

**PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 22, 2019**

**NEW ISSUE - BANK QUALIFIED  
BOOK-ENTRY ONLY**

**MOODY'S RATING: Aa1  
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.*



**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT  
OF ST. LOUIS COUNTY, MISSOURI**

**\$3,060,000\***  
**GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2019**

**Dated: Date of Issuance**

**Due: February 15, as shown on the inside cover**

The General Obligation Refunding Bonds, Series 2019 (the "**Bonds**"), will be issued by the West County EMS and Fire Protection District of St. Louis County, Missouri (the "**District**") for the purpose of providing funds to (1) refund certain outstanding general obligation bonds of the District and (2) pay the costs of issuing the Bonds, all 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 February 15, 2021. Interest on the Bonds is payable semiannually on each February 15 and August 15, commencing on August 15, 2020, 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 first day of the month of the applicable interest payment date.

The Bonds are not subject to redemption and payment prior to maturity.

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.**"

**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. Piper Jaffray & Co. is serving as financial advisor to the District in connection with the issuance of the Bonds. 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 November 19, 2019.*

The date of this Official Statement is November \_\_\_, 2019.

\* Preliminary; subject to change.

**\$3,060,000\***  
**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**OF ST. LOUIS COUNTY, MISSOURI**  
**GENERAL OBLIGATION REFUNDING BONDS**  
**SERIES 2019**

**MATURITY SCHEDULE\***

Base CUSIP: 95235Q

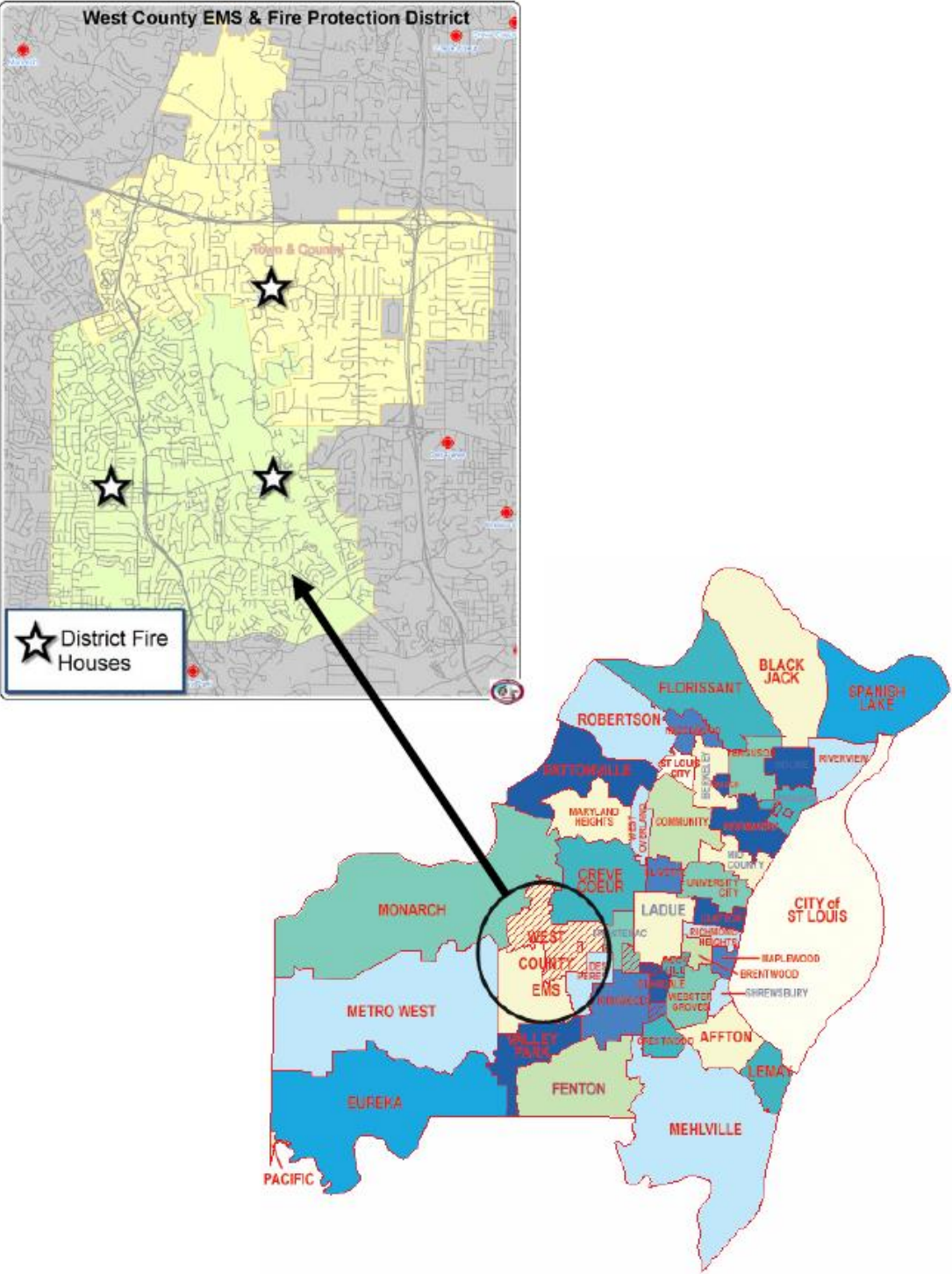
<u>Maturity (February 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP**</u>
2021	\$780,000	%	%	
2022	760,000			
2023	745,000			
2024	775,000			

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\* Preliminary; subject to change.

\*\* CUSIP numbers shown above have been assigned by an organization not affiliated with the District. The District is not responsible for the selection of CUSIP numbers nor does the District make any representations to the correctness of such numbers on the Bonds or as shown above.

**LOCATION OF THE WEST COUNTY EMS AND FIRE PROTECTION DISTRICT  
OF ST. LOUIS COUNTY, MISSOURI**



**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT  
OF ST. LOUIS COUNTY, MISSOURI**

223 Henry Avenue  
Manchester, Missouri 63011  
(636) 256-2000

**BOARD OF DIRECTORS**

Dr. David P. Cobb, *Chairman & Director*  
Joe Beckemeyer, *Secretary & Director*  
Matthew Miller, *Treasurer & Director*

**DISTRICT ADMINISTRATION**

Jeff Sadtler, *Chief of EMS & Fire Services*  
Ray White, *Assistant Chief*  
Dave Frazier Jr., *Deputy Chief*  
Kelly Grassmuck, *Deputy Chief*  
Dan Bruno, *Fire Marshal*

**DISTRICT'S COUNSEL**

Bruntrager & Billings, P.C.  
Clayton, Missouri

**FINANCIAL ADVISOR**

Piper Jaffray & Co.  
St. Louis, Missouri

**BOND COUNSEL**

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

**PAYING AGENT**

BOKF, N.A.  
St. Louis, Missouri

## REGARDING USE OF THIS OFFICIAL STATEMENT

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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.

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.

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**OFFICIAL STATEMENT**  
**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**OF ST. LOUIS COUNTY, MISSOURI**

**\$3,060,000\***  
**GENERAL OBLIGATION REFUNDING BONDS**  
**SERIES 2019**

**INTRODUCTION**

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

**General**

This Official Statement, including the cover page and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$3,060,000\* aggregate principal amount of General Obligation Refunding Bonds, Series 2019 (the “**Bonds**”), by the West County EMS and Fire Protection District of St. Louis County, Missouri (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 November 4, 2019 (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, a fire protection district and political subdivision of the State of Missouri, is located in St. Louis County, Missouri (the “**County**”). The District encompasses approximately 11 square miles and includes portions of the Cities of Manchester, Ballwin, Winchester, Twin Oaks, Des Peres, Valley Park and unincorporated St. Louis County. The District also contracts with the City of Town and Country and various businesses or office complexes outside its boundaries to provide fire protection and emergency medical services. The combined service area of the District is approximately 22 square miles. The District protects an estimated population of 51,000 people. For more information concerning the District, see the captions “**GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT**,” “**DEBT STRUCTURE OF THE DISTRICT**,” “**FINANCIAL INFORMATION CONCERNING THE DISTRICT**” and “**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**” herein.

**Purpose of the Bonds**

The Bonds are being issued for the purpose of providing funds to (1) refund certain outstanding general obligation bonds of the District and (2) pay the costs of issuing the Bonds. See the section herein captioned “**PLAN OF FINANCING**.”

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\* 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 agreed in a Continuing Disclosure Undertaking to file certain financial information and operating data relating to the District and to file notices of the occurrence of certain enumerated events relating to the Bonds with the Municipal Securities Rulemaking Board via the Electronic Municipal Market Access system. See the section herein captioned **“CONTINUING DISCLOSURE UNDERTAKING.”**

## **THE BONDS**

### **General**

The Bonds are being issued in the aggregate principal amount of \$3,060,000\*. The Bonds are dated as of the date of original issuance and delivery thereof. Principal is payable on February 15 in the years and in the principal amounts set forth on the inside cover page hereof. 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 February 15 and August 15 in each year, beginning August 15, 2020.

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 first day (whether or not a Business Day) of the calendar month of 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 BOKF, N.A., 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 electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest payment, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Owner wishes to have such transfer directed, together with an acknowledgement that an electronic transfer fee is payable.

Principal of the Bonds will be paid by check, electronic 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**

The Bonds are not subject to redemption and payment prior to maturity.

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\* Preliminary; subject to change.



## **Book-Entry Only System**

**General.** The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York.

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

**DTC 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](http://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.

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

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

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

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

### **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 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, 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

The Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"PROPERTY TAX INFORMATION 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.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. 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.

### **Ratings**

A rating agency 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, as amended, 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, effected by resolution of the District, to the Bonds and the Resolution may be made with written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (1) extend the maturity of any payment of principal or interest due upon any Bond, (2) provide for the optional redemption of any Bond, (3) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond, (4) permit preference or priority of any Bond over any other Bond, or (5) reduce the percentage in principal amount of Bonds required for the written

consent to any modification or alteration of the provisions of the Resolution without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The District may also amend or supplement the Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

### **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 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. 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 payment of 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.

## PLAN OF FINANCING

### The Refunding

A portion of the proceeds of the Bonds will be used to refund a portion of the District's outstanding General Obligation Fire Protection Bonds, Series 2010, being those bonds maturing on February 15, 2021 and thereafter (the "**Refunded Bonds**") on February 15, 2020 (the "**Redemption Date**"), at a redemption price of 100% of the outstanding principal amount thereof, plus accrued interest to the Redemption Date. On the date of issuance of the Bonds, the District will deposit with BOKF, N.A., St. Louis, Missouri, as escrow agent (the "**Escrow Agent**") under the Escrow Trust Agreement dated as of November 1, 2019 (the "**Escrow Agreement**"), a portion of the proceeds of the Bonds (as shown below under the caption "**PLAN OF FINANCING - Sources and Uses of Funds**") that shall be applied to the purchase of direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the "**Escrowed Securities**"). The Escrowed Securities will mature in such amounts and at such times as shall be sufficient, together with interest to accrue thereon and any cash deposit to the Escrow Fund, that shall be sufficient, together with interest to accrue thereon and any cash deposit in the Escrow Fund, to pay (1) the interest becoming due and payable on the Refunded Bonds on February 15, 2020 and (2) the redemption price of the Refunded Bonds, plus accrued interest to and including the Redemption Date. Pursuant to the Resolution and the Escrow Agreement, the Escrow Agent shall apply such funds to the redemption of the Refunded Bonds on the Redemption Date.

After the delivery of the Bonds and the deposit of a portion of the proceeds thereof with the Escrow Agent, the Refunded Bonds will be payable from the funds on deposit in the Escrow Fund. The Resolution and the Escrow Agreement provide that the funds deposited and held in the Escrow Fund are irrevocably pledged to the payment of the Refunded Bonds and the interest thereon and may be applied only to such payment. Following the redemption of the Refunded Bonds, any excess funds held by the Escrow Agent shall be returned to the District.

### Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the expected uses of such funds, in connection with the plan of financing:

#### *Sources of Funds:*

Par Amount of the Bonds	\$
Net Original Issue Premium	_____
Total	\$ <u>          </u>

#### *Uses of Funds:*

Deposit to Escrow Fund	\$
Costs of Issuance (including Underwriter's Discount)	_____
Total	\$ <u>          </u>

## GENERAL AND ECONOMIC INFORMATION CONCERNING THE DISTRICT

### Location and Size

The Manchester Volunteer Fire Department, the predecessor to the District, was formed in 1908. On October 10, 1961, the residents of the District voted to create the Manchester Fire Protection District. In February of 1996, the Manchester Fire Protection District officially changed its name to the West County EMS and Fire Protection District of St. Louis County, Missouri, to better reflect the services provided and the area protected. The District encompasses approximately 11 square miles and includes portions of the Cities of Manchester, Ballwin, Winchester, Twin Oaks, Des Peres, Valley Park and unincorporated St. Louis County. The District also contracts with the City of Town and Country and various businesses or office complexes outside its boundaries to provide fire protection and emergency medical services. The combined service area of the District is approximately 22 square miles. The District protects an estimated population of 51,000 people. *Appendix B* contains detailed information regarding the County.

### Government and Organization

The District is governed by a 3-member Board of Directors (the “**Board**”). The members of the Board, who must be registered voters of the District and 25 years of age or older, are elected by the qualified voters of the District for six-year terms. All Board members are elected at-large and receive nominal compensation. The officers of the Board are elected by the Board from among its members.

