

CASS COUNTY EMERGENCY SERVICES BOARD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

TOGETHER WITH

INDEPENDENT AUDITORS' REPORT

CASS COUNTY EMERGENCY SERVICES BOARD

DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
CASS COUNTY EMERGENCY SERVICES BOARD
Harrisonville, MO

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cass County Emergency Services Board (a Missouri Public Corporation) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Cass County Emergency Services Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Cass County Emergency Services Board as of December 31, 2023, and the respective changes in financial position, and the respective budgetary comparison for the Governmental Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the 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 judgement 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 Cass County Emergency Services Board internal control. Accordingly, no such opinion is expressed.

Board of Directors
Cass County Emergency Services Board
Harrisonville, MO
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- 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 Cass County Emergency Services Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8, Schedule of Changes in Net Pension Liability and Related Ratios on pages 39 through 42, and Schedule of Contributions on page 43 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.

Dickey & Humbard, LLC

DICKEY & HUMBARD, LLC
Certified Public Accountants
FEIN: 43-1688484

Harrisonville, MO
June 26, 2024

CASS COUNTY EMERGENCY SERVICES BOARD

Management's Discussion and Analysis

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Cass County Emergency Services Board's (CCESB) basic financial statements. CCESB's basic financial statements comprise three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements.

Prior to 2017, CCESB implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* which replace the requirements of GASB Statements Nos. 27 and 50 as they related to pensions that are provided through pension plans administered by trusts or equivalents arrangements that meet certain criteria.

During 2022, CCESB implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 87, *Leases*. This Statement requires lessees and lessors to report leases under a single model. Under this Statement, a lessor is required to recognize a lease receivable and deferred inflow of resources for each lease and a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

Government-Wide Statements

The government-wide statements report information about CCESB as a whole using accounting methods similar to those used by private-sector business. There are two government-wide financial statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all of the assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of CCESB is improving or deteriorating.

The Statement of Activities presents information showing how the net position of CCESB changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in futures fiscal periods.

The government-wide financial statements of CCESB consist of the following:

- Governmental activities -
911 Emergency Services

CASS COUNTY EMERGENCY SERVICES BOARD

Management's Discussion and Analysis

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. CCESB uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund of CCESB is considered a governmental fund.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

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 activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

CCESB maintains one individual governmental fund.

Notes to the Financial Statements

The notes provide additional information that is essential to an understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-38 of this report.

CASS COUNTY EMERGENCY SERVICES BOARD

Management's Discussion and Analysis

Financial Overview

CCESB has a net position of \$21 million. In a condensed format, the table below shows the net position as of December 31, 2023 and 2022.

	Governmental Activities	
	2023	2022
Current assets	\$ 13,528,984	\$ 13,422,740
Capital assets	7,714,716	8,925,914
Right to use leased assets	294,247	365,128
Total Assets	21,537,947	22,713,782
Deferred Outflows	-	13,357
Current liabilities	111,006	347,121
Net pension liability	16,937	8,805
Noncurrent liabilities	236,341	305,266
Total Liabilities	364,284	661,192
Deferred Inflows	793	27,178
Net position:		
Invested in capital assets -		
Net of related debt	7,714,716	8,925,914
Unrestricted	13,458,154	13,112,855
Total Net Position	\$ 21,172,870	\$ 22,038,769

CASS COUNTY EMERGENCY SERVICES BOARD

Management's Discussion and Analysis

The net position decreased by \$865,899 or 4%. The following table shows the changes in net position for 2023 and 2022:

	Governmental Activities	
	2023	2022
Revenue		
General revenue:		
Sales tax	\$ 2,261,740	\$ 2,205,948
Other	1,626	-
Interest on investments	432,000	125,367
Total Revenue	2,695,366	2,331,315
Program Expenses:		
General government	3,561,265	3,374,316
Total Program Expenses	3,561,265	3,374,316
Change in Net Position	(865,899)	(1,043,001)
Net Position, Beginning of year	22,038,769	23,081,770
Net Position, End of year	\$ 21,172,870	\$ 22,038,769

Governmental Activities

Revenues for governmental activities totaled approximately \$2 million in 2023, and was in the form of sales tax collections.

Expenses for governmental activities totaled approximately \$3.6 million in 2023. Professional services of \$838,147, depreciation of \$1,211,198, human resources of \$160,316, tower lease of \$79,174 and maintenance contracts of \$1,135,884 were the largest expenses and accounted for 96% of the total expenses.

