

# SUNRISE BEACH FIRE PROTECTION DISTRICT

Sunrise Beach, Missouri

INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Sunrise Beach Fire Protection District  
Sunrise Beach, Missouri:

### *Opinions*

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the Sunrise Beach Fire Protection District (the "District"), as of and for the year ended December 31, 2021, and the related notes to the 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 modified cash basis financial position of the governmental activities and each major fund of the District as of December 31, 2021, and the respective changes in modified cash basis financial position, thereof for the year ended in accordance with the modified cash basis of accounting described in Note 1.

### *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 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 – Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are 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 the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### *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 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 omission, 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 judgement 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 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*

*Other Information*

Management is responsible for the other information in the annual report. The other information comprises the budgetary comparison information, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Graves and Associates,  
CPAs, LLC

GRAVES AND ASSOCIATES, CPAs, LLC  
Jefferson City, Missouri

September 27, 2023

## BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements:
  - Governmental Funds

In addition, the Notes to the Financial Statements are included to provide information that is essential to a user's understanding of the basic financial statements.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
 STATEMENT OF NET POSITION – MODIFIED CASH BASIS  
 DECEMBER 31, 2021

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 2,008,816
Investments	375,647
 TOTAL ASSETS	 2,384,463
NET POSITION	
Restricted for Debt Service	640,938
Unrestricted	1,743,525
 TOTAL NET POSITION	 \$ 2,384,463

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

SUNRISE BEACH FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenditures	Program Revenues		Net (Expenditures)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Governmental Activities:				
Public Safety	\$ (2,313,105)	\$ 147,614	\$ 10,380	\$ (2,155,111)
Bond Principal	(395,000)	-	-	(395,000)
Bond Interest	(123,607)	-	-	(123,607)
Total Governmental Activities	<u>\$ (2,831,712)</u>	<u>\$ 147,614</u>	<u>\$ 10,380</u>	<u>(2,673,718)</u>
General Revenues:				
Property Taxes				2,352,801
Interest Income				4,351
Gain (Loss) on Sale of Asset				21,500
Miscellaneous Income				2,357
Total General Revenues				<u>2,381,009</u>
Change in Net Position				(292,709)
Net Position, Beginning of Year				<u>2,677,172</u>
Net Position, End of Year				<u>\$ 2,384,463</u>

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



SUNRISE BEACH FIRE PROTECTION DISTRICT

BALANCE SHEET – GOVERNMENTAL FUNDS – MODIFIED CASH BASIS  
DECEMBER 31, 2021

	<u>General</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,743,525	\$ 265,291	\$ 2,008,816
Investments	-	375,647	375,647
<b>TOTAL ASSETS</b>	<u>\$ 1,743,525</u>	<u>\$ 640,938</u>	<u>\$ 2,384,463</u>
<b>FUND BALANCES</b>			
Restricted for:			
Debt Service	-	640,938	640,938
Assigned:			
Capital Expenditures	88,713	-	88,713
Unassigned	1,654,812	-	1,654,812
<b>TOTAL FUND BALANCES</b>	<u>\$ 1,743,525</u>	<u>\$ 640,938</u>	<u>\$ 2,384,463</u>

