

***ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI***

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

**ROBERTSON FIRE PROTECTION DISTRICT OF
ST. LOUIS COUNTY, MISSOURI
ST. LOUIS, MISSOURI**

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INDEPENDENT AUDITORS' REPORT



Members of the Board of Directors of
***ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI***

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the remaining fund information, of Robertson Fire Protection District of St. Louis County, Missouri, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the remaining fund information, of the Robertson Fire Protection District of St. Louis County, Missouri, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 17 to the financial statements, in 2018 the District adopted new accounting guidance, GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule Of Changes in Net OPEB Liability and Related Ratios, and Schedule of Employer Contributions - OPEB on pages 4 through 10 and 36 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Robertson Fire Protection District's basic financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements themselves, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Boh Deal & Company
St. Charles, Missouri
June 25, 2019

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

This section of Robertson Fire Protection District of St. Louis County, Missouri's (the District) annual financial report presents management's discussion and analysis of the District's financial activity for the year ended December 31, 2018. In order to have a comprehensive understanding of the Management Discussion and Analysis, we recommend that the attached financial statements, including all notes to the financial statements, be read in their entirety.

Using this Annual Report

The following financial statements are reported utilizing GASB 34, *Governmental Accounting Standards Board Statement - Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments*. The District's basic financial statements are designed to emulate corporate presentation models whereby all District activities are consolidated. This approach is intended to summarize and simplify the analysis of the costs associated with various emergency services provided by the District for the benefit of its residents.

Overview of the Financial Statements

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

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

Required supplementary information and additional supplementary information are also included in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements include the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents all of the District's assets and liabilities which measure the District's overall financial health. The increases and decreases in net position can be monitored to determine whether the District's financial position is improving or deteriorating.

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

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

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Statement Of Revenues, Expenditures And Changes In Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governmental units and/or other funds. The District's fiduciary fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the District's own programs. The District's fiduciary fund is the Employee Benefit Trust Fund.

Notes to the Basic Financial Statements

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

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, this financial report also contains certain required supplementary information. Required Supplementary Information includes a Budgetary Comparison Schedule for the General Fund, Ambulance Fund, and Pension Fund. The Budgetary Comparison Schedules for the Debt Service, Capital Projects, and Dispatch Funds can be found in the Supplementary Information section.

Financial Analysis of the District as a Whole

Government-Wide Financial Analysis

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

Statement of Net Position

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
Assets:			
Current and other assets	\$ 16,303,361	\$ 14,132,186	\$ 2,171,175
Capital assets	<u>6,723,827</u>	<u>6,981,087</u>	<u>(257,260)</u>
Total Assets	<u>23,027,188</u>	<u>21,113,273</u>	<u>1,913,915</u>
Liabilities:			
Current and other liabilities	869,149	412,327	456,822
Long-term liabilities	<u>14,316,566</u>	<u>12,348,485</u>	<u>1,968,081</u>
Total Liabilities	<u>15,185,715</u>	<u>12,760,812</u>	<u>2,424,903</u>
Net Position:			
Net investment in capital assets	1,826,816	1,928,312	(101,496)
Restricted	6,403,648	5,238,120	1,165,528
Unrestricted	<u>(388,991)</u>	<u>1,186,029</u>	<u>(1,575,020)</u>
Total Net Position	<u>\$ 7,841,473</u>	<u>\$ 8,352,461</u>	<u>\$ (510,988)</u>

The District's assets exceeded liabilities by \$7,841,473 as of December 31, 2018. Of this amount, \$1,826,816 is invested in capital assets, net of related debt; \$6,403,648 is restricted for debt service, pension benefits, and dispatching and ambulance services; and unrestricted fund balance is negative \$388,991.

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

The District's net position increased by \$1,427,528 during the year ended December 31, 2018. The key elements of the increase in net position are presented in the following condensed statement of activities:

	<i>Statement of Activities</i>		
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenues:			
Charges for service	\$ 601,445	\$ 528,212	\$ 73,233
General revenues:			
Taxes	4,727,390	3,628,647	1,098,743
Contract revenues	4,583,786	3,996,886	586,900
Interest income	82,997	50,422	32,575
Miscellaneous	32,965	4,342	28,623
Total revenues	<u>10,028,583</u>	<u>8,208,509</u>	<u>1,820,074</u>
Expenses:			
Public safety	8,382,940	8,909,651	(526,711)
Interest and fiscal charges	218,115	232,471	(14,356)
Total expenses	<u>8,601,055</u>	<u>9,142,122</u>	<u>(541,067)</u>
Increase (decrease) in net position	1,427,528	(933,613)	2,361,141
Change in accounting standard	(1,938,516)	-	(1,938,516)
Net position, beginning of year	8,352,461	9,286,074	(933,613)
Net position, end of year	<u>\$ 7,841,473</u>	<u>\$ 8,352,461</u>	<u>\$ (510,988)</u>

Program revenue includes activities that have the characteristics of exchange transactions, such as commercial and residential inspections and ambulance billings. General revenues include activities that have the characteristics of non-exchange transactions, such as property taxes and investment earnings. Expenses of the District are for the purpose of providing fire protection, emergency medical services and operational activities of the District. The District's expenses are funded primarily through general revenues.

Tax revenue increased due to an increase in assessed values of over 7% in 2018 compared to 2017. In addition, the tax rate for debt service increased from \$0.209 in 2017 to \$0.387 in 2018. Revenue on a government-wide basis as presented above is presented on a full accrual basis, which means taxes and contract revenue are recognized when levied with no considerations as to when the taxes are received. Therefore, contract revenue show approximately \$4.6 million in 2018, but the District only collected about \$700,000 from the City of Hazelwood during 2018. As a result, the District has cut expenses as much as possible during 2018.

Fund Analysis

General Fund

General Fund expenditures exceeded General Fund revenues by \$1,205,096. This is primarily due to the decrease in contract revenue and permit revenue.

Ambulance Fund

Ambulance Fund expenditures exceeded Ambulance Fund revenues by \$1,027,886. This is mainly due to a decrease in contract revenue.

Dispatch Fund

Dispatch Fund expenditures exceeded Dispatch Fund revenues by \$23,509. This is primarily the result of dispatching services expense exceeding tax revenues and contract fees. The district is required to pay for dispatching service during the year the service is provided regardless of when the taxes and contract revenue is received.

Pension Fund

Pension Fund revenues exceeded Pension Fund expenditures by \$56,606. This is primarily due to the decrease in pension contribution.

Capital Projects Fund

The fund balance in the Capital Projects Fund decreased \$248,935 due to the District spending funds from bonds issued in previous years.

Debt Service Fund

Debt Service Fund revenues exceeded Debt Service Fund expenditures by \$27,856. This is primarily the result of tax receipts and contract fees exceeding bond payments. Tax rates are adjusted based on the amount of fund balance in relation to future debt service requirements.

