTs. The District has plans to hire an additional 6 paramedics over the next 10 years.

Employees at the District maintain their medical knowledge and skills through an extensive continuing education program. The program is comprised of recurrent certification classes, guest lecturers, in-house training and online education. There is also a peer review board that reviews all call reports. Employees are required to carry current certification in each of the following fields: Basic Life Support CPR, Advanced Medical Life Support, Pre-Hospital Trauma Life Support and Pediatric Advanced Life Support.

Employee Relations

Approximately 88% of the District’s full-time labor force is subject to a collective bargaining agreement expiring December 31, 2021. Full-time paramedics belong to and are represented by the International Association of Firefighters – Local 2665. The District believes it has a strong relationship with its employees. The employees of the District are not allowed by law to strike or engage in work stoppage, and the District has never been involved in any such actions.

Facilities and Equipment

The District currently operates four bases. Base 1 is currently located in Troy, Missouri and was built in 1999. It houses two 911 ambulances (Medic 1 and Medic 2) and also serves as the District’s Administrative Headquarters and training facilities and runs approximately 4,250 calls per year. Base 3 was built in 1982, is located in Elsberry, Missouri, houses one 911 ambulance (Medic 3) and runs approximately 810 calls per year. Base 4 is located in Winfield, Missouri. It was built in 2000, houses one 911 ambulance (Medic 4) and runs approximately 1,760 calls per year. An additional ambulance acquired in 2020 (Medic 6) is staffed at Base 4 whenever possible. Base 5 was built in 2004, is located in Auburn, Missouri, houses one 911 ambulance (Medic 5) and runs approximately 920 calls per year.

Using population growth and historic and projected call volumes, the District has determined that it is in the best interests of its residents to construct two new bases. Base 6 will be located in Moscow Mills, Missouri and will be constructed with proceeds of the Bonds (see the caption “**PLAN OF FINANCING – The Project**”). Medic 6 will be relocated from Base 4 and will be permanently housed at Base 6. The location of Base 7 has not been determined but is expected to be constructed in the next 3-5 years.

The District currently owns the following vehicles: 12 ambulances, 1 supervisor vehicle and 3 staff and support vehicles. The District also owns the following major medical equipment for each ambulance and emergency response vehicle: Zoll X-Series monitor, Zoll Z-Vent Ventilator, Lucas 2 or Lucas 3 Chest Compression Device, Stryker Power Load System, Stryker Power-Pro Stretcher and all equipment and medications required by the Missouri Department of Health and Senior Services – Bureau of Emergency Medical Services (the “**Bureau of Emergency Medical Services**”). See the caption “**PLAN OF FINANCING – The Project**” for a description of additional equipment proposed to be acquired or replaced by the District with the proceeds of the Bonds.

Insurance and Licensing

The District is licensed by the Bureau of Emergency Medical Services. The Bureau of Emergency Medical Services monitors the activities of the District with respect to its compliance with insurance, equipment and certain other requirements set forth in the Revised Statutes of Missouri, as amended, and the Bureau of Emergency Medical Services’ rules. The District is currently in material compliance with all state licensing and insurance requirements.

Dispatching

Lincoln County 911 Central Dispatch provides dispatching services for all law, fire and ambulance agencies throughout the County, including the District. A separate tax levy supports Lincoln County 911 Central Dispatch. All of the District's frontline rescue vehicles are equipped with the latest technology for emergency dispatching.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District has purchased commercial insurance to manage these various risks of loss. Settlements have not exceeded coverage in any of the past three fiscal years.

Employee Retirement Plans

The District participates in the Missouri Local Government Employees' Retirement System ("**LAGERS**"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created and is governed by state statute, and is a defined-benefit pension plan that provides retirement, disability and death benefits. The plan is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and is tax-exempt. LAGERS is governed by a seven-member Board of Trustees ("**LAGERS' Board**") consisting of three trustees elected by participating employees, three trustees elected by participating employers and one trustee appointed by the Missouri Governor.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. The LAGERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020 (the "**2020 LAGERS CAFR**") is available at <http://www.molagers.org/financial.html>. The link to the 2020 LAGERS CAFR is provided for general background information only, and the information in the 2020 LAGERS CAFR is not incorporated by reference into this Official Statement. The 2020 LAGERS CAFR provides detailed information about LAGERS, including its financial position, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plan.

For information specific to the District's participation in LAGERS, including the District's past contributions, net pension liability and related sensitivities, and pension expense, see Note 6 to the District's financial statements included in *Appendix A* to this Official Statement. For additional information regarding LAGERS, see the 2020 LAGERS CAFR.

Other Post-Employment Benefits

Under the Consolidated Omnibus Budget Reconciliation Act ("**COBRA**"), the District provides healthcare benefits to eligible former employees and eligible dependents, as required by Missouri law. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program, and there were no participants in the program as of December 31, 2019.

DEMOGRAPHIC AND ECONOMIC INFORMATION CONCERNING THE DISTRICT

Economy

The District is located in Lincoln County, which is one of the fastest growing areas in the State of Missouri. The District's economy is diversified between agriculture and other commercial enterprises. The principal agricultural crops are wheat, corn and livestock production. The farming base of the District is

supplemented by the continued residential growth due to the area’s proximity to St. Louis. The District is adjacent to St. Charles County, Missouri, another county that is experiencing rapid population growth. The District believes that continued residential, commercial and industrial expansion of the St. Louis area to the south will contribute to the growth of the District.

Transportation

U.S. Highway 61 and State Highway 47 traverse the District, and Interstate 70 travels just south of the District providing access to St. Louis, approximately 55 miles southeast of the District, and Kansas City, approximately 210 miles west of the District.

Regularly scheduled air passenger and freight service is available at the St. Louis Lambert International Airport located on Interstate 70 in St. Louis County approximately 40 miles southeast of the District. The County is bordered on the east by the Mississippi River, near the center of a 7,000-mile inland waterway system with numerous barge line companies serving industrial centers in 20 states. A number of railroads and commercial carrier truck lines also provide service within the County.

Population Statistics

The District estimates its current population at approximately 59,013. The following table sets forth historical population statistics for the County:

<u>Year</u>	<u>Population</u>	<u>Percentage Change</u>
1990	28,892	N/A
2000	38,944	+34.79%
2010	52,566	+34.98
2019	59,013	N/A

Source: U.S. Census Bureau Official Census estimates except for 2019, which is an unofficial estimate as of July 2019.

Age Distribution

The following table sets forth the current estimated population age distribution in the County:

<u>Age</u>	<u>Population</u>
0-4 years	3,764
5-19 years	11,985
20-24 years	3,318
25-44 years	14,545
45-64 years	11,289
65+ years	7,499

Source: U.S. Census Bureau, American Community Survey 5-year Estimates (2015-2019).

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Housing Statistics

The following table sets forth statistics relating to housing for the County and, for comparison, the State of Missouri:

	Median Value of Owner Occupied <u>Housing</u>	<u>% Built in 2000 or Later</u>	<u>% Built Before 1940</u>
Lincoln County	163,300	37.2%	6.1%
State of Missouri	157,200	17.8	13.9

Source: U.S. Census Bureau, American Community Survey 5-year Estimates (2015-2019).

Income Statistics

The following table sets forth statistics relating to income for the County and, for comparison, the State of Missouri:

	Per Capita <u>Income</u>	Median Family <u>Income</u>	<u>% People Below Poverty Level</u>
Lincoln County	\$26,848	\$74,153	11.0%
State of Missouri	30,810	70,398	13.7

Source: U.S. Census Bureau, American Community Survey 5-year Estimates (2015-2019).

Major Employers

Listed below are the ten largest public and private employers in the County⁽¹⁾:

<u>Employer</u>	<u>Product or Service</u>	<u>Employment</u>
1. Toyota Motor Manufacturing	Auto manufacturing	960
2. Lincoln County R-III School District	Education	916
3. J&J Snack Foods	Food production	500
4. Witte Bros. Exchange	Shipping and logistics	400
5. Walmart	Retail	400
6. Mercy Hospital Lincoln	Healthcare	250
7. Peoples Bank & Trust	Financial	138
8. Cuivre River Electric	Utility	132
9. Community Opportunities	Developmental disability services	90
10. Houghton Mifflin Harcourt	Publishing	60

⁽¹⁾ General Motors and its logistical subsidiaries, which have approximately 4,000 employees, are located in the nearby City of Wentzville, Missouri, approximately 10 miles south of the County, and are major employers of County residents.

Source: Troy Area Chamber of Commerce.

Employment

The following table shows the approximate employment by major industry for the County for calendar year 2019, the latest year for which such information is available:

<u>Industry</u>	<u>Employees⁽¹⁾</u>
Agriculture, forestry, fishing and hunting, and mining	332
Construction	3,128
Manufacturing	4,566
Wholesale trade	856
Retail trade	3,026
Transportation and warehousing, and utilities	1,428
Information	357
Finance and insurance, and real estate and rental and leasing	1,751
Professional, scientific, management, and administrative and waste management services	1,958
Educational services, and health care and social assistance	4,885
Arts, entertainment, and recreation, and accommodation and food service	2,028
Other services, except public administration	1,404
Public administration	<u>1,057</u>
Total	<u>26,776</u>

Source: U.S. Census Bureau, American Community Survey 5-year Estimates (2015-2019).