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

SUNRISE BEACH FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS – MODIFIED CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 1,853,173	\$ 499,628	\$ 2,352,801
Permit Fees	147,614	-	147,614
Contributions	10,380	-	10,380
Interest Income	4,031	320	4,351
Miscellaneous Income	2,319	38	2,357
TOTAL REVENUES	<u>2,017,517</u>	<u>499,986</u>	<u>2,517,503</u>
<b>EXPENDITURES</b>			
Wages and Salaries	994,853	-	994,853
Insurance - Employee	300,096	-	300,096
Workmen's Compensation Insurance	43,250	-	43,250
Retirement	75,696	-	75,696
Payroll Taxes	80,240	-	80,240
Uniforms - Employee Benefits	7,508	-	7,508
Physicals	498	-	498
Attendance Fees	8,800	-	8,800
Dispatching Expense	7,646	-	7,646
Personnel Protective Equipment	49,942	-	49,942
Equipment Purchases	56,690	-	56,690
Training and Conferences	8,389	-	8,389
Medical Supplies	1,038	-	1,038
Boat Dock Rental	13,643	-	13,643
Food	202	-	202
Administrative Services	628	-	628
Insurance	39,502	-	39,502
Office Supplies	2,125	-	2,125
Professional Fees	23,756	-	23,756
Dues and Memberships	359	-	359
Technology	10,047	-	10,047
Fire Prevention	2,026	-	2,026
Telephone	13,721	-	13,721
Alarm Monitoring	2,195	-	2,195
Utilities	57,292	-	57,292
Equipment Repairs	32,792	-	32,792
Gas and Oil	51,041	-	51,041
Truck Testing	17,705	-	17,705
Building Maintenance	8,657	-	8,657
Capital Improvements	19,229	-	19,229
Vehicle Purchases	94,363	-	94,363
Radio Purchases	5,895	-	5,895
Equipment Purchases	210,364	-	210,364
Bond Principal Payments	-	395,000	395,000
Bond Interest Payments	-	123,607	123,607
Miscellaneous	72,917	-	72,917
TOTAL EXPENDITURES	<u>2,313,105</u>	<u>518,607</u>	<u>2,831,712</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(295,588)</u>	<u>(18,621)</u>	<u>(314,209)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Gain (Loss) on Sale of Asset	21,500	-	21,500
Transfer Income (Expense)	(12,296)	12,296	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>9,204</u>	<u>12,296</u>	<u>21,500</u>
NET CHANGE IN FUND BALANCES	(286,384)	(6,325)	(292,709)
FUND BALANCES, BEGINNING	<u>2,029,909</u>	<u>647,263</u>	<u>2,677,172</u>
FUND BALANCES, ENDING	<u>\$ 1,743,525</u>	<u>\$ 640,938</u>	<u>\$ 2,384,463</u>

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

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

General Information

The Sunrise Beach Fire Protection District (the “District”) provides fire protection and emergency medical services to businesses and citizens residing within the District’s boundary. The District was formed with voter approval in August of 1982 under the provisions of Section 321 of the Missouri Statutes. Pursuant to the provisions, the District is operated under the direction of a three member elected board. The Board of Directors (the “Board”) is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters.

As discussed further in Note 1, these financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (“U.S. GAAP”) established by the Governmental Accounting Standards Board (“GASB”). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to U.S. GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

Financial Reporting Entity

The District’s financial reporting entity is composed of the following:

Primary Government: Sunrise Beach Fire Protection District

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 within the limitations of the modified cash basis of accounting. They include all funds of the reporting entity except for fiduciary funds. The Statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed, in whole or in part, by fees charged to external parties for goods or services. The District currently does not have business-type activities.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation (Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows, liabilities, deferred inflows, net position or fund balance, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no proprietary or fiduciary funds. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, bond principal, interest, and related costs.

The District has elected to treat all funds as major funds.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting (Continued)

Measurement Focus (Continued)

In the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below:

In the fund financial statements, the “current financial resources” or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

All governmental funds utilize a “current financial resources” measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than U.S. GAAP as established by the GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the Statement of Net Position or Balance Sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from U.S. GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Position

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 from the date of purchase.

Investments

Investments classified in the financial statements consist entirely of certificates of deposit acquired with cash whose original maturity term exceeds three months. Investments are carried at cost, which approximates fair value.

Capital Assets

The District’s modified cash basis of accounting reports capital assets, resulting from cash transactions or events, acquired for use in governmental fund operations as capital outlay expenditures of the governmental fund upon acquisition in both the government-wide statements and fund financial statements.

Long-Term Debt

Long-term debt arising from cash transactions or events for governmental funds is not reported as liabilities in the fund financial statements or government-wide statements. The debt proceeds are reported as other financing sources and payment of principal and interest is reported as expenditures.

Compensated Absences

As a result of the use of the modified cash basis of accounting, liabilities related to accrued compensated absences are not recorded in the financial statements. Expenditures related to compensated absences are recorded when paid.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Position (Continued)

Net Position/Fund Balance Classifications

Government-Wide Financial Statements

Net position is classified and displayed in two components:

*Restricted* – Consists of assets with restriction constraints placed on their use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

*Unrestricted* – Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements

Governmental Funds

The difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are as follows:

*Nonspendable.* Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.

*Restricted.* Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

*Committed.* Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District's highest level of decision-making authority.

*Assigned.* Amounts constrained by the District's intent to be used for specific purposes but that are neither restricted nor committed.

