

**MARION COUNTY  
AMBULANCE DISTRICT**

Hannibal, Missouri

**INDEPENDENT AUDITORS' REPORT**

For the Year Ended December 31, 2023

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
**Marion County Ambulance District**  
Hannibal, Missouri:

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Marion County Ambulance District**, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Marion County Ambulance District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Marion County Ambulance District as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Marion County Ambulance District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Change in Accounting Principle**

As described in Note 14 to the financial statements, in 2023, the District changed its method of accounting for property taxes designated for an employee pension plan.

## **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Marion County Ambulance District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Marion County Ambulance District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Marion County Ambulance District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Evers & Company, CPA's, LLC*  
EVERS & COMPANY, CPA's, L.L.C.  
Jefferson City, Missouri

August 15, 2024

# MARION COUNTY AMBULANCE DISTRICT

Hannibal, Missouri

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2023

(Unaudited)

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The discussion and analysis of the Marion County Ambulance District (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended December 31, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

### FINANCIAL HIGHLIGHTS

Key financial highlights for Fiscal Year 2023 are as follows:

- The District's liquid assets were \$4,889,193.54 and \$5,392,718.99 for the years ended December 31, 2023 and 2022, respectively.
- There was a decrease in net position over the course of the year's operation of \$25,095.00 or 0.34 percent.
- The unassigned fund balance decreased by \$1,585,731.89 during 2023.

### Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at the District's specific financial conditions.

### Government-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. The change in assets is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2023  
(Unaudited)

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**Fund Financial Statements**

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

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as government 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 on 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 District maintains two governmental funds, the general fund and special revenue fund, which are both considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Notes to the 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.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2023  
(Unaudited)

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**Other Information**

The Statement of Net Position presents the District as a whole. Table 1 provides a summary of the District's net position for 2023 and 2022.

**Table 1**  
**Net Position**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Current and other assets	\$ 4,889,193.54	\$ 5,392,718.99
Capital assets, net	3,162,473.82	3,168,294.51
<b>Total Assets</b>	<u>8,051,667.36</u>	<u>8,561,013.50</u>
<b>Liabilities</b>		
Current liabilities	263,234.56	458,669.63
Long-term liabilities	149,056.89	744,176.45
<b>Total Liabilities</b>	<u>412,291.45</u>	<u>1,202,846.08</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	306,303.49	-
<b>Total Deferred Inflows of Resources</b>	<u>306,303.49</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	2,964,442.02	2,146,096.16
Unrestricted	4,368,630.40	5,212,071.26
<b>Total Net Position</b>	<u>\$ 7,333,072.42</u>	<u>\$ 7,358,167.42</u>

The District shows a decrease of 16.2% in unrestricted net position at December 31, 2023 to a total of \$4,368,630.40, which is primarily attributable to the increase in salaries and depreciation expense.

On a fund financial statement basis, the unrestricted fund balance is available for use when designated as future operations. The District historically has paid for capital improvements and construction projects from the available unrestricted assets.

Long-term liabilities decreased \$595,119.56 due to principal payments made on long-term obligations and paying off the Zoll Equipment and Clayton Holding, LLC loans.



**MARION COUNTY AMBULANCE DISTRICT**

Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

(Unaudited)

**Other Information** (Cont'd.)

Table 2 shows the changes in net position for the years ended December 31, 2023 and 2022.

**Table 2**  
**Changes in Net Position**

	<u>2023</u>	<u>2022</u>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 6,597,415.75	\$ 5,356,027.08
General revenues		
Property tax revenue	340,462.45	266,458.33
Sales tax revenue	2,739,181.40	2,721,539.13
Training	-	1,655.00
Contract revenue	722,113.51	448,519.64
Interest income	51,250.24	10,246.45
Dividend income	-	3,677.80
Surtax	-	58,197.15
Grant income	239,264.38	232,697.02
Rental income	6,289.04	5,518.32
Realized gain/(loss) on investments	49.10	-
Unrealized gain/(loss) on investments	(1,350.37)	-
Gain/(loss) on sale of fixed assets	(6,163.02)	146,161.57
Miscellaneous revenue	13,915.81	47,260.84
Total Revenue	<u>10,702,428.29</u>	<u>9,297,958.33</u>
<b>Expenditures/Expenses</b>		
Administration	3,689,510.72	2,688,096.37
Salaries	4,085,637.72	3,683,365.56
Fixed expenses	1,167,757.30	1,380,557.56
Building & maintenance	190,414.17	167,975.45
Vehicle & maintenance	360,358.19	409,616.80
Capital outlay	-	2,995.00
Miscellaneous	33,613.69	22,829.53
Depreciation expense	632,865.39	485,931.38
Pension expense	381,884.15	310,307.93
Training	114,764.35	47,617.03
Reimbursed expenses	12,000.00	3,750.00
Total Expenses	<u>10,668,805.68</u>	<u>9,203,042.61</u>
Change in net position	<u>33,622.61</u>	<u>94,915.72</u>
Net position, beginning of year	7,358,167.42	7,263,251.70
Prior period adjustment	<u>(58,717.61)</u>	<u>-</u>
Net position, beginning of year, as restated	7,299,449.81	7,263,251.70
Net position, end of year	<u>\$ 7,333,072.42</u>	<u>\$ 7,358,167.42</u>

**MARION COUNTY AMBULANCE DISTRICT**

Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

(Unaudited)

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**Other Information** (Cont'd.)