⁽¹⁾ Approximate.

Labor Force; Unemployment Rates

The following table sets forth the total labor force and number of employed and unemployed workers in the County and the unemployment rates for the County and, for comparison, the State of Missouri and the United States for 2016 through 2019:

<u>Year</u>	<u>Lincoln County Labor Force⁽¹⁾</u>			<u>Unemployment Rates⁽¹⁾</u>		
	<u>Employed</u>	<u>Unemployed</u>	<u>Total</u>	<u>Lincoln County</u>	<u>State of Missouri</u>	<u>United States</u>
2015	25,550	1,395	26,945	5.2%	5.0%	5.3%
2016	26,047	1,224	27,271	4.5	4.6	4.9
2017	26,453	978	27,431	3.6	3.7	4.4
2018	27,255	902	28,157	3.2	3.2	3.9
2019	27,497	951	28,448	3.3	3.3	3.7

Source: U.S. Department of Labor, Bureau of Labor Statistics (Labor Force); Missouri Department of Economic Development, Economic Research and Information Center (Unemployment Rates).

⁽¹⁾ Figures are not seasonally adjusted.

Services Within the District

Education. Lincoln County R-III School District of Troy, Missouri and the Winfield R-IV School District. The Missouri Department of Elementary and Secondary Education awarded both districts “accredited” status, which is the highest accreditation status given at this time. The districts are independent of the District, each having its own elected or appointed officials, budgets and administrators. The districts are authorized to levy taxes, separate and distinct from those levied by the District.

Post-secondary education is provided by Missouri Baptist University, a private university whose main campus is in St. Louis County, operates a learning center within the boundaries of the District in the City of Moscow Mills. The Moscow Mills learning center allows nearby residents to complete undergraduate and graduate degree programs on a flexible schedule at a convenient location. High school students are also able to take courses for college credit at the Moscow Mills location. In addition, numerous institutions of higher education located in the St. Louis MSA are easily accessible to District residents, including Lindenwood University, Saint Louis University, Washington University, the University of Missouri-St. Louis, Maryville University, Webster University and St. Charles Community College.

Medical Services. The District has standing protocols with Washington University in St. Louis, Missouri, in conjunction with Barnes Jewish Hospital, a level 1 trauma and stroke center. Mercy Hospital Lincoln is a 25-bed general acute care hospital located in the District in Troy, Missouri. It offers basic medical, surgical and pediatric services. Other hospitals near the District include Progress West in O'Fallon, Barnes-Jewish St. Peters Hospital, SSM St. Joseph Health Center in St. Charles, SSM St. Joseph Health Center in Wentzville and SSM St. Joseph's Hospital West in Lake Saint Louis. All of these hospitals provide District residents general medical, surgical and emergency care. Also, because of its close proximity to the St. Louis MSA, residents of the District have access to an additional 59 hospitals, including the highly regarded Barnes-Jewish Hospital, and two medical schools, Washington University Medical School and Saint Louis University Medical School, both of which are known for their fine instruction and quality of research. In addition, numerous dentists, chiropractors and doctors provide medical services from offices and clinics located within or in close proximity to the District.

Utilities. Electricity and Natural gas for residents in the District are provided by Ameren Missouri and Cuivre River Electric Cooperative. Water, sewer and solid waste services are provided by the cities located within the District or one of several water districts located in the District. Each water district is a separate taxing authority and financed by ad valorem taxes and user fees.

Communications and Media. Telecommunications services are provided by AT&T and CenturyLink. Internet and wireless telephone service is offered by numerous providers. The District receives all St. Louis radio stations and television channels. County newspapers include the *Troy Lincoln County Journal*, the *Troy Free Press* and the *St. Louis Post-Dispatch*.

Police and Fire Protection. Police protection in the District is provided by the incorporated municipalities overlapping the District. The Lincoln County Sheriff's Department provides police protection to unincorporated areas of the District. Fire protection within the District is primarily provided by the Lincoln County Fire Protection District and Winfield-Foley Fire Protection District.

Recreational Facilities. Residents of the District enjoy life in communities with excellent park systems and recreational facilities. Within the County there are 19 county parks, including Lincoln County Fair Grounds and Cuivre River State Park, consisting of over 6,400 acres of land for hunting, fishing and hiking. Recreational facilities include community playgrounds, ball fields, campsites, picnic areas, pavilions, walking and bike paths, skate parks, fitness centers and other amenities. Residents also have easy access to numerous other recreational facilities and activities in other nearby portions of St. Louis County and the City of St. Louis, including the St. Louis Arch, the St. Louis Zoological Park (commonly known as the St. Louis Zoo), the Missouri Botanical Gardens, St. Louis Cardinals baseball, St. Louis Blues hockey and the St. Louis Symphony.

DEBT STRUCTURE OF THE DISTRICT

General Obligation Indebtedness

Once issued, the Bonds will be the only outstanding general obligation bonded indebtedness of the District.

Direct and Overlapping Indebtedness

The following table sets forth the District’s direct debt, including the Bonds, and overlapping indebtedness of political subdivisions with boundaries overlapping the District as of January 1, 2021, and the estimated percent attributable to the District. The table was compiled from information furnished by the County, the Missouri Department of Elementary and Secondary Education and the jurisdictions responsible for the debt and has not been independently verified for accuracy or completeness by the District. Furthermore, these political subdivisions may have ongoing programs requiring the issuance of additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Bonds⁽¹⁾</u>	<u>Percent Applicable to District⁽²⁾</u>	<u>Dollar Amount Applicable to District</u>
The District	\$ 6,125,000*	100.00%	\$ 6,125,000*
City of Silex	\$ 233,315	100.00%	\$ 233,315
Elsberry R-II School District	6,860,000	5.91	405,209
Pike R-3 School District	1,830,000	1.06	19,334
Silex R-I School District	651,025	4.06	26,435
Troy R-III School District	61,240,000	62.84	38,486,143
Warren County R-3 School District	17,525,000	0.20	35,078
Winfield R-IV School District	14,900,000	12.98	1,934,641
Lincoln County Fire Protection District ⁽³⁾	<u>0</u>	60.99	<u>0</u>
Total	<u>\$109,364,340</u>		<u>\$47,265,154</u>

Source: Lincoln County Assessor, the Missouri Department of Elementary and Secondary Education, taxing jurisdictions’ records and the Electronic Municipal Market Access system (“EMMA”) maintained by the Municipal Securities Rulemaking Board (“MSRB”).

- (1) This table excludes (1) neighborhood improvement district bonds, which are a general obligation of the issuer but are expected to be paid from special assessments and for which the issuer may not levy a general property tax without additional voter approval and (2) lease obligations.
- (2) Percentages are based on the 2020 final assessed valuation of real and personal property of the District calculated against the overlapping portion of the assessed valuation of real and personal property of the applicable taxing district. The assessed valuation of real and personal property of the Lincoln County Fire Protection District is based on its 2020 final assessed valuation. The assessed valuation of real and personal property of the school districts are based on preliminary assessments as of May 2020. The District was unable to determine the percentage of Silex’s assessed valuation that overlaps the District and therefore assumes 100%.
- (3) Lincoln County Fire Protection District is expected to issue approximately \$10,400,000 principal amount of general obligation bonds in 2021.

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* Preliminary; subject to change.

Debt Ratios and Related Information

The following table summarizes certain financial information concerning the District. This information should be reviewed in conjunction with the information contained in this section and the excerpts of financial statements of the District in *Appendix A* hereto.

Population (2019 Estimate)	59,013
Assessed Valuation (2020)	\$922,126,857
Estimated Actual Value (2020)	\$4,049,481,178
Per Capita Estimated Actual Value	\$68,620.15*
Outstanding General Obligation Bonds (“ Direct Debt ”)	\$6,125,000*
Per Capita Direct Debt.....	\$103.79*
Ratio of Direct Debt to Assessed Valuation.....	0.66%*
Ratio of Direct Debt to Estimated Actual Value	0.15%*
Overlapping General Obligation Debt (“ Overlapping Debt ”)	\$41,140,154*
Total Direct and Overlapping Debt	\$47,265,154*
Per Capita Direct and Overlapping Debt.....	\$800.93*
Ratio of Direct and Overlapping Debt to Assessed Valuation	5.13%*
Ratio of Direct and Overlapping Debt to Estimated Actual Value..	1.17%*

Debt Service Requirements*

The following schedule shows the yearly principal and interest requirements for the Bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest⁽¹⁾</u>	<u>Total</u>
2022	\$400,000	\$161,103	\$561,103
2023	500,000	103,315	603,315
2024	500,000	93,315	593,315
2025	240,000	86,515	326,515
2026	245,000	82,878	327,878
2027	250,000	79,165	329,165
2028	255,000	75,378	330,378
2029	255,000	71,553	326,553
2030	260,000	67,690	327,690
2031	265,000	63,753	328,753
2032	270,000	59,605	329,605
2033	275,000	54,970	329,970
2034	280,000	49,555	329,555
2035	285,000	43,623	328,623
2036	290,000	37,585	327,585
2037	295,000	31,369	326,369
2038	305,000	24,843	329,843
2039	310,000	18,000	328,000
2040	320,000	10,913	330,913
2041	<u>325,000</u>	<u>3,656</u>	<u>328,656</u>
Total	<u>\$6,125,000</u>	<u>\$1,218,780</u>	<u>\$7,343,780</u>

⁽¹⁾ Based on assumed interest rates.