*Unassigned.* The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Position (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

It is the District's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also District policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

The District's minimum fund balance policy is as follows:

Operating Reserve	4-6 months true operating cost
Vehicle Replacement	\$75,000
Major Item Replacement	\$10,000

Revenues, Expenditures, and Expenses

Program Revenues

In the Statement of Activities, modified cash basis 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 revenue:

Public Safety                      Permit revenue; capital grants; service income and donations

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

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.



SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Internal and Interfund Balances and Activities (Continued)

Fund Financial Statements

Interfund activity resulting from cash transactions or events, if any, within and among the governmental funds and is reported as follows in the fund financial statements:

*Interfund loans.* Amounts provided with a requirement for repayment are reported as interfund receivables and payables.

*Interfund services.* Sales or purchases of goods and services between funds are reported as revenues and expenditures or expenses.

*Interfund reimbursements.* Repayments from funds responsible for certain expenditures or expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures or expenses in the respective funds.

*Interfund transfers.* Flow of assets from one fund to another where payment is not expected are reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances resulting from cash transactions or events, if any, are eliminated or reclassified in the government-wide financial statements as follows:

*Internal balances.* Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the “Governmental” and “Business-Type Activities” columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

*Internal activities.* Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities, except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of inter-fund services between funds are not eliminated in the Statement of Activities.

Use of Estimates

The preparation of financial statements in accordance with the modified cash basis of accounting used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 – CASH AND INVESTMENTS:

*Custodial Credit Risk* – State statutes require that all deposits in financial institutions be fully collateralized in an amount at least equal to uninsured deposits. As of the year ended, the carrying amount of the Districts deposits was \$2,008,816, and the bank balance was \$2,416,944. Of the bank balance, \$250,000 was covered by the Federal Depository Insurance Corporation (“FDIC”) and the remaining bank balances were covered by pledged collateral, a Certificate of Deposit Account Registry Service (CDARS), and a letter of credit.

*Investment Interest Rate Risk* – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Concentration of Investment Credit Risk* – The District places no limit on the amount it may invest in any one issuer. At year end, the District had no concentration of credit risk.

*Investment (Interest Credit Risk)* – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held as of the year ended, are provided in the schedule below.

<u>Type</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Value</u>
Investments:			
Certificate of Deposit	7/21/2022	0.625%	\$ 375,647
Total Investments			<u>\$ 375,647</u>

NOTE 3 – PROPERTY TAXES:

Property taxes are levied by November 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. The assessed values are established by the County Assessors. Taxes are due by December 31, and are considered delinquent on January 1 of the following year. Property taxes attach as an enforceable lien on property as of March 1. The Counties collect the property taxes and remit them to the District on a monthly basis. The District is on the modified cash basis of accounting and receives the majority of the tax receipts in the year proceeding the year of the assessment.

The assessed valuation of the tangible taxable property for the calendar year 2021, for purposes of local taxation, was \$364,917,418 and \$16,211,212, for Camden and Morgan Counties, respectively. The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2021, for the purposes of local taxation was \$0.6263 and \$0.6263, for Camden and Morgan Counties, respectively.

The aggregate revenues of current and delinquent property taxes during the year were approximately 98% and 97% of the current property tax assessment, for Camden and Morgan Counties, respectively.

SUNRISE BEACH FIRE PROTECTION DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 4 – LONG-TERM DEBT:

SUMMARY OF BONDS OUTSTANDING

Bonds outstanding – Beginning	\$ 3,245,000
Bonds issued	-0-
Bonds retired	<u>(395,000)</u>
Bonds outstanding – Ending	<u>\$ 2,850,000</u>

GENERAL OBLIGATION BONDS

Bonds payable as of the year end consisted of:

\$6,850,000 general obligation bonds, series 2006, due in varying installments through March 1, 2027; interest at an average 4.056%.	<u>\$ 2,850,000</u>
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The annual requirements to amortize the bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022-2026	\$ 2,315,000	\$ 352,365	\$ 2,667,365
2027	<u>535,000</u>	<u>10,850</u>	<u>545,850</u>
Total	<u>\$ 2,850,000</u>	<u>\$ 363,215</u>	<u>\$ 3,213,215</u>

Interest expense was \$123,607, for the year ended.

NOTE 5 – RETIREMENT:

General Information about the Pension Plan:

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

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 – RETIREMENT: (Continued)

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

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

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% and the employer contributes 6.5% to the pension plan. Retirement expense was \$75,696, for the year ended.