While several revenue sources help to fund the District, sales tax and charges for services are the biggest contributors, accounting for 87.2% in 2023 and 86.9% in 2022 of total revenues. The District's assessed valuation is provided by subclasses of Real and Personal Property at this time. The tax levy for fiscal years 2023 and 2022 was .0477 per \$100 valuation, respectively.

Salaries and benefits for District staffing and administration are by far the District's largest expense at \$7,775,148.44 and \$6,371,461.93 and comprise 72.8% and 69.2% of total expenditures for the years ended December 31, 2023 and 2022, respectively.

The District's fixed expenses are \$1,167,757.30 or 11.0% of total expenses for 2023 and \$1,380,557.56 or 15.0% of total expenses for 2022.

Depreciation for 2023 of the District's capital assets was \$632,865.39 or 5.9% of total expenses and for 2022 was \$485,931.38 or 5.3% of total expenses.

**Budgetary Highlights**

The District adopts an annual operating budget for its governmental funds that is prepared according to Missouri State Statutes. The fiscal year represented is from January 1, 2023 through December 31, 2023.

During the course of fiscal year 2023, the District amended its general fund budget. All recommendations for a budget change are presented by the Chief to the Board of Directors. The general fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

Original budgeted revenues for the general fund were \$5,987,320.00; final budget amount was \$6,095,320.00, and the actual revenue was \$9,415,132.86.

Original budgeted expenditures for current operations of \$5,987,320.00 were adjusted to a total of \$6,592,351.55; and the actual expenditures were \$11,125,661.17.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2023  
(Unaudited)

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**Capital Assets**

Table 3 shows a comparison of Capital Assets at the end of Fiscal Years 2023 and 2022.

**Table 3**  
**Capital Assets**

	2023	2022
Buildings	\$ 2,304,135.27	\$ 2,306,969.36
Land	96,426.52	96,426.52
Ambulances	2,223,914.99	1,766,020.99
Ambulance equipment	1,537,964.44	1,429,670.66
Office equipment	300,090.06	299,669.58
Communication equipment	171,444.29	171,444.29
 Total Capital Assets	 6,633,975.57	 6,070,201.40
 Total Accumulated Depreciation	 3,471,501.75	 2,901,906.89
 Net Capital Assets	 \$ 3,162,473.82	 \$ 3,168,294.51

The District's net investment in capital assets and accumulated depreciation amounted to \$2,964,442.02 and \$2,146,096.16 at December 31, 2023 and 2022, respectively.

**Long-Term Debt**

Additional information on the District's long-term debt can be found in Note 13 to the basic financial statements.

	2023	2022
Compensated Absences	\$ 17,035.69	\$ 31,266.45
Lease Purchase Agreement	198,031.80	1,022,198.34
Total Long-Term Debt	\$ 215,067.49	\$ 1,053,464.79

**MARION COUNTY AMBULANCE DISTRICT**

Hannibal, Missouri

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

(Unaudited)

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**Economic Factors and Next Fiscal Year's Budgets**

Local, national and international economic factors influence the District's revenues. Positive economic growth correlates with increased revenues from property and sales taxes. Economic growth in the local economy may be measured by a variety of indicators, such as employment growth, unemployment, new construction and assessed valuation as well as increased sales subject to sales tax. The District has prepared its budget for the next fiscal year considering the economic factors discussed above.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, please contact the District.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**STATEMENT OF NET POSITION**  
December 31, 2023

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	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,133,673.40
Certificates of deposit	1,264,589.65
Investments	937,482.28
Receivables (net of allowance for uncollectible)	648,787.46
Property taxes receivable (net of allowance for uncollectible)	306,303.49
Sales tax receivable	475,847.58
Prepaid expenses	122,509.68
Capital assets not being depreciated:	
Land	96,426.52
Capital assets net of accumulated depreciation:	
Property, plant and equipment	3,066,047.30
Total Assets	<u>8,051,667.36</u>
<b>LIABILITIES AND NET POSITION</b>	
Accounts payable	93,705.65
Accrued salaries	103,518.31
Current portion of long-term debt	66,010.60
Noncurrent liabilities:	
Compensated absences	17,035.69
Notes payable	132,021.20
Total Liabilities	<u>412,291.45</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	306,303.49
Total Deferred Inflows of Resources	<u>306,303.49</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,964,442.02
Unrestricted	4,368,630.40
Total Net Position	<u>\$ 7,333,072.42</u>