* Preliminary; subject to change.

Legal Debt Capacity

Under Article VI, Section 26(b) of the Missouri Constitution, the District may incur indebtedness for authorized fire protection district purposes not to exceed 5% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date.

The following table sets forth the District’s debt margin and constitutional debt limit:

2020 Assessed Valuation ⁽¹⁾	\$922,126,857
Debt Limit - 5% of Assessed Valuation.....	\$46,106,343
Less: General Obligation Indebtedness Outstanding	<u>(6,125,000)*</u>
Debt Margin.....	<u>\$39,981,343*</u>
Less: General Obligation Indebtedness Authorized but Unissued ⁽¹⁾ ..	<u>(5,375,000)*</u>
Constitutional Debt Limit	<u>\$34,606,343*</u>

⁽¹⁾ Excludes assessed valuation attributable to tax increment financing districts located within the District.
⁽²⁾ The constitutional debt limit includes all voter authorized bonds.

Annual Appropriation Obligations

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

The District has from time to time entered into, and in the future may enter into, leases or other annual appropriation agreements. Following the issuance of the Bonds and the prepayment of the Leases, the District will have the following annual appropriation obligations outstanding: (1) an operating lease agreement for solar panels, which is scheduled to mature in July 2034 and (2) an operating lease agreement for a copier, which is scheduled to mature in December 2021. The District’s combined payments under these leases total approximately \$4,500 each year.

History of Debt Payment

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

Future Debt

The Bonds represent the first series of \$11,500,000 of general obligation bonds authorized by the voters for the purpose of acquiring, constructing, improving, equipping and furnishing ambulance stations and infrastructure in response to increased demand in call volume and purchasing ambulances, other vehicles, lifesaving medical equipment, and auxiliary equipment. The District anticipates issuing the remaining bonds authorized by the voters in one or more series over the next 7 years commencing in 2024. After the issuance of the Bonds, the District will have \$5,375,000* of authorized but unissued bonds remaining.

* Preliminary; subject to change.

FINANCIAL INFORMATION CONCERNING THE DISTRICT

Accounting, Budgeting and Auditing Procedures

General. The District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, which is a comprehensive method of accounting in accordance with generally accepted accounting principles. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Ambulance services and training fees are recorded at the time of service, net of allowances for uncollectible amounts. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. The District's fiscal year is from January 1 to December 31.

All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. Governmental funds report the acquisition of capital assets and payments for debt principal as expenditures and not as changes to asset and debt balances. The District's only major governmental fund is the General Fund. The General Fund is the operating fund of the District.

Budget. The District maintains a fiscal year of January 1 through December 31. Each year, the District adopts an annual budget for its governmental funds pursuant to Missouri statutes. The Board of Directors holds open meetings and hearings to obtain taxpayer comments, and then approves the budget before year-end. The operating budget includes proposed expenditures, revenues and reserves. The original budget adopted by the District may be amended any time during the year, so long as expenditures do not exceed the total revenue of the preceding year.

Audited Financial Statements. The audited financial statements of the District for the fiscal year ended December 31, 2019, are included in this Official Statement as *Appendix A*. Financial statements for earlier years are available for examination in the District's office.

Investment Policy

The District's general operating funds are invested in accordance with an investment policy adopted by the District's Board. The policy states that interest-bearing checking accounts, certificates of deposit, repurchase agreements, United States Government Obligations, bonds, notes or other obligations of the State of Missouri, and any other securities or investments that are lawful for the investment of monies held in such funds or accounts under the law of the State of Missouri are appropriate types of deposits and investments for the District's needs.

Summary of General Fund Operations

The following is a summary statement of revenues, expenditures and changes in total fund balances for the General Fund, prepared from the District's annual audited financial statements. The table should be read in conjunction with the other financial statements and notes appertaining thereto set forth in *Appendix A* of this Official Statement and the financial statements on file at the District's office.

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE –
GENERAL FUND

	December 31		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues:			
Property taxes	\$ 888,077	\$ 887,785	\$ 996,766
Sales taxes	2,654,526	2,710,321	2,864,726
Ambulance fees, net ⁽¹⁾	2,397,757	2,277,801	2,714,863
Interest income	22,984	82,674	98,095
Miscellaneous	<u>42,995</u>	<u>44,574</u>	<u>218,518</u>
Total Revenues	<u>6,006,339</u>	<u>6,003,155</u>	<u>6,892,968</u>
Expenditures:			
Current			
Salaries	1,981,480	2,047,917	2,269,564
Salaries - overtime	878,278	910,599	965,771
Election expenses	11,738	11,204	69,141
Payroll taxes	212,966	233,608	242,180
Office supplies	11,754	9,228	6,429
Computer services	146,145	153,832	137,170
Dispatching expense	87,000	70,765	90,621
Gasoline and oil	64,080	79,255	85,314
Dues and subscriptions	3,650	5,678	2,420
Advertising and public relations	8,848	8,394	5,415
Insurance - general	215,498	204,284	260,277
Insurance - employee ⁽²⁾	933,015	1,311,217	945,003
Professional fees	42,538	51,440	142,464
Building and maintenance	41,118	27,733	75,055
Equipment and vehicle maintenance	171,144	170,383	126,278
Doctor fees	19,265	24,316	27,484
Training and education	60,144	53,323	49,523
Uniforms	39,784	34,899	46,414
Supplies	86,300	112,260	126,818
Utilities	47,868	52,932	48,197
Pension contribution	145,848	241,219	207,433
Capital outlay ⁽³⁾	64,908	492,270	535,027
Debt service: ⁽⁴⁾			
Principal	314,065	56,817	125,543
Interest and fiscal charges	<u>30,135</u>	<u>5,949</u>	<u>15,176</u>
Total Expenditures	<u>5,617,569</u>	<u>6,369,522</u>	<u>6,604,717</u>
Revenues over (under) expenditures	388,770	(366,367)	288,251
Other financing sources (uses)			
Finance lease proceeds ⁽³⁾	<u>0</u>	<u>0</u>	<u>500,109</u>
Total other financing source (uses)	<u>0</u>	<u>0</u>	<u>500,109</u>
Net change in fund balance	388,770	(366,367)	788,360
Fund balance – beginning	<u>\$5,164,869</u>	<u>\$5,553,639</u>	<u>\$5,187,272</u>
Fund balance – ending	<u>\$5,553,639</u>	<u>\$5,187,272</u>	<u>\$5,975,632</u>

Source: District's Audited Financial Statements (2017-2019).

Footnotes (continued from prior page)

- (1) The changes in revenues generated from ambulance charges is primarily due to an increase in call volume and ambulance fees collected.
- (2) In fiscal year 2018, the District was in a self-insured health insurance plan. In fiscal year 2019, the District joined the District 9 Machinist Union health insurance plan in order to realize savings.
- (3) In fiscal year 2018, the District used reserves to acquire two ambulances. In fiscal year 2019, the District used proceeds of the People’s Bank Lease to acquire two Chevy Chassis with box remounts, a stretcher, two power load systems, Zoll ventilators and Panasonic Toughbook Laptop Computers.
- (4) Amounts shown are attributable to rental payments due under the Leases and other operating leases of the District. The Leases will be prepaid with a portion of the proceeds of the Bonds.

2020 Unaudited Results and 2021 Budget

Based on unaudited figures, the District’s ending balance for the General Fund for the 2020 fiscal year is \$6,017,337, compared to \$5,975,632 for the 2019 fiscal year (audited results). For the 2021 fiscal year, the District has budgeted a drawdown of reserves in the amount of \$182,352 as a result of expected expenditures exceeding revenues. The ending balance for the General Fund for the 2021 fiscal year is expected to be \$5,834,985.

Revenue Sources

The District finances its operations through user fees and charges, sales tax revenue and property tax revenue. The following is a discussion of the District’s user fees and charges and sales tax. See the caption **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT”** below for information regarding the imposition and collection of the District’s property tax.

User Fees and Charges. The District imposes user fees and charges for transporting patients. Revenues from this source are dependent upon the number of calls received each year. The following table sets forth the number of medical calls received by the District during the past five calendar years:

<u>Year</u>	<u>Medical Calls</u> ⁽¹⁾
2016	6,661
2017	7,227
2018	7,116
2019	7,905
2020	7,791

⁽¹⁾ Not all medical calls result in a billable transport.

The following tables set forth the District’s user rates that were adopted by the Board and effective beginning January 1, 2020:

District Resident Rates:

Basic Life Support (“BLS”), Routine	\$602.00
BLS, Emergency	\$886.00
Advance Life Support (“ALS”)-1, Routine	\$886.00
ALS-1, Emergency.....	\$886.00
ALS-2, Emergency.....	\$944.00

Non-Resident Rates:

BLS, Routine	\$761.00
BLS, Emergency	\$1,114.00
ALS-1, Routine	\$1,114.00
ALS-1, Emergency.....	\$1,114.00
ALS-2, Emergency.....	\$1,189.00

The District also charges \$15.00 per mile transported.

