



# **MONARCH FIRE PROTECTION DISTRICT**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT**

For the Year Ended December 31, 2022

# MONARCH FIRE PROTECTION DISTRICT

## DISTRICT'S MISSION STATEMENT

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*The mission of the Monarch Fire Protection District is to provide the highest quality emergency services to the community through fire rescue and emergency medical services, fire prevention, and education.*

*We will maintain the highest standard through experience, education, and planning.*

*Our Commitment extends beyond the traditional role of the fire service to improve the safety and quality of life for all.*

# MONARCH FIRE PROTECTION DISTRICT

## FINANCIAL REPORT

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**MONARCH FIRE PROTECTION DISTRICT**  
**FINANCIAL**

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**FINANCIAL SECTION**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Monarch Fire Protection District  
St. Louis, Missouri

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Monarch Fire Protection District, St. Louis, Missouri (the District), as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Monarch Fire Protection District, St. Louis, Missouri as of December 31, 2022, 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 (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

#### ***Emphasis of Matter - Property Tax Recognition***

The District evaluated its property tax recognition during the fiscal year ending December 31, 2022 and has revised the revenue recognition and recording of deferred property taxes. Revenue is recognized in the year it is intended to finance if collected within 60 days after year end. Deferred revenue is recorded for the tax levy when billed. This matter is discussed further in Note A, 10., Property Taxes, and the related prior period adjustment is discussed in Note Q. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these 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 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.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, 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 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 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.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents 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.

### *Other Supplemental Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

*Sikich LLP*

St. Louis, Missouri  
June 26, 2023

# MONARCH FIRE PROTECTION DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED DECEMBER 31, 2022

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The Management's Discussion and Analysis (MD&A) of the Monarch Fire Protection District's (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this MD&A in conjunction with the District's financial statements.

#### FINANCIAL HIGHLIGHTS

1. The District's total net position increased by \$4,117,635 or 19.1% as a result of this year's operations.
2. In the government-wide financial statements, the assets of the District exceeded its liabilities at December 31, 2022 by \$25,690,884 (net position). Of this amount, \$11,753,168 represents the District's net investment in capital assets; restricted \$1,839,079; and the balance of \$12,098,637 will be used to meet the District's ongoing obligations to citizens and creditors.
3. As of December 31, 2022, the District's governmental funds reported combined ending fund balances of \$22,088,702, a decrease of \$983,166 in comparison with the prior year.
4. Unassigned fund balance for the General Fund at December 31, 2022 was \$6,506,057 or 51.11% of General Fund expenditures. This fund balance resulted from prior years District surpluses and is available for contingencies.
5. At December 31, 2022, the fund balance assigned for EMS services of the Ambulance Fund was \$1,394,069 or 16.05% of Ambulance Fund expenditures. This fund balance and future charges for services will be used to finance 2023 and future emergency medical services (EMS) operations.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplemental information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements provide the reader with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.



# MONARCH FIRE PROTECTION DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED DECEMBER 31, 2022

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

The government-wide financial statements present activities of the District that are principally supported by taxes and charges for services. The District provides services for fire protection, emergency medical, fire prevention, safety, rescue, and hazardous materials response services.

**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. All of the funds of the District are governmental funds.

**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 funds financial statements focus on the 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 District's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate their comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Ambulance Fund, and Capital Projects Fund, which are all considered to be major funds.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

**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 supplemental information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information.

**MONARCH FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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 exceeded liabilities by \$25,690,884 at December 31, 2022.

The condensed statements of net position was as follows:

	<b>December 31</b>		<b>2022 Change</b>	
	<b>2022</b>	<b>2021</b>	<b>Amount</b>	<b>Percent</b>
<b>ASSETS</b>				
Current and other assets	\$ 51,571,445	50,955,575	615,870	1.2 %
Capital assets, net	17,291,012	13,901,950	3,389,062	24.4
Total Assets	<u>68,862,457</u>	<u>64,857,525</u>	<u>4,004,932</u>	6.2
<b>LIABILITIES</b>				
Current liabilities	1,519,238	2,284,312	(765,074)	(33.5)
Noncurrent liabilities	13,650,620	15,397,700	(1,747,080)	(11.3)
Total Liabilities	<u>15,169,858</u>	<u>17,682,012</u>	<u>(2,512,154)</u>	(14.2)
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred tax revenue	<u>28,001,715</u>	<u>-</u>	<u>28,001,715</u>	100.0
<b>NET POSITION</b>				
Net investment in capital assets	11,753,168	11,808,233	(55,065)	(0.5)
Restricted	1,839,079	5,862,496	(4,023,417)	(68.6)
Unrestricted	<u>12,098,637</u>	<u>29,504,784</u>	<u>(17,406,147)</u>	(59.0)
Total Net Position	<u>\$ 25,690,884</u>	<u>47,175,513</u>	<u>(21,484,629)</u>	(45.5) %

The portion of the District's net position reflected in its investment in capital assets (e.g., land, buildings, fire and rescue equipment), less any related debt used to acquire those assets that is still outstanding was \$11,753,168. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining assets consist mainly of cash, investments, and property taxes receivable which are used to meet the District's ongoing obligations to its citizens.

**Governmental activities.** This analysis focuses on the net position and change in net position of the District's governmental activities. Governmental activities increased the District's net position in the current year by \$4,117,635. The condensed statements of activities was as follows:

**MONARCH FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	For The Years		2022 Change	
	Ended December 31		Amount	Percent
	2022	2021		
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 2,571,645	1,917,643	654,002	34.1 %
Operating grants	33,530	46,687	(13,157)	(28.2)
Capital contributions	-	-	-	-
General revenues:				
Property taxes	27,387,302	26,678,341	708,961	2.7
Investment income	94,442	73,578	20,864	28.4
Other	21,809	52,364	(30,555)	(58.4)
Gain (loss) on sale of capital assets	28,801	-	28,801	100.0
Total Revenues	<u>30,137,529</u>	<u>28,768,613</u>	<u>1,368,916</u>	4.8
<b>EXPENSES</b>				
Public safety	25,898,157	24,988,880	909,277	3.6
Interest and fiscal charges	121,737	167,677	(45,940)	(27.4)
Total Expenses	<u>26,019,894</u>	<u>25,156,557</u>	<u>863,337</u>	3.4
<b>CHANGE IN NET POSITION</b>	4,117,635	3,612,056	505,579	14.0
NET POSITION, JANUARY 1	47,175,513	43,563,457	3,612,056	8.3
RESTATEMENT OF NET POSITION	<u>(25,602,264)</u>	<u>-</u>	<u>(25,602,264)</u>	(100.0)
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 25,690,884</u>	<u>47,175,513</u>	<u>(21,484,629)</u>	(45.5) %

**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 short-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.

# MONARCH FIRE PROTECTION DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022

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At December 31, 2022, the District's governmental funds reported combined ending fund balances of \$22,088,702, a decrease of \$983,166 in comparison with the prior year. 25% of the fund balances constitute amounts assigned for EMS operations, future capital projects, and subsequent year's budget, which is available for spending at the District's discretion. The remainder of fund balance is unassigned, restricted for capital projects, pension and debt service, or nonspendable for deposits and prepaid items.