See accompanying notes to the financial statements.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government</u>
				<u>Governmental Activities</u>
<b>Primary Government:</b>				
Governmental activities:				
General government	\$ 10,668,805.68	\$ 6,597,415.75	\$ 239,264.38	\$ (3,832,125.55)
Total governmental activities	10,668,805.68	6,597,415.75	239,264.38	(3,832,125.55)
 Total primary government	 <u>\$ 10,668,805.68</u>	 <u>\$ 6,597,415.75</u>	 <u>\$ 239,264.38</u>	 <u>(3,832,125.55)</u>
 General Revenues:				
Property taxes				340,462.45
Sales tax				2,739,181.40
Contract revenue				722,113.51
Rental income				6,289.04
Miscellaneous revenue				13,915.81
Interest income				51,250.24
Realized gain/(loss) on investments				49.10
Unrealized gain/(loss) on investments				(1,350.37)
Gain/(loss) on sale of fixed assets				(6,163.02)
Total general revenues				<u>3,865,748.16</u>
 Change in net position				 33,622.61
Net position - beginning				7,358,167.42
Prior period adjustment				<u>(58,717.61)</u>
Net position - beginning, as restated				<u>7,299,449.81</u>
Net position - ending				<u>\$ 7,333,072.42</u>

See accompanying notes to the financial statements.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**BALANCE SHEET – GOVERNMENTAL FUNDS**  
December 31, 2023

	<u>Special Revenue</u>		<b>Total Governmental Funds</b>
	<u>General</u>	<u>Property Tax Designated for Pension</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,133,673.40	\$ -	\$ 1,133,673.40
Certificates of deposit	1,264,589.65	-	1,264,589.65
Investments	937,482.28	-	937,482.28
Accounts receivable - net	648,787.46	-	648,787.46
Property tax receivable - net	-	307,825.22	307,825.22
Sales tax receivable	475,847.58	-	475,847.58
Prepaid expenses	122,509.68	-	122,509.68
Total assets	<u>\$ 4,582,890.05</u>	<u>\$ 307,825.22</u>	<u>\$ 4,890,715.27</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Accounts payable	\$ 93,705.65	\$ -	\$ 93,705.65
Accrued salaries	103,518.31	-	103,518.31
Unearned revenue	911,574.30	-	911,574.30
Total liabilities	<u>1,108,798.26</u>	<u>-</u>	<u>1,108,798.26</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	-	307,825.22	307,825.22
Total deferred inflows of resources	<u>-</u>	<u>307,825.22</u>	<u>307,825.22</u>
<b>FUND BALANCES (DEFICITS)</b>			
Nonspendable:			
Prepaid expenses	122,509.68	-	122,509.68
Unassigned	3,351,582.11	-	3,351,582.11
Total fund balances	<u>3,474,091.79</u>	<u>-</u>	<u>3,474,091.79</u>
Total liabilities and fund balances	<u>\$ 4,582,890.05</u>	<u>\$ 307,825.22</u>	<u>\$ 4,890,715.27</u>

See accompanying notes to the financial statements.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2023

	<u>Special Revenue</u>		
	<u>General</u>	<u>Property Tax Designated for Pension</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>			
Taxes:			
Sales	\$ 2,739,181.40	\$ -	\$ 2,739,181.40
Property	-	340,462.45	340,462.45
Charges for services	5,685,841.45	-	5,685,841.45
Grant income	239,264.38	-	239,264.38
Contract revenue	680,691.81	-	680,691.81
Rental	6,289.04	-	6,289.04
Pension contract revenue	-	41,421.70	41,421.70
Miscellaneous	13,915.81	-	13,915.81
Interest	51,250.24	-	51,250.24
Realized gain/(loss) on investments	49.10	-	49.10
Unrealized gain/(loss) on investments	(1,350.37)	-	(1,350.37)
Total revenues	<u>9,415,132.86</u>	<u>381,884.15</u>	<u>9,797,017.01</u>
<b>EXPENDITURES:</b>			
Administration	3,689,510.72	-	3,689,510.72
Salaries	4,099,868.48	-	4,099,868.48
Fixed expenses	1,154,238.75	-	1,154,238.75
Building & maintenance	190,414.17	-	190,414.17
Vehicle & maintenance	360,358.19	-	360,358.19
Capital outlay	630,037.74	-	630,037.74
Miscellaneous	33,613.71	-	33,613.71
Pension expense	-	340,462.45	340,462.45
Marion pension rolls contract	-	41,421.70	41,421.70
Training	117,934.33	-	117,934.33
Reimbursed expenses	12,000.00	-	12,000.00
Debt services:			
Principal	824,166.53	-	824,166.53
Interest	13,518.55	-	13,518.55
Total Expenditures	<u>11,125,661.17</u>	<u>381,884.15</u>	<u>11,507,545.32</u>
Excess (deficiency) of revenues over (under) expenditures	(1,710,528.31)	-	(1,710,528.31)
Fund balances - beginning of year	5,212,071.26	-	5,212,071.26
Prior Period adjustment	<u>(27,451.16)</u>	<u>-</u>	<u>(27,451.16)</u>
Fund balances - beginning, as restated	<u>5,184,620.10</u>	<u>-</u>	<u>5,184,620.10</u>
Fund balances - end of year	<u>\$ 3,474,091.79</u>	<u>\$ -</u>	<u>\$ 3,474,091.79</u>