CASS COUNTY EMERGENCY SERVICES BOARD

Management's Discussion and Analysis

Current Economic Events

Financial Analysis, Economic Factors, and Next Year's Budget

The 911 Emergency Services Fund ended 2023 with an unassigned fund balance of \$12,907,143 compared to \$12,484,704 in 2022. Several factors affected operating results.

The 911 Emergency Fund budget is amended throughout the year as deemed necessary. This is primarily done to prevent over expenditures.

During December 2023, the 2024 Budget was approved. Sales tax revenue of approximately 1.6 million is expected to be received.

Contact Us

This report is intended to aid our residents and other interested parties in understanding the CCESB's financial condition. Should you have further questions, please contact Marie Beauchamp, RPL, Executive Director, 801 S. Commercial Street, Harrisonville, MO 64701 or call (816) 887-1952.

CASS COUNTY EMERGENCY SERVICES BOARD

STATEMENT OF NET POSITION

DECEMBER 31, 2023

ASSETS:	
Cash and Investments (Note 2)	\$ 12,786,672
Taxes Receivable (Note 1)	190,070
Receivable - Other (Note 4)	14,563
Prepaid Expenses	537,679
Capital Assets (Note 3)	
Land, Non-Depreciable	20,599
Other Assets, Net of Accumulated Depreciation of \$9,689,682	7,694,117
Right to Use Leased Assets, Net of Amortization (Note 5)	294,247
Total Assets	<u>21,537,947</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred Pension Charges (Note 6)	<u>-</u>
LIABILITIES:	
Accounts Payable and Accrued Liabilities	42,081
Net Pension Liability (Note 6)	16,937
Noncurrent Liabilities (Note 5)	
Leases Payable, Due within One Year	68,925
Leases Payable, Due in more than One Year	236,341
Total Liabilities	<u>364,284</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred Pension Credits (Note 6)	<u>793</u>
NET POSITION (Note 1):	
Invested in Capital Assets, Net of Related Debt	7,714,716
Unrestricted	13,458,154
Total Net Position	<u>\$ 21,172,870</u>

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2023

<u>Function/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Total</u>
Governmental Activities:			
Public Safety	\$ 2,338,963	\$ -	\$ 2,338,963
Interest Expense	11,104	-	11,104
Depreciation	1,211,198	-	1,211,198
 Total Governmental Activities	 <u>\$ 3,561,265</u>	 <u>\$ -</u>	 <u>3,561,265</u>
		General Revenues:	
		Sales Taxes	2,261,740
		Other	1,626
		Interest on Investments	432,000
		 Total General Revenues	 <u>2,695,366</u>
		Changes in Net Position	(865,899)
		Net Position, December 31, 2022	<u>22,038,769</u>
		Net Position, December 31, 2023	<u><u>\$ 21,172,870</u></u>

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD

GOVERNMENTAL FUND

BALANCE SHEET

DECEMBER 31, 2023

	<u>GOVERNMENTAL FUND</u>
	<u>911 Emergency Services</u>
ASSETS:	
Cash and Investments	\$ 12,786,672
Sales Tax Receivable	190,070
Receivable - Other	14,563
Prepays	537,679
	<hr/>
TOTAL ASSETS	\$ 13,528,984
	<hr/>
LIABILITIES AND FUND BALANCES:	
LIABILITIES:	
Accounts Payable and Accrued Liabilities	\$ 42,081
	<hr/>
Total Liabilities	42,081
	<hr/>
FUND BALANCES:	
Nonspendable	537,679
Committed	42,081
Unassigned	12,907,143
	<hr/>
Total Fund Balances	13,486,903
	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,528,984
	<hr/> <hr/>

See Notes to Financial Statements and Independent Auditors' Report

CASS COUNTY EMERGENCY SERVICES BOARD
GOVERNMENTAL FUND
RECONCILIATION OF FUND BALANCES TO
THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

Total Fund Balance for Governmental Fund	\$ 13,486,903
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital assets used in governmental activities are not financial resources, and are not reported in the funds	7,714,716
Right to Use Lease Assets	294,247
Leases Payable	(305,266)
Net Pension Liabilities	<u>(17,730)</u>
Net Position of Governmental Activities	<u><u>\$ 21,172,870</u></u>

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	GOVERNMENTAL FUND
	911 Emergency Services
REVENUES:	
Sales Tax	\$ 2,261,740
Other	1,626
Interest Income	432,000
	2,695,366
EXPENDITURES:	
Current	2,350,219
Total Expenditures	2,350,219
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	345,147
FUND BALANCE, DECEMBER 31, 2022	13,141,756
FUND BALANCE, DECEMBER 31, 2023	\$ 13,486,903