The Board is responsible for the overall safety and soundness of the District, setting policy and providing 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>
Dr. David P. Cobb	Chairman/Director	2013	2021
Joe Beckemeyer	Secretary/Director	2017	2023
Matthew Miller	Treasurer/Director	2015	2025

The Board appoints the Chief of EMS & Fire Services, who is the Chief Administrative Officer of the District and is responsible for implementing the policies set by the Board. Jeff Sadtler was hired as Chief of EMS & Fire Services for the District in April 2017, after serving as Assistant Chief since 2012, Deputy Chief since 2010, Paramedic/Firefighter since 2005 and Interim Chief following former Chief Ernie Rhodes’ resignation in February 2017. Prior to joining the District in 2005, Chief Sadtler was a firefighter and paramedic with the Mehlville Fire Protection District for 9 years. He serves as a Director on the National Committee on Accreditation of Educational Programs for the Emergency Medical Services Professions, as a technical committee member of the National Fire Protection Association, as an EMS standing committee member of the International Association of Firefighters and as a Director for Burns Recovered Support Group.

The District’s administrative team also consists of Ray White, Assistant Chief; Dave Frazier Jr., Deputy Chief; Kelly Grassmuck, Deputy Chief; and Dan Bruno, Fire Marshal.

The District has 8 Chief Officers, 12 Captains, 9 Engineers, 30 Paramedic/Firefighters, 1 Office Manager, 1 Administrative Assistant and 1 Mechanic.

## Facilities and Equipment

The District operates the following 3 fire stations:

Fire Station 1 and Administrative Offices (approx. 24,000 sq. ft.)	223 Henry Avenue Manchester, Missouri 63011
Fire Station 2 (approx. 13,000 sq. ft.)	13790 Manchester Road Manchester, Missouri 63011
Fire Station 3 (approx. 13,000 sq. ft.)	13443 Clayton Road Town and Country, Missouri 63131

Fire Station 3 is currently leased by the District pursuant to the terms of a Lease dated January 11, 2016, by and between the District and the City of Town and Country, for a term consistent with the term of the current service agreement with the City. See the captions **“FINANCIAL INFORMATION CONCERNING THE DISTRICT - Emergency Service Agreements and Des Peres Annexation Area”** and **“DEBT STRUCTURE OF THE DISTRICT - Annual Appropriation Obligations.”**

The District has the following equipment: two 75-foot aerial/pumper/rescue trucks; one heavy rescue/pumper; one rescue pumper; four heavy duty advanced life support ambulances; one reserve pumper; two boats; one swift water rescue trailer; one brush truck; one EMS ATV unit; and several command staff vehicles.

## Firefighting and Emergency Medical Calls

The following table sets forth the number of calls made and revenues from permits issued by the District during the past 5 calendar years:

<u>Year</u>	<u>Emergency Medical</u>	<u>Fire Responses</u>	<u>Fire Prevention Permits</u>	<u>Permit Revenue</u>
2014	4,084	1,350	374	\$156,548
2015	4,291	1,392	72	110,194
2016	4,055	1,844	91	205,806
2017	4,325	1,831	104	122,332
2018	4,635	2,067	135	102,391

## Dispatching and Collection Agreements

The District contracts with Central County Emergency 911 for dispatching services. The original contract became effective on July 1, 2002 and automatically renews on January 1 of each year for a term of one (1) calendar year. The agreement requires that the District pays fees equal to the amount which would be collected from a tax levy based on the assessed valuation of all taxable, tangible property within the District's boundaries. The District can terminate the agreement by giving notice on July 1, to be effective January 1, of the following year.

The District also has a contractual agreement with EMS Management and Consultants, Inc. for ambulance billing, billing processes and fee collection services. The District pays EMS Management and Consultants, Inc. on a monthly basis an amount equal to 5.4% of net collections for ambulance services. The agreement is effective through May 31, 2024. The agreement renews automatically with the same terms and conditions unless either party gives written notice of intent not to renew at least 30 days before the expiration of any term.



## **District Insurance Classification Ratings**

The Insurance Services Office, Inc. (“ISO”) provides risk-related information to the insurance industry. Among the information ISO provides is evaluations of the fire protection capabilities within communities across the country. ISO does this with a Public Protection Classification rating system, with 1 representing superior protection and 10 indicating the community does not meet ISO’s minimum criteria. ISO’s fire service ratings have a significant impact on fire insurance rates. Areas that have a limited water supply or that are more than 5 miles from a fire station receive a higher rating because of inadequate water supply and lengthy response for fire protection. The District presently has a Class 2 rating.

## **Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for the past 3 years.

The District is a member of the Missouri Fire and Ambulance Districts’ Insurance Trust (“MoFad”). MoFad is a public entity risk pool currently operating as a common risk management and insurance program for member districts in the State of Missouri. The District pays an annual premium to MoFad for its workers’ compensation insurance based on the expected costs for the year. Members are not individually liable for excess claims for themselves or another member. Excess losses, up to the established retention, are borne by all members. Losses in excess of the established retention are borne by the excess carrier.

## **Employee Retirement Plans**

The District adopted a single-employer defined contribution plan on January 1, 1998 (the “**Retirement Plan**”). The District contributes a discretionary amount to the Retirement Plan. The Retirement Plan is administered by Fidelity Investments. Contributions are made with funds derived from the tax established pursuant to Section 321.610 of the Revised Statutes of Missouri, as amended, or, at the discretion of the District, from other available revenues of the District. Retirement Plan amendments are made via resolution by the Board of Directors with a majority vote. The contribution is allocated to participants’ accounts in an amount equal to the total contributed multiplied by the ratio of the participant’s compensation for the plan year to total compensation for all participants entitled to a contribution for the plan year. Contributions are made exclusively by the District. All employees at the end of a plan year who have completed 1,000 hours of service during that plan year and are 21 years of age are eligible to participate in the plan. Participants begin to vest in these contributions after 5 years of service in increasing percentages and are 100% vested after 10 years of service. The District contributed \$1,002,952 (approximately 96.9% of its annual budgeted contribution) to the plan in the fiscal year ended December 31, 2018.

The District also offers its employees a deferred compensation plan created in accordance with Section 457 of the Code. The plan is available to all employees and it permits participants to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The participant’s rights under the plan are equal to the fair market value of the deferred account of each participant. The plan assets are held in trust by Fidelity Investments.

For additional information regarding the aforementioned plans, see Notes 10 and 12 of the financial statements included in this Official Statement as *Appendix A*.

## **Employee Relations**

All employees are subject to a collective bargaining agreement that took effect in January 2019 and will expire in January 2022. Full-time firefighting employees, employed in the rank of Captain and below,

belong to and are represented by the International Association of Firefighters – Local 2665 (“**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.

## **FINANCIAL INFORMATION CONCERNING THE DISTRICT**

### **Accounting, Budgeting and Auditing Procedures**

Both the government-wide financial statements and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are reported when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. These accounting principles are generally accepted in the United States of America.

**Governmental Funds.** 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 following are the District’s major governmental funds:

*General Fund.* The general fund is the operating fund of the District. All tax receipts and other receipts that are not allocated by law or contractual agreement are accounted for in this fund. The General Fund pays operating expenditures, fixed charges and capital improvement costs not paid through other funds.

*Ambulance Fund.* The Ambulance Fund is a special revenue fund used to account for taxes received and expenditures incurred by the District for providing emergency medical services.

*Dispatch Fund.* The Dispatch Fund is a special revenue fund used to account for taxes received and expenditures incurred by the District for a centralized dispatch service and other communication expenses.

*Pension Fund.* The Pension Fund is a special revenue fund used to account for taxes received that must be used to provide pension benefits to employees of the District.

*Debt Service Fund.* The Debt Service Fund is a special revenue fund used to account for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt.

**Fiduciary Funds.** Fiduciary funds account for assets that are held in a trustee capacity such as pension plan assets, assets held per trust agreements and similar arrangements.

**Budget.** Prior to January 1, the District’s administrative team submits a proposed operating budget for the upcoming fiscal year to the Board of Directors. The operating budget includes proposed revenues, expenditures and reserves. The original budget adopted by the District may be amended any time during the year with approval of the Board of Directors. The preliminary budgets are open for taxpayer comments prior to Board approval. The budgets are approved by an affirmative vote of a majority of the Board of Directors prior to the beginning of the fiscal year.

The audited financial statements of the District for the fiscal year ended December 31, 2018 are included in this Official Statement as ***Appendix A***. Financial statements for earlier years are available for examination in the District's office.

### **Fund Balance Summary**

The table of Summary Statement of Revenues, Expenditures and Changes in total Government Funds on the following page was prepared from the District's annual audited financial statements. The table should be read in conjunction with the financial statements set forth in ***Appendix A*** of this Official Statement and the financial statements on file at the District's office.

*[Remainder of Page Intentionally Left Blank]*

Summary Statement of Revenues, Expenditures and Changes in Total Government Funds

	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>REVENUES</b>			
Property taxes <sup>(1)</sup>	\$ 9,373,887	\$ 9,618,813	\$10,347,138
Payments in lieu of taxes <sup>(2)</sup>	3,729,120	3,953,246	4,038,788
Ambulance billings	1,043,170	1,137,642	1,243,613
Interest	57,899	112,123	276,459
Permits and reports	205,806	122,332	102,391
Miscellaneous income	<u>182,340</u>	<u>218,858</u>	<u>260,262</u>
Total Revenues	<u>\$14,592,222</u>	<u>\$15,163,014</u>	<u>\$16,268,651</u>
<b>EXPENDITURES</b>			
Current			
Fire protection	\$ 8,148,313	\$ 7,951,930	\$ 7,884,974
Ambulance services	3,475,050	3,539,697	3,169,753
Dispatching	354,298	362,865	385,578
Capital outlay <sup>(3)</sup>	292,073	1,661,926	527,938
Debt service			
Bond issue costs	-	-	-
Principal, interest and fiscal charges <sup>(4)</sup>	<u>1,524,866</u>	<u>1,536,691</u>	<u>1,619,937</u>
Total Expenditures	<u>\$13,794,600</u>	<u>\$15,053,109</u>	<u>\$13,588,180</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	\$ 797,622	\$ 109,905	\$ 2,680,471
<b>OTHER FINANCING SOURCES AND USES</b>			
Refunding bonds issued <sup>(5)</sup>	\$ -	\$ -	\$ 3,010,000
Bond premium <sup>(5)</sup>	-	-	163,193
Sale of capital assets	4,151	-	-
Payment to refunded bonds escrow agent <sup>(5)</sup>	<u>-</u>	<u>-</u>	<u>(3,114,153)</u>
Total Other Financing Sources and Uses	<u>\$ 4,151</u>	<u>\$ -</u>	<u>\$ 59,040</u>
Change in fund balance	\$ 801,773	\$ 109,905	\$ 2,739,511
FUND BALANCE BEGINNING OF YEAR	<u>\$16,619,412</u>	<u>\$17,421,185</u>	<u>\$17,531,090</u>
FUND BALANCE END OF YEAR	<u>\$17,421,185</u>	<u>\$17,531,090</u>	<u>\$20,270,601</u>

(1) Major year-to-year variations in property tax revenues are primarily due to early payment of tax bills by District residents or collections of delinquent amounts from prior tax years.

(2) Payments in lieu of taxes includes receipts from payments made under the District's emergency service agreements and by the City of Des Peres (see the caption "**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Emergency Service Agreements and Des Peres Annexation Area**").

(3) In fiscal year 2017, the District purchased two fire trucks with excess District funds.

(4) Includes debt service on the District's outstanding general obligation bonds and lease payments for the applicable fiscal year (see the caption "**DEBT STRUCTURE OF THE DISTRICT**").

(5) In fiscal year 2018, the District issued its General Obligation Refunding Bonds, Series 2018, the proceeds of which were used to refund the District's General Obligation Fire Protection Bonds, Series 2009, on February 15, 2019.

Source: District's Audited Financial Statements for the fiscal years ending December 31, 2016-2018.

## Sources of Revenue

The District finances its operations primarily through local property taxes. For the 2019 fiscal year, the District's sources of revenue are projected to be as follows:

<u>Source</u>	<u>Amount</u>	<u>Percent</u>
Tax Revenue	\$14,362,286	88.57%
Building and Other Permits	90,000	0.55
Interest	158,300	0.98
Miscellaneous Revenue <sup>(1)</sup>	<u>1,606,138</u>	<u>9.90</u>
Total Revenue	<u>\$16,216,724</u>	<u>100.00%</u>

<sup>(1)</sup> Includes receipts from payments made under the District's emergency service agreements and by the City of Des Peres (see the caption "**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Emergency Service Agreements and Des Peres Annexation Area**").

Source: District's Budget for fiscal year ending December 31, 2019.

The District budgets conservatively and based on year to date operations, expects the year-end balance to be comparable to the fund balance for the 2018 fiscal year, which is \$20,270,601.

## Emergency Service Agreements and Des Peres Annexation Area

***Emergency Service Agreements.*** The District has emergency service agreements with the following cities, businesses and office complexes outside its boundaries to provide fire protection and emergency medical services:

**City of Town and Country** - The District entered into a service agreement with the City of Town and Country in 1989. The agreement automatically renews for consecutive five (5) year terms unless either party terminates the agreement by giving one (1) year advance written notice. The current agreement term extends to December 31, 2021. If this agreement is canceled, the District's lease of Fire House 3 from the City of Town and Country would also be terminated. See the caption "**DEBT STRUCTURE OF THE DISTRICT - Annual Appropriation Obligations.**"

**Corporate Hill Complex** - The District entered into a service agreement with the owner of the Corporate Hill Complex in 1998. The agreement automatically renews for consecutive five (5) year terms unless either party terminates the agreement by giving six (6) months advance written notice. The current agreement term extends to May 31, 2020.