See accompanying notes to the financial statements.



**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION**  
For the Year Ended December 31, 2023

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

Total fund balances - governmental funds	\$ 3,474,091.79
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	3,162,473.82
Other long term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	911,574.30
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(17,035.69)
Long-term debt	(198,031.80)
Net position of governmental activities	<u>\$ 7,333,072.42</u>

See accompanying notes to the financial statements.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**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, 2023

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

Net change in fund balances - total governmental funds	\$ (1,710,528.31)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	342.35
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations) is to increase net position.	(6,163.02)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	824,166.53
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Compensated absences	14,230.76
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds - unearned revenue	911,574.30
Change in net position of governmental activities	<u>\$ 33,622.61</u>

See accompanying notes to the financial statements.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The District complies with accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP) include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

General Statement

The purpose of the Marion County Ambulance District (the “District”) is to serve the residents of Marion and portions of Ralls counties in the care of the sick and injured, with equality and consideration towards all regardless of race, creed, or financial status.

The District’s reporting entity includes the District’s governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matter), scope of public service, and special financing relationships.

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District’s financial statements. In addition, the District is not aware of any entity which would exercise such oversight that would result in the District being considered a component unit of the entity.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. An emphasis is placed on major funds within the governmental category. The District considers all funds as major funds.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

Fund Financial Statements (Cont'd.)

The funds of the financial reporting entity are described below:

Governmental Fund Types:

Governmental Funds are those through which general governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources are accounted for through Governmental Funds. The following is the District's Governmental Fund type:

General Fund

The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Fund

The Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. These funds include the property tax designated for the pension fund.

Measurement Focus and Basis of Accounting

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

Measurement Focus

In the fund financial statements, all governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities resulting from cash transactions are generally included on their balance sheet. Their operating statements present sources and uses of available spendable financial resources during a given period resulting from cash transactions. These funds use fund balance as their measure of available spendable financial resources at the end of the period. In the government-wide financial statements the modification to the “current financial resources” measurement focus is the recognition of capital assets, donated capital assets, and long-term debt.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenues are deferred and recognized as an inflow of resources in the period that the amounts become available. Unearned revenues arise when resources are received by the government before it has a legal claim to them.

Basis of Accounting

Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means that the amount of the transaction can be determined and “available” means collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The District considers all revenues to be available if they are collected within 60 days after year-end.

Capital Assets

*Government-Wide Statements*

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 1996. Donated assets are valued based on comparable transactions.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$1,500 is used to report capital assets. The range of estimated useful lives by type of assets is as follows:

- |                           |               |
|---------------------------|---------------|
| - Buildings               | 15 - 40 years |
| - Ambulances              | 5 - 10 years  |
| - Ambulance equipment     | 5 - 10 years  |
| - Office equipment        | 5 - 10 years  |
| - Communication equipment | 5 - 10 years  |

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

*Fund Financial Statements*

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

Long-Term Obligations

In the government-wide financial statement, long-term debt is reported as a liability in the governmental activities Statement of Net Position.

Equity Classification

*Government-Wide Statements:*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

*Fund Financial Statements:*

The District has two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. At December 31, 2023, the District had nonspendable fund balance of \$122,509.68.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

Equity Classification (Cont'd.)

*Fund Financial Statements:* (Cont'd.)

In addition to the nonspendable fund balance, the District also reports spendable fund balances based on a hierarchy of spending constraints.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. As of December 31, 2023, the District had no restricted fund balance.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board of Directors is the highest level of decision making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Directors. At December 31, 2023, the District had no committed fund balance.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the Board of Directors may assign amounts for specific purposes. At December 31, 2023, the District had no assigned fund balance.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment actions.

Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the District's taxpayers are reported as program revenues. The District has the following program revenues:

<u>Program</u>	<u>Program Revenue</u>
Changes for Services	Service Income

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

Program Revenues (Cont'd.)