Property taxes are levied at the end of the fiscal year. Accounting standards require revenue related to the tax levy be recognized in the current year for taxes collected up to 60 days after year end, which then increases the fund balance at year end. The District assigns a portion of the General Fund balance based on collections of the tax levy that will be utilized to pay the subsequent year's operating expenses. The remaining unassigned fund balance depicts a more clear report of the availability of fund balance for current expenditures. Since all funds, except the General Fund, that collect taxes are restricted by enabling legislation, the respective fund balances are reported at the highest level of restriction and, therefore, do not report assigned fund balance for these funds. The following table shows the amount of fund balance in the funds that relates to taxes levied to be used to finance the subsequent year's operations:

<u>Fund</u>	<u>Restricted Fund Balance</u>	<u>Subsequent Year's Operations</u>	<u>Reserve</u>
Ambulance	\$ 593,575	\$ 763,679	\$ (170,104)
Debt Service	356,074	425,365	(69,291)
Pension	501,036	219,827	281,209
Dispatch	275,486	54,957	220,529

Any fund with a negative reserve balance would indicate that tax receipts normally assigned to the subsequent year's operations were needed to pay current year's operations. The General Fund has assigned fund balance totaling \$1,885,853, resulting in a reserve (unassigned) of \$-0-.

Budget Analysis

The District adopts an annual budget for each of its governmental funds, pursuant to Missouri State Statutes. Annually, as allowed by Missouri State Statutes, the District amends the budgets of each fund to reflect approved changes in spending requirements and unforeseen events that occurred during the most recent year.

The difference between the original budget as adopted by the Board for 2018 and the final amended budget as approved by the Board for 2018 was primarily due to the timing of tax receipt collections from St. Louis County and expenditure overruns. Timing of tax receipt collections could result from a) the economy, or b) tax collections received by St. Louis County, or c) the processing of tax collections by St. Louis County. Budgeted expenditures were decreased in the General Fund and Ambulance Fund for decreases in personnel costs and employee benefits.

Capital Assets

GASB 34 requires the District to include in capital assets all real estate to house firefighters and ambulance personnel and emergency vehicles, the District's administrative building, and all emergency and administrative equipment and vehicles owned by the District. The District has adopted a capitalization policy with specific useful lives by capital asset category.

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
Land	\$ 479,629	\$ 479,629	-
Buildings and improvements	6,957,945	6,957,945	-
Furniture and equipment	823,535	831,035	(7,500)
Vehicles	3,515,688	3,523,232	(7,544)
Total	<u>11,776,797</u>	<u>11,791,841</u>	<u>(15,044)</u>
Less: Accumulated depreciation	<u>(5,052,970)</u>	<u>(4,810,754)</u>	<u>(242,216)</u>
Net Capital assets	<u>\$ 6,723,827</u>	<u>\$ 6,981,087</u>	<u>\$ (257,260)</u>

More detailed information on the District's capital assets is presented in the notes to the financial statements.

Long-Term Debt

During the year ended December 31, 2008, the District issued \$4,000,000 in fire protection bonds, with average interest rates ranging from 3.25% through 5.5%. These bonds were issued for the purpose of funding the renovation of a firehouse and the purchase of firefighting and ambulance vehicles and equipment. During the year ended December 31, 2011, the District issued \$1,000,000 in General Obligation Fire Protections Bonds, with interest rates ranging from 2.0% to 6.0%. The bonds were issued for the purpose of funding the renovation of a firehouse. During the year ended December 31, 2013, the District issued \$1,500,000 in General Obligation Fire Protections Bonds, with interest rates ranging from 1.75% to 2.5%. The bonds were issued for the purpose of additional funding for the renovation of a firehouse as well as to purchase three new ambulances and other apparatus and equipment. During the year ended December 31, 2016, the District issued \$3,500,000 in General Obligation Fire Protections Bonds, with interest rates ranging from 2.0% to 3.0%. The bonds were issued to finance facilities and equipment. At the end of the year, the District had outstanding Fire Protection Bonds totaling \$6,975,000.

More detailed information on the District's long-term liabilities is presented in the notes to the financial statements.

Economic Factors

The District serves over 45,000 residents (daytime population) and has mutual aid agreements with all Fire Protection Districts and Fire Departments in the 'Region C' area of Missouri. The District also participates in the statewide mutual aid program through the State of Missouri's Division of Fire Safety. While the District includes office buildings, regional and local shopping areas, churches, residential care and light manufacturing facilities, it primarily consists of single and multi-family residential housing. Hence, the District is somewhat insulated from significant changes in the economy. The amount of tax revenue is dependent upon the assessed value of real estate and will determine what the District will have available to fund future operations.

Contact Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. This financial report demonstrates the District's spirit of full disclosure to provide readers of this report with an overview of the District's financial operations. For questions or requests for additional information, please direct requests to the Chief of the Fire Protection District at 12641 Missouri Bottom Road, Hazelwood, MO 63042.

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Governmental Activities
ASSETS	
Cash and investments	\$ 1,493,479
Receivables:	
Property	4,419,337
Contract revenues	7,964,662
Ambulance billings	204,111
Prepaid items	71,717
Restricted cash and investments	2,150,055
Capital assets - net:	
Nondepreciable	479,629
Depreciable	6,244,198
TOTAL ASSETS	23,027,188
LIABILITIES	
Accounts payable	218,136
Accrued wages	443,390
Accrued interest payable	60,736
Payroll liabilities	26,397
Other liabilities	120,490
Noncurrent liabilities:	
Due in one year	727,316
Due in more than one year	8,040,360
Net OPEB liability	5,548,890
TOTAL LIABILITIES	15,185,715
NET POSITION	
Net investment in capital assets	1,826,816
Restricted for:	
Ambulance services	3,230,542
Bond retirement	1,499,095
Dispatch services	454,984
Pension benefits	1,219,027
Unrestricted (deficit)	(388,991)
TOTAL NET POSITION	\$ 7,841,473

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

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenue Charges for Service	Net (Expense) Revenue and Change in Net Position Governmental Activities
Governmental Activities			
Public safety	\$ 8,382,940	\$ 601,445	\$ (7,781,495)
Interest and fiscal charges	218,115	-	(218,115)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 8,601,055	\$ 601,445	(7,999,610)
General Revenues:			
			4,727,390
			4,583,786
			82,997
			32,965
			9,427,138
			1,427,528
			8,352,461
			(1,938,516)
			6,413,945
			\$ 7,841,473