**12800 Corporate Hill** - The District entered into a service agreement with the owner of 12800 Corporate Hill in 2004. The agreement automatically renews for consecutive five (5) year terms unless either party terminates the agreement by giving one (1) year advance written notice. The current agreement term extends to August 19, 2022.

**Manchester/I-270 Office Center** - The District entered into a service agreement with the owner of the Manchester/I-270 Office Center in 1997. The agreement automatically renews for consecutive five (5) year terms unless either party terminates the agreement by giving one (1) year advance written notice. The current agreement term extends to November 4, 2022.

**Eckelkamp Office Center South** - The District entered into a service agreement with the owner of the Eckelkamp Office Center South in 2002. The agreement automatically renews for consecutive five (5) year terms unless either party terminates the agreement by giving one (1) year advance written notice. The current agreement term extends to November 4, 2022.

**Des Peres Annexation Area.** The District also provides services to an area that lies within the District and has been annexed into the City of Des Peres (the “**Des Peres Annexed Area**”). Pursuant to Section 72.418 of the Revised Statutes of Missouri, the District is required to continue to provide fire protection services, including emergency medical services, to such annexed area and the municipality served must pay annually to the District an amount equal to the total taxes that the District would have levied on all taxable property within the annexed area. For the purposes of calculating the District’s legal debt limit, the valuation of taxable tangible property in the Des Peres Annexation Area is excluded in the overall assessed valuation of the District. See the section herein captioned “**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity**” herein.

The following table shows the total revenue received by the District from payments made under the Emergency Service Agreements and from the City of Des Peres for the last four fiscal years and, based on the District’s budget, the estimated amount for the current fiscal year:

<u>Year</u>	<u>Revenues</u>
2019 <sup>(1)</sup>	\$4,236,520
2018	4,038,788
2017	3,953,246
2016	3,729,120
2015	3,745,470

(1) Estimated.

Source: District’s Audited Financial Statements for the fiscal years ending December 31, 2015-2018; District’s budget for fiscal year ending December 31, 2019.

## **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 2-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 County Board of Equalization. The Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

**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 locally and state assessed railroad and utility property) for calendar year 2019 according to the preliminary assessment for property owned as of January 1, 2019, as certified on September 15, 2019: <sup>(1)</sup>

<u>Type of Property</u>	<u>Total Assessed Valuation<sup>(1)(2)(3)</sup></u>	<u>Assessment Rate</u>	<u>Total Estimated Actual Valuation<sup>(5)</sup></u>
Real Estate:			
Residential	\$653,163,180	19%	\$3,437,700,947
Agricultural	242,320	12%	2,019,333
Commercial	167,146,730	32%	522,333,531
State Assessed Railroad and Utility <sup>(4)</sup>	<u>12,303,299</u>	32%	<u>38,447,809</u>
Total Real Estate	<u>\$832,855,529</u>		<u>\$4,000,501,621</u>
Personal Property	\$101,367,070	33 1/3%	\$ 304,101,514
State Assessed Railroad and Utility <sup>(4)</sup>	<u>1,900,738</u>	33 1/3%	<u>5,702,784</u>
Total Real and Personal	<u>\$936,123,337</u>		<u>\$4,310,305,920</u>

(1) Values are based on preliminary assessments as of January 1, 2019, as certified on September 15, 2019. Values are still subject to adjustment by the Board of Equalization. Based on preliminary assessment figures, property values have increased within the District by 11.95%. Due to the significant number of reported appeals for 2019, the District expects a downward adjustment of its total assessed valuation.

(2) Includes assessed valuation attributable to tax increment financing districts located within the District. The total assessed valuation of all taxable tangible property attributable to tax increment financing districts situated in the District for 2019 is \$14,837,130, subject to final adjustment.

(3) Excludes assessed valuation attributable to Des Peres Annexed Area.

(4) Locally assessed railroad and utility property is included in the totals for the other categories of assessed valuation.

(5) 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.

Source: St. Louis County.

**History of Property Valuations.** The total assessed valuation of all taxable tangible property situated in the District (including locally and state assessed railroad and utility property) according to the assessments of January 1, as finally equalized by the Board of Equalization for the years 2014 through 2018, and for calendar year 2019, according to the preliminary assessment for property owned as of January 1, 2019, as certified on September 15, 2019, has been as follows:

<u>Year</u>	<u>Assessed Valuation<sup>(2)(3)</sup></u>	<u>Percentage Change</u>
2019 <sup>(1)</sup>	\$936,123,337	11.95%
2018	836,168,038	-0.15
2017	837,424,602	+9.94
2016	761,740,215	+0.30
2015	759,443,334	+3.72
2014	731,627,525	N/A

(1) Values for 2019 are based on preliminary assessments as of January 1, 2019, as certified on September 15, 2019. Values for 2019 are still subject to adjustment by the Board of Equalization.

(2) Includes assessed valuation attributable to tax increment financing districts located within the District.

(3) Excludes assessed valuation attributable to Des Peres Annexed Area.

Source: St. Louis County.

***Assessed Valuations of the Des Peres Annexed Area.*** The total assessed valuation of all taxable tangible property situated in the Des Peres Annexed Area according to the assessments of January 1 in each of the following years has been as follows (see discussion under the caption “**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Emergency Service Agreements and Des Peres Annexation Area**”):

<u>Year</u>	<u>Assessed Valuation</u>	<u>Percentage Change</u>
2019 <sup>(1)</sup>	\$14,659,240	+10.02%
2018	13,324,360	-0.54
2017	13,396,510	+6.75
2016	12,549,130	+0.57
2015	12,477,720	+4.16
2014	11,979,360	N/A

<sup>(1)</sup> Values are based on preliminary assessments as of January 1, 2019, as certified on September 15, 2019. Values are still subject to adjustment by the Board of Equalization.

Source: St. Louis County.

### **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 the 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 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.

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 County 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 County Collector who prepares and mails the tax statements.

By statute, tax bills are to be mailed in October; 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 1% per month. The 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 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.



## Tax Rates

**History of Tax Levies.** The following table shows the District's adjusted tax levies (per \$100 of assessed valuation) for the fiscal years 2014 through 2018:

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Dispatch Fund</u>	<u>Pension Fund</u>	<u>Debt Service Fund</u>	<u>Total Levy</u>
2018	\$0.6841	\$0.1662	\$0.0424	\$0.0832	\$0.2400	\$1.2159
2017 <sup>(1)</sup>	0.6833	0.1667	0.0421	0.0830	0.2400	1.2151
2016	0.7298	0.1782	0.0446	0.0888	0.2400	1.2814
2015 <sup>(2)</sup>	0.7323	0.1782	0.0446	0.0888	0.2400	1.2839
2014	0.4316	0.1834	0.0457	0.0911	0.2200	0.9718

<sup>(1)</sup> Reduction in the property tax levy for the year 2017 was required by the Hancock Amendment.

<sup>(2)</sup> District voters approved a \$0.30 (per \$100 of assessed valuation) operating levy increase on April 7, 2015.

Source: St. Louis County.

**Tax Collection Record.** The following table sets forth tax collection information for the District for the fiscal years 2014 through 2018:

<u>Levy Year</u>	<u>Taxes Levied<sup>(1)</sup></u>	<u>Current Collections</u>	<u>% Current Collections</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>% Total Collections</u>
2018	\$10,098,537	\$8,805,289	87.19%	\$1,258,058	\$10,063,347	99.65%
2017	9,978,767	8,496,655	85.15	1,015,653	9,512,309	95.33
2016	9,579,753	8,448,227	88.19	805,608	9,253,835	96.60
2015 <sup>(2)</sup>	9,569,704	8,697,417	90.88	596,875	9,294,292	97.12
2014	6,973,735	6,293,276	90.24	580,570	6,873,846	98.57

<sup>(1)</sup> Includes the levies for the general fund, the ambulance fund, the pension fund and the dispatch fund and excludes a 1.5% collection fee payable to the County.

<sup>(2)</sup> District voters approved a \$0.30 (per \$100 of assessed valuation) operating levy increase on April 7, 2015.

Source: St. Louis County, Missouri.

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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, 2018, with taxes on such property due by December 31, 2018. The District has not independently verified the accuracy or completeness of such information.

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of District's Total Assessed Valuation</u>
TKG Manchester Highlands Shopping Center	Retail	\$11,496,640	1.37%
Kemp Waterford West LLC	Apartments	5,475,780	0.65
Strategic Town & Country LLC ETAL	Apartments	5,348,750	0.64
Orchard Village Knollhaven LLC	Apartments	4,886,800	0.58
Menard Inc.	Retail	4,064,000	0.49
Costco Wholesale Corporation	Retail	3,998,530	0.48
TMF III Cove LLC	Unknown	3,931,100	0.47
TCG Barrett Woods Holdings LLC	Commercial Property	3,859,170	0.46
Caplaco Six Inc.	Retail	3,853,020	0.46
Park Meadows Apartments LLC	Apartments	<u>3,842,370</u>	<u>0.46</u>
		<u>\$50,756,160</u>	<u>6.07%</u>

Source: St. Louis County.

## DEBT STRUCTURE OF THE DISTRICT

### Overview

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.

District Population (est.)	51,000
2019 Assessed Valuation (September 15, 2019) <sup>(1)</sup>	\$936,123,337
2019 Estimated Actual Valuation (September 15, 2019) <sup>(1)</sup>	\$4,310,305,920
Outstanding General Obligation Bonds ("Direct Debt")	\$12,995,000*
Per Capita Direct Debt	\$254.80*
Ratio of Direct Debt to Assessed Valuation <sup>(1)</sup>	1.39%*
Ratio of Direct Debt to Estimated Actual Valuation <sup>(1)</sup>	0.30%*
Overlapping General Obligation Debt ("Indirect Debt")	\$48,304,283
Total Direct and Indirect Debt	\$61,299,283*
Per Capita Direct and Indirect Debt	\$1,201.95*
Ratio of Direct and Indirect Debt to Assessed Valuation <sup>(1)</sup>	6.55%*
Ratio of Direct and Indirect Debt to Estimated Valuation <sup>(1)</sup>	1.42%*

<sup>(1)</sup> Includes assessed valuation attributable to tax increment financing districts located within the District but excludes assessed valuation attributable to Des Peres Annexed Area. Values are based on preliminary assessments as of January 1, 2019, as certified on September 15, 2019. Values are still subject to adjustment by the Board of Equalization.

\* Preliminary; subject to change.

## General Obligation Indebtedness

Following the issuance of the Bonds, the District will have the following series of general obligation bonds outstanding (excluding the Refunded Bonds):

<u>Name of Bonds</u>	<u>Principal Amount Outstanding</u>	<u>Final Maturity</u>
General Obligation Fire Protection Bonds, Series 2010	\$ 250,000	02/15/2020
General Obligation Fire Protection Refunding Bonds, Series 2010B	2,935,000	02/15/2023
General Obligation Fire Protection Bonds, Series 2012	2,150,000	02/15/2032
General Obligation Refunding and Improvement Bonds, Series 2015	1,830,000	02/15/2035
General Obligation Refunding Bonds, Series 2018	2,770,000	02/15/2024
The Bonds*	<u>3,060,000*</u>	02/15/2024*
Total	<u>\$12,995,000*</u>	

## Overlapping and Underlying Indebtedness

The following table sets forth overlapping and underlying indebtedness of political subdivisions with boundaries overlapping the District as of September 1, 2019, and the percent attributable to the District (based on final 2018 assessed valuation, excluding state assessed utilities). The table was compiled from information furnished by third party sources, and the District has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Bonds<sup>(1)</sup></u>	<u>Percent Applicable to District</u>	<u>Dollar Amount Applicable to District</u>
St. Louis County, Missouri	\$ 87,375,000	3.37%	\$ 2,944,538
Des Peres, Missouri	1,330,000	0.10	1,330
Manchester, Missouri	8,415,000	92.63	7,794,815
Parkway School District	<u>217,760,000</u>	17.25	<u>37,563,600</u>
Total	<u>\$314,880,000</u>		<u>\$48,304,283</u>

<sup>(1)</sup> 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.

Source: St. Louis County Department of Revenue; Taxing jurisdictions' records and information obtained from the Electronic Municipal Market Access system, a service provided by the Municipal Securities Rulemaking Board.

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\* Preliminary; subject to change.

## Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for the District's outstanding general obligation bonds, including the Bonds but excluding the Refunded Bonds:

<u>Fiscal Year Ending</u> <u>December 31</u>	<u>Outstanding</u> <u>Bonds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,806,534.28			
2020	1,716,553.50			
2021	1,492,097.50			
2022	1,524,611.25			
2023	1,554,663.00			
2024	1,560,013.00			
2025	385,168.50			
2026	358,575.00			
2027	352,375.00			
2028	350,775.50			
2029	348,937.25			
2030	371,156.75			
2031	362,481.00			
2032	432,500.00			
2033	179,218.75			
2034	183,693.75			
2035	<u>182,925.00</u>			
Total	<u>\$13,162,279.03</u>			

## Legal Debt Capacity

Under Article VI, Section 26(b) of the Constitution of Missouri, 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 election or primary or general election held in even-numbered years or two-thirds voter approval on any other election date. Under Article VI, Section 26(b) of the Constitution of Missouri, 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 limit and debt margin:

2019 Assessed Valuation <sup>(1)</sup> .....	\$ 936,123,337
Debt Limit - 5% of Assessed Valuation .....	\$ 46,806,167
Less: General Obligation Indebtedness Outstanding .....	<u>12,995,000*</u>
Legal Debt Margin .....	<u>\$ 33,811,167*</u>

<sup>(1)</sup> Includes assessed valuation attributable to tax increment financing districts located within the District but excludes assessed valuation attributable to Des Peres Annexed Area. Values are based on preliminary assessments as of January 1, 2019, as certified on September 15, 2019. Values are still subject to adjustment by the Board of Equalization.