The above rates are charged to all transported patients. A substantial portion of the District’s revenues are derived from Medicare, Medicaid and commercial insurance, and the applicable copays, coinsurance and deductibles.

The Medicare program is provided by the United States Department of Health and Human Services. Allowable payments for ambulance service by Medicare are based upon a schedule established under federal guidelines. Allowable payments by Medicare and Medicaid are substantially lower than the amounts shown in the table above. Approximately 40% of the District’s transports are paid by Medicare. A reduction in allowable payments from Medicare and/or Medicaid could result in reduced revenue to the District.

The District annually surveys rates of other ambulance districts and Medicare and Medicaid allowances to determine when rate increases are appropriate and to ensure that current rates are reasonable and appropriate.

The District contracts with a third party billing company, currently Digitech Computer LLC (“**Digitech**”) based in New York, as billing agent for the District’s fees and charges generated by patient transports. Once a patient care report is generated by the District and marked for billing, Digitech begins the process of verifying and presenting the claim to the patient’s private insurance carrier, Medicare, Medicaid or private pay. Digitech then issues invoices and collects all revenues. Payment is due within 30 days of receipt of an invoice. If a bill remains unpaid after 90 days, it is considered delinquent and turned over to an outside collection agency.

The following table sets forth collection information for the District’s user fees and charges for transporting patients for the years 2016 through 2020:

<u>Year</u>	<u>Billed Amount</u>	<u>Billed Amount After Contract Allowances⁽¹⁾</u>	<u>Collected Amount</u>	<u>Percentage Collected</u>
2016	\$5,302,769	\$3,270,156	\$2,333,933	71.4%
2017	5,580,042	3,235,323	2,397,757	74.1
2018	5,301,661	3,135,108	2,277,801	72.7
2019	5,822,430	3,505,887	2,714,863	77.4
2020 ⁽²⁾	5,878,824	3,210,913	2,446,925	76.2

Source: District; District’s Audited Financial Statements (2016-2019) and Unaudited Financial Statements (2020).

(1) The District is required to adjust claims for Medicare, Medicaid, military and veteran patients based on federally-mandated contractual allowances.

(2) Unaudited figure.

Sales Tax. On November 4, 2003, the voters of the District approved a \$0.50 district-wide sales tax for the operation of the District. Pursuant to State law, the ballot language provided that the District’s property tax revenues would be reduced annually by 50% of the previous year’s revenue collected from the sales tax. Each year following the imposition of the sales tax, the District has made the required roll back of its general property tax levy each year based on sales tax collections and anticipates a rollback each year for the foreseeable future.

The following table sets forth collection information for the District's sales tax for the years 2016 through 2020:

<u>Year</u>	<u>Sales Tax Collections</u>
2016	\$2,596,341
2017	2,654,526
2018	2,633,599
2019	2,864,726
2020 ⁽¹⁾	3,120,165

Source: District's Audited Financial Statements (2016-2019) and Unaudited Financial Statements (2020).

⁽¹⁾ Unaudited figure.

PROPERTY TAX INFORMATION CONCERNING THE DISTRICT

Property Valuations

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

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

On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The assessment ratio for personal property is generally 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 0.5%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

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

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Current Assessed Valuation. The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District (including state assessed railroad and utility property and excluding areas in tax increment financing districts) according to the assessment for calendar year 2020 for property owned as of January 1, 2020, as finally equalized.

<u>Type of Property</u>	<u>Total Assessed Valuation⁽¹⁾</u>	<u>Assessment Rate</u>	<u>Total Estimated Actual Valuation⁽¹⁾</u>
Real Estate:			
Residential	\$510,231,480	19%	\$2,685,428,842
Agricultural	20,159,714	12%	167,997,617
Commercial	101,101,263	32%	315,941,447
State Assessed Railroad and Utility	65,147,009	32%	203,584,403
Local Assessed Railroad and Utility	<u>528,173</u>	32%	<u>1,650,541</u>
Total Real Estate	\$697,167,639		\$3,374,602,849
Personal Property	216,116,408	33 1/3%	648,349,872
State Assessed Railroad and Utility	8,339,069	33 1/3%	25,017,232
Local Assessed Railroad and Utility	<u>503,741</u>	33 1/3%	<u>1,511,225</u>
Total Real and Personal	<u>\$922,126,857</u>		<u>\$4,049,481,178</u>

Source: Lincoln County Clerk.

(1) Excludes assessed valuation attributable to tax increment financing districts located within the District.

(2) Assumes all personal property is assessed at 33-1/3%; because certain subclasses of tangible personal property are assessed at less than 33-1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See “*Assessment Procedure*” discussed above.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the District according to the assessments of January 1 in each of the following years has been as follows:

<u>Year</u>	<u>Assessed Valuation⁽¹⁾</u>	<u>Percentage Change</u>
2016	\$720,231,513	N/A
2017	827,816,857	+14.94%
2018	857,485,260	+3.58
2019	889,654,037	+3.75
2020	922,126,857	+3.65

Source: Lincoln County Clerk.

(1) Excludes assessed valuation attributable to tax increment financing districts located within the District.

Property Tax Levies and Collections

Not later than September 30 of each year, the Board of Directors sets the rate of tax for the District and files the tax rate with Lincoln County by October 1. Taxes are levied at the District’s tax rate per \$100 of assessed valuation. The County is responsible for reviewing the rate of tax to ensure that it does not exceed constitutional limits. Article X, Section 22 of the Missouri Constitution (the “**Hancock Amendment**”) requires the District to adjust its operating levy if the equalized assessed value of property within the District, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the general price level from the previous year. In such an event, the District would be required to reduce its operating levy to a rate that would yield the same gross revenue, adjusted for changes in the general price level, as could have

been collected at the existing operating levy applied to the prior assessed value. The Hancock Amendment does not apply to taxes imposed for the payment of principal and interest on general obligation bonds.

Taxes are levied on all taxable real and personal property owned as of January 1 in each year. Certain properties, such as those used for charitable, education and religious purposes, are excluded from ad valorem taxes for both real and personal property.

Real property within the District is assessed by the County Assessor. The County Assessor is responsible for preparing the tax rolls each year and for submitting tax rolls to the Board of Equalization. The Board of Equalization has the authority to question and determine the proper value of property and then adjust and equalize individual properties appearing on the tax rolls. After local appeal procedures have been completed, the books are finalized and sent to the Lincoln County Collector who prepares and mails the tax statements.

Tax bills are usually mailed in November; however, the volume of assessment complaints required to be reviewed by the Board of Equalization can affect the date on which bills are actually mailed.

Taxes for real and personal property are due by December 31 after which date they become delinquent and accrue a penalty of one percent per month. The Lincoln County Collector deducts a commission equal to 1.5% of the taxes collected for his services. After such collections and deductions of commission, taxes are distributed according to the taxing body's pro-rata share.

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

Historic Tax Rates. The following table shows the District's property tax rates (per \$100 of assessed valuation) for the years 2016 through 2020:

<u>Year</u>	<u>General Fund⁽¹⁾</u>
2016	\$0.1178
2017	0.1067
2018	0.1015
2019	0.1128
2020	0.1056

Source: District's Audited Financial Statements 2016-2019; Missouri State Auditor's office (2020).

⁽¹⁾ The District's property tax levy is subject to reduction annually based on revenues received in the previous year from the imposition of the District's sales tax. See the caption "**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Revenue Sources - Sales Tax**" for further discussion regarding the rollback of the District's property tax levy based on sales tax receipts. Reduction in the District's property tax levy could also be required by the Hancock Amendment. See the caption "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT - Property Tax Levies and Collections.**"

Future Tax Rates. The District does not currently levy a tax for the debt service fund but will levy such a tax while the Bonds are outstanding. The District expects the tax rate for the debt service fund for 2021 to equal \$0.08.

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Tax Collection Record. The following table sets forth tax collection information for the District for the years 2017 through 2020:

<u>Tax Year</u>	<u>Total Taxes Levied⁽²⁾⁽³⁾</u>	<u>Current and Delinquent Taxes Collected⁽¹⁾</u>	
		<u>Amount</u>	<u>Percent</u>
2017	\$884,153.71	\$856,196.89	96.84%
2018	871,721.09	922,404.61	105.81
2019	1,005,871.86	828,094.87	82.33
2020 ⁽⁴⁾	982,169.85	1,089,010.14	110.88

Source: Lincoln County Collector.

- (1) Delinquent taxes and penalties are shown in the year payment is actually received, which may cause the percentage of current and delinquent taxes collected to exceed 100%.
- (2) Includes the levy for the General Fund and excludes a 2.0% collection fee payable to the County.
- (3) The District’s property tax levy is subject to reduction annually based on revenues received in the previous year from the imposition of the District’s sales tax. See the caption **“FINANCIAL INFORMATION CONCERNING THE DISTRICT - Revenue Sources - Sales Tax”** for further discussion regarding the rollback of the District’s property tax levy based on sales tax receipts. Reduction in the District’s property tax levy could also be required by the Hancock Amendment. See the caption **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT - Property Tax Levies and Collections.”**
- (4) Collections as of December 31, 2020.

The District projects that additional property tax revenues due to increases in assessed valuation from new construction and additional revenues from user fees and charges for transporting patients due to increased call volumes will offset reductions in property tax revenues in future fiscal years due to the rollback of its property tax levy based on sales tax collections. See the caption **“FINANCIAL INFORMATION CONCERNING THE DISTRICT - Revenue Sources”** for further discussion of these other sources of revenues for the District.