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

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General Fund	Ambulance Fund	Debt Service Fund	Pension Fund	Capital Projects Fund	Nonmajor Fund Dispatch	Total
ASSETS							
Cash and investments	\$ 658,388	\$ 542,200	\$ 74,346	\$ 10,089	\$ -	\$ 208,456	\$ 1,493,479
Receivables:							
Property taxes	2,256,917	1,128,135	628,365	324,736	-	81,184	4,419,337
Contract revenues	4,194,106	2,091,883	923,192	604,385	-	151,096	7,964,662
Ambulance billings	-	204,111	-	-	-	-	204,111
Prepaid items	71,717	-	-	-	-	-	71,717
Due from other funds	678,425	-	-	422,856	1	14,248	1,115,530
Restricted cash and investments	-	-	-	-	2,150,055	-	2,150,055
TOTAL ASSETS	<u>\$7,859,553</u>	<u>\$3,966,329</u>	<u>\$1,625,903</u>	<u>\$1,362,066</u>	<u>\$2,150,056</u>	<u>\$ 454,984</u>	<u>\$17,418,891</u>
LIABILITIES							
Accounts payable	\$ 72,757	\$ 2,340	\$ -	\$ 143,039	\$ -	\$ -	\$ 218,136
Due to other funds	437,105	551,617	126,808	-	-	-	1,115,530
Payroll liabilities	21,923	4,474	-	-	-	-	26,397
Other liabilities	120,490	-	-	-	-	-	120,490
Accrued wages	266,034	177,356	-	-	-	-	443,390
TOTAL LIABILITIES	<u>918,309</u>	<u>735,787</u>	<u>126,808</u>	<u>143,039</u>	<u>-</u>	<u>-</u>	<u>1,923,943</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue:							
Property taxes	1,130,148	564,912	314,653	162,611	-	40,653	2,212,977
Contract revenues	3,853,526	1,921,642	828,368	555,380	-	138,845	7,297,761
Ambulance fees	-	150,413	-	-	-	-	150,413
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,983,674</u>	<u>2,636,967</u>	<u>1,143,021</u>	<u>717,991</u>	<u>-</u>	<u>179,498</u>	<u>9,661,151</u>
FUND BALANCES							
Nonspendable	71,717	-	-	-	-	-	71,717
Restricted for:							
Ambulance service	-	593,575	-	-	-	-	593,575
Debt service	-	-	356,074	-	-	-	356,074
Pension	-	-	-	501,036	-	-	501,036
Capital projects	-	-	-	-	2,150,056	-	2,150,056
Dispatching	-	-	-	-	-	275,486	275,486
Assigned:							
Subsequent year's operations	385,853	-	-	-	-	-	385,853
Other post employment benefits	1,500,000	-	-	-	-	-	1,500,000
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>1,957,570</u>	<u>593,575</u>	<u>356,074</u>	<u>501,036</u>	<u>2,150,056</u>	<u>275,486</u>	<u>5,833,797</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$7,859,553</u>	<u>\$3,966,329</u>	<u>\$1,625,903</u>	<u>\$1,362,066</u>	<u>\$2,150,056</u>	<u>\$ 454,984</u>	<u>\$17,418,891</u>

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

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF THE BALANCE SHEET
OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

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

Total fund balance per balance sheet	\$ 5,833,797
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,723,827
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	9,661,151
Interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported in the governmental funds.	(60,736)
Unused sick time and other post employment benefits liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(7,269,500)
Long-term liabilities such as bonds payable and the related deferred amounts are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(7,047,066)</u>
Net position of governmental activities	<u><u>\$ 7,841,473</u></u>

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

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	General Fund	Ambulance Fund	Debt Service Fund	Pension Fund	Capital Projects Fund	Nonmajor Fund Dispatch Fund	Total
REVENUES							
Property taxes	\$ 2,286,781	\$ 1,141,436	\$ 539,913	\$ 329,446	\$ -	\$ 82,301	\$ 4,379,877
Contract revenues	466,637	232,951	113,841	67,203	-	16,801	897,433
Service fees	-	320,861	-	-	-	-	320,861
Interest	25,754	15,349	1,311	-	36,530	4,053	82,997
Permits and reports	193,128	-	-	-	-	-	193,128
Miscellaneous income	22,818	432	-	177	-	-	23,427
TOTAL REVENUES	2,995,118	1,711,029	655,065	396,826	36,530	103,155	5,897,723
EXPENDITURES							
Public Safety:							
Personnel	2,750,215	1,902,347	-	-	-	-	4,652,562
Employee benefits	620,407	459,922	-	340,220	-	-	1,420,549
Building and mobile equipment	139,514	41,696	-	-	-	-	181,210
Administration and miscellaneous	690,078	334,950	-	-	-	-	1,025,028
Dispatching	-	-	-	-	-	126,523	126,523
Capital outlay	-	-	-	-	285,465	141	285,606
Principal, interest and fiscal charges	-	-	627,209	-	-	-	627,209
TOTAL EXPENDITURES	4,200,214	2,738,915	627,209	340,220	285,465	126,664	8,318,687
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,205,096)	(1,027,886)	27,856	56,606	(248,935)	(23,509)	(2,420,964)
OTHER FINANCING SOURCES (USES)							
Sale of fixed assets	9,601	-	-	-	-	-	9,601
CHANGE IN FUND BALANCE	(1,195,495)	(1,027,886)	27,856	56,606	(248,935)	(23,509)	(2,411,363)
FUND BALANCES - BEGINNING OF YEAR	3,153,065	1,621,461	328,218	444,430	2,398,991	298,995	8,245,160
FUND BALANCES - END OF YEAR	\$ 1,957,570	\$ 593,575	\$ 356,074	\$ 501,036	\$ 2,150,056	\$ 275,486	\$ 5,833,797

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

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

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

Change in fund balance-total governmental funds	\$ (2,411,363)
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	231,905
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities.	(489,102)
The net effect of other miscellaneous transactions involving capital assets (ie. sales or trade-ins) decrease net position.	(63)
Revenues that do not provide current financial resources are not included in the fund financial statements.	4,121,322
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(434,265)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	400,000
Bond issuance premiums associated with long-term bonds are capitalized on the government-wide statements and amortized over the life of the bonds.	4,700
Interest payable does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.	<u>4,394</u>
Change in net position of governmental activities	<u><u>\$ 1,427,528</u></u>

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

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2018

	<u>Employee Benefit Trust Fund</u>
ASSETS	
Investments	<u>\$ 313,156</u>
NET POSITION	
Held in trust for employee benefits	<u>\$ 313,156</u>

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

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018

	Employee Benefit Trust Fund
ADDITIONS	
Employer contributions	\$ 66,395
Interest and dividends	24,071
Net decrease in fair value of investments	(48,285)
TOTAL ADDITIONS	42,181
DEDUCTIONS	
Administrative expenses	207
Distributions	14,130
TOTAL DEDUCTIONS	14,337
INCREASE IN NET POSITION	27,844
NET POSITION - BEGINNING OF YEAR	285,312
NET POSITION - END OF YEAR	\$ 313,156

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

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Robertson Fire Protection District of St. Louis County, Missouri, (the District) provides fire protection, prevention, and emergency ambulance service to its residents.