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Expenditures/Expenses

In the government-wide financial statements, expenses are reported on the accrual basis and are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:	General Government
------------------------------------	--------------------

In the fund financial statements, governmental funds report expenditures of financial resources.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles used by the District requires management to make estimates and assumptions that affect certain amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

Accounts Receivable

Allowances for doubtful accounts receivable are based upon historical trends and the period aging of accounts receivable.

Cash and Cash Equivalents

For the purpose of financial reporting “cash and cash equivalents” includes all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Certificates of Deposit

Certificates of deposit held at local banks with an original maturity of more than three months are valued at cost and labeled as certificates of deposit in the financial statements.



**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Cont'd.)

Fair Value Measurements

Market value was determined using Level 1 inputs for equity funds, which are quoted prices for identical securities in active markets. The market prices were derived from investment broker statements as of December 31, 2023.

Compensated Absences

Annual vacation leave is earned by all full-time employees. Upon termination, employees are entitled to receive compensation for unused vacation and comp time. Administrative employees are allowed to carry their vacation time forward.

Subsequent Events

The District evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through August 15, 2024, which is the date the financial statements were available to be issued.

New Accounting Pronouncements

The GASB issued Statement No. 87, *Leases*, which requires the recognition of a “right to use” asset and a lease liability, initially measured at the present value of the lease payments, on all of the Organization’s lease obligations. This GASB Statement No. 87 is effective for fiscal years beginning after June 15, 2021. Management does not expect the GASB Statement No. 87 to have a significant impact on the District’s financial statements.

As of January 1, 2023, the District adopted GASB Statement 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard establishes that a SBITA results in a right to use subscription IT asset -an intangible asset- and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. There was no change to beginning balances of the right to use subscription asset and subscription liability as a result of implementing this standard. Management does not expect the GASB Statement No. 96 to have a significant impact on the District’s financial statements.

**NOTE 2 - PROPERTY TAXES:**

Property taxes are levied by the Counties of Marion and Ralls each March 1, based on property values assessed as of the previous January 1. Property taxes are considered past due on January 1 following the levy date, at which time the applicable property is subject to lien and the assessment of penalties and interest. Marion County and Ralls County bill and collect property taxes on behalf of the District.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 2 - PROPERTY TAXES:** (Cont'd.)

The property tax rates per \$100 assessed valuation for 2022 for each of the respective taxing districts were as follows:

Marion County	\$0.0477
Ralls County	\$0.0477

The assessed valuation for property upon which the 2022 levy was based was as follows:

Marion County	\$ 457,835,785
Ralls County	\$ 35,465,116

Tax revenue receivable at December 31, 2023 on the fund financial statements consist of the following:

Taxes Receivable	\$ 307,654.16
Less Allowance for Uncollectible	<u>(1,350.67)</u>
Total	<u>\$ 306,303.49</u>

**NOTE 3 – DEPOSITS AND INVESTMENTS:**

*Custodial Credit Risk.* State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations that have a market value not less than the principal amount of the deposits. The District deposits, including certificates of deposit and sweep accounts, were sufficiently insured or collateralized as required by the state statutes at December 31, 2023.

Investments of the District as of December 31, 2023, are summarized and categorized in the following table:

Investment Type	Investment in Maturities (in years)				
	Fair Value	Less Than 1 Year	1 to 5	6 to 10	More Than 10
Negotiable Certificates of Deposit	\$ 937,482.28	\$ 842,454.73	\$ 95,027.55	\$ -	\$ -
Total Investments	\$ 937,482.28	\$ 842,454.73	\$ 95,027.55	\$ -	\$ -

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 3 – DEPOSITS AND INVESTMENTS:** (Cont'd.)

Interest Rate Risk – The risk that changes in interest rates will adversely affect the fair value of an investment. While the District has adopted an investment policy that recommends controlling interest rate risk through maturity diversification, the policy does not place any formal limits of investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments are made under the “prudent person rule” outlined in the District’s investment policy. This rule is defined to mean “investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.” The prudent investor standard shall be applied in the context of managing the overall portfolio.

Concentration of Credit Risk – The risk of loss attributed to the magnitude of the District’s investment in a single issuer. Government securities and investments in mutual funds are excluded from this risk. The District has no formal policy that limits the amount that can be invested with a single issuer.

**NOTE 4 – FAIR VALUE MEASUREMENTS:**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District’s investments by input levels as of December 31, 2023, presented below.

<u>Investment</u>	<u>2023 Fair Value</u>	<u>Quoted Prices Markets for Identical Assets (Level 1)</u>
Negotiable Certificates of Deposit	\$ 937,482.28	\$ 937,482.28
Total Investments	\$ 937,482.28	\$ 937,482.28

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 5 – CONTINGENCIES:**

In the normal course of business, there could be various outstanding contingent liabilities such as, but not limited to, the following:

- Violation of regulatory body's rules and regulations
- Violation of federal and/or state laws

No accrual for potential contingent liabilities, such as, but not limited to, those described above are reflected in the accompanying financial statements.