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Major Property Taxpayers

The following table sets forth the taxpayers owning property with the greatest amount of assessed valuation within the District based on the valuation of property owned as of January 1, 2021, with taxes on such property due by December 31, 2021.⁽¹⁾

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of District's Total Assessed Valuation</u>
Cuivre River Electric Coop	\$11,498,469	1.25%
Bodine Aluminum Inc	7,410,269	0.80
Ameren Services Company	4,159,172	0.45
Houghton Mifflin Harcourt Publishing Co	2,389,792	0.26
Wal-Mart Real Estate Business Trust	2,198,035	0.24
RLP Development Co Inc	1,618,525	0.18
Most Inc	1,586,468	0.17
Witte Brothers Exchange Inc & Lincoln Land Cattle Co Inc	1,400,106	0.15
Missouri Orda Centers LLC	897,680	0.10
Troy Ventures LLC	890,483	0.10
Total	<u>\$34,048,999</u>	<u>3.69%</u>

Source: Lincoln County Assessor.

⁽¹⁾ Based on parcels of property with assessed valuations in excess of \$675,000. Accordingly, it is possible that the taxpayers listed above may own additional property in the District and that the assessed valuations indicated above are understated.

LEGAL MATTERS

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

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

TAX MATTERS

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

consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

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

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

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

Bank Qualification. The Bonds are “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

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

Other Tax Consequences

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

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no

federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

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

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

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

CONTINUING DISCLOSURE UNDERTAKING

The Undertaking

The District has covenanted in the Continuing Disclosure Undertaking to file certain financial information and operating data relating to the District (no later than August 1 of each calendar year following the end of the District's fiscal year, commencing with the fiscal year ending December 31, 2020) (the "**Annual Report**"). The Annual Report shall be filed by the District (or a dissemination agent engaged by the District) with the MSRB through EMMA. The Annual Report shall include:

- (a) The audited financial statements of the District for the prior fiscal year prepared by its independent auditors. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
- (b) Information relating to the District and its operations generally consistent with the information set forth in the tables of this Official Statement under the captions: "**FINANCIAL INFORMATION CONCERNING THE DISTRICT – Summary of General Fund Operations**" and "**– Revenue Sources**" and "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT.**"

The District has also covenanted that within 10 business days after the occurrence of any of the following events, the District shall give, or cause to be given to the MSRB through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (“**Material Events**”):

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

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

All Annual Reports and notices of Material Events required to be filed by the District pursuant to the Continuing Disclosure Undertaking must be submitted to the MSRB through EMMA. EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the District or the Bonds is incorporated by reference in this Official Statement.

These covenants have been made in order to assist the Underwriter in complying with the Rule.

Prior Compliance

The District has no prior continuing disclosure obligations under the Rule.

Future Compliance

On March 17, 2021, the District is expected to adopt bond policies and procedures designed to assist the District in complying with its continuing disclosure obligations under the Rule. The policies and procedures include: (1) designation of a bond compliance officer as the person responsible for complying with the District's continuing disclosure obligations; (2) training personnel responsible for compliance on the importance of timely submission of information and to ensure comprehensive understanding of compliance requirements; and (3) annual review by the bond compliance officer of each continuing disclosure undertaking to determine what financial information and operating data is required to be included in the Annual Report to be filed on EMMA.

BOND RATING

Moody's has assigned the Bonds a rating of "Aa2" based on Moody's evaluation of the creditworthiness of the District. Such rating reflects only the view of Moody's at the time the rating is given, and the District, the Underwriter and the Municipal Advisor make no representation as to the appropriateness of such rating. An explanation of the significance of the rating may be obtained only from Moody's. The District furnished Moody's with certain information and materials relating to the Bonds and the District that has not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances warrant. Any downward revision or withdrawal of the rating may have an adverse effect on the market price and marketability of the Bonds.

ABSENCE OF LITIGATION

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

UNDERWRITING

_____, _____, _____ (the "Underwriter"), has agreed to purchase the Bonds at a price of \$_____ (which is equal to the aggregate original principal amount of the Bonds, plus a net original issue premium of \$_____, less an underwriting discount of \$_____). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, determines.

MUNICIPAL ADVISOR

WM Financial Strategies, St. Louis, Missouri (the “**Municipal Advisor**”), is a registered municipal advisor with the Securities and Exchange Commission and the MSRB. The Municipal Advisor is employed by the District to render certain professional services, including advising the District on a plan of financing. The Municipal Advisor has not undertaken an independent review into the accuracy of the information presented in this Official Statement and does not guaranty, warrant or represent the accuracy or completeness of the information contained in this Official Statement.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the Owners thereof.

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

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

LINCOLN COUNTY AMBULANCE DISTRICT

By: _____
Chairman of the Board of Directors

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APPENDIX A

**DISTRICT'S AUDITED FINANCIAL STATEMENTS FOR
THE FISCAL YEAR ENDED DECEMBER 31, 2019**

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**Lincoln County
Ambulance District**

Annual Financial Statements

For The Year Ended December 31, 2019

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Fick, Eggemeyer & Williamson

Certified Public Accountants, PC



MEMBERS OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Lincoln County Ambulance District
Troy, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund, of the Lincoln County Ambulance District, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Lincoln County Ambulance District, as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios and schedule of contributions on pages 3a-3d and 21-24 be presented to supplement the basic financial statements. Such information, 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.

Fick, Eggemeyer & Williamson

Fick, Eggemeyer & Williamson, CPAs

Saint Louis, Missouri

May 14, 2020

**LINCOLN COUNTY AMBULANCE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

This section of Lincoln County Ambulance District's annual financial report presents management's discussion and analysis of the District's financial activity for the year ended December 31, 2019. In order to have a comprehensive understanding of the management discussion and analysis, we recommend that the attached financial statements, including all notes to the financial statements, be read in their entirety.

Using this Annual Report

The District's basic financial statements are designed to emulate corporate presentation models whereby all District activities are consolidated. This approach is intended to summarize and simplify the analysis of the costs associated with various emergency services provided by the District for the benefit of its residents.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the basic financial statements.

Required supplementary information is also included in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements include the *Statement of Net Position* and the *Statement of Activities*. The *Statement of Net Position* presents all of the District's assets and liabilities which measure the District's overall financial health. The increases and decreases in net position can be monitored to determine whether the District's financial position is improving or deteriorating.

The *Statement of Activities* presents information reflecting how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused compensation, etc.)

The government-wide financial statements report functions of the District that are principally supported by taxes and charges for services. The governmental activities for the District include ambulance and EMS services. It should be noted that the District currently has no business-type activities.

Fund Financial Statements

The fund financial statements provide groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure compliance with finance-related legal requirements.

Governmental Funds

The District's basic services are included in the governmental funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. These fund statements measure current financial resources, or near-term inflows and outflows of expendable resources, as well as the balances of expendable resources available at the end of the year. Such information may be useful in evaluating a District'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 the District's near-term financing decisions.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the information reported in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, this financial report also contains certain required supplementary information. Required supplementary information includes a budgetary comparison schedule for the General Fund, a schedule of changes in net pension liability and related ratios, and schedule of contributions.

Financial Analysis of the District as a Whole

Government-Wide Financial Analysis

As mentioned earlier, net position may serve over time as a useful indicator of a government's financial position. The condensed statement of net position as of December 31, is as follows:

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
Assets			
Current and other assets	\$ 6,272,872	\$ 5,404,983	\$ 867,889
Noncurrent assets	<u>1,966,647</u>	<u>2,852,927</u>	<u>(886,280)</u>
Total assets	<u>8,239,519</u>	<u>8,257,910</u>	<u>(18,391)</u>
Deferred outflows of resources	<u>1,446,944</u>	<u>618,241</u>	<u>828,703</u>
Liabilities			
Current liabilities	257,896	178,621	79,275
Noncurrent liabilities	<u>560,172</u>	<u>278,493</u>	<u>281,679</u>
Total liabilities	<u>818,068</u>	<u>457,114</u>	<u>360,954</u>
Deferred inflows of resources	<u>651,706</u>	<u>777,459</u>	<u>(125,753)</u>
Net Position			
Net investment in capital assets	1,472,653	1,688,269	(215,616)
Restricted	-	-	-
Unrestricted	<u>6,744,036</u>	<u>5,953,309</u>	<u>790,727</u>
Total net position	<u>\$ 8,216,689</u>	<u>\$ 7,641,578</u>	<u>\$ 575,111</u>

The District's assets exceeded its liabilities by \$8,216,689 as of December 31, 2019. Of this amount, \$1,472,653 is invested in capital assets, net of related debt; \$6,744,036 is unrestricted and available to provide for current and future obligations of the District.

This schedule is prepared from the District's Statement of Net Position, which is presented on an accrual basis of accounting, whereby assets are capitalized and depreciated.