A. REPORTING ENTITY

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

B. BASIC FINANCIAL STATEMENTS

Basic financial statements consist of the following:

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

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

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

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

B. **BASIC FINANCIAL STATEMENTS** - continued

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

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

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

Fund Financial Statements - Separate fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, Ambulance Fund, Pension Fund, Capital Projects Fund and the Debt Service Fund. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of either fund category for the governmental and enterprise combined) for the determination of major funds.

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

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

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. In general, the District considers revenues available if they are collected within 120 days after year-end, except for property taxes and contract revenue, which the District considers available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

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

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

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

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

The District reports the following major governmental funds:

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

Ambulance Fund - This fund is a special revenue fund used to account for the proceeds of a special tax levy restricted for ambulance operations.

Debt Service Fund - This fund is used to account for the proceeds of a tax levy which will be used to retire the District's fire protection bonds.

Pension Fund - This fund is used to account for property tax revenue collected to make contributions to the District's employee retirement plan.

Capital Projects Fund - This fund is used to account for the proceeds of the District's fire protection bond issue and the various capital expenditures made with the proceeds.

The Dispatch Fund is considered nonmajor. The Dispatch Fund is a special revenue fund used to account for the proceeds of a special tax levy restricted for the purpose of dispatching services. This is accomplished by means of a contractual agreement with Central County Emergency 911 Dispatching Center to provide dispatching services.

Additionally, the District reports the following fund types:

Fiduciary Fund - The District uses this fund to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and other governments. The Employee Benefit Trust Fund accounts for the assets of the District's medical expense reimbursement plan held in a Voluntary Employees' Beneficiary Association Trust.

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

D. **PREPAID ITEMS**

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

E. **CAPITAL ASSETS**

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

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

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	15 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	5 - 15 years

F. **ESTIMATES**

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

G. **INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

H. **EXPENSE ALLOCATIONS BETWEEN FUNDS**

The salaries and fringe benefits of employees who perform as both firefighters and emergency medical personnel are allocated between the General and Ambulance Funds. The allocations are 60% to the General Fund and 40% to the Ambulance Fund. The percentage that the ambulance salaries bear to total salaries is used to allocate employee benefit expenses.

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

I. **COMPENSATED ABSENCES**

The District's sick leave policy provides sick days to be accumulated at a rate of twelve days per year for battalion employees and twenty-four days per year for support staff. The maximum accumulation of sick days is 68 days for battalion employees and 140 days for support staff. Sick days are not paid to employees upon termination; however beginning on January 1, 2010, an employee reaching retirement age will receive a contribution to the employee's VEBA account in an amount equal to their unused sick leave. The liability for this benefit has been recorded as a noncurrent liability in the statement of net position as this benefit is not expected to be paid from current assets.

The District grants vacation to employees at a rate based on years of employment. Employees with one year of service or more are entitled to paid vacation based on their length of service to the District. Vacation time must be taken in the year in which it was earned.

J. **NET POSITION AND FUND EQUITY**

In government-wide financial statements, net position is reported in three categories: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt. Restricted net position represents net position restricted by parties outside of the District (such as creditors, grantors, contributors, laws and regulations of other governments). All other net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the District's policy to use restricted first, then unrestricted resources as they are needed. The government-wide statement of net position reports \$6,403,648 of restricted position, all of which is restricted by enabling legislation.

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

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

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

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

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

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

J. **NET POSITION AND FUND EQUITY** - continued

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

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

K. **CONCENTRATION OF LABOR**

Approximately 90% of the labor force was subject to a collective bargaining agreement, which expires December 31, 2018.

2. **BUDGETS AND BUDGETARY ACCOUNTING**

Prior to January 1, the budget is legally enacted. Projected expenditures cannot exceed estimated revenues plus any unencumbered balance estimated for the beginning of the budget year. The budget is prepared on a cash basis of accounting.

3. **CASH AND INVESTMENTS**

The District's bank deposits are required by state law to be secured by the deposit of certain securities with the District or trustee institution. 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, 2018, the carrying amount of the District's bank deposits totaled \$3,643,534 with bank balances of \$3,300,601. The bank balances were covered by federal depository insurance or collateralized by securities held by the pledging financial institution in the District's name or secured by a letter of credit.

State statutes authorize Missouri local governments to invest in obligations of the U.S. Treasury, U.S. agencies and various state and local governments. Employee Benefit Trust Fund investments may invest in obligations of the U.S. Treasury, U.S. agencies, common and preferred stock and other securities approved by applicable sections of the Missouri Revised Statutes and Missouri Constitution. Investments held by the Employee Benefit Trust Fund are recorded at fair value.

As of December 31, 2018, the District has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
Employee Benefit Trust Funds:	
Equity security funds	\$ 313,156

3. **CASH AND INVESTMENTS** - continued

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. As of December 31, 2018, none of the District's deposits at financial institutions were exposed to custodial credit risk. In order to reduce custodial credit risk, the District requires financial institutions to pledge securities or provide an irrevocable letter of credit. Time deposits are purchased through the ICS program which purchases certificates of deposits through various financial institutions up to the FDIC limit.

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

Concentration of Credit Risk - The District places no limit on the amount that may be invested in any one issuer. As of December 31, 2018, the District did not hold any investments outside of the Employee Benefit Trust Fund. This fund holds investments in mutual funds which are not subject to concentration of credit risk disclosures.

4. **FAIR VALUE MEASUREMENTS**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of December 31, 2018:

Equity Mutual Funds valued at \$313,156, are valued using the net asset value at the close of business each day multiplied the number of shares held by the District at the close of business. (Level 1). The accounts have no unfunded commitments, redemption restrictions or redemption notice period.

5. **PROPERTY TAX**

The District's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the District. Taxes are levied in September or October and payable by December 31. The County collects the property tax and remits it to the District. Assessed values are established by the St. Louis County Assessor subject to review by the Board of Equalization. The following assessed values include Hazelwood but exclude the value of real estate in TIF Districts:

Assessed Valuation and Tax Rate	
Real estate	\$ 107,117,424
Personal property	55,630,300
Total Assessed Valuation	<u>\$ 162,747,724</u>

5. **PROPERTY TAX** - continued

Tax Rate (per \$100 of Assessed Valuation)

<u>Fund</u>	<u>Residential</u>	<u>Agricultural</u>	<u>Commercial</u>	<u>Personal Property</u>
General Fund	\$ 1.3900	\$ 1.3900	\$ 1.3900	\$ 1.3900
Ambulance Fund	.6630	.4910	.6980	.7000
Dispatching Fund	.0500	.0500	.0500	.0500
Debt Service Fund	.3870	.3870	.3870	.3870
Pension Fund	.2000	.2000	.2000	.2000