**NOTE 6 – COMMITMENTS:**

Grants and contracts require fulfillment of certain conditions as set forth in the instrument of the grant or contract. Failure to fulfill the conditions could result in the return of the funds to grantors/contractors. Although that is a possibility, management deems the contingency remote.

The District's sick leave policy states that after ninety (90) days, a full-time employee would receive sick leave per calendar year, beginning January 1<sup>st</sup>. Full time employees with less than 90 days of service on January 1<sup>st</sup> will receive a prorated amount of sick leave once they reach eligibility. Sick leave is provided on the first day of each year, a total of 72 hours per year, cumulative to a maximum balance of 1,000 hours. If the employee is terminated, all unused accumulated sick time will be forfeited. Employees with at least five years of employment are eligible for an incentive buy back of accrued sick time. This buy back will be offered upon retirement at a rate of 2% for every year of service and computed on the employee salary upon retirement.

**NOTE 7 – 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 purchases commercial insurance for all risks of loss. No significant reduction in insurance coverage accrued during the year and no settlements exceeded insurance coverage during any of the past three fiscal years.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 8 – PENSION PLAN:**

The District has elected to participate in a 401(a) Plan and a 457(b) Plan.

The 457(b) plan was effective January 1, 2002. Any employee eligible can participate after completing one year of eligibility service and after attaining age 18. The plan offers employee pretax elective deferral, employee Roth elective deferral, rollover contributions, and discretionary employer contributions. The 457(b) discretionary employer match is determined by the District using a discretionary formula. The District did not make any discretionary employer match payments to the plan in 2023.

The 401(a) plan was effective January 1, 2016. Any employee eligible can participate after completing one year of eligibility service and after attaining age 18. The plan offers employer contributions and rollover contributions. The 401(a) plan is to be funded by a property tax levy, separate from the general tax levy. For 2023, the pension tax levy was \$0.0477. Funds collected in 2023 to be contributed to the plan amounted to \$348,680.81.

**NOTE 9 – ACCOUNTS RECEIVABLE:**

Ambulance revenue is recorded at established rates at the time the service is rendered. An allowance for uncollectible accounts is maintained as of December 31, 2023. The allowance for uncollectible accounts is established based upon historical write-offs and management's estimate of collections. Medicare, Medicaid and insurance contractual allowances are written off on a monthly basis after the portion deemed allowable by contractual agreement has been received. Accounts receivable is as follows:

	<u>2023</u>
Accounts receivable	<u>\$ 1,269,333.25</u>
Less: Allowance for uncollectible accounts	<u>(620,545.79)</u>
Net accounts receivable	<u>\$ 648,787.46</u>

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

**NOTE 10 – PROPERTY, PLANT AND EQUIPMENT:**

Property, plant and equipment and accumulated depreciation by major class are as follows at December 31, 2023:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 96,426.52	\$ -	\$ -	\$ 96,426.52
Total capital assets, not being depreciated	<u>96,426.52</u>	<u>-</u>	<u>-</u>	<u>96,426.52</u>
Capital assets, being depreciated:				
Buildings and Improvements	2,306,969.36	3,544.00	6,378.09	2,304,135.27
Ambulances	1,766,020.99	457,894.00	-	2,223,914.99
Equipment	1,900,784.53	171,769.72	63,055.46	2,009,498.79
Total capital assets, being depreciated	<u>5,973,774.88</u>	<u>633,207.72</u>	<u>69,433.55</u>	<u>6,537,549.05</u>
Less accumulated depreciation for:				
Buildings and Improvements	907,038.39	61,271.08	4,115.03	964,194.44
Ambulances	760,076.20	336,778.35	-	1,096,854.55
Equipment	1,234,792.30	234,815.96	59,155.50	1,410,452.76
Total accumulated depreciation	<u>2,901,906.89</u>	<u>632,865.39</u>	<u>63,270.53</u>	<u>3,471,501.75</u>
Total capital assets, being depreciated, net	<u>3,071,867.99</u>	<u>342.33</u>	<u>6,163.02</u>	<u>3,066,047.30</u>
Governmental-type activities capital assets, net	<u>\$ 3,168,294.51</u>	<u>\$ 342.33</u>	<u>\$ 6,163.02</u>	<u>\$ 3,162,473.82</u>

Total depreciation expense for 2023 was \$632,865.39.

**NOTE 11 – CONTRACTS:**

**Ralls County Ambulance District:**

On January 1, 2023, the District entered into a contract with Ralls County Ambulance District. The terms of the agreement is for Ralls County Ambulance District to reimburse the District for personnel costs to staff the New London base and reimburse for the employees county-funded pension distributions each year. The Agreement states Ralls County Ambulance District will reimburse the District \$49,705.57 per month.