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Net Change in Fund Balance - Total Governmental Funds	\$ 345,147
<p>Governmental Funds report capital outlays as expenditures. However, for the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>	
Depreciation Expense	(1,211,198)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds.</p>	
Amortization of Right to Use Lease Assets (Over) Under Lease Payable Payments	(4,744)
Pension (expense) benefit for the pension plan measurement year	<hr style="width: 100%;"/> 4,896
Change in Net Position of Governmental Activities	<hr style="width: 100%;"/> \$ (865,899)

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	911 Emergency Services Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Sales Tax	\$ 1,600,000	\$ 2,261,740	\$ 661,740
Other	-	1,626	1,626
Interest	42,300	432,000	389,700
Total Revenues	1,642,300	2,695,366	1,053,066
EXPENDITURES			
Insurance	17,000	21,965	(4,965)
Advertising	2,500	576	1,924
Dues and Subscriptions	3,000	3,230	(230)
Office Expense	12,900	9,448	3,452
Professional Services	895,211	838,147	57,064
Office Rent	13,200	13,200	-
Human Resources	168,058	160,316	7,742
Maintenance Contracts/Expenses	2,392,114	1,135,884	1,256,230
Utilities	50,000	37,794	12,206
Tower Lease	85,000	79,174	5,826
Travel/Training	23,000	10,436	12,564
Tower Maintenance	8,500	3,850	4,650
Election	100,000	36,199	63,801
Total Expenditures	3,770,483	2,350,219	1,420,264
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (2,128,183)	\$ 345,147	\$ 2,473,330

See Notes to Financial Statements and Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cass County Emergency Services Board (CCESB) operates the 911 emergency services for Cass County, Missouri. CCESB is a political subdivision created on April 3, 2012, in conjunction with a ½ cent sales tax initiative approved by the voters of Cass County.

The financial statements of CCESB have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

A. Reporting Entity

CCESB is governed by a seven member Board of Directors, initially appointed by the Cass County Commissioners. Following the initial appointment, the Board of Directors shall be elected pursuant to RSMO 190.335.10.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities to report information about CCESB as a whole. The Statement of Net Position reports all financial and capital resources. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Fund financial statements report detailed information about CCESB. CCESB has only one governmental fund.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

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 recognized when earned and expenses are recognized 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 thereafter to pay liabilities of the current period. For this purpose, CCESB considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

The District reports the following fund type:

911 Emergency Services - Used to account for the sales tax and other revenues used to finance the operation of the 911 emergency telephone service and operational costs associated with answering and dispatching of emergency calls.

D. Revenue Recognition - Sales Tax

Sales tax is collected by the State of Missouri for CCESB and remitted to CCESB on a monthly basis.

During April 2019, CCESB notified Missouri Department of Revenue that the Capital Lease Obligation was retired. Effective October 1, 2019, the Missouri Department of Revenue reduced the sales tax rate from the previous 1/2 cent rate to 1/8 cent rate.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Sales taxes are recognized when they become available. Available includes those tax receivables expected to be collected within sixty days after year end. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

At December 31, 2023, Sales Tax Receivables were \$190,070.

E. Prepaid Items

In both government-wide and fund financial statements, payments made to vendors for goods or services that will benefit periods beyond the current fiscal year, are recorded as prepaid items when they are deemed material, and it is considered appropriate.

F. Capital Assets

Capital assets include property and equipment, and are recorded at cost for assets purchased or fair market value for contributed assets. These costs are reported in the statement of net position. CCESB defines capital assets as assets with an initial, individual cost of more than \$500 for office furniture and equipment, and \$1,500 or more for communication equipment.

Repairs and maintenance are recorded as expenses while renewals and betterments are capitalized.

Depreciation is provided using the straight-line method over the estimated useful lives as follows:

Computer Equipment	5 Years
Communications Equipment	5-10 Years
Towers	25 Years

G. Leases

CCESB routinely engages in lease agreements to meet operational needs or serve the general public. CCESB uses an incremental borrowing rate as the discount rate. Some contracts include increases to lease payments that are included in the present value at the commencement of the lease or upon measurement. CCESB is the lessee for lease contracts. For short term lease contracts, CCESB recognizes periodic revenue or expenses based upon the provisions of the lease contracts.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

For all lease contracts that meet the financial reporting requirements of GASB lease standards where CCEB is the lessee, CCEB recognizes a lease liability and an intangible right-to-use asset based upon the present value of future payments over the non-cancellable period of the lease contract. Lease right-to-use assets and lease liabilities are reported in the statement of net position. The right-to-use lease assets are amortized using the straight-line basis over the term of the lease. The lease liability is reduced by the principal portion of the lease payments made.

H. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

In the fund financial statements, governmental fund types recognize issuance costs during the current period. The face amount of debt issued is reported as other financing sources.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. CCEB has two items that meet this criterion - a pension related deferral and contributions made to the pension plan in the current fiscal year.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. CCEB has pension related deferred inflows of resources reported in the government-wide Statement of Net Position.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

J. Fund Balances

As of December 31, 2023, fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form-such as inventory or prepaid insurance or (b) legally or contractually required to be maintained intact-such as a trust that must be retained in perpetuity.

Restricted Fund Balance - Restricted fund balances when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Board of Directors. Committed amounts cannot be used for any other purpose unless the Board of Directors removes those constraints by taking the same type of action (e.g., legislation, resolution, and ordinance).

Assigned Fund Balance - Assigned fund balances are amounts that are constrained by CCEESB's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by an official to which the Board of Directors has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes.

Unassigned Fund Balance - All amounts not included in other fund balance classifications. Fund Balances may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

When both restricted and unrestricted resources are available for use, it is the CCESB's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

K. Net Position Presentation

GASB requires the classification of net position into three classifications defined as follows:

- (1) Net Investment in Capital Assets includes CCESB's capital assets (net of accumulated depreciation) reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (2) Restricted Net Position includes assets that have external constraints place on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations. CCESB first utilizes restricted resources to finance qualifying activities.
- (3) Unrestricted Net Position consists of amounts that do not meet the definition of "net investment in capital assets", or "restricted."

L. Budget and Budgetary Accounting

The Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - for each governmental fund type reflects information as presented on the budget submitted by CCESB in accordance with Missouri Revised Statutes, Chapter 67, Section 67.010.

Annual budgets for CCESB are prepared and adopted on the cash basis (budget basis), recognizing revenues when collected and expenditures when paid. The actual results of operations are presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - for each government fund type in comparison with the budget basis to provide a meaningful comparison of actual results with the budget basis.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

GASB STANDARDS

CCESB has applied the provisions of Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions*-an amendment of GASB 27, and Governmental Accounting Standards Board Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* (effective for periods beginning after June 15, 2014,) which replaces the requirements of GASB Statements Nos. 27 and 50 as they related to pensions that are provided through pension plans administered by trusts or equivalents arrangements that meet certain criteria. The primary objective of these Statements is to improve accounting and financial reporting by state and local governments for pensions. Government employers are now required to recognize as a liability, for the first time, their long-term obligation for pension benefits. The employer liability is to be measured as the difference between the present value of projected benefit payments to be provided through the pension plan for past periods of service less the amount of the pension plan's fiduciary net position. Obligations for employers with cost sharing plans will be based on their proportionate share of contributions to the pension plan. The standard also requires more immediate recognition of annual service cost, interest and changes in benefits for pension expense; specifies requirements for discount rates, attribution methods; and changes disclosure requirements.

The District has applied the provisions of Governmental Accounting Standards Board Statement 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

The District has applied the provisions of Governmental Accounting Standards Board Statement 87, *Leases*. This Statement requires lessees and lessors to report leases under a single model. Under this Statement, a lessor is required to recognize a lease receivable and deferred inflow of resources for each lease and a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. The statement also requires additional notes to the financial statements related to the timing, significance and purpose of a government's leasing arrangements. The adoption of GASB Statement No. 87 resulted in the recognition of right to use lease assets and current and noncurrent leases payable.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 2: CASH AND INVESTMENTS

CCESB complies with various restrictions on deposits and investments that are imposed by state statutes as follows:

Deposits

All deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits.

Investments

Investments of CCESB at December 31, 2023, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Missouri Securities Investment Program-Cash Management Funds	N/A	<u><u>\$ 8,929,924</u></u>

Deposits and Investment Balances at December 31, 2023, consisted of:

	<u>Carrying Value</u>	<u>Market Value</u>
Cash & Investments	<u><u>\$ 12,786,672</u></u>	<u><u>\$ 12,786,672</u></u>

CCESB funds in the Missouri Securities Investment Program are invested in cash management funds in which CCESB has a pro-rata share. The funds are invested in accordance with Section 165.051 and Section 360 of the Missouri Revised Statutes and the cash management fund has a current rating of AAAM by Standard and Poor's.