**General Fund.** The General Fund is the chief operating fund of the District. As of December 31, 2022, unassigned fund balance of the General Fund was \$6,506,057, while total fund balance reached \$11,497,001. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 51.11% of total General Fund expenditures and total fund balance represents 90.32% of that same amount.

The fund balance of the District's General Fund increased by \$1,444,142, or 14.37%, during the current fiscal year. Revenues increased by \$1,059,988 from prior year mainly due to increased tax revenue and permit fees.

**Ambulance Fund.** The Ambulance Fund has a total fund balance of \$2,092,328. \$1,394,069 of which is assigned for EMS services and \$698,259 is non-spendable for prepaid items. As a measure of the Ambulance Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 24.1% of total Ambulance Fund expenditures.

The fund balance of the District's Ambulance Fund increased by \$997,312, or 91.08%, during the current fiscal year. Revenues increased by \$685,553 from the prior year mainly due to tax revenue and ambulance billing.

**Capital Projects Fund.** The fund balance for the Capital Projects Fund decreased by \$4,333,732 or 39.4% due to spending bond proceeds.

**Nonmajor Funds.** The fund balance of the District's Dispatch Fund was unchanged for the year, and the fund balance of the Pension Revenue Fund increased by \$211,296 for the year. The fund balance for the Debt Service Fund increased by \$697,816 or 62.7%, during the year mainly due to tax revenues.

### BUDGETARY HIGHLIGHTS

Original budgeted expenditures in the General Fund decreased by \$24,210. The most significant decrease was to salaries and benefits expenditures. Final budgeted expenditures exceeded actual expenditures by \$207,239. Original budgeted expenditures in the Ambulance Fund decreased by \$28,280. The most significant decrease was to salaries and benefits expenditures. Final budgeted expenditures exceeded actual expenditures by \$129,926.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, fire apparatus and equipment, and office furniture and equipment. As of December 31, 2022, the District had invested \$17,291,012 in capital assets, net of depreciation, as shown in the following table:

**MONARCH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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	December 31	
	2022	2021
Land	\$ 2,921,167	2,921,167
Construction in progress	5,851,026	1,584,622
Buildings and improvements	4,296,830	4,625,280
Vehicles and equipment	4,221,989	4,770,881
Total Capital Assets, Net	\$ 17,291,012	13,901,950

During the year, the District's investment in capital assets increased by \$3,389,062, which is net of depreciation expense of \$1,435,412.

Additional information of the District's capital assets can be found in Note C.

**Long-term debt.** During the current year, the District's total debt decreased by \$1,871,165. This was mainly due to scheduled principal payments on the 2020 bond issue as well as finance purchase payments. Additional information of the District's long-term debt can be found in Note D.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

- The District is subject to the Missouri State Hancock Amendment. This restricts the amount of growth the District may have in revenue in any given year to the rate of inflation certified by the State of Missouri plus new construction. The revenue, aside from new construction, may grow at a maximum of 5%, with other restrictions within the law. Actual allowable revenue growth has been less than 5%.
- The continuing rise in the cost of providing medical coverage to employees has caused the District to begin looking at the plan design in order to mitigate the ongoing increases.

In 2023, the District expects to maintain and improve its services through several primary means as follows:

- Continued hiring and retention of highly qualified personnel.
- Training of existing personnel in the latest breakthroughs in fire suppression, emergency medicine, and other related topics.
- Fire prevention programs and educational events for the community.
- Ongoing updates and replacement of equipment and research of the latest technology related to fire suppression and emergency medicine.
- The overall economic conditions of the St. Louis metro area appear reflective of the nation as a whole; consumer spending is up, inflation is on the rise, and interest rates are high.
- The market for fuel continues to be unstable, with many price fluctuations.

**MONARCH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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- 2023 is likely to be somewhat volatile nationwide. The District has unreserved, undesignated funds in place for such uncertain times and is monitoring revenues and expenditures on a regular basis in order to track any pressure from overall economic trends.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, 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 financial information about the District, please direct the request to:

Controller's Office  
Monarch Fire Protection District  
13725 Olive Blvd.  
Chesterfield, MO 63017

**MONARCH FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash	\$ 25,406,003
Investments	7,284,029
Receivables:	
Taxes, net	15,476,627
EMS fees, net	375,350
Other receivables	10,159
Prepaid items	1,923,863
Deposits	1,095,414
Capital assets:	
Land	8,772,193
Other capital assets, net of accumulated depreciation	8,518,819
Total Assets	68,862,457
<b>LIABILITIES</b>	
Accounts payable	648,097
Accrued interest payable	103,167
Accrued payroll	767,974
Noncurrent liabilities:	
Due within one year	2,337,098
Due in more than one year	11,313,522
Total Liabilities	15,169,858
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	28,001,715
<b>NET POSITION</b>	
Net investment in capital assets	11,753,168
Restricted for:	
Pension	29,114
Debt service	1,809,965
Unrestricted	12,098,637
Total Net Position	\$ 25,690,884

**MONARCH FIRE PROTECTION DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Net Revenues (Expenses) And Changes In Net Position</b>
	<b>Charges For Services</b>	<b>Operating Grants And Contributions</b>	<b>Capital Grants And Contributions</b>	<b>In Net Position</b>
<b>Governmental Activities</b>				
Public safety	\$ 25,898,157	2,571,645	33,530	-
Interest and fiscal charges on long-term debt	121,737	-	-	-
Total Governmental Activities	\$ 26,019,894	2,571,645	33,530	-
<b>General Revenues</b>				
Property taxes				27,387,302
Investment income				94,442
Other				21,809
Gain on sale of assets				28,801
Total General Revenues				27,532,354
<b>CHANGE IN NET POSITION</b>				4,117,635
<b>NET POSITION - AS RESTATED, JANUARY 1</b>				21,573,249
<b>NET POSITION, DECEMBER 31</b>				\$ 25,690,884



**MONARCH FIRE PROTECTION DISTRICT**  
**BALANCE SHEET - ALL GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2022**