\* Preliminary; subject to change.

## **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, annual appropriation lease agreements. The following is a description of the currently outstanding annual appropriation obligations of the District.

The District leases Fire Station 3 from the City of Town and Country pursuant to the terms of a Lease dated January 11, 2016, by and between the District and the City of Town and Country (the “**Station Lease**”), for a term consistent with the term of the current service agreement with the City. See the caption “**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Emergency Service Agreements and Des Peres Annexation Area**” herein. The District makes quarterly rental payments, which are adjusted upward or downward in accordance with the Consumer Price Index for the preceding calendar year. For the fiscal year ended December 31, 2018, the District paid \$115,961 to the City of Town and Country pursuant to the Station Lease.

In August 2014, the District entered into a 20-year lease to finance solar panels for two of its buildings. The District pays \$510 each month under the solar panel lease. In March 2018, the District entered into a 5-year lease to finance copiers. The District pays \$321 each month under the copier lease.

## **History of Debt Payment**

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

## **Future Debt**

The District does not have any plans to issue any additional debt at this time. The District does have a long-term capital plan that includes replacing aging apparatus and improving District facilities that may require voter approval for additional general obligation bonds in the future.

## **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” within the meaning 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 (“**OID**”) 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, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of OID accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of OID accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

**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 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 District will covenant in the Continuing Disclosure Undertaking to file certain financial information and operating data relating to the District (not later than 210 days following the end of its fiscal year, which currently ends December 31) (the "**Annual Report**") commencing with the Annual Report for the fiscal year ending December 31, 2019, and to file notices of the occurrence of certain enumerated events. The Annual Report shall be filed by or on behalf of the District with the Municipal Securities Rulemaking Board (the "**MSRB**") through the Electronic Municipal Market Access system ("**EMMA**"). The Annual Report shall include:

- (1) The audited financial statements of the District for the prior fiscal year prepared in accordance with generally accepted accounting principles in the United States of America and audited 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.

- (2) Updates as of the end of the fiscal year of the financial information and operating data contained in the tables under the following captions of the final Official Statement: **“PROPERTY TAX INFORMATION CONCERNING THE DISTRICT - Property Valuations - Current Assessed Valuation,” “- Property Valuations - History of Property Valuations,” “- Tax Rates - History of Tax Levies,” “- Tax Rates - Tax Collection Record”** and **“- Major Property Taxpayers.”**

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 trustee, 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](http://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 Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”). The Continuing Disclosure Undertaking is being entered into by the District to enhance the efficiency of the administration of the District’s obligations, including the Bonds, and to promote timely secondary market disclosure by the District.

In the last five years, the District has been in material compliance with its prior continuing disclosure undertakings under the Rule. The District has engaged an independent third party to assist the District in complying with its continuing disclosure undertakings.

### **BOND RATING**

Moody’s Investors Service, Inc. (“**Moody’s**”) has assigned the Bonds a rating of “Aa1” 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 and the Underwriter 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.

The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of any rating of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the District is required to bring to the attention of the holders of the Bonds any rating changes but has not undertaken any responsibility to disclose any rating revisions proposed by the Rating Agency or to oppose any such proposed revision or withdrawal of the rating of the Bonds. See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein. 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**

As of the date hereof, 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 \$\_\_\_\_\_, and 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.

## **FINANCIAL ADVISOR**

Piper Jaffray & Co., St. Louis, Missouri (the “**Financial Advisor**”), is employed as financial advisor to the District to render certain professional services, including advising the District on a plan of financing relating to the Bonds. The Financial Advisor has not undertaken an independent investigation into the accuracy of the information presented in this Official Statement.

## **CERTAIN RELATIONSHIPS**

Gilmore & Bell, P.C., Bond Counsel to the District, has represented the Financial Advisor in transactions unrelated to the delivery of the Bonds, but is not representing the Financial Advisor in connection with the delivery of the Bonds.

## **MISCELLANEOUS**

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the Owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the office of the Underwriter; following delivery of the Bonds, copies of such documents may be examined at the corporate trust office of the Paying Agent. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

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

*[Remainder of Page Intentionally Left Blank]*

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

**WEST COUNTY EMS AND FIRE PROTECTION  
DISTRICT OF ST. LOUIS COUNTY, MISSOURI**

By: \_\_\_\_\_  
Chairman of the Board of Directors

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**APPENDIX A**

**DISTRICT'S FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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***WEST COUNTY EMS AND  
FIRE PROTECTION DISTRICT***

***FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2018***

# ***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT***

ST. LOUIS COUNTY, MISSOURI

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## INDEPENDENT AUDITOR'S REPORT



Members of the Board of Directors of  
**WEST COUNTY EMS AND  
FIRE PROTECTION DISTRICT**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West County EMS and Fire Protection District, as of and for the year ended December 31, 2018, 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.

### **Auditor's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, each major fund, and the aggregate remaining fund information of the West County EMS and Fire Protection District, as of December 31, 2018, and the respective changes in the financial position for the year then ended in conformity 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 and budgetary comparison information on pages 4 through 10 and 33 through 37 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.

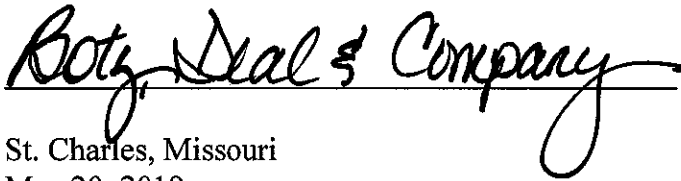
### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise West County EMS and Fire Protection District's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements themselves, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2019 on our consideration of West County EMS and Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Botz, Deal & Company". The signature is written in black ink and is positioned above the printed text "St. Charles, Missouri" and "May 20, 2019".

St. Charles, Missouri  
May 20, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the West County EMS and Fire Protection District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2018. Please read this narrative in conjunction with the basic financial statements and the accompanying notes to the financial statements.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflow of resources of the District exceeded its liabilities at the close of the most recent fiscal year by \$18,811,386 (net position). Of this amount, \$9,661,988 is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position increased by \$2,585,668 during the fiscal year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$20,270,601, an increase of \$2,739,511.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,732,366.
- The District's total debt decreased by \$1,160,000 during the current fiscal year to a total of \$14,405,000.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Responsibility for the completeness and fairness of this information rests with the District. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A). 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 financial statements. This report also contains required and additional supplementary information in addition to the basic financial statements themselves.

#### **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 those used by private-sector companies. The two government-wide statements, Statement of Net Position and Statement of Activities, report the District's net position and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those normally associated with the operation of a government such as fire, ambulance services, and public safety and education. Business-type activities are those activities of the government that are designed to be self-supporting. The District had no business-type activities at fiscal year-end. Note that the government-wide financial statements exclude fiduciary fund activities.

The Statement of Net Position presents information on all of the District's assets, deferred outflow of resources, and liabilities, with the differences reported as net position. Increases and decreases in net position may serve as a useful indicator of whether or not the financial position of the District is improving or deteriorating. The statement of net position also provides information on unrestricted and restricted net position and net investment in capital assets.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of the timing of related cash flows. Thus, revenues and expenses are purported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused compensated absences, etc.). To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base or the condition of the District's fixed asset system.

The government-wide financial statements report functions of the District that are principally supported by taxes and charges for services. The governmental activities of the District include fire protection, ambulance services, dispatching services, pension and debt service activities, as well as interest and fiscal charges.

## **Fund Financial Statements**

A *fund* is an accounting device that the District uses to keep track of specific sources of funding and spending for particular purposes. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements

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

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

The West County EMS and Fire Protection District adopts annual appropriated budgets for its general, ambulance, dispatch, pension, debt service, and capital projects funds. Budgetary comparison statements are provided for each fund to demonstrate compliance with these budgets.

**Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required and other supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary presentations of budget to actual amounts.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred inflows exceeded liabilities by approximately \$18.8 million as of December 31, 2018 (see Table A-1). Of this amount, approximately \$10.1 million is restricted for specific activities and approximately \$9.7 million is unrestricted and available to meet current and future obligations of the District. The negative \$934,000 in net investment in capital assets reflects the fact that debt utilized to acquire assets exceeds the net book value of the assets after depreciation.

**Table A-1**  
**Statement of Net Position as of December 31, 2018 and 2017**  
*(In thousands of dollars)*

	<i>Governmental Activities</i>		
	2018	2017	Variance
Current and other assets	\$ 23,070	\$ 20,786	\$ 2,284
Capital assets	13,921	14,581	(660)
<b>Total Assets</b>	<u>36,991</u>	<u>35,367</u>	<u>1,624</u>
Deferred Outflow of Resources	<u>38</u>	<u>75</u>	<u>(37)</u>
Other liabilities	1,377	1,425	(48)
Long-term debt outstanding	<u>16,841</u>	<u>17,791</u>	<u>(950)</u>
<b>Total Liabilities</b>	<u>18,218</u>	<u>19,216</u>	<u>(998)</u>
Net investment in capital assets	(934)	(1,282)	348
Restricted for ambulance services	5,069	4,557	512
Restricted for bond retirement	3,029	2,587	442
Restricted for dispatching	56	73	(17)
Restricted for pension	1,929	1,798	131
Unrestricted	<u>9,662</u>	<u>8,493</u>	<u>1,169</u>
<b>Total Net Position</b>	<u>\$ 18,811</u>	<u>\$ 16,226</u>	<u>\$ 2,585</u>

The largest portion of the District's net position, 51.4%, reflects unrestricted balances which may be used to meet the District's ongoing obligations to citizens and creditors as well as to fund future capital assets needs. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**Table A-2**  
**Statement of Activities for the Years Ended December 31, 2018 and 2017**  
*(In thousands of dollars)*

		<i>Governmental Activities</i>		Variance	
		2018	2017	Dollars	Percent
<b>Revenues</b>					
Program revenues:					
Charges for services	\$	1,391	\$ 1,290	\$ 101	7.8 %
General revenues:					
Property taxes		9,853	10,194	(341)	(3.3)
Payments in lieu of taxes		4,039	3,953	86	2.2
Investment income		276	112	164	146.4
Miscellaneous		260	219	41	18.7
<b>Total Revenues</b>		<u>15,819</u>	<u>15,768</u>	<u>51</u>	<u>0.3</u>
<b>Expenses</b>					
Fire protection		8,799	8,769	30	0.3
Ambulance services		3,543	3,875	(332)	(8.6)
Dispatching		386	363	23	6.3
Interest expense and fiscal charges		506	509	(3)	(0.6)
<b>Total Expenses</b>		<u>13,234</u>	<u>13,516</u>	<u>(282)</u>	<u>(2.1)</u>
<b>Increase (decrease) in net position</b>		2,585	2,252	333	14.8
Net position - January 1		<u>16,226</u>	<u>13,974</u>	<u>2,252</u>	16.1
Net position - December 31	\$	<u><u>18,811</u></u>	\$ <u><u>16,226</u></u>	\$ <u><u>2,585</u></u>	15.9 %

**Governmental activities.** As reflected in Table A-2, governmental activities increased the District's net position by \$2.6 million indicating revenues exceed expenses for 2018. The change in net position is primarily due to a decrease in ambulance expenses. Program revenues include activities that have the characteristics of exchange transactions, such as commercial and residential inspections and ambulance billings. General revenues include activities that have the characteristics of non-exchange transactions, such as local property taxes and investment earnings. Operating expenses are those expenses for the purpose of providing fire protection, emergency medical services, and operational activities of the District. The District's operating expenses are funded primarily through general revenues.

At nearly \$10 million, the District's primary source of revenue continues to be property taxes. The West County EMS and Fire Protection District also provides fire protection and emergency ambulance services to entities outside of the District's taxing boundaries. Revenues related to these services brought in 26%, or \$4 million, of total revenue in the current fiscal year.

Table A-3 presents net cost (total cost less fees generated by the activities and intergovernmental aid) for each functional area and shows the financial burden that was placed on the District's taxpayers by each of these functions.

- The cost of all governmental activities this year was \$13.2 million.
- The District's taxpayers paid \$9.9 million for these activities through property taxes, and \$1.4 million was paid by those who directly benefited from the services.

**Table A-3**  
**Net Cost of Governmental Activities**  
*(In thousands of dollars)*

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2018	2017	2018-2017	2018	2017	2018-2017
Fire protection	\$ 8,799	\$ 8,769	0.3 %	\$ 8,697	\$ 8,647	0.6 %
Ambulance services	3,543	3,875	(8.6)	2,254	2,708	(16.8)
Dispatching	386	363	6.3	386	363	6.3
Interest and fiscal charges	506	509	(0.6)	506	509	(0.6)
Total	<u>\$ 13,234</u>	<u>\$ 13,516</u>	(2.1) %	<u>\$ 11,843</u>	<u>\$ 12,227</u>	(3.1) %

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**General Fund.** The General Fund is the chief operating fund of the District. As of the end of the current fiscal year, the District's General Fund reported an ending fund balance of \$11 million, of which 24.8% (\$2.7 million) constitutes unassigned fund balance. Unrestricted fund balance is available for spending at the District's discretion. Of the remaining spendable fund balance, the Board of Directors has assigned \$3.4 million for capital asset acquisitions, \$2.2 million for compensated absences, and \$2.6 million for subsequent year's operations.