The District's net position increased by \$575,111

The key elements of this increase are presented in the following condensed statement of activities:

	2019	2018	Increase (Decrease)
Revenues			
Program revenues:			
Charges for services	\$ 2,714,863	\$ 2,277,801	\$ 437,062
General revenues:			
Property taxes	1,030,586	874,711	155,875
Sales taxes	2,864,726	2,710,321	154,405
Interest income	98,095	82,674	15,421
Miscellaneous	218,518	44,574	173,944
Loss on asset disposal	-	(132)	132
Total revenues	<u>6,926,788</u>	<u>5,989,949</u>	<u>936,839</u>
Expenses			
Public safety	6,336,501	5,888,727	447,774
Interest and fiscal charges	15,176	5,949	9,227
Total expenses	<u>6,351,677</u>	<u>5,894,676</u>	<u>457,001</u>
Increase/decrease in net position	<u>\$ 575,111</u>	<u>\$ 95,273</u>	<u>\$ 479,838</u>

Program revenue includes activities that have the characteristics of exchange transactions, such as ambulance and EMS services. General revenues include activities that have the characteristics of non-exchange transactions, such as property and sales taxes. Program expenses are those expenses for the purpose of providing emergency medical services and operational activities of the District. Total revenues increased by \$936,839 when comparing 2019 to 2018 primarily, due to an increase in ambulance fees collected.

Fund Analysis

	General Fund Revenues		Increase (Decrease)
	2019	2018	
Property taxes	\$ 996,766	\$ 887,785	\$ 108,981
Sales tax	2,864,726	2,710,321	154,405
Charges for services	2,714,863	2,277,801	437,062
Interest income	98,095	82,674	15,421
Miscellaneous	218,518	44,574	173,944
Total revenues	<u>\$ 6,892,968</u>	<u>\$ 6,003,155</u>	<u>\$ 889,813</u>

General Fund revenues increased \$889,813 in 2019 from 2018. The increase is mainly attributable to an increase in ambulance fees collected.

Budget Analysis

The District adopts an annual budget for the General Fund, pursuant to Missouri State Statutes. Annually, as allowed by Missouri State Statutes, the District is permitted to amend the budget to reflect approved changes in spending requirements and unforeseen events that occurred during the most recent year. The District's most significant budget amendment was to account for an increase in capital outlay and revenues.

Capital Assets

GASB 34 requires the District to include in capital assets all real estate to house ambulance personnel and emergency vehicles, the District's administrative building and all emergency and administrative equipment and vehicles owned by the District. The District has adopted a capitalization policy with specific useful lives by capital asset category. More detailed information on the District's capital assets is presented in note 5 to the financial statements.

	Capital Assets Net Of Depreciation		Increase
	2019	2018	(Decrease)
Land	\$ 281,216	\$ 281,216	\$ -
Buildings and improvements	796,855	830,784	(33,929)
Equipment	239,158	250,779	(11,621)
Vehicles	630,956	426,456	204,500
Total capital assets	<u>\$ 1,948,185</u>	<u>\$ 1,789,235</u>	<u>\$ 158,950</u>

Long-Term Liabilities

The District has outstanding debt totaling \$475,532. During 2019, the District made principal payments of \$125,543. More detailed information on the District's long-term liabilities is presented in note 7 to the financial statements.

Economic Factors

The District serves over 55,000 residents. While the District includes office buildings, regional and local shopping areas, churches, residential care and light manufacturing facilities, it primarily consists of single and multi-family residential housing. Hence, the District is somewhat insulated from significant changes in the economy.

When the 2020 budget was passed, COVID-19 was not considered a threat to the District economically. The economic impact of COVID-19 on the District's budget is unknown. The District will continue to use sound fiscal management to meet the challenges of the future. The District projects a budget deficit in 2020 with adequate reserves available in the event of a shortfall in revenues.

Contact Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. This financial report hereby demonstrates the District's spirit of full disclosure to provide readers of this report with an overview of the District's financial operations. For questions or requests for additional information, please direct requests to the Chief of the Ambulance District at PO Box 157, Troy, MO 63379.

LINCOLN COUNTY AMBULANCE DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 3,900,881
Property taxes receivable, net of allowance	1,043,225
Sales tax receivable	454,043
Accounts receivable, net of allowance	803,017
Prepaid insurance	71,706
Total current assets	<u>6,272,872</u>
Noncurrent assets	
Net pension asset	18,462
Land	281,216
Capital assets, net of depreciation	1,666,969
Total noncurrent assets	<u>1,966,647</u>
TOTAL ASSETS	<u><u>\$ 8,239,519</u></u>
 DEFERRED OUTFLOWS	
Pension related deferred outflows	<u><u>\$ 1,446,944</u></u>
 LIABILITIES	
Current liabilities	
Accounts payable	\$ 59,668
Accrued wages, taxes and benefits	84,273
Finance lease payable, current maturities	93,378
Note payable, current maturities	20,577
Total current liabilities	<u>257,896</u>
Noncurrent liabilities	
Compensated absences	198,595
Finance lease payable, less current maturities	361,577
Total noncurrent liabilities	<u>560,172</u>
TOTAL LIABILITIES	<u><u>\$ 818,068</u></u>
 DEFERRED INFLOWS OF RESOURCES	
Pension related deferred inflows	<u><u>\$ 651,706</u></u>
 NET POSITION	
Net investment in capital assets	\$ 1,472,653
Restricted	-
Unrestricted	6,744,036
TOTAL NET POSITION	<u><u>\$ 8,216,689</u></u>

The notes to the financial statements are an integral part of this statement

LINCOLN COUNTY AMBULANCE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS/PROGRAMS	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Public safety	\$ 6,336,501	\$ 2,714,863	\$ -	\$ -	\$ (3,621,638)
Interest and fiscal charges	15,176	-	-	-	(15,176)
Total governmental activities	\$ 6,351,677	\$ 2,714,863	\$ -	\$ -	(3,636,814)
General revenues:					
Property taxes					1,030,586
Sales taxes					2,864,726
Interest income					98,095
Miscellaneous					218,518
Total general revenues					4,211,925
Changes in net position					575,111
Net position - beginning					7,641,578
Net position - ending					\$ 8,216,689

The notes to the financial statements are an integral part of this statement

LINCOLN COUNTY AMBULANCE DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2019

ASSETS	<u>General Fund</u>
Cash and cash equivalents	\$ 3,900,881
Property taxes receivable, net of allowance	1,043,225
Sales tax receivable	454,043
Accounts receivable, net of allowance	803,017
Prepaid insurance	<u>71,706</u>
Total assets	<u><u>\$ 6,272,872</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 59,668
Accrued wages, taxes and benefits	84,273
Total liabilities	<u>143,941</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	<u>153,299</u>
FUND BALANCES	
Nonspendable	71,706
Committed	462,283
Unassigned	<u>5,441,643</u>
Total fund balances	<u><u>5,975,632</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 6,272,872</u></u>

The notes to the financial statements are an integral part of this statement

LINCOLN COUNTY AMBULANCE DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

Total fund balance - governmental funds	\$	5,975,632
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources, and therefore, are not reported on the governmental funds balance sheet		1,948,185
Property taxes not collected in the current period are not available to pay current expenditures and, therefore, are not reported as revenues in the governmental fund.		153,299
Pension related deferred outflows, deferred inflows and net pension asset are not current financial resources, therefore, are not reported in the governmental funds.		
Deferred outflows - pension		1,446,944
Deferred inflows - pension		(651,706)
Net pension asset		<u>18,462</u>
		813,700
Long-term liabilities, including note payable, are not due and payable in the current period and therefore are not reported in the governmental funds. All liabilities both current and long-term are reported in the statement of net position.		
Compensated absences		(198,595)
Finance lease payable		(454,955)
Note payable		<u>(20,577)</u>
		<u>(674,127)</u>
Net position of governmental activities	\$	<u><u>8,216,689</u></u>

LINCOLN COUNTY AMBULANCE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund
REVENUES	
Property taxes	\$ 996,766
Sales taxes	2,864,726
Ambulance fees, net	2,714,863
Interest income	98,095
Miscellaneous	218,518
Total revenues	6,892,968
EXPENDITURES	
Current	
Public safety	5,928,971
Capital outlay	535,027
Debt service	
Principal	125,543
Interest and fiscal charges	15,176
Total expenditures	6,604,717
Revenues over (under) expenditures	288,251
Other financing sources (uses)	
Finance lease proceeds	500,109
Total other financing sources (uses)	500,109
Net change in fund balances	788,360
Fund balances - beginning	5,187,272
Fund balances - ending	\$ 5,975,632

The notes to the financial statements are an integral part of this statement

LINCOLN COUNTY AMBULANCE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net change in fund balances - governmental funds	\$	788,360
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	535,027	
Depreciation expense	(376,077)	158,950
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		33,820
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in fund statements.		
Net pension asset	(1,045,230)	
Change in deferred inflows - pension related	125,753	
Change in deferred outflows - pension related	828,703	
Compensated absences	59,321	(31,453)
The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. These amounts are the net effect of these differences in the treatment of long-term debt and related items:		
Borrowing:		
Finance lease	(500,109)	
Repayments:		
Finance Lease	45,154	
Note payable	80,389	(374,566)
Change in net position of governmental activities	\$	575,111

The notes to the financial statements are an integral part of this statement

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and financial reporting policies of the Lincoln County Ambulance District (the District) conform to U.S. generally accepted accounting principles (GAAP) as applied to government entities. The following is a summary of the more significant policies.