	<u>General</u>	<u>Ambulance</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash	\$ 13,892,784	4,740,499	3,061,193	3,711,527	25,406,003
Investments	3,751,984	532,045	3,000,000	-	7,284,029
Receivables:					
Taxes, net of allowance for uncollectible amounts	7,552,770	4,625,432	-	3,298,425	15,476,627
EMS fees, net of allowance for uncollectible amounts	-	375,350	-	-	375,350
Other receivables	7,359	-	2,800	-	10,159
Prepaid items	780,494	698,259	-	445,110	1,923,863
Deposits	-	-	1,095,414	-	1,095,414
Due from other funds	116,834	-	4,265	350,717	471,816
	<u>116,834</u>	<u>-</u>	<u>4,265</u>	<u>350,717</u>	<u>471,816</u>
Total Assets	<u>\$ 26,102,225</u>	<u>10,971,585</u>	<u>7,163,672</u>	<u>7,805,779</u>	<u>52,043,261</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 104,637	39,795	503,378	287	648,097
Accrued payroll	475,029	292,945	-	-	767,974
Due to other funds	354,982	116,834	-	-	471,816
Total Liabilities	<u>934,648</u>	<u>449,574</u>	<u>503,378</u>	<u>287</u>	<u>1,887,887</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue:					
Property taxes	13,670,576	8,364,726	-	5,966,413	28,001,715
EMS fees	-	64,957	-	-	64,957
Total Deferred Inflows Of Resources	<u>13,670,576</u>	<u>8,429,683</u>	<u>-</u>	<u>5,966,413</u>	<u>28,066,672</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid items	780,494	698,259	-	445,110	1,923,863
Deposits	-	-	1,095,414	-	1,095,414
Restricted:					
Pension	-	-	-	29,114	29,114
Debt service	-	-	-	1,809,965	1,809,965
Capital projects	-	-	5,564,880	-	5,564,880
Assigned for:					
EMS services	-	1,394,069	-	-	1,394,069
Future capital projects	3,000,000	-	-	-	3,000,000
Subsequent year's budget	1,210,450	-	-	-	1,210,450
Unassigned	6,506,057	-	-	(445,110)	6,060,947
Total Fund Balances	<u>11,497,001</u>	<u>2,092,328</u>	<u>6,660,294</u>	<u>1,839,079</u>	<u>22,088,702</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 26,102,225</u>	<u>10,971,585</u>	<u>7,163,672</u>	<u>7,805,779</u>	<u>52,043,261</u>

**MONARCH FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

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Total Fund Balances - Governmental Funds	\$ 22,088,702
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$34,852,809 and the accumulated depreciation is \$17,561,797.	17,291,012
Other long-term assets (EMS fees receivable not collected within 60 days of year-end) are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds.	64,957
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(103,167)
Finance purchase liability	(296,537)
Bonds payable	(9,975,000)
Unamortized bond premium	(817,549)
Compensated absences	(2,561,534)
	<hr/>
Total Net Position Of Governmental Activities	<u><u>\$ 25,690,884</u></u>

**MONARCH FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>General</u>	<u>Ambulance</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 13,194,691	7,989,821	-	6,202,790	27,387,302
Charges for services	715,010	1,902,143	-	-	2,617,153
Intergovernmental	33,530	-	-	-	33,530
Investment income	35,755	16,308	37,427	4,952	94,442
Other	18,713	2,439	-	-	21,152
Total Revenues	<u>13,997,699</u>	<u>9,910,711</u>	<u>37,427</u>	<u>6,207,742</u>	<u>30,153,579</u>
<b>EXPENDITURES</b>					
Current:					
Public safety	12,122,099	8,660,244	-	3,531,292	24,313,635
Capital outlay	453,522	23,020	4,371,159	-	4,847,701
Debt service:					
Principal	143,668	-	-	1,525,000	1,668,668
Interest	9,332	-	-	325,068	334,400
Total Expenditures	<u>12,728,621</u>	<u>8,683,264</u>	<u>4,371,159</u>	<u>5,381,360</u>	<u>31,164,404</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,269,078</u>	<u>1,227,447</u>	<u>(4,333,732)</u>	<u>826,382</u>	<u>(1,010,825)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital assets	27,659	-	-	-	27,659
Transfer in	230,135	-	-	82,730	312,865
Transfer out	(82,730)	(230,135)	-	-	(312,865)
Total Other Financing Sources (Uses)	<u>175,064</u>	<u>(230,135)</u>	<u>-</u>	<u>82,730</u>	<u>27,659</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,444,142	997,312	(4,333,732)	909,112	(983,166)
FUND BALANCES, JANUARY 1, AS RESTATED	<u>10,052,859</u>	<u>1,095,016</u>	<u>10,994,026</u>	<u>929,967</u>	<u>23,071,868</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 11,497,001</u>	<u>2,092,328</u>	<u>6,660,294</u>	<u>1,839,079</u>	<u>22,088,702</u>

**MONARCH FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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Net Change In Fund Balances - Governmental Funds \$ (983,166)

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

Capital outlays are reported in the governmental funds 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 outlay over the threshold \$4,825,175 exceeded depreciation (\$1,435,412) in the current period. 3,389,763

The net effect of other transactions involving capital assets:  
Cost of disposals net of accumulated depreciation. (701)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:  
Decrease in unavailable revenue (45,508)

The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds, however, it has no effect on net position. This amount is the net effect of these differences in the treatment of long-term debt:

Change in accrued interest payable	10,167
Finance purchase principal payments	143,668
G.O. Bond principal payments	1,525,000
Premium amortization	202,497
Change in compensated absences	<u>(124,085)</u>

Change In Net Position Of Governmental Activities \$ 4,117,635

# MONARCH FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**MONARCH FIRE PROTECTION DISTRICT** (the District) is a political subdivision duly organized under the laws of the State of Missouri to supply protection to persons and property against injuries and damage from fire and to give assistance in the event of an accident or emergency of any kind.

The accounting policies and financial reporting practices of the District conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies applied by the District in the preparation of the accompanying financial statements are summarized below:

#### **1. Reporting Entity**

The financial statements of the District include the financial activities of the District and any component units, entities which are financially accountable to the District. The District does not currently have any component units.

#### **2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### **3. 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.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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 measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due (i.e., matured).

Property taxes are recognized as revenue in the year intended to finance if collected within 60 days after the end of the said year. Ambulance services are recognized as revenue at the time of service, net of allowances for uncollectible amounts. Inspection fees and other income are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest income is recorded as earned since it is measurable and available.

The District reports unavailable revenue on its balance sheet/statement of net position. Unavailable revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability is removed from the combined balance sheet and revenue is recognized.

The District reports the following major governmental funds:

**General Fund** -- This fund is the general operating fund of the District. It is used to account for all financial resources except those accounted for in another fund.