Revenues and other financing sources exceeded expenditures in the District's General Fund by \$1.5 million during the current fiscal year. The fund balance increase was primarily the result of an increase in property taxes and investment earnings combined with less expenditures needed for capital outlay and personnel benefits.

**Ambulance Fund.** Fund balance in the Ambulance Fund must be used for ambulance services. As of the end of the current fiscal year, the District's Ambulance Fund reported an ending fund balance of \$4.6 million, which is an increase of almost \$537,000 from the prior fiscal year. The fund balance increase was primarily the result of higher ambulance billings and interest while there was a decrease in personnel costs.

**Dispatch Fund.** Fund balance in the Dispatch Fund must be used for dispatching services. The District's Dispatch Fund reported a current year ending fund balance of \$12,138 which is an approximate \$400 increase from the prior fiscal year.



## BUDGET ANALYSIS

During the year there was a \$32,539 increase in appropriations between the original and final amended General Fund budget. This increase in appropriations was largely due to an increase in capital outlays. Actual expenditures were \$7,321,746 compared to final budgeted appropriations of \$7,690,332.

## CAPITAL ASSET AND LONG-TERM DEBT ADMINISTRATION

**Capital assets.** The District's investment in capital assets, net of accumulated depreciation, for its governmental activities as of December 31, 2018, amounts to \$13.9 million. This investment in capital assets includes land, buildings, vehicles, furniture and equipment (see table A-4).

Major capital asset activity during the current fiscal year included the purchase of vehicles, furniture, and equipment totaling \$489,277.

**Table A-4**  
**West County EMS and Fire Protection District's Capital Assets**

	Governmental Activities	
	2018	2017
Land	\$ 1,535,868	\$ 1,535,868
Buildings and improvements	13,153,528	13,146,774
Vehicles	5,807,891	5,473,814
Furniture	630,770	583,388
Equipment	2,636,182	2,560,722
Total	<u>\$ 23,764,239</u>	<u>\$ 23,300,566</u>

**Long-term debt.** The District received voter approval in 2001 to issue bonds totaling \$12 million. The purpose was to fund apparatus replacement and facility replacements/renovations.

In 2008, District voters approved the issuance of \$19 million in general obligation fire protection bonds. Bond proceeds were directed toward the construction of a new advanced center of excellence education facility, building improvements for existing facilities, apparatus, and the acquisition of capital equipment related to firefighting and EMS purposes. Of the \$19 million approval in 2008, the District has \$4.97 million available for future financing.

As of December 31, 2018, the District had \$14,405,000 in outstanding general obligation bonded debt. The State of Missouri Constitution limits the outstanding amount of authorized general obligation bonds of a political subdivision to five (5%) percent of assessed valuation. The constitutional debt limit at the end of the current year was \$41,808,402 and the legal debt margin was \$30,413,402.

More detailed information regarding capital assets (Note 4) and long-term debt (Note 5) activity may be found in the notes to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND TAX RATES

Property valuations for real and personal property tax assessments are established as of January 1st of the tax levy year. Tax rates are set by the District in an amount sufficient to cover the general, ambulance, dispatch, pension, and debt service needs of the District and must remain within limits established by Missouri Law. Property valuations are anticipated to remain flat for fiscal year 2019.

The District maintains contractual agreements to provide fire and ambulance services to entities outside of the District's taxing boundaries. These agreements are anticipated to continue for the foreseeable future.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief, 223 Henry Avenue, Manchester, Missouri 63011.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**

**STATEMENT OF NET POSITION**

**DECEMBER 31, 2018**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 17,602,398
Receivables:	
Property taxes	4,855,273
Payments in lieu of taxes	4,062
Ambulance billings - net of allowance for uncollectibles of \$38,848	454,943
Interest	15,765
Prepaid items	138,228
Capital assets - net:	
Nondepreciable	1,535,868
Depreciable	12,384,788
TOTAL ASSETS	<u>36,991,325</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
Deferred amounts from refunding of debt	<u>37,711</u>
<b>LIABILITIES</b>	
Accounts payable	663,311
Accrued wages	382,819
Interest payable	140,700
Unearned revenue	189,938
Noncurrent liabilities:	
Due in one year	2,100,753
Due in more than one year	14,740,129
TOTAL LIABILITIES	<u>18,217,650</u>
<b>NET POSITION</b>	
Net investment in capital assets	(934,413)
Restricted for:	
Ambulance services	5,069,699
Bond retirement	3,028,798
Dispatch services	56,370
Pension benefits	1,928,944
Unrestricted	9,661,988
TOTAL NET POSITION	<u>\$ 18,811,386</u>

The accompanying notes are an integral part of these financial statements.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenue</b>	<b>Net (Expense) Revenue and Change in Net Position</b>
		<b>Charges for Service</b>	<b>Governmental Activities</b>
<b>Governmental Activities</b>			
Fire protection	\$ 8,798,640	\$ 102,391	\$ (8,696,249)
Ambulance services	3,543,333	1,288,508	(2,254,825)
Dispatching	385,578	-	(385,578)
Interest and fiscal charges	506,269	-	(506,269)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 13,233,820</b>	<b>\$ 1,390,899</b>	<b>(11,842,921)</b>
Property taxes			9,853,080
Payments in lieu of taxes			4,038,788
Investment income			276,459
Other miscellaneous revenue			260,262
<b>TOTAL GENERAL REVENUES</b>			<b>14,428,589</b>
<b>CHANGE IN NET POSITION</b>			<b>2,585,668</b>
<b>NET POSITION - BEGINNING OF YEAR</b>			<b>16,225,718</b>
<b>NET POSITION - END OF YEAR</b>			<b>\$ 18,811,386</b>

The accompanying notes are an integral part of these financial statements.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	General Fund	Ambulance Fund	Dispatch Fund	Pension Fund	Debt Service Fund	Non Major Capital Projects Fund	Total
<b>ASSETS</b>							
Cash and investments	\$ 9,131,092	\$ 4,315,430	\$ 204,924	\$ 1,848,646	\$ 2,102,306	\$ -	\$ 17,602,398
Receivables:							
Property taxes	2,731,784	663,661	169,142	332,273	958,413	-	4,855,273
Payments in lieu of taxes	4,062	-	-	-	-	-	4,062
Ambulance billings	-	454,943	-	-	-	-	454,943
Interest	7,776	-	-	5,326	2,663	-	15,765
Prepaid items	99,995	31,326	-	6,907	-	-	138,228
Due from other funds	205,759	-	-	2	-	-	205,761
<b>TOTAL ASSETS</b>	<u>\$ 12,180,468</u>	<u>\$ 5,465,360</u>	<u>\$ 374,066</u>	<u>\$ 2,193,154</u>	<u>\$ 3,063,382</u>	<u>\$ -</u>	<u>\$ 23,276,430</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 55,872	\$ 42,468	\$ 310,806	\$ 251,315	\$ 2,850	\$ -	\$ 663,311
Accrued wages	263,647	119,172	-	-	-	-	382,819
Due to other funds	2	205,715	1	-	43	-	205,761
Unearned revenue	110,157	28,306	6,889	12,895	31,691	-	189,938
<b>TOTAL LIABILITIES</b>	<u>429,678</u>	<u>395,661</u>	<u>317,696</u>	<u>264,210</u>	<u>34,584</u>	<u>-</u>	<u>1,441,829</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue:							
Property taxes	718,429	174,508	44,232	87,434	252,099	-	1,276,702
Ambulance billing	-	287,298	-	-	-	-	287,298
<b>TOTAL DEFERRED     INFLOWS OF RESOURCES</b>	<u>718,429</u>	<u>461,806</u>	<u>44,232</u>	<u>87,434</u>	<u>252,099</u>	<u>-</u>	<u>1,564,000</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	99,995	31,326	-	6,907	-	-	138,228
Restricted for:							
Ambulance services	-	4,576,567	-	-	-	-	4,576,567
Dispatching	-	-	12,138	-	-	-	12,138
Pension	-	-	-	1,834,603	-	-	1,834,603
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	2,776,699	-	2,776,699
Assigned:							
Capital assets	3,400,000	-	-	-	-	-	3,400,000
Compensated absences	2,200,000	-	-	-	-	-	2,200,000
Subsequent year's operations	2,600,000	-	-	-	-	-	2,600,000
Unassigned	2,732,366	-	-	-	-	-	2,732,366
<b>TOTAL FUND BALANCES</b>	<u>11,032,361</u>	<u>4,607,893</u>	<u>12,138</u>	<u>1,841,510</u>	<u>2,776,699</u>	<u>-</u>	<u>20,270,601</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 12,180,468</u>	<u>\$ 5,465,360</u>	<u>\$ 374,066</u>	<u>\$ 2,193,154</u>	<u>\$ 3,063,382</u>	<u>\$ -</u>	<u>\$ 23,276,430</u>

The accompanying notes are an integral part of these financial statements.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
RECONCILIATION OF THE STATEMENT OF NET POSITION  
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET  
DECEMBER 31, 2018

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance per balance sheet	\$20,270,601
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,920,656
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	1,564,000
Deferred amounts from refunding of debt are not reported in the governmental funds.	37,711
Interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(140,700)
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(16,840,882)</u>
Net position of governmental activities	<u><u>\$18,811,386</u></u>

The accompanying notes are an integral part of these financial statements.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	General Fund	Ambulance Fund	Dispatch Fund	Pension Fund	Debt Service Fund	Non Major Capital Projects Fund	Total
<b>REVENUES</b>							
Property taxes	\$ 5,816,583	\$1,414,793	\$ 360,595	\$ 707,659	\$2,047,508	\$ -	\$10,347,138
Payments in lieu of taxes	2,520,854	987,047	16,058	482,973	31,856	-	4,038,788
Ambulance billings	-	1,243,613	-	-	-	-	1,243,613
Interest	146,430	77,228	537	31,081	21,178	5	276,459
Permits and reports	102,391	-	-	-	-	-	102,391
Miscellaneous income	234,241	17,209	8,812	-	-	-	260,262
<b>TOTAL REVENUES</b>	<b>8,820,499</b>	<b>3,739,890</b>	<b>386,002</b>	<b>1,221,713</b>	<b>2,100,542</b>	<b>5</b>	<b>16,268,651</b>
<b>EXPENDITURES</b>							
Current:							
Fire protection	7,118,424	-	-	766,550	-	-	7,884,974
Ambulance services	-	2,878,592	-	291,161	-	-	3,169,753
Dispatching	-	-	385,578	-	-	-	385,578
Capital outlay	203,322	324,536	-	-	-	80	527,938
Debt service:							
Principal, interest and fiscal charges	-	-	-	-	1,619,937	-	1,619,937
<b>TOTAL EXPENDITURES</b>	<b>7,321,746</b>	<b>3,203,128</b>	<b>385,578</b>	<b>1,057,711</b>	<b>1,619,937</b>	<b>80</b>	<b>13,588,180</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,498,753</b>	<b>536,762</b>	<b>424</b>	<b>164,002</b>	<b>480,605</b>	<b>(75)</b>	<b>2,680,471</b>
<b>OTHER FINANCING SOURCES AND (USES)</b>							
Refunding bonds issued	-	-	-	-	3,010,000	-	3,010,000
Bond premium	-	-	-	-	163,193	-	163,193
Payment to refunded bonds escrow agent	-	-	-	-	(3,114,153)	-	(3,114,153)
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,040</b>	<b>-</b>	<b>59,040</b>
<b>CHANGE IN FUND BALANCES</b>	<b>1,498,753</b>	<b>536,762</b>	<b>424</b>	<b>164,002</b>	<b>539,645</b>	<b>(75)</b>	<b>2,739,511</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>9,533,608</b>	<b>4,071,131</b>	<b>11,714</b>	<b>1,677,508</b>	<b>2,237,054</b>	<b>75</b>	<b>17,531,090</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 11,032,361</b>	<b>\$4,607,893</b>	<b>\$ 12,138</b>	<b>\$1,841,510</b>	<b>\$2,776,699</b>	<b>\$ -</b>	<b>\$20,270,601</b>

The accompanying notes are an integral part of these financial statements.

***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT***  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Amounts reported for governmental activities in the statement of revenues, expenses, and changes in net position are different because:

Change in fund balance-total governmental funds	\$ 2,739,511
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	489,277
The costs of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities.	(1,149,071)
Revenues that do not provide current financial resources are not included in the fund financial statements.	(449,163)
Bond premiums and discounts are reported in the statement of net position and amortized over the lives of the bonds.	53,276
Deferred amounts from bond refundings are reported in the statement of net position and amortized over the lives of the bonds.	(37,715)
The payment of certain liabilities do not require the use of current financial resources and, therefore, are not reported as an expenditure in the governmental funds:	
Compensated absences	(99,514)
Interest payable	3,107
Transactions relating to the defeasance of bonds affects current financial resources in the governmental funds, however it has no affect on the statement of activities.	2,950,960
The issuance of debt provides current financial resources in the governmental funds, however it has no effect on net assets in the statement of activities.	(3,010,000)
Repayment of bond principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position.	1,095,000
Change in net position of governmental activities	<u><u>\$ 2,585,668</u></u>

The accompanying notes are an integral part of these financial statements.



***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT***  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**DECEMBER 31, 2018**

	Agency Fund
<b>ASSETS</b>	
Cash	\$     145,283
<b>LIABILITIES</b>	
Other liabilities	\$     145,283

The accompanying notes are an integral part of these financial statements.