NOTE 6 – 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 to provide coverage for general liability, property damage, and workers' compensation. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

NOTE 7 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

By its nature as a local government, the District is subject to various federal, state, and local laws and contractual regulations.

NOTE 8 – EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through September 27, 2023, the date which the financial statements were available to be issued.

# OTHER INFORMATION

SUNRISE BEACH FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Property Taxes	\$ 1,832,926	\$ 1,853,173	\$ 1,853,173	\$ -
Permit Fees	80,000	147,614	147,614	-
Contributions	-	10,380	10,380	-
Interest Income	-	2,810	4,031	1,221
Miscellaneous Income	-	-	2,319	2,319
<b>TOTAL REVENUES</b>	<b>1,912,926</b>	<b>2,017,517</b>	<b>2,017,517</b>	<b>3,540</b>
<b>EXPENDITURES</b>				
Wages and Salaries	1,010,053	994,853	994,853	-
Insurance - Employee	259,000	308,099	300,096	(8,003)
Workmen's Compensation Insurance	50,000	43,250	43,250	-
Retirement	70,000	75,696	75,696	-
Payroll Taxes	78,000	79,184	80,240	1,056
Uniforms - Employee Benefits	20,000	7,508	7,508	-
Physicals	8,000	498	498	-
Attendance Fees	8,600	8,800	8,800	-
Dispatching Expense	7,700	7,646	7,646	-
Personnel Protective Equipment	95,000	49,942	49,942	-
Equipment Purchases	120,118	56,690	56,690	-
Training and Conferences	44,000	8,389	8,389	-
Communications	4,000	-	-	-
Medical Supplies	3,000	1,038	1,038	-
Boat Dock Rental	12,500	13,643	13,643	-
Food	2,000	202	202	-
Administrative Services	11,100	1,595	628	(967)
Insurance	36,800	32,466	39,502	7,036
Office Supplies	3,000	2,125	2,125	-
Professional Fees	23,000	23,756	23,756	-
Dues and Memberships	2,200	359	359	-
Technology	27,000	10,047	10,047	-
Fire Prevention	2,000	2,026	2,026	-
Telephone	13,900	13,721	13,721	-
Alarm Monitoring	1,500	2,195	2,195	-
Utilities	38,500	57,292	57,292	-
Equipment Repairs	66,500	32,792	32,792	-
Fabrication	1,000	-	-	-
Gas and Oil	28,000	54,705	51,041	(3,664)
Truck Testing	15,000	17,705	17,705	-
Building Maintenance	16,500	8,657	8,657	-
Capital Improvements	188,800	60,916	19,229	(41,687)
Vehicle Purchase	50,000	13,666	94,363	80,697
Radio Purchases	-	-	5,895	5,895
Equipment Purchases	-	10,326	210,364	200,038
Miscellaneous	16,595	72,880	72,917	37
<b>TOTAL EXPENDITURES</b>	<b>2,333,366</b>	<b>2,072,667</b>	<b>2,313,105</b>	<b>240,438</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(420,440)</b>	<b>(55,150)</b>	<b>(295,588)</b>	<b>(236,898)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Gain (Loss) on Sale of Asset	-	-	21,500	21,500
Transfer Income (Expense)	-	-	(12,296)	(12,296)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>9,204</b>	<b>9,204</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(420,440)</b>	<b>(55,150)</b>	<b>(286,384)</b>	<b>(227,694)</b>
<b>FUND BALANCE, BEGINNING</b>	<b>2,029,909</b>	<b>2,029,909</b>	<b>2,029,909</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,609,469</b>	<b>\$ 1,974,759</b>	<b>\$ 1,743,525</b>	<b>\$ (227,694)</b>

SUNRISE BEACH FIRE PROTECTION DISTRICT  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

Budget Law

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

1. In accordance with Section 67, RSMo, the Board adopts a budget for each fund.
2. Prior to January 1, the Board receives a proposed budget for the fiscal year beginning on the following January 1. The proposed budget includes estimated revenues and proposed expenditures for the District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board, the budget document is available for public inspection.
4. Prior to January 1, the budgets are legally enacted by a vote of the Board.
5. Subsequent to its formal approval of the budget, the Board has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgeted amounts are as originally adopted or as amended by the Board.
7. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid. Budgets lapse at year end.