**Ambulance Fund** -- This fund is used to account for the funds to be utilized for emergency management services.

**Capital Projects Fund** -- This fund is used to account for the proceeds of long-term debt to be used for the acquisition or construction of major capital items.

Additionally, the District reports the following fund types which are considered to be nonmajor:

**Dispatch Fund** -- This fund is used to account for the funds to be utilized for dispatching services.

**Pension Revenue Fund** -- This fund is used to collect the tax levy for pension funding.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Debt Service Fund** -- This fund accounts for the accumulation of resources for the payment of general long-term debt principal and interest.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and investment income.

**4. Fund Balance Classification and Policies**

The District's policy is to report the fund balance in the following categories, when applicable, listed from most restrictive to the least restrictive:

**Nonspendable** -- The portion of fund balance that is legally or contractually required to be maintained or is not in spendable form (such as prepaids and deposits on vehicles).

**Restricted** -- The portion of fund balance that is subject to enforceable legal restrictions by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

**Committed** -- The portion of fund balance with self-imposed constraints or limitations that have been imposed by formal action (motion or resolution) by the District's Board of Directors (the Board), the highest level of decision-making authority. Such constraint is binding unless modified or rescinded by formal action by the Board.

**Assigned** -- The portion of fund balance that the District intends to use for a specific purpose; intent can be expressed by the Board.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the District will spend most restricted amounts before the least restricted.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components. Net investment in capital assets represents capital assets, net of accumulated depreciation, less any outstanding debt attributable to the acquisition of the capital assets. Restricted net position represents constraints imposed through external restrictions imposed by creditors, grantors, contributors, or laws or regulations. All other amounts of net position are unrestricted.

**6. Allowance for Doubtful Accounts**

Allowances for uncollectible receivable amounts by fund are as follows:

	<b>December 31, 2022</b>	
	<b>Property Taxes</b>	<b>EMS Fees</b>
General Fund	\$ 115,017	-
Ambulance Fund	70,438	591,190
Dispatch Fund	10,845	-
Pension Revenue Fund	21,483	-
Debt Service Fund	17,902	-

**7. Capital Assets**

Capital assets, which include property and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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 assets lives are not capitalized.

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

<b>Assets</b>	<b>Years</b>
Buildings and improvements	5 - 30
Vehicles and equipment	5 - 20



**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**8. Interfund Transactions**

In the fund financial statements, the District has the following types of transactions among funds:

**Transfers** -- Transfers of resources from a fund receiving revenue to the fund through which resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses).

**Due From/To Other Funds** -- Current portions of long-term interfund loans receivable/payable are considered "available spendable resources" and are reported as assets and liabilities of the appropriate funds.

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

**9. Investments**

Investments are carried at fair value.

In accordance with and subject to restrictions imposed by current Missouri State Statutes, the following list represents the entire range of investments that the District will consider and which shall be authorized for the investments of funds by the District: 1) United States Treasury securities, 2) United States Agency securities, 3) repurchase agreements, 4) collateralized public deposits (certificates of deposit), 5) banker's acceptance, and 6) commercial paper.

**10. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable on or before December 31. All unpaid taxes are delinquent January 1 of the following year.

Property taxes levied for 2022 are recorded as receivables, net of estimated uncollectable, as are prior year levies which are re-evaluated annually. Taxes receivable represent estimated amounts to be collected by the County Collector of Revenue for 2022 and prior tax years to be remitted to the District subsequent to year-end. The 2022 tax levy and the portion of prior year taxes not collected and remitted to the District within 60 days of year-end is recorded as deferred tax revenue. The allowance for uncollectible taxes is estimated based on past experience. Property taxes are assessed, billed, and collected by St. Louis County and remitted by the County to the District. The County's fee is 1.5% of the taxes collected.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**10. Property Taxes (Continued)**

The following is a summary of the 2022 tax rates:

	<b>2022 Tax Rates</b>					<b>Total</b>
	<b>General</b>	<b>Ambulance</b>	<b>Dispatch</b>	<b>Pension</b>	<b>Debt Service</b>	
Real property:						
Residential	0.4270	0.2560	0.0420	0.0780	0.0710	0.8740
Agricultural	0.4670	0.2900	0.0440	0.0870	0.0710	1.2500
Commercial	0.4660	0.2910	0.0420	0.0880	0.0710	0.9580
Personal property	0.5300	0.3300	0.0480	0.1000	0.0710	1.0790

Property tax rates for each of the above categories and for each fund type is levied per \$100 of assessed valuation which totaled \$3,014,534,276 for the District (real property \$2,578,711,218 and personal property \$435,823,058).

**11. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items on the consumption method. Prepaid items are recorded as expenditures when consumed rather than when purchased.

**12. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**13. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualifies for reporting in this category.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts have become available.

**14. Indirect Cost Allocation**

Certain indirect costs are allocated 60% to the General Fund and 40% to the Ambulance Fund for the fiscal year ended December 31, 2022. These percentages are based on the number of personnel.

**15. Use of Estimates**

The preparation of financial statements in conformity with GAAP 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 differ from those amounts.

**16. Adopted Accounting Pronouncements**

During the current year, the District adopted GASB No. 87, *Leases*, which establishes a single model for the lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. There was no change made to the District's financial statements due to the leases being deemed immaterial.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the District or trustee institution held in the District's name. The value of the securities must amount to the total of the District's cash not insured by the Federal Deposit Insurance Corporation.

As of December 31, 2022, the District's bank balances totaled \$25,639,035. Of the District's bank balances, \$5,855,063 was covered by federal depository insurance and \$19,783,972 was covered by additional pledged collateral held by a third party in the District's name.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments**

As of December 31, 2022, the District had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>		<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	
<b>Primary Government</b>				
Negotiable certificates of deposit	\$ 7,284,029	-	7,284,029	N/A
Money market funds	5,598,333	-	5,598,333	Not rated
Total Primary Government Investments	<u>\$ 12,882,362</u>	<u>-</u>	<u>12,882,362</u>	

**Investment Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District minimizes credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the District will do business and diversifying the portfolio to reduce potential losses on individual securities.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District minimizes concentration of credit risk by diversifying the investment portfolio.