6. **CAPITAL ASSETS**

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

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>TRANSFERS AND ADDITIONS</u>	<u>TRANSFERS AND DELETIONS</u>	<u>BALANCE, END OF YEAR</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 479,629	\$ -	\$ -	\$ 479,629
Total capital assets, not being depreciated	<u>479,629</u>	<u>-</u>	<u>-</u>	<u>479,629</u>
Capital assets, being depreciated:				
Buildings and improvements	6,957,945	-	-	6,957,945
Furniture and equipment	831,035	-	(7,500)	823,535
Vehicles	<u>3,523,232</u>	<u>231,905</u>	<u>(239,449)</u>	<u>3,515,688</u>
Total capital assets, being depreciated	<u>11,312,212</u>	<u>231,905</u>	<u>(246,949)</u>	<u>11,297,168</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,303,711)	(211,000)	-	(2,514,711)
Furniture and equipment	(680,921)	(36,102)	7,437	(709,586)
Vehicles	<u>(1,826,122)</u>	<u>(242,000)</u>	<u>239,449</u>	<u>(1,828,673)</u>
Total accumulated depreciation	<u>(4,810,754)</u>	<u>(489,102)</u>	<u>246,886</u>	<u>(5,052,970)</u>
Total capital assets, being depreciated, net	<u>6,501,458</u>	<u>(257,197)</u>	<u>(63)</u>	<u>6,244,198</u>
Total governmental activities	\$ <u>6,981,087</u>	\$ <u>(257,197)</u>	\$ <u>(63)</u>	\$ <u>6,723,827</u>

All depreciation expense was charged to public safety on the government-wide financial statements.

7. LONG-TERM DEBT

General Obligation Fire Protection Bonds - The District has been authorized to issue up to \$10,000,000 in bonds. During September of 2008, the District issued bonds totaling \$4,000,000 to fund the renovation of a firehouse and purchase various firefighting and ambulance vehicles and equipment. As of December 31, 2018, the outstanding principal balance of the bonds consists of the following:

Fire Protection Bonds Series 2008	\$1,900,000
The Bank of New York Mellon	
Interest rate - 3.25% to 5.5%	
Matures - September 15, 2028	
Annual payments range from \$200,000 to \$525,000	

General Obligation Fire Protection Bonds - During January 2011, the District issued bonds totaling \$1,000,000 to fund the renovation of a certain firehouse. As of December 31, 2018, the outstanding principal balance of the bonds consists of the following:

General Obligation Fire Protection Series 2011	\$475,000
The Bank of New York Mellon	
Interest rate - 2.0% to 6.0%	
Matures - September 15, 2030	
Annual payments range from \$28,750 to \$114,038	

General Obligation Fire Protection Bonds - During January 2013, the District issued bonds totaling \$1,500,000 to fund an addition to Firehouse No. 2 and to purchase three new ambulances and other apparatus and equipment. As of December 31, 2018, the outstanding principal balance of the bonds consists of the following:

General Obligation Fire Protection Series 2013	\$1,275,000
The Bank of New York Mellon	
Interest rate - 1.75% to 2.5%	
Matures - March 15, 2032	
Annual payments range from \$54,969 to \$122,500	

7. **LONG-TERM DEBT** - continued

General Obligation Fire Protection Bonds - During January 2016, the District issued bonds totaling \$3,500,000 to finance facilities and equipment. As of December 31, 2018, the outstanding principal balance of the bonds consists of the following:

General Obligation Fire Protection
 Series 2016 \$3,325,000
 UMB Bank
 Interest rate - 2.0% to 3.0%
 Matures - March 15, 2035
 Annual payments range from \$109,375
 to \$431,375

All of the bond principal and interest payments are funded by a dedicated tax accounted for in the Debt Service Fund. Annual debt service payments on the bonds payable are as follows:

<u>YEAR</u>	<u>Governmental Activities</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2019	\$ 400,000	\$ 208,237	\$ 608,237
2020	450,000	195,549	645,549
2021	325,000	181,413	506,413
2022	300,000	166,162	466,162
2023	700,000	153,800	853,800
2024 - 2028	2,275,000	567,741	2,842,741
2029 - 2033	1,850,000	227,176	2,077,176
2034 - 2035	675,000	22,875	697,875
Total	<u>\$ 6,975,000</u>	<u>\$ 1,722,953</u>	<u>\$ 8,697,953</u>

7. **LONG-TERM DEBT** - continued

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

	BALANCE, BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	BALANCE, END OF YEAR	DUE WITHIN ONE YEAR
Governmental activities:					
General Obligation Fire Protection Bonds					
Series 2008	\$ 2,075,000	\$ -	\$ (175,000)	\$ 1,900,000	\$ 175,000
General Obligation Fire Protection Refunding Bonds					
Series 2011	550,000	-	(75,000)	475,000	75,000
General Obligation Fire Protection Bonds					
Series 2013	1,325,000	-	(50,000)	1,275,000	50,000
General Obligation Fire Protection Bonds					
Series 2016	3,425,000	-	(100,000)	3,325,000	100,000
Issuance premiums	76,766	-	(4,700)	72,066	-
Compensated absences	1,754,759	368,597	(402,746)	1,720,610	327,316
Total governmental activities	<u>\$ 9,206,525</u>	<u>\$ 368,597</u>	<u>\$ (807,446)</u>	<u>\$ 8,767,676</u>	<u>\$ 727,316</u>

8. **INTERFUND TRANSACTIONS**

All revenue and expenditures are recorded through the General Fund cash receipts and disbursements records. This method results in the necessity of maintaining interfund accounts receivable and payable to provide fund accountability. As of December 31, 2018, the General Fund owes the other funds for taxes received by the General Fund that were not paid over to the other funds prior to December 31, 2018. In addition, certain costs are paid by the General Fund and allocated to other funds as appropriate. The interfund balances at December 31, 2018 are as follows:

	<u>DUE TO</u>	<u>DUE FROM</u>
Major Governmental Funds:		
General	\$ 437,105	\$ 678,425
Ambulance	551,617	-
Debt Service	126,808	-
Capital Projects	-	1
Pension	-	422,856
Non-major Governmental Funds:		
Dispatch	-	14,248
	<u>\$ 1,115,530</u>	<u>\$ 1,115,530</u>

9. **RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined together with other districts to form a group of self-insurers for workers' compensation, a public entity risk pool currently operating as a common risk management and insurance program for worker compensation claims. The District pays an annual premium to the pool for its insurance coverage. The agreement for formation of the Missouri Fire and Ambulance Districts' Insurance Trust (MoFAD) provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event.

The pooling agreement allows for the pool to use 5% of assessment to make the pool self-sustaining for supplemental aggregate reinsurance coverage. This coverage will be funded until the cumulative balance reaches \$1,000,000. The Missouri Fire and Ambulance Districts' Insurance Trust has published its own financial report for the year ended December 31, 2018 that can be obtained from MoFAD.