Reporting Entity

The District was formed to provide ambulance service throughout Lincoln County. The District's financial statements include all accounts that are controlled by the Board of Directors. It operates as a political subdivision, duly organized under laws of the State of Missouri, and is funded by real and personal property tax revenue, sales tax revenue, and miscellaneous revenues. An elected board of directors, who regulate all major operations, oversees the District.

The District defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement, *The Financial Reporting Entity*. The statement requirement for inclusion of component units is based primarily upon whether the District's governing body has any significant amount of financial accountability for potential component units. The District is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or the potential component unit may provide specific financial benefits to, or impose specific financial burdens on, the District. Currently, the District does not have any component units.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. As a general rule, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Ambulance services and training fees are recorded at the time of service, net of allowances for uncollectible amounts. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the financial resources measurement focus and the accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For this purpose, the District considers revenues available if they are collected within 120 days after year-end, except for taxes, which the District considers available if they are collected within 60 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt.

Fund Accounting

Fund financial statements of the District are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures.

The government reports the following governmental fund:

General Fund

This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Use of Estimates

The preparation of basic financial statements in conformity with the other comprehensive basis of accounting used by the District requires management to make estimates and assumptions that affect the reported amounts in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets represents the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

When restricted sources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused time off up to a maximum as described by policy. Accrued personal time off is payable to employees upon termination. In the government-wide financial statements, the District accrues accumulated personal time off when earned by the employee.

The District grants vacation and paid time off to all employees. Vacation and paid time off are earned at various rates, depending on the employee's length of service. Accumulated vacation time is carried over to the next anniversary year and if not used within 90 days, is either paid to the employee immediately or paid to the employee upon termination, provided two weeks notice is given by the employee. Employees are paid 50% of their accrued paid time off upon termination provided they give two weeks notice, or an employee is paid up to four times a year at the employee's request for amounts in excess of six days.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The District considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. Missouri State Statute requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

Receivables

Property taxes receivable and accounts receivable are shown net of an allowance for uncollectible accounts. The District calculates an allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance at December 31, 2019 was \$632,822.

Capital Assets

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciation is being computed on the straight-line method, using asset lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-40
Equipment	3-10
Vehicles	5

Governmental Fund Balances

Fund balance is the difference between assets and liabilities in a Governmental Fund. In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Government Fund Type Definitions, the following types of fund balances are presented in the Governmental Funds Balance Sheet:

Nonspendable - the portion of a Governmental Fund's net assets that are not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance reported in the General Fund is for prepaid assets.

Committed - the portion of a Governmental Fund's net assets with self-imposed constraints or limitations that have been placed by the Board. The committed fund balance is made up of Board-approved budget deficits in the General fund.

Unassigned - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The General Fund comprises the unassigned fund balance.

The District uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal contracts that prohibit doing this.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts have become available.

In the government-wide financial statements, components of pension and other than pension employee expenses that are recognized over a period of time are classified as either deferred outflows of resources (using plan assets that are applicable to a future reporting period) or deferred inflows of resources (acquiring plan assets that are applicable to a future reporting period). Employer contributions subsequent to the measurement date of the net pension liability are required to be reported as deferred outflows of resources.

Post-Employment Benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the Federal government for this coverage. The premium is paid in full by the insured to the District. This program is offered for a duration of 18 months after the termination date. There are currently no former employees on the plan, and there are no associated costs to the District under this program.

Note 2 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The county collects the property tax and remits it to the District.

The assessed valuation of the tangible real, personal taxable and state assessed railroad and utilities property for the calendar year 2019 for purposes of local taxation was \$889,654,037.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2019 for purposes of local taxation is \$0.1128.

Note 3 - DEPOSITS

Missouri Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of the collateral pledged must equal 100% of the deposits not covered by insurance or corporate surety bonds. At year-end, the carrying amount of the District's demand deposits totaled \$3,900,881 and bank balances totaled \$3,979,358.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 3 - DEPOSITS(Continued)

Of the bank balances, \$250,000 was insured by the Federal Deposit Insurance Corporation (FDIC) and \$3,729,358 was covered by pledged collateral, which was held in the District's name.

Note 4 - RISK MANAGEMENT

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District, through its general fund, purchases commercial insurance. Deductibles are generally at \$1,000 or less. Settled claims have not exceeded commercial coverage in any fiscal year.

The District carries workmen's compensation insurance with Missouri Employers Mutual for all bodily injury and disease for the required amount. The District carries commercial insurance for all other risks of loss. All buildings and contents are covered for guaranteed replacement cost. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Note 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets - governmental activities as of December 31, 2019:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Land	\$ 281,216	\$ -	\$ -	\$ 281,216
Total capital assets not being depreciated	<u>281,216</u>	<u>-</u>	<u>-</u>	<u>281,216</u>
<i>Capital assets being depreciated:</i>				
Buildings and improvements	1,302,964	-	-	1,302,964
Equipment	1,104,540	141,151	85,777	1,159,914
Vehicles	1,569,394	393,876	258,504	1,704,766
Total capital assets being depreciated	<u>3,976,898</u>	<u>535,027</u>	<u>344,281</u>	<u>4,167,644</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	472,180	33,929	-	506,109
Equipment	853,761	152,772	85,777	920,756
Vehicles	1,142,938	189,376	258,504	1,073,810
Total accumulated depreciation	<u>2,468,879</u>	<u>376,077</u>	<u>344,281</u>	<u>2,500,675</u>
Total net capital assets being depreciated	<u>1,508,019</u>	<u>158,950</u>	<u>-</u>	<u>1,666,969</u>
Governmental activity capital assets, net	<u>\$ 1,789,235</u>	<u>\$ 158,950</u>	<u>\$ -</u>	<u>\$ 1,948,185</u>

Depreciation expense of \$376,077 was charged to the function public safety.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 6 - QUALIFIED RETIREMENT PLAN

Missouri Local Government Employees Retirement System (LAGERS)

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Lincoln County Ambulance District (the District) defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The District participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax-exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits provided. LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	June 30, 2019
	<u>Valuation</u>
Benefit multiplier:	1.50%
Final average salary:	3 years
Member contributions:	0%

Benefit terms provide for annual post-retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees covered by benefit terms. At June 30, 2019, the following employees were covered by the benefit terms:

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 6 - QUALIFIED RETIREMENT PLAN (continued)

Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	9
Active employees	38
Total	60

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rate is 8.4% (General) of annual covered payroll.

Net Pension Liability. The employer's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2019.

Actuarial assumptions. The total pension liability in the February 28, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%	
Salary Increase	3.25% to 6.55% including inflation	
Investment rate of return	7.25%	

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2019 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 6 - QUALIFIED RETIREMENT PLAN (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43.00%	5.29%
Fixed Income	26.00%	2.23%
Real Assets	21.00%	3.31%
Strategic Assets	10.00%	5.73%

Discount rate. The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay 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 payment to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at June 30, 2018	\$ 9,792,211	\$ 10,855,903	\$ (1,063,692)
Changes for the year:			
Service Cost	205,434	-	205,434
Interest on total pension liability	707,183	-	707,183
Difference between expected and actual experience	937,612	-	937,612
Contributions - employer	-	212,692	(212,692)
Contributions - employee	-	-	-
Net investment income	-	691,426	(691,426)
Change of assumptions	-	-	-
Benefit payments, including refunds	(282,715)	(282,715)	-
Administrative expense	-	(7,007)	7,007
Other changes	-	(92,112)	92,112
Net changes	<u>1,567,514</u>	<u>522,284</u>	<u>1,045,230</u>
Balances at June 30, 2019	<u>\$ 11,359,725</u>	<u>\$ 11,378,187</u>	<u>\$ (18,462)</u>

<u>Current Single Discount</u>		
<u>1% Decrease</u>	<u>Rate Assumption</u>	<u>1% Increase</u>
<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
\$ 1,890,441	\$ (18,462)	\$ (1,569,387)

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 6 - QUALIFIED RETIREMENT PLAN (continued)

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

For the year ended June 30, 2019 the employer recognized pension expense of \$413,003. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflow of Resources
Differences in experience	\$ 990,484	\$ (138,662)	\$ 851,822
Assumption changes	346,923	(213,656)	133,267
Net difference between project and actual earnings on pension plan investments	-	(299,388)	(299,388)
Contributions subsequent to the measurement date	109,537	-	109,537
Total	<u>\$ 1,446,944</u>	<u>\$ (651,706)</u>	<u>\$ 795,238</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2020	\$ 96,889
2021	(26,115)
2022	66,893
2023	169,577
2024	151,658
Thereafter	226,799
Total	<u>\$ 685,701</u>

Note 7 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term commitments:

	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Amount Due Within One Year
Note payable	\$ 100,966	\$ -	\$ (80,389)	\$ 20,577	\$ 20,577
Finance lease payable	-	500,109	(45,154)	454,955	93,378
Compensated absences *	257,916	-	(59,321)	198,595	-
	<u>\$ 358,882</u>	<u>\$ 500,109</u>	<u>\$ (184,864)</u>	<u>\$ 674,127</u>	<u>\$ 113,955</u>

* Due to limitations, gross amounts for additions and reductions are not readily available. Net changes are shown above.