Concentration of credit risk is required to be disclosed by the District for investments in any one issuer that represent 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Fiduciary Funds are required to disclose investments in any one issuer that represent 5% or more of total plan net position with the same exemptions as above.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE B - CASH AND INVESTMENTS (Continued)**

At December 31, 2022, the District had the following investment concentrations:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Investments</u>
<b>Primary Government</b>		
Money market	\$ 5,598,333	43.46 %
Negotiable certificates of deposit	7,284,029	56.54

**3. Fair Value Measurements**

The District classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities. The District has the following recurring fair value level measurements as of December 31, 2022:

- Negotiable certificates of deposit (\$7.3 million) are valued using quoted market prices (Level 2 inputs)
- Money market funds (\$5.6 million) are not subject to fair value level classification

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - CAPITAL ASSETS (Continued)**

	<b>For The Year Ended December 31, 2022</b>			
	<b>Balance</b>			<b>Balance</b>
	<b>December 31</b>	<b>Increases</b>	<b>Decreases</b>	<b>December 31</b>
	<b>2021</b>			<b>2022</b>
Capital assets not being depreciated:				
Land	\$ 2,921,167	-	-	2,921,167
Construction in progress	1,584,622	4,402,582	136,178	5,851,026
Total Capital Assets Not Being Depreciated	4,505,789	4,402,582	136,178	8,772,193
Capital assets being depreciated:				
Buildings and improvements	13,905,108	85,380	-	13,990,488
Vehicles and equipment	11,720,783	473,391	104,046	12,090,128
Total Capital Assets Being Depreciated	25,625,891	558,771	104,046	26,080,616
Less - Accumulated depreciation for:				
Buildings and improvements	9,279,828	413,830	-	9,693,658
Vehicles and equipment	6,949,902	1,021,582	103,345	7,868,139
Total Accumulated Depreciation	16,229,730	1,435,412	103,345	17,561,797
Total Capital Assets Being Depreciated, Net	9,396,161	(876,641)	701	8,518,819
Governmental Activities Capital Assets, Net	\$ 13,901,950	3,525,941	701	17,291,012

Depreciation expense of \$1,435,412 for the year ended December 31, 2022 was charged to the public safety function of the primary government.

**NOTE D - LONG-TERM DEBT**

A summary of changes in the long-term debt is as follows:

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT (Continued)**

	<b>For The Year Ended December 31, 2022</b>			<b>Amounts Due Within One Year</b>	
	<b>Balance December 31 2021</b>	<b>Additions</b>	<b>Payments</b>		<b>Balance December 31 2022</b>
	Finance purchase liability	\$ 440,205	-		143,668
General obligation bonds	11,500,000	-	1,525,000	9,975,000	1,550,000
Plus - Premium on bonds	1,020,046	-	202,497	817,549	-
Compensated absences	2,437,449	798,374	674,289	2,561,534	640,384
<b>Total Long-term Debt</b>	<b>\$ 15,397,700</b>	<b>798,374</b>	<b>2,545,454</b>	<b>13,650,620</b>	<b>2,337,098</b>

The bonds are liquidated by the Debt Service Fund. The finance purchase is liquidated by the General Fund. Compensated absences are generally liquidated by the General and Ambulance Funds based on the employees classification.

General obligation bonds consisted of the following:

	<b>December 31 2022</b>
\$12,000,000 general obligation bonds dated November 3, 2020 matures March 1, 2030 with interest rates from 2% to 4%. Bonds were issued for the purpose of constructing two new fire stations and vehicle and apparatus replacement.	<b>\$ 9,975,000</b>

A summary of principal debt service requirements is as follows:

<b>For The Years Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 1,550,000	294,000	1,844,000
2024	1,450,000	264,000	1,714,000
2025	1,500,000	227,000	1,727,000
2026	1,450,000	182,750	1,632,750
2027	1,025,000	140,500	1,165,500
2028 - 2030	3,000,000	180,000	3,180,000
<b>Total</b>	<b>\$ 9,975,000</b>	<b>1,288,250</b>	<b>11,263,250</b>

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT (Continued)**

Finance purchase liability consisted of the following:

	<b>December 31</b> <b>2022</b>
\$12,000,000 general obligation bonds dated November 3, 2020 matures March 1, 2030 with interest rates from 2% to 4%. Bonds were issued for the purpose of constructing two new fire stations and vehicle and apparatus replacement.	\$ 9,975,000

A summary of principal debt service requirements is as follows:

<b>For The Years Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 146,713	6,287	153,000
2024	149,824	3,176	153,000
Total	\$ 296,537	9,463	306,000

**NOTE E - COMPENSATED ABSENCES**

The District grants vacation to all employees at a rate based on years of experience and earned in the year it is available for use. Vacation earned by December 31, 2022 must be taken by January 31 of the following year.

The District also grants sick leave to all employees. Sick leave days are earned at a rate of six days per year for shift personnel and ten days per year for administrative personnel. Covered employees are allowed to accumulate unused sick leave up to 60 days for shift personnel and 90 days for administrative personnel.

Upon termination of employment, employees under the age of 50 shall be compensated for their sick day balance at the rate of \$250 per day. Employees age 50 and over may be compensated in one of two ways, at the option of the employee. They may take a single payout at 100% of base wages or use their sick leave days to extend their retirement date. The District also has a provision that allows employees to exchange days equal to their current year sick leave for cash at 100% of base pay, provided their accumulated sick leave exceeds certain thresholds. The liability for accumulated sick leave at December 31, 2022 amounted to \$2,561,534 and is reflected in the government-wide financial statements.

**NOTE F - PENSION PLAN**

The District adopted a single-employer defined contribution plan on January 1, 1998 titled Retirement Plan for the Employees of Monarch Fire Protection District (the Plan). The District contributes a discretionary amount to the Plan. Employees are not required to contribute to the plan. The Plan is administered by the District under the direction of a 5 member Pension Board of Directors. Empower Retirement is the record keeper. 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



# MONARCH FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE F - PENSION PLAN (Continued)**

Pension Board 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. For the year ending December 31, 2022, the District contributed approximately 17.6% of employees base salaries. This varies each year based on the pension fund revenue. All employees at the end of a plan year who have completed 500 hours of service during that plan year are eligible to participate in the Plan. Participants begin to vest in these contributions after two (2) years of service in increasing percentages of 20% per qualified year of service. During the year ended December 31, 2022, the District contributed \$1,920,726 to the Plan. There were no forfeitures for the year 2022 and no employer liability as of December 31, 2022.

### **NOTE G - DEFERRED COMPENSATION PLAN**

The District participates in and complies with a deferred compensation plan under Internal Revenue Code Section 457. The Plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The District does not contribute to the Plan. Trust provisions are incorporated so that Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. In accordance with the provisions of GASB Statement No. 97, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the assets and liabilities of the Plan are not included in the accompanying financial statements.

### **NOTE H - VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION (VEBA)**

The District provides post-retirement medical benefits, disability benefits, a death benefit of the balance of a participants account, plus a death benefit in the amount of \$50,000 in the form of a life insurance policy for active employees, and severance benefits to eligible employees. These benefits are provided under a plan known as the Monarch Fire Protection District Welfare Benefit Plan. The Plan is considered a defined contribution plan. The Plan's trust fund is exempt under IRC 501(c)(9) as a voluntary employee benefit association (VEBA).