10. **CONTRACTUAL AGREEMENTS**

The District has a contractual agreement with Central County Emergency 911 Dispatching Center for dispatching services through December 31, 2023. The agreement automatically renews unless either party provides written notice 180 days prior to January 1 of each year. The agreement requires that the District pay fees equal to the amount which would be collected from a tax levy per one hundred dollars of assessed valuation of all taxable, tangible property within the District's boundaries. The agreement calls for the payment to be calculated on the as following tax levies:

Year ended December 31:		
2019	\$	0.0350
2020		0.0350
2021		0.0360
2022		0.0370
2023		0.0375

11. **SERVICE AGREEMENT**

The District has entered into an agreement (the Agreement) with the City of Hazelwood (the City) to provide fire protection, emergency and ambulance services to an area annexed by the City in an annexation election dated June 7, 1994. The agreement requires the City to pay the District an annual fee for fire protection, emergency and ambulance services in an amount that approximates the amount taxes which would have been levied by the District in the annexed area had the area not been annexed. The agreement requires the City to pay, on or before January 15 of each year, 99% of the tax the District would have levied on personal property in the annexed area as well as the amount of Manufacturers Equipment Tax the District would have levied in the annexed area. Within five banking days of the receipt of real property tax attributable to the annexed area, the City must remit to the District the amount it would have levied on the real property for which taxes were paid.

11. **SERVICE AGREEMENT** - continued

During 2018, the City did not pay to the District fees as outlined in the service agreement. As a result, the District has recorded related accounts receivable totaling \$7,964,662 as of December 31, 2018. The District and the City are engaged in litigation to settle a dispute over the payment.

12. **DEFINED CONTRIBUTION PLANS**

The District has adopted a defined contribution pension plan named Robertson Fire Protection District Defined Contribution Pension Plan (the Plan) administered by ADP. The District is required to make an employer contribution for each eligible employee as defined by the Plan. Plan participants' benefits are subject to a vesting schedule detailed in the Plan. The amount of the employer contribution for any plan year is equal to the portion of the special tax levy, provided for in the Missouri Statutes, designated for pension purposes, but cannot exceed 25% of the compensation paid to active participants in the plan year. Changes to the plan must be approved by the trustee board which consists of the Board of directors and the fire chief. Contributions to the Plan for 2018, represented by the pension tax levy and the pension funds share of service agreement income, totaled \$340,220. The District's pension contribution payable at December 31, 2018 is \$143,039.

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 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. Participants' rights under the deferred compensation plan are equal to the fair market value of the deferred account for each participant.

In 2006, the District established a Voluntary Employees' Benefit Association tax-exempt trust as provided under Section 501(c)(9) of the Internal Revenue Code. The (VEBA) plan, which is a defined contribution plan, is administered by Security Benefit Group. The District contributes a flat dollar amount for each employee. Participants may access their account upon separation from service to reimburse eligible health care expenses that they and their qualified dependents have incurred. Contributions totaling \$12,300 were deposited by the District into the plan during 2018. In 2010, the District amended the plan to allow the District to contribute an amount equal to an employee's unused sick time upon a qualified retirement from the District.

13. **OTHER POST EMPLOYMENT BENEFITS (OPEB)**

Plan Description and Provisions - The District has a single-employer other post employment plan that provides its retirees with access to healthcare (medical and dental). The District is responsible for 100% of all premiums until the retiree reaches Medicare eligibility. Employees become eligible for other post employment benefits at age 55 with 20 years of service. The OPEB Plan does not issue a separate stand-alone financial report. Benefits under the OPEB Plan are established by ordinance and may be changed by the passage of an ordinance. The District funds these benefits on a pay as you go basis.

Net position as of December 31, 2017 has been restated for the retroactive implementation of GASB Statement 75.

13. **OTHER POST EMPLOYMENT BENEFITS (OPEB) - continued**

At December 31, 2018, the date of the last actuarial valuation, the Plan covered the following number of participants:

Active participants	44
Retirees and beneficiaries currently receiving benefits	<u>3</u>
Total Plan Participants	<u><u>47</u></u>

Valuations are performed using the Entry Age Normal Level percentage of salary method where service cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and annual service cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.

Actuarial Assumptions

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	4.11% (January 1, 2019); 3.44% (January 1, 2018)
Healthcare Coverage Election rate	Active/inactive employees with current coverage: 100% Active/inactive employees with no coverage: 0%
Inflation rate	3.25%
Mortality rates	RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 (RPH-2018 table is created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2018 using MP-2018 improvement.)

Discount Rate

The discount rate used to measure the total OPEB liability was 4.11%. Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

13. **OTHER POST EMPLOYMENT BENEFITS (OPEB) - continued**

Total OPEB Liability

OPEB Liability as of December 31, 2017	\$	<u>5,080,476</u>
Changes for the year:		
Service cost		269,915
Interest		181,854
Changes in assumptions		(384,088)
Differences between expected and actual experience		529,724
Benefit payments		<u>(128,991)</u>
Net Changes		<u>468,414</u>
OPEB Liability as of December 31, 2018	\$	<u><u>5,548,890</u></u>

As of December 31, 2018, the most recent actuarial valuation available, the District does not fund the OPEB Plan. The fiduciary net position at December 31, 2018 was \$-0-.

Sensitivity Of The Net OPEB Liability

Discount Rate Sensitivity - The following presents the total OPEB liability of the District, calculated using the discount rate of 4.11%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.11%) or 1 percentage-point higher (5.11%) than the current rate:

	1% Decrease <u>3.11%</u>	Current Discount Rate <u>4.11%</u>	1% Increase <u>5.11%</u>
Discount Rate Sensitivity	\$ 6,020,061	\$ 5,548,890	\$ 5,110,856

Healthcare Trend Rate Sensitivity - The following presents the total OPEB liability of the District, calculated using the healthcare trend rate starting at an initial rate of 2.0%, changing to an ultimate rate of 4.5%, as well as what the District's net OPEB liability would be if it were calculated using a trend rate that is 1 percentage-point lower (an initial rate of 1.0%, changing to an ultimate rate of 3.5%) or 1 percentage-point higher (an initial rate of 3.0%, changing to an ultimate rate of 5.5%) than the current rate:

	1% Decrease <u>3.5%</u>	Current Trend Rate <u>4.5%</u>	1% Increase <u>5.5%</u>
Trend Rate Sensitivity	\$ 4,953,713	\$ 5,548,890	\$ 6,231,520

Other Post Employment Benefit Expense And Deferred Outflows of Resources and Deferred Inflows Of Resources Related to the OPEB

For the year-ended December 31, 2018, the District recognized OPEB expense of \$597,405. At December 31, 2018, the District reported no deferred outflow or deferred inflows of resources related to the OPEB Plan. Therefore, no deferred inflows or outflows of resources will be reflected in the future years' OPEB expense.

13. **OTHER POST EMPLOYMENT BENEFITS (OPEB) - continued**

Other Post Employment Benefit Expense And Deferred Outflows of Resources and Deferred Inflows Of Resources Related to the OPEB - continued

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectation and new estimates are made about the future. The schedule of employer contributions presented immediately following the financial statements as required supplementary information presents multi-year trend information as available.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. Consistent with this perspective, actuarial valuations, will use actuarial methods and assumptions that include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities.