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

West County EMS and Fire Protection District (the “District”) provides fire protection, fire prevention, and emergency ambulance service to its residents and contracted service areas. The financial statements include all accounts of the District which are controlled by the Board of Directors. The accounting policies of the District conform to generally accepted accounting principles applicable to governmental entities of this type. The following is a summary of such significant policies.

**A. REPORTING ENTITY**

The District applies the criteria set forth in GASB Statement No. 61, *The Financial Reporting Entity* (GASB 61), to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials’ accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will and the primary recipient of services. The District presently has no component units included within its reporting entity.

**B. BASIC FINANCIAL STATEMENTS**

Basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements, and
- Notes to the basic financial statements.

*Government-Wide Financial Statements* - The reporting model includes financial statements prepared using full accrual accounting for all the District’s nonfiduciary activities. This approach includes not just current assets and liabilities, but also capital and other long-term assets as well as long-term liabilities. Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. Government-wide financial statements include the following:

*Statement of Net Position* - The statement of net position is designed to display the financial position of the Primary Government (governmental and business-type activities). The District reports capital assets in the government-wide statement of net position and reports depreciation expense in the statement of revenues, expenses and changes in net position. The net position of the District is broken down into three categories 1) net investment in capital assets; 2) restricted; and 3) unrestricted. The District has no business-type activities.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

B. **BASIC FINANCIAL STATEMENTS** - continued

*Statement of Activities* - The statement of activities reports expenses and revenues in a format that focuses on the cost of each of the District's functions. The expense of individual functions is compared to the revenue generated directly by the function. Accordingly, the District has recorded capital assets and certain other long-term assets and liabilities in the statement of net position and has reported all revenues and the cost of providing services under the accrual basis of accounting in the statement of activities. The District has elected to implement the requirements of GASB 34 related to infrastructure assets from January 1, 2004 forward.

The government-wide financial statements consist of the statement of net position and the statement of activities and report information on all of the nonfiduciary activities of the Primary Government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. All internal balances in the statement of net position have been eliminated.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenue includes: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, Ambulance Fund, Dispatch Fund, Debt Service Fund, and Pension Fund. GASB No. 34 sets forth minimum criteria (percentage of assets, deferred outflows; liabilities, deferred outflows; revenues or expenditures of either fund category for the governmental and enterprise combined) for the determination of major funds.

C. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Fiduciary fund financial statements use the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

C. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION** - continued

For the governmental funds financial statements, the District considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, interest, charges for services, and other miscellaneous revenue are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The District reports the following major governmental funds:

**The General Fund** - The District's primary operating fund, which accounts for all the financial resources and the legally authorized activities of the District except those required to be accounted for in other specialized funds.

**Ambulance Fund** - This fund is a special revenue fund used to account for the proceeds of a special tax levy restricted for ambulance operations as well as fees charged and expenditures incurred to provide ambulance services.

**Dispatch Fund** - This fund is a special revenue fund used to account for taxes received and expenditures incurred by the District to participate in a centralized dispatch service.

**Pension Fund** - This fund is a special revenue fund used to account for taxes received that will be used to provide pension benefits to employees of the District.

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

Additionally, the District reports the following fund types:

**Capital Projects Fund** - This is a non-major fund used to account for bond proceeds. The funds received from the bonds were expended out of this fund.

**Fiduciary Fund** - This is an agency fund used to account for monies received from employees for medical expenses.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

D. **CAPITAL ASSETS**

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives is not capitalized.

Capital assets of the District are depreciated using a straight-line method over the following estimated useful lives:

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	5-40 years
Furniture	5-10 years
Vehicles	5-10 years
Equipment	5-10 years

E. **ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could vary from the estimates that management uses.

F. **INTERFUND TRANSACTIONS**

All property taxes and payments in lieu of taxes are received into the General Fund and subsequently transferred to each fund's respective bank account. In addition, various expenditures are paid out of the General Fund and are subsequently transferred or refunded back to the General Fund.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

G. **EXPENSE ALLOCATIONS BETWEEN FUNDS**

The salaries and fringe benefits of employees who perform as both firefighters and emergency medical personnel are allocated between the General and Ambulance Funds.

H. **COMPENSATED ABSENCES**

Vacation time is earned based on the number of years of service. Vacation time is earned upon the completion of the first year of service. Vacation earned by December 31, 2018 must be taken by the subsequent year ending December 31 or will be lost. Unusual circumstances may permit a carryover.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

H. **COMPENSATED ABSENCES** - continued

Sick Leave - After one year of service firefighters, paramedics, and management (“24 hour shift employees”) are allowed seven (7) shift days (168 hours) and management (“8 hour shift employees”) is allowed 127 hours per year.

A) “24 Hour Shift Employees” - May accumulate up to 1,680 sick leave shift hours. After an employee has accumulated 720 hours they may elect to cash in unused sick leave shift hours up to a maximum of 168 hours in any one (1) calendar year.

B) “8 Hour Shift Employees” - May accumulate up to 1,200 sick leave hours. After an employee has accumulated 520 hours they may elect to cash in unused sick leave hours up to a maximum of 127 hours in any one (1) calendar year.

Upon reaching the maximum accumulated sick leave hours, employees will be paid for unused sick leave, subject to above stated limits, annually at the end of the first full pay period in January of the subsequent year. 50% of an employee’s sick leave payout will be placed into a HRA.

Duty related injuries are not chargeable to accumulated sick leave. The District accrues the amount of unused sick leave and allocates the expense between the fire and ambulance expenses. Employees who retire or die before retirement receive 100% of accumulated benefit. Employees who leave for reasons other than retirement or death will receive 50% of accumulated unpaid sick leave. The value of days accumulated are recorded as a liability in the government-wide financial statements.

I. **PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. **ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, special termination benefits, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

K. **NET POSITION AND FUND EQUITY**

In government-wide financial statements net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. It does not include the unspent proceeds of capital debt. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the District's policy to use restricted first, then unrestricted resources as they are needed. The government-wide statement of net position reports \$10,083,811 of restricted position, all of which are restricted by enabling legislation.

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

**Nonspendable** - Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

**Restricted** - Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**Committed** - Resources which are subject to limitations the government imposes upon itself at its highest level of decision making (resolution), and that remain binding unless removed in the same manner.

**Assigned** - Resources neither restricted nor committed for which a government has a stated intended use as established by the Board of Directors or an official to which the Board of Directors has delegated the authority to assign amounts for specific purposes.

**Unassigned** - Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The District would typically use restricted fund balances first, followed by committed resources and assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

L. **CONCENTRATION OF LABOR**

100% of the labor force was subject to a collective bargaining agreement at December 31, 2018, which expires January 2019.

2. **CASH AND INVESTMENTS**

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

Cash on hand and deposits held at December 31, 2018 are reported at cost as follows:

Type	Maturities	Value
<b>General government:</b>		
Deposits:		
Cash on hand	N/A	\$ 356
Demand deposits	N/A	4,341,344
Time deposits	< 1 year	13,260,698
		<u>17,602,398</u>
<b>Agency fund:</b>		
Deposits:		
Demand deposits		<u>145,283</u>
<b>Total Deposits</b>		<u>\$ 17,747,681</u>
<b>Reconciliation to the Financial Statements</b>		
Statement of Net Position:		
Cash and investments		\$ 17,602,398
Statement of Fiduciary Net Assets:		
Cash		<u>145,283</u>
<b>Total Deposits</b>		<u>\$ 17,747,681</u>

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District does not have a formal deposit policy for custodial credit risk. In order to reduce custodial credit risk, the District requires financial institutions to pledge securities or provide an irrevocable letter of credit. The District also utilizes insured cash sweep ® services to place funds in FDIC insured demand accounts at other FDIC-insured member institutions. Time deposits are purchased through the CDARS® program which purchases certificates of deposits through various financial institutions up to the FDIC limit. As of December 31, 2018, \$1,049,060 of the District's deposits at one financial institution was exposed to custodial credit risk due to the timing of deposits. As of January 2, 2019, collateral was pledged by the financial institution to cover uninsured deposits.

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



2. **CASH AND INVESTMENTS** - continued

**Concentration of Credit Risk** - The District places no limit on the amount that may be invested in any one issuer. As of December 31, 2018, the District did not hold any investments.

3. **PROPERTY TAX**

The District's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the District. Taxes are levied on October 1 and payable by December 31. The County collects the property tax and remits it to the District. Assessed values are established by the St. Louis County Assessor subject to review by the Board of Equalization. The District defers recognition of revenue for uncollected property taxes. The assessed valuation of the tangible taxable property for calendar year 2018 for purposes of local taxation was:

Assessed Valuation	
Residential	\$ 583,990,450
Commercial	146,428,450
Agricultural	234,620
State Railroad and utilities	10,342,968
Personal property	95,171,550
Total Assessed Valuation	\$ <u>836,168,038</u>

Tax Rate (per \$100 of Assessed Valuation):

	General Fund	Ambulance Fund	Dispatch Fund	Pension Fund	Debt Service Fund
Residential	\$ .6680	\$ .1600	\$ .0420	\$ .0800	\$ .2400
Agricultural	.7400	.1950	.0450	.0980	.2400
Commercial	.7090	.1730	.0400	.0870	.2400
Personal Property	.7450	.1940	.0490	.0970	.2400

#### 4. CAPITAL ASSETS

Capital asset activity for the primary government for the year ended December 31, 2018 is as follows:

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>TRANSFERS AND ADDITIONS</u>	<u>TRANSFERS AND DELETIONS</u>	<u>BALANCE, END OF YEAR</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ <u>1,535,868</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,535,868</u>
Capital assets, being depreciated:				
Buildings and improvements	13,146,774	6,754	-	13,153,528
Vehicles	5,473,814	334,077	-	5,807,891
Furniture	583,388	63,506	(16,124)	630,770
Equipment	<u>2,560,722</u>	<u>84,940</u>	<u>( 9,480)</u>	<u>2,636,182</u>
Total capital assets, being depreciated	<u>21,764,698</u>	<u>489,277</u>	<u>(25,604)</u>	<u>22,228,371</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,041,994)	(339,021)	-	(3,381,015)
Vehicles	(3,132,964)	(563,584)	-	(3,696,548)
Furniture	( 524,487)	( 36,652)	16,124	( 545,015)
Equipment	<u>(2,020,671)</u>	<u>(209,814)</u>	<u>9,480</u>	<u>(2,221,005)</u>
Total accumulated Depreciation	<u>(8,720,116)</u>	<u>(1,149,071)</u>	<u>25,604</u>	<u>(9,843,583)</u>
Total capital assets, being depreciated, net	<u>13,044,582</u>	<u>(659,794)</u>	<u>-</u>	<u>12,384,788</u>
Total governmental activities	\$ <u>14,580,450</u>	\$ <u>(659,794)</u>	\$ <u>-</u>	\$ <u>13,920,656</u>

Depreciation was charged to functions of the District as follows:

Ambulance Services	\$ 344,721
Fire Protection	<u>804,350</u>
Total Depreciation Expense	\$ <u>1,149,071</u>

#### 5. LONG-TERM DEBT

**Fire Protection Bonds** - In 2001, the District was authorized to issue \$12,000,000 in general obligation bonds, all of which have been issued. In 2008, the District was authorized to issue up to \$19,000,000 in general obligation bonds. As of December 31, 2018, the District has issued \$14,030,000 of these bonds. The bonds were issued for the purpose of constructing, purchasing, equipping and maintaining fire stations, and purchasing fire-fighting apparatus and auxiliary equipment for the District. These bonds are being serviced through a separate property tax.

5. **LONG-TERM DEBT** - continued

General Obligation Bonds Series Refunding Bonds 2010B Bank of New York Interest rate - 2.75% to 5% Matures - February 2023 Annual payments, including principal and interest, range from \$706,922 to \$825,749	\$ 3,540,000
General Obligation Bonds Series 2010 Bank of New York Interest rate - 3% to 3.85% Matures - February 2030 Annual payments, including principal and interest, range from \$312,338 to \$483,906	3,550,000
General Obligation Bonds Series 2009 Bank of New York Interest rate - 3% to 3.75% Matures - February 2029, called February 2019	250,000
General Obligation Bonds Series 2012 Bank of New York Interest rate - 1.0% to 2.4% Matures - February 2032 Annual payments, including principal and interest, range from \$116,331 to \$253,000	2,225,000
General Obligation Refunding and Improvement Bonds Series 2015 Bank of New York Interest rate - 2.125% to 3.25% Matures - February 2035 Annual payments, including principal and interest, range from \$53,200 to \$184,075	1,830,000
General Obligation Refunding Bonds Series 2018 Bank of New York Interest rate - 4% Matures - February 2024 Annual payments, including principal and interest, range from \$323,828 to \$1,147,500	3,010,000
TOTAL BONDS PAYABLE	<u>\$ 14,405,000</u>

5. **LONG-TERM DEBT** - continued

Annual debt service payments on the bonds payable are as follows:

YEAR	Governmental Activities		
	PRINCIPAL	INTEREST	TOTAL
2019	\$ 1,395,000	\$ 411,535	\$ 1,806,535
2020	1,430,000	398,103	1,828,103
2021	1,500,000	349,584	1,849,584
2022	1,575,000	298,817	1,873,817
2023	1,650,000	245,400	1,895,400
2024-2028	4,140,000	671,830	4,811,830
2029-2033	2,360,000	192,672	2,552,672
2034-2035	355,000	11,619	366,619
Total	<u>\$ 14,405,000</u>	<u>\$ 2,579,560</u>	<u>\$ 16,984,560</u>

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

	BALANCE, BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	BALANCE, END OF YEAR	DUE WITHIN ONE YEAR
Governmental activities:					
General obligation bonds	\$ 15,565,000	\$ 3,010,000	\$ (4,170,000)	\$ 14,405,000	\$ 1,395,000
Issuance premiums	395,363	163,193	(54,526)	504,030	-
Issuance discounts	(17,500)	-	1,250	(16,250)	-
Compensated absences	<u>1,848,588</u>	<u>706,056</u>	<u>(606,542)</u>	<u>1,948,102</u>	<u>705,753</u>
Total Governmental Activities	<u>\$ 17,791,451</u>	<u>\$ 3,879,249</u>	<u>\$ (4,829,818)</u>	<u>\$ 16,840,882</u>	<u>\$ 2,100,753</u>

6. **LEASES**

The District leases an engine house from the City of Town and County. The operating lease commenced on January 1, 2001 and shall terminate upon termination of the Service Agreement (see Note 9). The District pays an annual rental due quarterly plus the cost of maintenance and utilities. Beginning with the 2002 lease year and for each lease year thereafter, the annual rent is adjusted upward or downward in accordance with the Consumer Price Index for the preceding year ended December 31. For the year ended December 31, 2018, the annual rent was \$115,961.