Employees are eligible to participate in VEBA after one month of full-time employment. At December 31, 2022, there were 163 participants (161 active/retired, 1 disabled retiree, and 1 beneficiary).

Under the terms of VEBA, the District may contribute an amount determined by the Pension Board and funded by the pension tax levy to fund benefits under VEBA. During the year ended December 31, 2022, the District contributed \$338,900 to VEBA.

In addition to the defined contribution "indemnity account", the District has a "Disability Reserve" included in VEBA's assets. The "Disability Reserve" assets will provide benefits to two individuals currently receiving benefits from VEBA. Disability benefits are provided to all current employees through insurance purchased through a third party. The District received an actuarial valuation performed on the "Disability Reserve". This valuation was limited to determining the present value of projected benefits for the two individuals receiving

# MONARCH FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE H - VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION (VEBA) (Continued)**

benefits under VEBA. As of January 1, 2023, the present value of the projected benefits was \$189,478 and the value of VEBA's assets designated for these benefits was \$513,354.

In determining the present value of the projected benefits from the "Disability Reserve", the District uses the aggregate funding method. Under this method, the present value of future normal costs equals the present value of benefits reduced by VEBA's assets. These future costs are spread as a level percentage over current and future expected pay. The portion attributable to current pay is the current year normal costs. Experience gains and losses are included in the present value of future normal costs and, therefore, are spread over future years as a level percentage of pay. For the one disabled retiree, mortality rates are based on the 2022 PBGC Social Security Disable Life Mortality Table for males. For the one beneficiary, mortality rates are based on the PRI-2012 Mortality for females with expected future mortality improvement based on Scales MP 2021. Investment earnings are assumed to be 6.5%. All assets are valued at market value or NAV. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

### **NOTE I - VOLUNTARY TERMINATION BENEFITS**

In June 2022, the District approved a retiree health insurance plan, which provides medical, dental and vision benefits to an employee after they voluntarily terminate their employment. Employees are eligible to participate if they are an employee in good standing, be a participant in the District's health insurance plan at the time of termination and have attained both the age of 60 and have ten consecutive years of service. The District will cover the costs of the premiums for the employee, their spouse and any dependents up to the employee's 65<sup>th</sup> birthday. As of December 31, 2022, no employees have elected the retiree health insurance plan.

### **NOTE J - CONTRACTUAL AGREEMENTS**

The District has a contractual agreement with Central County Emergency 911 for dispatching services that renews annually unless notice is given prior to July 1 of the preceding year. The agreement requires that the District 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.

The District has a contractual agreement with Mediclaims, Inc. for ambulance billing, billing processing, and fee collection services. The District pays Mediclaims, Inc. on a monthly basis an amount equal to 5% of "Net Collections". The agreement automatically renews on the same terms and conditions for successive one-year terms each April, unless either party gives written notice of intent not to renew at least 30 days before the expiration of any term.

The District has agreed to certain employment terms with Local 2665 of the International Association of Fire Fighters with regards to a Memorandum of Understanding between the Local 2665 and the District. The current agreement is in effect until December 31, 2025.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE K - COMMITMENTS AND CONTINGENCIES**

The District entered into employment agreements with an employee. Under the agreement, in the event employment is terminated (other than voluntarily by the employee or by the District for cause or upon the death of the employee), the District is committed to pay certain benefits. The benefits are to be paid from the date of termination through December 31, 2023.

The District has various contracts to purchase fire and EMS apparatus and vehicles as of December 31, 2022 totaling \$2,287,320.

The District has various contracts to purchase equipment as of December 31, 2022 totaling \$920,751.

The District has various contracts for construction of two new fire houses as of December 31, 2022 totaling \$7,448,334.

The District entered into a finance purchase to acquire 5 monitors and 5 portable ventilators for each of the front line ambulances in the amount of \$299,820. The liability will mature on February 1, 2027 and has a 0% interest rate.

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.

**NOTE L - INTERFUND TRANSACTIONS**

Individual interfund transactions are as follows:

**Due from/to other funds**

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>December 31 2022</b>
General Fund	Ambulance Fund	\$ 116,834
Capital Projects Fund	General Fund	4,265
Dispatch Fund	General Fund	131,029
Debt Service Fund	General Fund	219,688
Total		\$ 471,816

All of these interfund balances are due to timing differences. All interfund balances are expected to be repaid during the next fiscal year.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE L - INTERFUND TRANSACTIONS (Continued)**

**Interfund transfers:**

Interfund transfers may be used to: 1) move revenues from the fund that ordinance or budget required to collect them to the fund that ordinance or budget requires to expend them, 2) use unrestricted revenues collected to other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

Interfund transfers are as follows:

<b>Transfers Out</b>	<b>Transfers In</b>	<b>For The Year Ended December 31 2022</b>
General Fund	Pension Revenue Fund	\$ 82,730
Ambulance Fund	General Fund	230,135
Total		\$ 312,865

**NOTE M - FIRE DISTRICT DIRECTORS' FEES, BENEFITS, AND RELATED EXPENSES**

Directors' fees and benefits consisted of the following:

	<b>For The Year Ended December 31, 2022</b>	
	<b>Fees</b>	<b>Benefits</b>
Richard Gans, Director and President	\$ 12,000	17,414
Robin Harris, Director and Treasurer	10,800	17,414
Jeannine Millner, Director and Secretary	10,600	8,388
Total	\$ 33,400	43,216

No other related expenses were incurred by the District's Directors.

**NOTE N - RISK MANAGEMENT**

The District self-insures for employee dental and vision claims up to predetermined maximums. Under the program, the General Fund and Ambulance Fund pays claims to annual per person maximums of \$2,000 and \$300 for dental and vision claims, respectively.

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE N - RISK MANAGEMENT (Continued)**

Liabilities are reported when it is probable that a claim has occurred and the amount of the claim can be reasonably estimated. At December 31, 2022, the total estimated liability of incurred but unpaid claims for dental and vision were \$6,506, and \$5,339, respectively.

The District purchases commercial insurance for health claims. The District's overall program deductibles are \$5,000 individual and \$10,000 family. The employee is responsible for the first \$1,000 individual and \$2,000 family of the deductible.

**NOTE O - INSURANCE COVERAGE**

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 three fiscal years.