14. **COMMITMENTS AND CONTINGENCIES**

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

The District is party to several lawsuits between the District and the City of Hazelwood, Missouri. The City annexed unincorporated areas served by the Robertson Fire Protection District prior to annexation. It is the District's position the City is required to pay fees equal to the amount of tax that would be collected from the property owners within the annexed area to the District to cover the costs of providing emergency services to the annexed area, in accordance with the agreement signed between the City and the District at the time of annexation. If the District were to not successful in the prosecution of this litigation with the City, it could have a significant impact on the revenues and expenses of the District.

15. **TAX ABATEMENTS**

As of December 31, 2018, the District is subject to the real and personal property tax abatement program initiated by the St. Louis County, Missouri under Chapter 100 RSMo. The effect of the tax abatement program to the District was \$190,643 for the year ended December 31, 2018.

The District is subject to tax abatements it would have collected under section 139.600 of the Missouri Revised Statutes. These taxes are pooled and redistributed to the affected taxing authorizes and result from numerous tax abatement agreements throughout the area. For the year ended December 31, 2018 the District's taxes were reduced \$9,164.

16. **PENDING GOVERNMENTAL ACCOUNTING STANDARDS**

The effect on the District's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 83, *Certain Asset Retirement Obligations*; GASB Statement No. 84, *Fiduciary Activities*; GASB Statement No. 87, *Leases*; GASB Statement No. 88, *Certain Disclosures Related to Debt; including Direct Borrowings and Direct Placements*; GASB 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*; and GASB 90, *Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61*. The effects of the District's financial statements as a result of adoption of these new pronouncements are unknown. The District will adopt and implement these statements at the required time.

17. **PRIOR PERIOD RESTATEMENT**

The net position of the Governmental Activities have been adjusted due the adoption of GASB Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in the year ended December 31, 2018. As a result, the following adjustments have been made to net position:

Net position as of December 31, 2017, as previously stated	\$ 8,352,461
Adoption of GASB Statement No. 75	<u>(1,938,516)</u>
Net position as of December 31, 2017, as restated	<u>\$ 6,413,945</u>

18. **SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 2,340,811	\$ 2,236,607	\$ 2,236,607	\$ -
Contract revenues	2,569,469	493,740	493,740	-
Interest	12,000	25,754	25,754	-
Permits and reports	30,000	193,128	193,128	-
Miscellaneous income	10,000	22,818	22,818	-
TOTAL REVENUES	<u>4,962,280</u>	<u>2,972,047</u>	<u>2,972,047</u>	<u>-</u>
EXPENDITURES				
Public safety:				
Personnel	2,778,885	2,570,819	2,587,763	(16,944)
Employee benefits	818,583	537,717	442,763	94,954
Building and mobile equipment	191,200	134,501	142,877	(8,376)
Administration and miscellaneous	620,070	619,660	630,788	(11,128)
TOTAL EXPENDITURES	<u>4,408,738</u>	<u>3,862,697</u>	<u>3,804,191</u>	<u>58,506</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>553,542</u>	<u>(890,650)</u>	<u>(832,144)</u>	<u>58,506</u>
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	-	9,600	9,601	1
Transfer out	(175,490)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(175,490)</u>	<u>9,600</u>	<u>9,601</u>	<u>1</u>
CHANGE IN FUND BALANCE	378,052	(881,050)	(822,543)	<u>\$ 58,507</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,722,251</u>	<u>1,722,251</u>	<u>1,722,251</u>	
FUND BALANCES - END OF YEAR	<u>\$ 2,100,303</u>	<u>\$ 841,201</u>	<u>\$ 899,708</u>	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ 899,708	
Accrual adjustments:				
Revenues			1,467,349	
Expenditures			<u>(409,487)</u>	
FUND BALANCE - END OF YEAR - GAAP BASIS			<u>\$ 1,957,570</u>	

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

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
AMBULANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 1,185,959	\$ 1,113,791	\$ 1,113,791	\$ -
Contract revenues	1,268,169	245,622	245,622	-
Service fees	320,000	300,374	336,225	35,851
Interest	7,500	15,349	15,349	-
Miscellaneous income	-	432	432	-
TOTAL REVENUES	<u>2,781,628</u>	<u>1,675,568</u>	<u>1,711,419</u>	<u>35,851</u>
EXPENDITURES				
Public safety:				
Personnel	1,934,484	1,782,749	1,782,749	-
Employee benefits	507,512	459,922	459,922	-
Building and mobile equipment	72,800	41,696	41,696	-
Administration and miscellaneous	442,322	365,257	365,257	-
TOTAL EXPENDITURES	<u>2,957,118</u>	<u>2,649,624</u>	<u>2,649,624</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(175,490)</u>	<u>(974,056)</u>	<u>(938,205)</u>	<u>35,851</u>
OTHER FINANCING SOURCES				
Transfer in	<u>175,490</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>(175,490)</u>	<u>(974,056)</u>	<u>(938,205)</u>	<u>\$ 35,851</u>
FUND BALANCES - BEGINNING OF YEAR	<u>928,788</u>	<u>928,788</u>	<u>928,788</u>	
FUND BALANCES - END OF YEAR	<u>\$ 753,298</u>	<u>\$ (45,268)</u>	<u>\$ (9,417)</u>	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ (9,417)	
Accrual adjustments:				
Revenues			787,162	
Expenditures			<u>(184,170)</u>	
FUND BALANCE - END OF YEAR - GAAP BASIS			<u>\$ 593,575</u>	

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

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 340,391	\$ 322,741	\$ 322,741	\$ -
Contract revenues	371,819	71,278	71,278	-
Miscellaneous income	75	177	177	-
TOTAL REVENUES	<u>712,285</u>	<u>394,196</u>	<u>394,196</u>	<u>-</u>
EXPENDITURES				
Pension plan contributions	706,285	291,501	291,501	-
Professional fees	6,000	-	-	-
TOTAL EXPENDITURES	<u>712,285</u>	<u>291,501</u>	<u>291,501</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	102,695	102,695	<u>\$ -</u>
FUND BALANCES - BEGINNING OF YEAR	<u>330,250</u>	<u>330,250</u>	<u>330,250</u>	
FUND BALANCES - END OF YEAR	<u>\$ 330,250</u>	<u>\$ 330,250</u>	<u>\$ 432,945</u>	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ 432,945	
Accrual adjustments:				
Revenues			211,130	
Expenditures			<u>(143,039)</u>	
FUND BALANCE - END OF YEAR - GAAP BASIS			<u>\$ 501,036</u>	

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

***ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS, MISSOURI***
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

1. BUDGETARY INFORMATION

The District prepares its budget on the cash basis of accounting. The budgetary process is detailed in Note 2 of the notes to the financial statements.