The District also leases two copiers. The operating lease commenced on March 27, 2018 and shall terminate after 5 years. The District pays \$321 each month. The District also leases solar panels that were added to 2 of their buildings. The operating lease commenced on August 27, 2014 and shall terminate after 20 years. The District pays \$510 each month.

6. **LEASES - continued**

Future minimum payments are as follows:

For the Year Ending December 31,	
2019	\$ 9,972
2020	9,972
2021	9,972
2022	9,972
2023	7,083
2024-2028	30,600
2029-2033	30,600
2034	6,120
TOTAL MINIMUM LEASE PAYMENTS	\$ <u>114,291</u>

The District also receives lease income of \$20,988 a year for the lease of land for a communication tower. The lease commenced on November 25, 1997 with a term of five (5) years, with provisions for automatic extensions for nine (9) consecutive terms of five (5) years each. The base lease rental will increase with each term extension.

7. **INTERFUND TRANSACTIONS**

Certain revenues and expenditures that affect multiple funds are initially recorded through the General Fund cash receipts and disbursements records. This method results in the necessity of maintaining interfund accounts receivable and payable to provide fund accountability. The interfund balances at December 31, 2018 are as follows:

	<u>DUE FROM</u>	<u>DUE TO</u>
General Fund	\$ 205,759	\$ 2
Ambulance Fund	-	205,715
Dispatch Fund	-	1
Pension Fund	2	-
Debt Service Fund	-	43
Total	\$ <u>205,761</u>	\$ <u>205,761</u>

8. **RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred these risks by purchasing insurance from commercial enterprises. Settled claims have not exceeded this commercial coverage in any of the past several fiscal years. The District has joined together with other districts to form a group of self-insurers for workers' compensation, a public entity risk pool currently operating as a common risk management and insurance program for worker compensation claims. The District pays an annual premium to the pool for its insurance coverage.

8. **RISK MANAGEMENT** - continued

The agreement for formation of the Missouri Fire and Ambulance Districts' Insurance Trust (MOFAD) provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. The purpose of MOFAD is to distribute the cost of the annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of MOFAD have no legal interest in assets, liabilities, or fund balances of the insurance association. However, the District retains a contingent liability to fund its pro rata share of any deficit incurred by MOFAD should it cease operations at some future date. The District has not been made aware of any contingent liabilities as of December 31, 2018.

9. **CONTRACTUAL AGREEMENTS**

West County EMS and Fire Protection District has agreements with the following cities and entities to provide fire protection and emergency ambulance services for an annual charge:

Town and County	(a)
Franklin Corporate Hill Dr IV	(b)
Eckelkamp Office Center South, L.L.C.	(c)
Corporate Hill Complex	(d)

- (a) This agreement is effective January 1, 2017 for a period of five (5) years and is automatically renewed for consecutive five (5) year terms thereafter unless either party terminates the agreement by giving one (1) year advance written notice.
- (b) This agreement is effective August 20, 2012 for a period of five (5) years and is automatically renewed for consecutive five (5) year terms thereafter unless either party terminates the agreement by giving one (1) year advance written notice.
- (c) This agreement is effective November 5, 2012 for a period of five (5) years and is automatically renewed for consecutive five (5) year terms thereafter unless either party terminates the agreement by giving one (1) year advance written notice.
- (d) This agreement is effective June 1, 2015 for a period of five (5) years and is automatically renewed for consecutive five (5) year terms thereafter unless either party terminates the agreement by giving one (1) year advance written notice.

The District has a contractual agreement with Central County Emergency 911 for dispatching services effective July 1, 2002. The agreement automatically renews each January 1, for a term of one calendar year, unless the District terminates the agreement by giving notice July 1 to be effective January 1 of the next year. The agreement requires the District to pay fees equal to the amount which would be collected from a tax levy based on the assessed valuation of all taxable, tangible property within the District's boundaries.

9. **CONTRACTUAL AGREEMENTS - continued**

The District also has a contractual agreement with EMS Management and Consultants, Inc. for ambulance billing, billing processing, and fee collection services. The District will pay EMS Management and Consultants, Inc. on a monthly basis an amount equal to 5.7% of “Net Collections”. The agreement shall automatically renew on the same terms and conditions for successive one year terms unless either party gives written notice of intent not to renew at least 30 days before the expiration of any term.

10. **RETIREMENT PLAN**

The District adopted a single-employer defined contribution plan on January 1, 1998 titled West County EMS and Fire Protection District Defined Contribution Retirement Plan.

The District contributes a discretionary amount to the defined contribution plan. The plan is administered by Fidelity Investments. Contributions will be made with funds derived from the tax established pursuant to Section 321.610 RSMO or, at the discretion of the District, from other available revenues of the District. Plan amendments are made via resolution by the Board of Directors with a majority vote. The contribution is allocated to participants’ accounts in an amount equal to the total amount contributed multiplied by the ratio of the participant’s compensation for the plan year to total compensation for all participants entitled to a contribution for the plan year. Contributions are made exclusively by the District. All employees at the end of a plan year who have completed 1,000 hours of service during that plan year and are 21 years of age are eligible to participate in the plan. Participants begin to vest in these contributions after five (5) years of service in increasing percentages and are 100% vested after ten (10) years of service. During the year ended December 31, 2018, the District contributed \$1,002,952 to the defined contribution plan.

11. **CONTINGENCIES**

From time to time, the District is a party to various pending claims and legal actions arising in the ordinary course of its operations. Although the outcome of such matters cannot be forecast with certainty, in the opinion of management, all such matters are adequately covered by insurance, or if not covered, are without merit or involve amounts such that an unfavorable disposition would not have a material effect on the financial statements of the District.

12. **DEFERRED COMPENSATION**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the sole benefit of participants and beneficiaries. Since amounts held in trust are for the exclusive benefit of all participants, the District does not maintain the assets on the financial statements.

13. **SUBSEQUENT EVENTS**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the audit report date, which is the date the financial statements were available to be issued.

A Post-Retirement Health Reimbursement Plan, which is a defined contribution plan, has been established as of January 1, 2019.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT****REQUIRED SUPPLEMENTARY INFORMATION****BUDGETARY COMPARISON SCHEDULE****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>BUDGET</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Property taxes	\$ 5,625,303	\$ 5,904,798	\$ 5,816,583	\$ (88,215)
Payments in lieu of taxes	2,520,854	2,531,055	2,520,854	(10,201)
Interest	40,000	138,654	146,430	7,776
Permits and reports	70,000	141,602	102,391	(39,211)
Miscellaneous income	180,588	223,666	234,241	10,575
TOTAL REVENUES	<u>8,436,745</u>	<u>8,939,775</u>	<u>8,820,499</u>	<u>(119,276)</u>
<b>EXPENDITURES</b>				
Fire protection	7,457,783	7,468,538	7,118,424	350,114
Capital outlays	200,000	221,784	203,322	18,462
TOTAL EXPENDITURES	<u>7,657,783</u>	<u>7,690,322</u>	<u>7,321,746</u>	<u>368,576</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	778,962	1,249,453	1,498,753	<u>\$ 249,300</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>9,533,608</u>	<u>9,533,608</u>	<u>9,533,608</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$10,312,570</u>	<u>\$ 10,783,061</u>	<u>\$ 11,032,361</u>	

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMBULANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
<b>REVENUES</b>				
Property taxes	\$ 1,371,924	\$ 1,436,224	\$ 1,414,793	\$ (21,431)
Payments in lieu of taxes	987,047	991,342	987,047	(4,295)
Ambulance billings	1,006,000	1,206,631	1,243,613	36,982
Interest	16,000	77,228	77,228	-
Miscellaneous income	1,500	17,294	17,209	(85)
TOTAL REVENUES	<u>3,382,471</u>	<u>3,728,719</u>	<u>3,739,890</u>	<u>11,171</u>
<b>EXPENDITURES</b>				
Ambulance services	3,112,463	3,180,868	2,878,592	302,276
Capital outlays	320,000	320,987	324,536	(3,549)
TOTAL EXPENDITURES	<u>3,432,463</u>	<u>3,501,855</u>	<u>3,203,128</u>	<u>298,727</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(49,992)	226,864	536,762	<u>\$ 309,898</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>4,071,131</u>	<u>4,071,131</u>	<u>4,071,131</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 4,021,139</u>	<u>\$ 4,297,995</u>	<u>\$ 4,607,893</u>	

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT****REQUIRED SUPPLEMENTARY INFORMATION****BUDGETARY COMPARISON SCHEDULE****DISPATCH FUND****FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>BUDGET</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Property taxes	\$ 347,902	\$ 366,068	\$ 360,595	\$ (5,473)
Payments in lieu of taxes	16,048	16,863	16,058	(805)
Interest	175	537	537	-
Miscellaneous income	-	8,813	8,812	(1)
TOTAL REVENUES	<u>364,125</u>	<u>392,281</u>	<u>386,002</u>	<u>(6,279)</u>
<b>EXPENDITURES</b>				
Dispatching	<u>362,020</u>	<u>389,628</u>	<u>385,578</u>	<u>4,050</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,105	2,653	424	<u>\$ (2,229)</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>11,714</u>	<u>11,714</u>	<u>11,714</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 13,819</u>	<u>\$ 14,367</u>	<u>\$ 12,138</u>	

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT****REQUIRED SUPPLEMENTARY INFORMATION****BUDGETARY COMPARISON SCHEDULE****PENSION FUND****FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>BUDGET</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Property taxes	\$ 684,333	\$ 718,388	\$ 707,659	\$ (10,729)
Payments in lieu of taxes	482,973	484,316	482,973	(1,343)
Interest	6,500	25,755	31,081	5,326
<b>TOTAL REVENUES</b>	<u>1,173,806</u>	<u>1,228,459</u>	<u>1,221,713</u>	<u>(6,746)</u>
<b>EXPENDITURES</b>				
Fire/Ambulance	<u>1,113,500</u>	<u>1,113,500</u>	<u>1,057,711</u>	<u>55,789</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	60,306	114,959	164,002	<u>\$ 49,043</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>1,677,508</u>	<u>1,677,508</u>	<u>1,677,508</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,737,814</u>	<u>\$ 1,792,467</u>	<u>\$ 1,841,510</u>	

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**Budgets and Budgetary Accounting**

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

- 1) Formal budgetary integration is employed as a management control device during the year for all funds. These budgets are adopted in accordance with generally accepted accounting principles (GAAP).
- 2) The Board of Directors approves the tax rate by motion to fund District operations. Once this rate has been established, the Board of Directors approves the total budget appropriation and amendments. The Budget is monitored monthly through a line item budget comparison report by fund. Any significant variances are investigated and resolved. However, the legal level of budgetary control is at the fund level.
- 3) Unused appropriations for all of the annually budgeted funds lapse at the end of the year.
- 4) Subsequent to its formal approval of the budget, the Board of Directors has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.

## **SUPPLEMENTARY INFORMATION**

**WEST COUNTY EMS AND FIRE PROTECTION DISTRICT****SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>BUDGET</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Property taxes	\$ 1,989,808	\$ 2,078,455	\$ 2,047,508	\$ (30,947)
Payments in lieu of taxes	31,900	31,900	31,856	(44)
Interest	4,000	18,514	21,178	2,664
<b>TOTAL REVENUES</b>	<u>2,025,708</u>	<u>2,128,869</u>	<u>2,100,542</u>	<u>(28,327)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal, interest and fiscal charges	<u>1,572,048</u>	<u>1,679,937</u>	<u>1,619,937</u>	<u>60,000</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	453,660	448,932	480,605	(31,673)
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Refunding bonds issued	-	3,070,000	3,010,000	60,000
Bond premium	-	163,193	163,193	-
Payment to refunded bonds escrow agent	-	-	(3,114,153)	(3,114,153)
	<u>-</u>	<u>3,233,193</u>	<u>59,040</u>	<u>(3,054,153)</u>
<b>CHANGE IN FUND BALANCE</b>	453,660	3,682,125	539,645	<u>\$ (3,085,826)</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>2,237,054</u>	<u>2,237,054</u>	<u>2,237,054</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 2,690,714</u>	<u>\$ 5,919,179</u>	<u>\$ 2,776,699</u>	



***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT***

**SCHEDULE OF INSURANCE IN FORCE**

**DECEMBER 31, 2018**

<u>INSURANCE IN FORCE</u>	<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>
Property (buildings and personal property)	Arch Insurance Company	\$ 15,481,465
Commercial general liability	Arch Insurance Company	\$1,000,000/\$10,000,000
Workers compensation	MoFAD	As required by state statutes
Automobile:		
Liability - bodily injury	Arch Insurance Company	\$ 1,000,000
Umbrella:		
Liability	Arch Insurance Company	\$2,000,000/\$6,000,000
Fiduciary liability	Travelers Insurance Company	\$ 1,000,000
Employee theft	Arch Insurance Company	\$ 300,000

***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT***

**SCHEDULE OF DIRECTORS' FEES**

**DECEMBER 31, 2018**

<u>OFFICE HOLDER</u>	<u>OFFICE</u>	<u>ANNUAL COMPENSATION</u>
David Cobb	Chairman	\$ 10,700
Joseph Beckemeyer	Secretary*	10,200
Matt Miller	Treasurer	10,200

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



Board of Directors

***WEST COUNTY EMS AND FIRE PROTECTION DISTRICT  
OF ST. LOUIS COUNTY, MISSOURI***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West County EMS and Fire Protection District (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 20, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered West County EMS and Fire Protection District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West County EMS and Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the West County EMS and Fire Protection District's internal control.