The following insurance policies of the District were in force during the fiscal year ended December 31, 2022:

<u>Company</u>	<u>Type Of Coverage</u>	<u>Amount Of Coverage</u>
American Alternative Insurance Corporation	Property and casualty	\$ 1,000,000 each occurrence \$10,000,000 aggregate
American Alternative Insurance Corporation	Automobile	\$ 1,000,000
American Alternative Insurance Corporation	Crime	\$ 250,000 blanket per employee \$ 500,000 per director \$ 750,000 blanket per loss
American Alternative Insurance Corporation	Umbrella	\$ 8,000,000 each occurrence \$ 8,000,000 aggregate
MO Employers Mutual	Workers' compensation	State statutory requirements
Travelers Casualty & Surety Company	Fiduciary	\$ 2,000,000
Greenwich Insurance Company	Directors and Officers	\$ 3,000,000
RSUI Indemnity Company	Directors and Officers	\$ 2,000,000
Starr Indemnity & Liability Co.	Directors and Officers	\$ 2,000,000
Stratford Insurance Company	Directors and Officers	\$ 3,000,000

**MONARCH FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE P - TAX ABATEMENTS**

In Missouri, a taxing district can issue industrial development revenue bonds (Revenue Bonds) pursuant to Chapter 100 of the Revised Statutes of Missouri (RSMo). Under the Act, the taxing district may issue Revenue Bonds to finance the cost of the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such tax district, buildings, fixtures and machinery. Under the Chapter 100 Revenue Bonds, the District has five tax abatement projects which were entered into by St. Louis County. Total property taxes abated under this agreement totaled \$306,074 for the year ended December 31, 2022.

**NOTE Q - PRIOR PERIOD ADJUSTMENT**

The previously stated fund balances have been restated as follows:

	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Nonmajor Governmental Funds</u>
Fund balance, December 31, 2021, as previously reported	\$ 21,386,352	\$ 8,055,096	\$ 5,267,557
Report property taxes, net of allowance for proper tax year	382,541	272,100	121,900
Report prepaid items in the proper period	-	-	441,378
Report accounts payable in the proper period	-	-	623,862
Report deferred revenue - property taxes for proper tax year	<u>(11,716,034)</u>	<u>(7,232,180)</u>	<u>(5,524,730)</u>
Fund balance, December 31, 2021, as Restated	<u>\$ 10,052,859</u>	<u>\$ 1,095,016</u>	<u>\$ 929,967</u>

The previously stated net position has been restated as follows:

	<u>Net Position</u>
Net position, December 31, 2021 as previously reported	\$ 47,175,513
Report property taxes, net of allowance for proper tax year	776,541
Report prepaid items in the proper period	441,378
Report accounts payable in the proper period	623,862
Report deferred revenue - property taxes for proper tax year	<u>(27,444,045)</u>
Net position, December 31, 2021 as Restated	<u>\$ 21,573,249</u>

**NOTE R - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 26, 2023, the date which the financial statements were available for issue and no other events require disclosure.

**MONARCH FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION**

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**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

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**MONARCH FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>REVENUES</b>				
Taxes	\$ 13,151,200	13,151,200	13,194,691	43,491
Charges for services	300,000	715,000	715,010	10
Intergovernmental	31,000	31,000	33,530	2,530
Investment income	35,000	35,000	35,755	755
Other	37,420	19,000	18,713	(287)
Total Revenues	<u>13,554,620</u>	<u>13,951,200</u>	<u>13,997,699</u>	<u>46,499</u>
<b>EXPENDITURES</b>				
Public safety:				
Salaries and benefits	10,599,150	10,827,640	10,679,410	(148,230)
Administration and general	741,220	795,620	750,087	(45,533)
Operations	281,200	311,300	310,360	(940)
Maintenance	362,000	333,300	330,650	(2,650)
Fire prevention	65,000	38,500	31,343	(7,157)
Training	22,500	22,500	20,249	(2,251)
Capital outlay	436,000	454,000	453,522	(478)
Debt service:				
Principal	143,668	143,668	143,668	-
Interest	9,332	9,332	9,332	-
Total Expenditures	<u>12,660,070</u>	<u>12,935,860</u>	<u>12,728,621</u>	<u>(207,239)</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>894,550</u>	<u>1,015,340</u>	<u>1,269,078</u>	<u>253,738</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	30,000	30,000	27,659	(2,341)
Transfer in	880,850	253,350	230,135	(23,215)
Transfer out	(1,500,000)	(82,730)	(82,730)	-
Total Other Financing Sources (Uses)	<u>(589,150)</u>	<u>200,620</u>	<u>175,064</u>	<u>(25,556)</u>
<b>NET CHANGE IN FUND BALANCE</b>	305,400	1,215,960	1,444,142	<u>228,182</u>
FUND BALANCE, JANUARY 1, AS RESTATED	<u>10,052,859</u>	<u>10,052,859</u>	<u>10,052,859</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 10,358,259</u>	<u>11,268,819</u>	<u>11,497,001</u>	



**MONARCH FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - AMBULANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 8,049,500	7,989,900	7,989,821	(79)
Charges for services	1,490,000	1,740,000	1,902,143	162,143
Investment income	15,000	15,000	16,308	1,308
Other	1,000	1,000	2,439	1,439
Total Revenues	<u>9,555,500</u>	<u>9,745,900</u>	<u>9,910,711</u>	<u>164,811</u>
<b>EXPENDITURES</b>				
Public safety:				
Salaries and benefits	8,114,290	8,047,490	7,961,625	(85,865)
Administrative and general	372,680	379,280	358,025	(21,255)
Operations	283,500	334,400	318,949	(15,451)
Maintenance	50,000	29,000	21,645	(7,355)
Capital outlay	21,000	23,020	23,020	-
Total Expenditures	<u>8,841,470</u>	<u>8,813,190</u>	<u>8,683,264</u>	<u>(129,926)</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>714,030</u>	<u>932,710</u>	<u>1,227,447</u>	<u>294,737</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	<u>(880,850)</u>	<u>(253,350)</u>	<u>(230,135)</u>	<u>23,215</u>
Total Other Financing Sources (Uses)	<u>(880,850)</u>	<u>(253,350)</u>	<u>(230,135)</u>	<u>23,215</u>
<b>NET CHANGE IN FUND BALANCE</b>	(166,820)	679,360	997,312	<u>317,952</u>
FUND BALANCE, JANUARY 1, AS RESTATED	<u>1,095,016</u>	<u>1,095,016</u>	<u>1,095,016</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 928,196</u>	<u>1,774,376</u>	<u>2,092,328</u>	

**MONARCH FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO  
SCHEDULES OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**Budgets**

Budgets are adopted on a modified accrual basis. Annual appropriated budgets are adopted for each governmental fund. All annual appropriations lapse at fiscal year-end.