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 7 - LONG-TERM LIABILITIES (continued)

Note Payable

At December 31, 2019, the District has the following note payable outstanding:

St. Louis Bank	\$	20,577
Interest rate - 3.75%		
Matures - March 2020		
Payment - quarterly principal and interest payments of \$20,772		
Total note payable	\$	<u>20,577</u>

Payments due on note payable as of December 31, 2019 are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 20,577	\$ 195	\$ 20,772
Total	<u>\$ 20,577</u>	<u>\$ 195</u>	<u>\$ 20,772</u>

Finance Lease Payable

At December 31, 2019, the District has the following finance lease payable outstanding:

People's Bank and Trust	\$	454,955
Interest rate - 4.5%		
Matures - January 2024		
Payment - Semi-Annual principal and interest payments of \$56,406		
Total finance lease payable	\$	<u>454,955</u>

Payments due on finance lease payable as of December 31, 2019 are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 93,378	\$ 19,434	\$ 112,812
2021	97,627	15,185	112,812
2022	102,070	10,742	112,812
2023	106,715	6,097	112,812
2024	55,165	1,241	56,406
Total	<u>\$ 454,955</u>	<u>\$ 52,699</u>	<u>\$ 507,654</u>

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 7 - LONG-TERM LIABILITIES (continued)

Leased vehicles and equipment under the finance lease in capital assets at December 31, 2019, include the following:

	Vehicles	\$ 393,876
	Equipment	108,409
	Accumulated depreciation	<u>(100,457)</u>
	Total	<u>\$ 401,828</u>

Note 8 - OPERATING LEASES

In a prior year, the District entered into operating lease agreements for solar panels. The lease agreements run from July 2014 through July 2034 and require monthly payments ranging from \$135 to \$175.

In a prior year, the District entered into an operating lease agreement for the use of a copier. The lease agreement runs from December 2016 through December 2021 and requires monthly payments of \$199.

Future minimum lease payments under the above leases are as follows:

Year Ending December 31,	Amount
2020	\$ 7,964
2021	7,765
2022	5,580
2023	5,580
2024	5,580
2025 and thereafter	<u>53,010</u>
Total	<u>\$ 85,479</u>

Lease expenditures for the year ended December 31, 2019 were \$6,827.

Note 9 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 14, 2020, the date which the financial statements were available for issue, and noted no material reportable events

**Required Supplementary Information
(Other than Management's Discussion & Analysis)**

LINCOLN COUNTY AMBULANCE DISTRICT
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts			Variance to final budget
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 870,348	\$ 996,766	\$ 996,766	\$ -
Sales taxes	2,600,000	2,864,726	2,864,726	-
Ambulance fees, net	2,300,000	2,714,864	2,714,863	(1)
Interest income	70,000	98,095	98,095	-
Miscellaneous	5,250	218,653	218,518	(135)
Total revenues	<u>5,845,598</u>	<u>6,893,104</u>	<u>6,892,968</u>	<u>(136)</u>
EXPENDITURES				
Current operating				
Salaries	2,239,737	2,254,870	2,269,564	(14,694)
Salaries - overtime	841,112	965,771	965,771	-
Election expenses	15,000	69,141	69,141	-
Payroll taxes	235,685	241,030	242,180	(1,150)
Office supplies	12,000	12,000	6,429	5,571
Computer services	160,000	160,000	137,170	22,830
Dispatching expense	90,621	90,621	90,621	-
Gasoline and oil	75,000	76,854	85,314	(8,460)
Dues and subscriptions	5,000	5,000	2,420	2,580
Advertising and public relations	10,000	10,000	5,415	4,585
Insurance - general	261,300	261,300	260,277	1,023
Insurance - employee	974,660	974,660	945,003	29,657
Professional fees	54,000	132,872	142,464	(9,592)
Building and maintenance	80,000	80,000	75,055	4,945
Equipment and vehicle maintenance	130,500	132,265	126,278	5,987
Doctor fees	25,000	26,404	27,484	(1,080)
Training and education	60,000	60,000	49,523	10,477
Uniforms	35,000	40,432	46,414	(5,982)
Supplies	125,000	130,264	126,818	3,446
Utilities	56,000	56,000	48,197	7,803
Pension contribution	227,983	227,983	207,433	20,550
Capital outlay	-	548,568	535,027	13,541
Debt service				
Principal	132,000	125,543	125,543	-
Interest and fiscal charges	-	15,176	15,176	-
Total expenditures	<u>5,845,598</u>	<u>6,696,754</u>	<u>6,604,717</u>	<u>92,037</u>
Revenues over (under) expenditures	<u>-</u>	<u>196,350</u>	<u>288,251</u>	<u>91,901</u>
Other financing sources (uses)				
Finance lease proceeds	-	500,109	500,109	-
Total other financing sources (uses)	<u>-</u>	<u>500,109</u>	<u>500,109</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 696,459</u>	<u>788,360</u>	<u>\$ 91,901</u>
Fund balance - beginning of year			<u>5,187,272</u>	
Fund balance - end of year			<u>\$ 5,975,632</u>	

LINCOLN COUNTY AMBULANCE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

Note 1 - BUDGETS AND BUDGETARY ACCOUNTING

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

- a. The Board of Directors prepares a proposed operating budget for the upcoming year. The operating budget includes proposed expenditures and the means of financing them.
- b. Open meetings of the Board of Directors are held to obtain taxpayer comments.
- c. Prior to December 31, the budget for the upcoming year is adopted by the Board of Directors.
- d. Budgets are adopted on a basis consistent with the accrual basis of accounting.
- e. Any revisions that alter the total expenditures must be approved by the Board of Directors.
- f. Prior to year-end, the Board of Directors adopts an amended budget approving any additional expenditures, if necessary.
- g. All annual appropriations lapse at year-end.

LINCOLN COUNTY AMBULANCE DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Calendar Years

Fiscal year ending June 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total pension liability										
Service cost	\$ 205,434	\$ 196,793	\$ 203,161	\$ 192,404	\$ 193,609					
Interest on the total pension liability	707,183	649,714	611,296	549,757	233,724					
Benefit changes	-	-	-	-	-					
Difference between expected and actual results	937,612	226,186	9,844	(53,722)	(211,940)					
Assumption changes	-	-	(334,361)	607,819	-					
Benefit payments and refunds	(282,715)	(285,769)	(182,343)	(170,810)	145,411					
Net change in total pension liability	1,567,514	786,924	307,597	1,125,448	360,804					
Total pension liability - beginning	9,792,211	9,005,287	8,697,690	7,572,242	7,211,438					
Total pension liability - ending (a)	\$ 11,359,725	\$ 9,792,211	\$ 9,005,287	\$ 8,697,690	\$ 7,572,242					
Plan Fiduciary Net Position										
Contributions - employer	\$ 212,692	\$ 210,246	\$ 169,440	\$ 212,054	\$ 236,807					
Contributions - employee	-	-	766	-	-					
Net investment income	691,426	1,208,369	1,071,477	(13,397)	(144,424)					
Benefit payments and refunds	(282,715)	(285,769)	(182,343)	(170,810)	145,411					
Administrative expense	(7,007)	(4,782)	-	-	-					
Other	(92,112)	202,298	187,953	(54,160)	157,132					
Net change in plan fiduciary net position	522,284	1,330,362	1,247,293	(26,313)	394,926					
Plan fiduciary net position - beginning	10,855,903	9,525,541	8,278,248	8,304,561	7,909,635					
Plan fiduciary net position - ending (b)	\$ 11,378,187	\$ 10,855,903	\$ 9,525,541	\$ 8,278,248	\$ 8,304,561					
Net pension liability (asset) - ending (a) - (b)	\$ (18,462)	\$ (1,063,692)	\$ (520,254)	\$ 419,442	\$ (732,319)					
Net position as a percentage of pension liability	100.16%	110.86%	105.78%	95.18%	109.67%					
Covered-employee payroll	\$ 2,827,801	\$ 2,368,666	\$ 2,428,884	\$ 2,231,567	\$ 2,284,761					
Net pension liability (asset) as a percentage of payroll	-0.65%	-44.91%	-21.42%	18.80%	-32.05%					

Notes to schedule:

Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

LINCOLN COUNTY AMBULANCE DISTRICT
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 211,382	\$ 214,543	\$ 187,684	\$ 180,030	\$ 222,508	\$ 255,338	\$ 258,180	\$ 274,192	\$ 261,278	\$ 259,386
Contributions in relation to the actuarially determined contribution	211,382	214,543	187,684	180,030	222,508	255,338	258,180	274,192	261,278	238,962
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,424
Covered-employee payroll	\$ 2,856,519	\$ 2,584,850	\$ 2,234,335	\$ 2,222,594	\$ 2,317,794	\$ 2,220,332	\$ 2,245,040	\$ 2,176,123	\$ 2,107,082	\$ 2,042,407
Contributions as a percentage of covered-employee payroll	7.40%	8.30%	8.40%	8.10%	9.60%	11.50%	11.50%	12.60%	12.40%	11.70%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of February 28, 2019 prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	Multiple bases from 11 to 15 years
Asset valuation method	5 years smoothed market; 20% corridor
Inflation	3.25% wage inflation; 2.5% price inflation
Salary increases	3.25% - 6.55%; including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Healthy Annuitant mortality table for males and females

Other information:

Notes: There were no benefit changes during the year.