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OTHER POST-EMPLOYMENT BENEFIT LIABILITY
AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31

Total OPEB Liability

	2018
Service cost	\$ 269,915
Interest	181,854
Difference between expected and actual experience	529,724
Benefit payments	(128,991)
Changes of assumptions	(384,088)
Net change in total OPEB liability	468,414
Total OPEB liability - beginning of year	5,080,476
Total OPEB liability - end of year	\$ 5,548,890

Plan Fiduciary Net Position

Contributions - employer	\$ 128,991
Contributions - employee	-
Net investment income	-
Benefit payments	(128,991)
Administrative expense	-
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning of year	-
Plan fiduciary net position - end of year	\$ -

Net OPEB liability (asset) - end of year 5,548,890

Plan fiduciary net position as a
percentage of total OPEB liability - %

Covered employee payroll \$ 3,350,760

Net OPEB liability as
a percentage of covered payroll 165.6 %

Note: The above information is not available for years prior to the implementation of GASB 75.

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MO**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS

<u>Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Employer Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Percentage Contributed</u>	<u>Covered Employee Payroll</u>	<u>Contributions As A Percentage Of Covered Employee Payroll</u>
2018	\$ -	\$ 128,991	\$ 128,991	n/a	3,350,760	3.8 %

Notes to Schedule

Valuation Date: December 31, 2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level percentage of salary method
Amortization method	Average future service years of active employees
Employer funding policy	Pay-as-you-go cash basis
Inflation	3.25%
Discount rate	4.11% (January 1, 2019); 3.44% (January 1, 2018)
Retirement age	Assumed at 55 years of age with the completion of 20 years of service
Mortality	RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 (RPH-2018 table is created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2018 using MP-2018 improvement.)

Note: The above information is not available for years prior to the implementation of GASB 75.

SUPPLEMENTARY INFORMATION

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 DISPATCH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 85,098	\$ 80,626	\$ 80,626	\$ -
Contract revenues	92,955	17,819	17,819	-
Interest	2,000	4,053	4,053	-
TOTAL REVENUES	<u>180,053</u>	<u>102,498</u>	<u>102,498</u>	<u>-</u>
EXPENDITURES				
Current:				
Dispatching	113,104	126,523	126,523	-
Capital outlay	66,949	3,543	3,543	-
TOTAL EXPENDITURES	<u>180,053</u>	<u>130,066</u>	<u>130,066</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(27,568)	(27,568)	<u>\$ -</u>
FUND BALANCES - BEGINNING OF YEAR	<u>250,272</u>	<u>250,272</u>	<u>250,272</u>	
FUND BALANCES - END OF YEAR	<u>\$ 250,272</u>	<u>\$ 222,704</u>	<u>\$ 222,704</u>	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ 222,704	
Accrual adjustments:				
Revenues			52,782	
Expenditures			<u>-</u>	
FUND BALANCE - END OF YEAR - GAAP BASIS			<u>\$ 275,486</u>	

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 355,709	\$ 388,615	\$ 388,615	\$ -
Contract revenues	388,550	74,485	74,485	-
Interest	1,500	1,311	1,311	-
TOTAL REVENUES	<u>745,759</u>	<u>464,411</u>	<u>464,411</u>	<u>-</u>
EXPENDITURES				
Debt service:				
Principal, interest and fiscal charges	626,700	627,208	627,209	(1)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	119,059	(162,797)	(162,798)	<u>\$ (1)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>110,336</u>	<u>110,336</u>	<u>110,336</u>	
FUND BALANCES - END OF YEAR	<u>\$ 229,395</u>	<u>\$ (52,461)</u>	<u>\$ (52,462)</u>	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ (52,462)	
Accrual adjustments:				
Revenues			408,536	
Expenditures			<u>-</u>	
FUND BALANCE - END OF YEAR - GAAP BASIS			<u>\$ 356,074</u>	

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Interest	\$ 7,500	\$ 36,530	\$ 36,530	\$ -
EXPENDITURES				
Capital outlay	1,000,000	285,465	280,688	4,777
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(992,500)	(248,935)	(244,158)	\$ 4,777
FUND BALANCES - BEGINNING OF YEAR	2,394,214	2,394,214	2,394,214	
FUND BALANCES - END OF YEAR	\$ 1,401,714	\$ 2,145,279	\$ 2,150,056	
FUND BALANCE - END OF YEAR - BUDGET BASIS			\$ 2,150,056	
Accrual adjustments:				
Revenues			-	
Expenditures			-	
FUND BALANCE - END OF YEAR - GAAP BASIS			\$ 2,150,056	

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF PRINCIPAL OFFICE HOLDERS
DECEMBER 31, 2018

<u>OFFICE HOLDER</u>	<u>OFFICE</u>	<u>ANNUAL COMPENSATION</u>
Joan Noel	President	\$ 10,800
Michael Conley	Secretary	10,600
Jennifer Parkin	Treasurer	10,600

ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI
 SCHEDULE OF INSURANCE IN FORCE
 DECEMBER 31, 2018

<u>INSURANCE IN FORCE</u>	<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>
Package policy		
Buildings	Arch Insurance Company	\$ 5,956,144
Personal property		558,975
Management liability		1,000,000
Liability - bodily injury, personal injury and property damage		1,000,000/10,000,000
Other insurance:		
Workers compensation	MoFAD	2,000,000/10,000,000
Automobile:		
Liability	Arch Insurance Company	1,000,000
Umbrella:		
Liability	Arch Insurance Company	2,000,000/4,000,000
Crime and Fidelity:		
Employee theft	Arch Insurance Company	300,000
Fiduciary Responsibility:		
Pension & Welfare Fund	Travelers	1,000,000

COMPLIANCE SECTION

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



Board of Directors

**ROBERTSON FIRE PROTECTION DISTRICT
OF ST. LOUIS COUNTY, MISSOURI**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the remaining fund information of Robertson Fire Protection District of St. Louis County, Missouri (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 25, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control that we consider to be a material weakness.

Audit adjustments are evaluated to determine if they are an indication of a control deficiency and a material weakness. We proposed the following material adjustments to management:

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- Record the VEBA liability and accrued wages at year-end in the General Fund.
- Record deferred revenue and accrued wages at year-end in the Ambulance Fund.

Management's response: Management agrees and will correct the recording of these items in the future.

Compliance and Other Matters

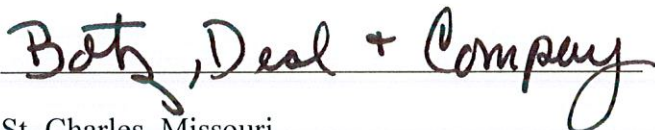
As part of obtaining reasonable assurance about whether Robertson Fire Protection District of St. Louis County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance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

District's Response to Findings

The District's response to the findings identified in our audit is described above. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



St. Charles, Missouri
June 25, 2019