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

- a. The District controller submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed operating expenditures, capital expenditures, and the means to finance them.
- b. The preliminary budget and proposed tax rates are presented at a public hearing to obtain comments from all interested parties.
- c. The final budget for the coming year is formally adopted on or before the last day of the current fiscal year by the Board.
- d. The legal level of control is at the activity level within an individual fund. Expenditures may not exceed budgeted appropriations at the activity level unless approved by the Board. Total fund expenditures may not legally exceed current year revenues plus prior year's fund balance. All budget revisions of any fund must be approved by the Board. This is done during a periodic review and analysis by the District.

**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION**

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**OTHER SUPPLEMENTAL SECTION**

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**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2022**

	<u>Dispatch</u>	<u>Pension Revenue</u>	<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
<b>ASSETS</b>				
Cash	\$ 4,134	1,170,253	2,537,140	3,711,527
Receivables:				
Taxes, net of allowance for uncollectible amounts	712,153	1,410,713	1,175,559	3,298,425
Prepaid items	445,110	-	-	445,110
Due from other funds	131,029	-	219,688	350,717
	<u>\$ 1,292,426</u>	<u>2,580,966</u>	<u>3,932,387</u>	<u>7,805,779</u>
Total Assets				
<b>LIABILITIES</b>				
Accounts payable	\$ 287	\$ -	\$ -	\$ 287
Total Liabilities	<u>287</u>	<u>-</u>	<u>-</u>	<u>287</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue				
Property taxes	1,292,139	2,551,852	2,122,422	5,966,413
Total Deferred Inflows	<u>1,292,139</u>	<u>2,551,852</u>	<u>2,122,422</u>	<u>5,966,413</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid items	445,110	-	-	445,110
Restricted:				
Pension	-	29,114	-	29,114
Debt service	-	-	1,809,965	1,809,965
Unassigned	(445,110)	-	-	(445,110)
Total Fund Balances	<u>-</u>	<u>29,114</u>	<u>1,809,965</u>	<u>1,839,079</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 1,292,426</u>	<u>2,580,966</u>	<u>3,932,387</u>	<u>7,805,779</u>

**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT**  
**OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Dispatch</u>	<u>Pension Revenue</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 1,223,407	2,435,620	2,543,763	6,202,790
Investment income	85	746	4,121	4,952
Total Revenues	<u>1,223,492</u>	<u>2,436,366</u>	<u>2,547,884</u>	<u>6,207,742</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	1,223,492	2,307,800	-	3,531,292
Debt service:				
Principal	-	-	1,525,000	1,525,000
Interest	-	-	325,068	325,068
Total Expenditures	<u>1,223,492</u>	<u>2,307,800</u>	<u>1,850,068</u>	<u>5,381,360</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>128,566</u>	<u>697,816</u>	<u>826,382</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer in	-	82,730	-	82,730
Total Other Financing Sources	<u>-</u>	<u>82,730</u>	<u>-</u>	<u>82,730</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	211,296	697,816	909,112
FUND BALANCES, JANUARY 1, AS RESTATED	<u>-</u>	<u>(182,182)</u>	<u>1,112,149</u>	<u>929,967</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ -</u>	<u>29,114</u>	<u>1,809,965</u>	<u>1,839,079</u>

**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - DISPATCH FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 1,250,900	1,223,800	1,223,407	(393)
Investment income	1,000	1,000	85	(915)
Total Revenues	<u>1,251,900</u>	<u>1,224,800</u>	<u>1,223,492</u>	<u>(1,308)</u>
<b>EXPENDITURES</b>				
Public safety:				
Dispatching fees	1,250,900	1,223,800	1,223,492	(308)
Communications	1,000	1,000	-	(1,000)
Total Expenditures	<u>1,251,900</u>	<u>1,224,800</u>	<u>1,223,492</u>	<u>(1,308)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	<u>-</u>
<b>FUND BALANCE, JANUARY 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	

**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - PENSION REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 2,437,800	2,437,800	2,435,620	(2,180)
Investment income	1,400	1,400	746	(654)
Total Revenues	<u>2,439,200</u>	<u>2,439,200</u>	<u>2,436,366</u>	<u>(2,834)</u>
<b>EXPENDITURES</b>				
Public safety:				
Professional fees	69,200	54,200	48,174	(6,026)
VEBA contribution	338,900	338,900	338,900	-
Pension contribution	2,031,100	1,946,530	1,920,726	(25,804)
Total Expenditures	<u>2,439,200</u>	<u>2,339,630</u>	<u>2,307,800</u>	<u>(31,830)</u>
<b>REVENUES OVER EXPENDITURES</b>	-	99,570	128,566	28,996
<b>OTHER FINANCING SOURCES</b>				
Transfer In	-	82,730	82,730	-
<b>NET CHANGE IN FUND BALANCE</b>	-	182,300	211,296	<u>28,996</u>
FUND BALANCE, JANUARY 1, AS RESTATED	<u>(182,182)</u>	<u>(182,182)</u>	<u>(182,182)</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ (182,182)</u>	<u>118</u>	<u>29,114</u>	

**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 2,616,800	2,616,800	2,543,763	(73,037)
Investment income	350	350	4,121	3,771
Total Revenues	<u>2,617,150</u>	<u>2,617,150</u>	<u>2,547,884</u>	<u>(69,266)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal payments	1,525,000	1,525,000	1,525,000	-
Interest and other fiscal charges	325,000	325,075	325,068	(7)
Total Expenditures	<u>1,850,000</u>	<u>1,850,075</u>	<u>1,850,068</u>	<u>(7)</u>
<b>NET CHANGE IN FUND BALANCE</b>	767,150	767,075	697,816	<u>(69,259)</u>
<b>FUND BALANCE, JANUARY 1, AS RESTATED</b>	<u>1,112,149</u>	<u>1,112,149</u>	<u>1,112,149</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 1,879,299</u>	<u>1,879,224</u>	<u>1,809,965</u>	



**MONARCH FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Investment income	\$ 10,000	10,000	37,427	27,427
<b>EXPENDITURES</b>				
Capital outlay	10,217,130	4,377,000	4,371,159	(5,841)
Total Expenditures	<u>10,217,130</u>	<u>4,377,000</u>	<u>4,371,159</u>	<u>(5,841)</u>
<b>REVENUES UNDER EXPEN- DITURES</b>	(10,207,130)	(4,367,000)	(4,333,732)	33,268
<b>OTHER FINANCING SOURCES</b>				
Transfer In	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(8,707,130)	(4,367,000)	(4,333,732)	<u>33,268</u>
FUND BALANCE, JANUARY 1	<u>10,994,026</u>	<u>10,994,026</u>	<u>10,994,026</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 2,286,896</u>	<u>6,627,026</u>	<u>6,660,294</u>	