The District entered into another agreement with Ralls County Ambulance District on January 1, 2023. The term is for 1 year, ending on December 31, 2023. Ralls County Ambulance District will reimburse the District for the use of their buildings to store equipment. The Agreement requires Ralls County Ambulance District to pay \$6,000 monthly.

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 11 – CONTRACTS:** (Cont'd.)

Professional Billing:

The District entered into an agreement with Professional Billing to collect the District's current outstanding accounts receivable. The agreement began on June 1, 2007, and is reviewed annually on June 1 of each year. Professional Billing receives a contingency rate of 12% of all net cash collected. This contract remains in effect at December 31, 2023.

University of Missouri:

On July 12, 2019, the District entered into a contract with the University of Missouri on behalf of MU Health Care and its EMS Education Program. The initial term of the agreement is five years from August 1, 2019 to June 30, 2024, with the option to renew upon written agreement for up to an additional five years. The agreement allows hospital students enrolled in the EMS Program to receive clinical education under the direction of a state-licensed emergency medical technician or paramedic. The Hospital will reimburse the District in the amount of \$43,780.00 annually, to be paid monthly in the amount of \$3,648.00. The amount will increase by 2% annually without needing to amend the agreement.

Quincy/Adams County E9-1-1:

The District entered into a 1-year agreement with Quincy/Adams County E9-1-1 Communications system Public Safety Answering Point on January 1, 2023, for the purpose of effective handling and routing of 9-1-1 emergency calls.

**NOTE 12 – LEASE AGREEMENTS AS LESSOR:**

On April 29, 1998, the District entered into a contract with US Cellular for the use of the District's property for a cellular tower. The agreement was renewed on May 1, 2023 and will expire on April 30, 2028.

**NOTE 13 – LONG-TERM DEBT:**

Flex Financial

On June 23, 2022, the District entered into an agreement with Flex Financial for a 5 year financing agreement. Flex Financial has a purchase money security interest in all goods purchased with this agreement. The original principal balance was \$330,053.00 with no stated interest rate. The balance at December 31, 2023, was \$198,031.80. Future minimum payments are as follows:

Year Ended December 31,	<u>Total</u>
2024	\$ 66,010.60
2025	66,010.60
2026	66,010.60
	<u>\$ 198,031.80</u>

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

**NOTE 13 – LONG-TERM DEBT:** (Cont'd.)

Clayton Holdings, LLC

The District entered into an agreement with Clayton Holdings, LLC for equipment financing on June 21, 2022, to remount five ambulances. The amount of \$581,745.00 will be paid in ten semi-annual payments of \$64,389.97, including interest of 3.159%, in which the first payment is due June 21, 2023 and the final payment is due December 31, 2027. The balance was paid off on September 29, 2023.

For the year ended December 31, 2023, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Notes Payable	\$ 1,022,198.34	\$ -	\$ 824,166.54	\$ 198,031.80	\$ 66,010.60
Compensated Absences	31,266.45	-	14,230.76	17,035.69	-
Total	<u>\$ 1,053,464.79</u>	<u>\$ -</u>	<u>\$ 838,397.30</u>	<u>\$ 215,067.49</u>	<u>\$ 66,010.60</u>

**NOTE 14 – PRIOR PERIOD ADJUSTMENTS AND CHANGE IN ACCOUNTING PRINCIPLE:**

During the current year, the District changed its method of accounting for property taxes. These taxes were approved by the voters to be used solely for an employee pension plan, thus resulting in a requirement to report this activity in a Special Revenue Fund rather than include the activity in the General Fund. It was also discovered that adjustments were needed in order to properly recognize property tax revenue on the full accrual method. Prior period adjustments were made to transfer the property tax balances to the special revenue fund, to record a receivable for delinquent property taxes and to record the unavailable property tax revenue.

Additionally, prior period adjustments were made as a result of correcting proper recognition of accrued vacation and sales taxes receivable.

The total adjustment to the beginning of the year balances were as follows:

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds:

Sales Tax	\$ (234,243.65)
Property Tax	261,694.81
	<u>\$ 27,451.16</u>

Statement of Activities:

Fund Adjustment from above	\$ 27,451.16
Compensated absences	31,266.45
	<u>\$ 58,717.61</u>



**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2023

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**NOTE 15 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY INFORMATION:**

Budget Compliance

Missouri state statues require all governments to adopt an annual budget for all governmental fund types. For the year ended December 31, 2023, the District did not adopt a budget for the Property Tax Designated for Pension fund. See explanation in Notes to the Budgetary Comparison Schedule at page 32.

Expenditures may not legally exceed budgeted appropriations at the fund level, nor can budgeted deficits exceed the prior year fund balance. The District was not in compliance for the year ended December 31, 2023. See explanation in Notes to Budgetary Comparison Schedule at page 33.