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

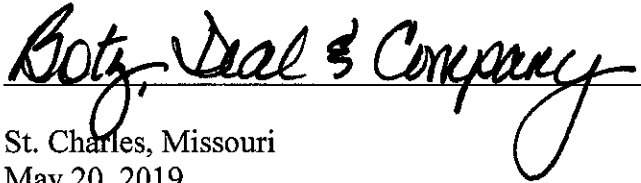
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

  
St. Charles, Missouri  
May 20, 2019

## APPENDIX B

### DESCRIPTION OF ST. LOUIS COUNTY, MISSOURI

*The Bonds shall not constitute a debt or liability of St. Louis County, Missouri (the “County”), nor shall they constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. This appendix is for informative purposes only and provides a summary of certain general economic information concerning the County.*

#### General

The County was formed by a proclamation of Governor William Clark on October 1, 1812, nine years before Missouri attained statehood. In 1876, by vote of the entire county, the City of St. Louis separated itself from the County. Today, the County covers an area of 524 square miles. The City of Clayton is the county seat and located in the east central part of the County. The 2010 population of the County was 998,954, while estimates place that figure at 996,945 as of July 1, 2018.

Sixty-six percent of the land area of the County is taken by 90 self-governing municipalities, containing over three-fifths of the County population. The remaining unincorporated area comes under the direct jurisdiction of the County government.

#### Government

The County is a Constitutional Charter County. Its system of government is provided for in its Charter, which first became effective in 1950 and was revised in 1968 and 1979. Under the Charter, the County has all powers which the General Assembly of the State has the authority to confer on any county, provided such powers are consistent with the Missouri Constitution and are not limited by the Charter or by statute. The County has all other powers conferred on it by law.

The County Executive, elected for a four-year term, is the Chief Executive Officer of the County. The County Council may adopt resolutions which the County Executive may either approve or veto. Resolutions may be enacted by the County Council over the County Executive’s veto by a two-thirds vote.

The following persons currently serve as the elected officials of the County:

#### County Council

Rita Heard Days, *Council Member*  
Kelli Dunaway, *Council Member*  
Tim Fitch, *Council Member*  
Rochelle Walton Gray, *Council Member*  
Lisa Clancy, *Council Member*  
Ernie Trakas, *Council Member*  
Mark Harder, *Council Member*

#### Other County Officials

Dr. Sam Page, *County Executive*  
Genevieve M. Frank, *County Clerk*  
Mark Tucker, *County Auditor*  
Jake Zimmerman, *County Assessor*  
Wesley Bell, *County Prosecutor*

#### Community Services

General. The County provides a wide range of services falling within three categories: (1) countywide services, which are available on an equal basis to residents of incorporated and unincorporated areas of the County; (2) municipal-type services to unincorporated areas; and (3) services to incorporated areas on request or by contractual agreement. Major services provided by the County include: tax assessment and collection, judicial and justice services, public works, road and bridge maintenance and construction, human

services programs, low income assistance programs, environmental health, planning and zoning, health care, parks and recreation, police protection and economic development programs.

*Utilities.* Storm water drainage and sewage collection and disposal facilities for most of the County are operated by The Metropolitan St. Louis Sewer District. All other utilities in the County are provided by privately owned companies. Water service is provided by Missouri-American Water Company. Gas service is provided by Spire, electrical service is provided by Ameren and telecommunication, cellular and digital services are provided by numerous companies. However, the City of Kirkwood maintains its own municipal water and electric system and the City of Eureka maintains its own water and sewer service.

*Medical Services.* There are over 60 hospital facilities with approximately 12,000 licensed beds located in the St. Louis Metropolitan Area, including the highly regarded Barnes-Jewish Hospital and two medical schools, Washington University School of Medicine and Saint Louis University School of Medicine. In addition, numerous dentists, chiropractors and doctors provide medical services from offices and clinics located in the County.

*Police Protection.* The incorporated portion of the County receives police protection from 59 municipal police departments. Police protection in unincorporated portions of the County is provided by the St. Louis County Department of Police (the “**County Police Department**”). Seventeen incorporated municipalities also contract with the County Police Department for police protection.

*Fire Protection.* Fire protection in the County is provided by 20 municipal fire departments and 24 independent fire protection districts. The fire protection districts are independent of the County, having their own elected officials, budgets and administrators and are empowered to levy property taxes, separate and distinct from those levied by the County, sufficient to finance their operations. Municipal fire departments are supported by municipal revenues, which include property taxes, sales taxes, utility taxes, various fees and intergovernmental payments.

*Education.* The public school system within the County is operated under the administration and control of 24 school districts, including the St. Louis County Special School District, which serves students with disabilities. School districts are independent jurisdictions with elected boards and independent taxing authority.

St. Louis Community College, also a separate taxing authority, maintains three campuses in the County and one campus in the City of St. Louis. It awards associate degrees and certificates of proficiency and specialization in several courses of study.

The University of Missouri maintains a campus in the County, encompassing approximately 70 buildings on approximately 350 acres. The academic structure at this campus consists of a College of Arts and Sciences; Schools of Business Administration, Communication, Education, Fine Arts, Nursing and Optometry; a Graduate School; and an Evening College. Since opening in 1963, the St. Louis campus of the University of Missouri has grown to become the third largest university in Missouri and the largest in St. Louis in terms of enrollment.

Private universities located in the County include Fontbonne University, Maryville University, Washington University and Webster University. In addition, St. Louis University, a prominent university in the area, is located in the City of St. Louis. Numerous other private schools, colleges and universities have facilities within the St. Louis SMSA (as defined herein).

*Transportation.* The County’s central geographic location makes it accessible to all parts of the United States for shipping and receiving merchandise, raw materials and other resources. It has a complete range of transportation facilities including highways, railroads, waterways and airports. Roadways are the

most important component of the County's transportation system. There are approximately 5,284 miles of highways and roads in the County, including six interstate highways.

Commercial air service is provided by Lambert-St. Louis International Airport, located in the County and operated by the City of St. Louis. In 2018, the airport had approximately 15.6 million enplanements. The County operates the Spirit of St. Louis Airport, located in the western portion of the County, which the Federal Aviation Administration has designated as the area's prime reliever airport. This airport is the base for over 500 aircraft. More than 200,000 aircraft operations per year happen at the Spirit of St. Louis Airport.

One intercontinental railroad, one regional railroad, one local railroad, three switching terminal railroads and numerous barge lines and commercial carrier truck lines also provide services within the County.

Public transportation, including bus and light rail service, for the County is provided by the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (doing business as Metro), a regional entity serving Missouri and Illinois (the "**Agency**"). The Agency has authority to issue bonds payable out of revenues collected for the use of facilities leased, owned or operated by it. At present, the Agency receives funds from a 1/2 of 1% transportation sales tax charged by the County and the City of St. Louis. Appropriations of this tax by the County and the City of St. Louis are used to pay a portion of the costs of the transportation system of the Agency. In addition, a 3/4 of 1% public transportation sales tax in the County and 1/2 of 1% public transportation sales tax in the City of St. Louis are used to pay the Agency's costs of operating the transit system, including the MetroBus and MetroLink (light rail) services.

*Parks and Recreation.* The County Department of Parks and Recreation maintains more than 12,000 acres of developed and undeveloped land. The County park system offers 69 parks featuring camping, fishing, boating, picnicking, hiking, horseback riding, cross country skiing, swimming, golf, ice skating and other athletic activities. Unique attractions include the St. Louis Carousel, the Butterfly House, the internationally recognized Laumeier Sculpture Park, the working farm in Suson Park, the elk and buffalo in Lone Elk Park and the Museum of Transportation. The County Department of Parks and Recreation is also working in cooperation with the Metropolitan Parks and Recreation District to acquire and develop property for a regional system of greenways with trails and recreational facilities along the Meramec and Missouri Rivers.

## ECONOMIC AND DEMOGRAPHIC DATA

### Housing

The following table shows the median value of owner-occupied housing units in the County and the State of Missouri:

	<u>Median House Value</u>
St. Louis County	\$181,100
State of Missouri	145,400

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Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

### Population Statistics for St. Louis County

The County is a part of the St. Louis Standard Metropolitan Statistical Area (the "**St. Louis SMSA**") comprised of the County; the City of St. Louis; the Counties of St. Charles, Franklin, Jefferson, Lincoln, Washington and Warren in Missouri and the Counties of Bond, Calhoun, Macoupin, Jersey, Madison, St. Clair, Clinton and Monroe in Illinois.

The following table sets forth population statistics for the County and the St. Louis SMSA:

<u>Year</u>	<u>St. Louis County</u>	<u>St. Louis SMSA</u>	<u>County Population % of SMSA</u>
1990	993,529	2,580,720	38.4%
2000	1,016,315	2,698,687	37.0
2010	998,954	2,812,896	35.5
2017	999,539	2,112,927	47.3

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

The following table indicates the census counts of population by age categories for the County:

<u>Age</u>	<u>County Population</u>	<u>% of Total</u>
0-4 years	58,328	5.8%
5-14 years	123,844	12.4
15-24 years	128,750	12.9
25-34 years	126,821	12.7
35-44 years	117,169	11.7
45-54 years	135,710	13.6
55-64 years	140,297	14.0
65 years and older	168,620	16.9

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

## Income Statistics

The following table sets forth per capita personal income<sup>(1)</sup> for the County and the State of Missouri for 2013 through 2017, the latest year available:

<u>Year</u>	<u>St. Louis County</u>	<u>State of Missouri</u>
2013	\$57,633	\$40,152
2014	60,512	41,538
2015	62,119	42,839
2016	64,533	43,587
2017	67,029	44,978

<sup>(1)</sup> Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. **“Personal Income”** is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income and transfer payments. **“Net Earnings”** is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

## Commerce and Industry

The County has a diverse economic base that includes manufacturing, service industries, commerce and trade. According to the U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates, the County has a labor force of 803,973 workers, aged 16 and older, representing a 1.58% increase from 2010.



Ten Fortune 500 companies have their national or international headquarters in the County, and there are numerous retailers, several hospitals and major tourist attractions, including Six Flags St. Louis, the National Museum of Transportation and Grant's Farm.

## Employment

The following table sets forth information relating to industry by class of worker in the County:

<u>Industry Class</u>	<u>Estimated Number of Employees</u>
Manufacturing	50,067
Agriculture, forestry, fishing, hunting and mining	1,939
Construction	21,332
Transportation and warehousing and utilities	22,395
Information	11,566
Wholesale trade	15,264
Retail trade	54,510
Finance and insurance, and real estate and rental and leasing	47,619
Educational services, health care and social assistance	128,631
Arts, entertainment, recreation, accommodation and food services	45,377
Other services, except public administration	23,490
Public administration	13,460
Professional, scientific, management, administrative and waste management services	<u>61,281</u>
Total	<u>496,931</u>

U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

The following table shows employment figures for the County plus, for comparative purposes, the unemployment rates for the State of Missouri and the United States:

<u>Average For Year</u>	<u>Total Labor Force</u>	<u>Unemployed</u>	<u>Unemployment Rates</u>		
			<u>St. Louis County</u>	<u>State of Missouri</u>	<u>United States</u>
2015	533,436	24,737	4.6%	5.0%	5.3%
2016	532,450	22,492	4.2	4.6	4.9
2017	526,310	18,113	3.4	3.8	4.4
2018	525,125	15,801	3.0	3.2	3.9
2019 <sup>(1)</sup>	540,805	17,849	3.3	3.5	3.8

<sup>(1)</sup> Preliminary figures reported in June 2019.

Source: United States Department of Labor, Bureau of Labor Statistics.

*[Remainder of Page Intentionally Left Blank]*

Listed below are the major employers located in the St. Louis region:

		Number of Full & Part Time <u>Employees</u>	
<u>Major Employers</u>		<u>Product/Service</u>	
1.	BJC HealthCare	Health services	28,975
2.	Wal-Mart Stores Inc.	Retail sales	22,290
3.	Washington University in St. Louis	Higher education private university	16,903
4.	SSM Health	Health services	16,140
5.	Mercy	Health services	15,174
6.	Boeing Defense, Space & Security	Aeronautics, astronautics and electronics	13,707
7.	Scott Air Force Base	Military base	12,600
8.	United States Postal Service	Mailing services	12,000
9.	Schnuck Markets Inc.	Retail grocery store	9,510
10	Archdiocese of St. Louis	Religious services	8,800

Source: 2018 St. Louis County Business Journal Book of Lists.

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