REQUIRED  
SUPPLEMENTARY  
INFORMATION

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**BUDGETARY COMPARISON SCHEDULE – GENERAL FUND**  
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes:				
Sales	\$ 2,364,000.00	\$ 2,364,000.00	\$ 2,739,181.40	\$ 375,181.40
Property	12,000.00	120,000.00	-	(120,000.00)
Charges for services	2,850,000.00	2,850,000.00	5,685,841.45	2,835,841.45
Grant income	-	-	239,264.38	239,264.38
Contract revenue	690,000.00	690,000.00	680,691.81	(9,308.19)
Rental	5,520.00	5,520.00	6,289.04	769.04
Miscellaneous	55,000.00	55,000.00	13,915.81	(41,084.19)
Interest	10,800.00	10,800.00	51,250.24	40,450.24
Total Revenues	<u>5,987,320.00</u>	<u>6,095,320.00</u>	<u>9,416,434.13</u>	<u>3,321,114.13</u>
<b>EXPENDITURES:</b>				
Administration	862,600.00	862,600.00	3,689,510.72	(2,826,910.72)
Salaries	2,800,000.00	2,800,000.00	4,099,868.48	(1,299,868.48)
Fixed expenses	1,328,400.00	1,933,431.55	1,154,238.75	779,192.80
Building & maintenance	178,000.00	178,000.00	190,414.17	(12,414.17)
Vehicle & maintenance	361,000.00	361,000.00	360,358.19	641.81
Capital outlay	347,320.00	347,320.00	630,037.74	(282,717.74)
Miscellaneous	23,000.00	23,000.00	33,613.71	(10,613.71)
Training	67,000.00	67,000.00	117,934.33	50,934.33
Reimbursed expenses	20,000.00	20,000.00	12,000.00	8,000.00
Debt services:				-
Principal	-	-	824,166.53	(824,166.53)
Interest	-	-	13,518.55	(13,518.55)
Total Expenditures	<u>5,987,320.00</u>	<u>6,592,351.55</u>	<u>11,125,661.17</u>	<u>(4,431,440.96)</u>
Excess of revenues over (under) expenditures	-	(497,031.55)	(1,709,227.04)	(1,110,326.83)
<b>OTHER FINANCING SOURCES (USES)</b>				
Realized Gain/(Loss) on Investments	-	-	49.10	49.10
Unrealized Gain/(Loss) on Investments	-	-	(1,350.37)	(1,350.37)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,301.27)</u>	<u>(1,301.27)</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (497,031.55)</u>	(1,710,528.31)	<u>\$ (1,111,628.10)</u>
Fund Balance - beginning of year			5,212,071.26	
Prior Period Adjustment			<u>(27,451.16)</u>	
Fund Balance - beginning of year, as restated			<u>5,184,620.10</u>	
Fund Balance - end of year			<u>\$ 3,474,091.79</u>	

**MARION COUNTY AMBULANCE DISTRICT**  
Hannibal, Missouri

**NOTES TO BUDGETARY COMPARISON SCHEDULE**  
For the Year Ended December 31, 2023

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**Budgets and Budgetary Accounting:**

A budget is prepared for each fund in accordance with accounting principles generally accepted in the United States of America and legal requirements set forth in the Missouri budgetary statute.

The District employs the following procedures in establishing the budgetary data reflected in the financial statements.

The appointed budget officer develops a proposed budget for submission to the Board of Directors. The operating budget includes proposed expenditures and the means for financing them for the upcoming year.

After the proposed budget is prepared, the budget officer publishes a “Notice of Budget Committee Meeting” in at least one newspaper of general circulation. At the budget committee meeting, the budget message is delivered explaining the proposed budget and any significant changes in the District’s financial position.

After approval by the budget committee and the required public hearing, and prior to January 1, the budget is adopted by the Board of Directors, and appropriations are enacted by resolution. Appropriations control expenditures in broad categories as required by Missouri Budgetary Statute. More detailed classifications of budgeted expenditures are adopted for administrative control purposes. Budget appropriations lapse at year-end.

The governing body is authorized to transfer appropriations within any fund by resolution. Revisions that increase total expenditures in any fund may be made only through a supplemental budget. The procedures for adopting an original budget are also followed for adopting a supplemental budget.

Expenditures may not legally exceed budgeted appropriations at the fund level, nor can budgeted deficits exceed the prior year fund balance. The District is not in compliance with this requirement for the General Fund budget.

The Governmental Accounting Standards Board (GASB) requires governments to present budgetary comparison schedules for all governmental funds. The District has a Special Revenue Fund. The District was unaware of the requirements for this new fund and therefore does not have a budgetary comparison schedule for the current year. The District will adopt and present the budgetary comparison schedule in subsequent years.