Custodial Credit Risk

In the case of deposits, there is the risk that in the event of a custodial institution failure, CCESB's deposits may be lost. As required by law, in addition to Federal Deposit Insurance Corporation (FDIC) insurance, the depository banks are to pledge securities to CCESB at least equal to the amount on deposit at all times. At December 31, 2023, CCESB was collateralized, as follows:

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

	<u>Missouri Securities Investment Program</u>	<u>Community Bank</u>
Cash and Investments on Deposit	<u>\$ 8,929,924</u>	<u>\$ 3,856,748</u>
FDIC	\$ -	\$ 500,000
Corporate Instruments	8,929,924	-
Federal Instruments	<u>-</u>	<u>4,572,422</u>
Total Collateral	<u>\$ 8,929,924</u>	<u>\$ 5,072,422</u>

Interest Rate Risk

As a means of limiting its exposure to fair value losses caused by rising interest rates CCESB's investment policy requires operating funds be invested primarily in investments so that the investments mature to meet the cash requirements of ongoing operations and long-term debt payments. The stated intent of the policy is to avoid the need to sell investments prior to maturity.

NOTE 3: CAPITAL ASSETS

Capital assets are recorded as capitalized costs in the Statement of Net Position at the time of purchase. Expenditures for purchases of capital assets are recorded in the 911 Emergency Services Fund when paid. The following is a summary of changes in capital assets during the period ended December 31, 2023:

CASS COUNTY EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

	Balance December 31, 2022	Additions	Retirements	Balance December 31, 2023
Non-Depreciable:				
Land	\$ 20,599	\$ -	\$ -	\$ 20,599
	<u>20,599</u>	<u>-</u>	<u>-</u>	<u>20,599</u>
Depreciable:				
Office Equipment	19,363	-	-	19,363
Communications Equipment	7,320,422	-	-	7,320,422
Towers	10,044,014	-	-	10,044,014
	<u>17,383,799</u>	<u>-</u>	<u>-</u>	<u>17,383,799</u>
Total Fixed Assets	<u>\$ 17,404,398</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,404,398</u>

During 2013, CCEESB began the acquisition, construction and installation of Cass County, Missouri's new Emergency 9-1-1 system. The system costs were \$14,686,237 after change orders. During December 2014, the final walkthrough and acceptance was completed.

During February 2019, CCEESB approved an agreement with Motorola Solutions for Microwave upgrades in the amount of \$933,036. At December 31, 2022, the project was complete.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 4: RECEIVABLE - OTHER

Receivable - other is for recoverable federal and state payroll taxes.

NOTE 5: LEASES

Right to Use Leased Assets

On December 23, 2012, CCESB entered into an agreement with Kansas City Power & Light to lease space for the purpose of locating radio communications equipment and conducting related radio communications activities. The term of the lease was from December 23, 2012 until December 31, 2017, and will automatically renew for three additional terms of five years each, unless properly notified. The rent shall be \$2,000 per month starting on January 1, 2014, and each year thereafter, the monthly rent shall be increased by 2%.

On November 28, 2012, CCESB entered into an agreement with the City of Belton to lease space for the purpose of constructing, maintaining, and operating certain radio system equipment. The lease agreement commenced on November 28, 2012, and continues for an initial term of ten years unless terminated sooner. The initial term will automatically extend thereafter for three additional consecutive five year terms unless properly notified. The annual rent for the initial term shall be ten dollars.

On March 25, 2013, CCESB entered into two lease agreements for the right to install, maintain and operate a communication facility. The initial term shall commence on the effective date (June 1, 2013, or the beginning of construction, whichever comes first), and shall continue for a ten year period. The leases will automatically extend for three additional, consecutive five year terms unless properly notified. Monthly rent for the initial term is \$1,500 for the first lease and \$1,875 for the second.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Monthly rent is due on the first day of each month and shall be adjusted annually during the term on each annual anniversary of the effective day by an increase of 4% compounded.

On February 14, 2013, CCEB entered into an agreement with Mid-America Regional Council to sub-lease property and the right to install, maintain and operate a communication facility. The initial term shall commence on February 14, 2013, and continue for a ten year period. The agreement will automatically extend for three additional, consecutive five year terms, unless properly notified. The monthly rent for the initial term is one dollar.

Previously, CCEB entered into an annual lease agreement for office space. The term of the lease commenced on January 1, 2022, and terminated December 31, 2022. The lease can be extended at the option of both parties, at the end of the original term for an additional one-year renewal term. Rent was \$1,000 per month, due on or before the 1st day of each month. During October 2022, a motion was passed to renew the lease for an additional year at \$1,100 per month. During 2024, the lease was continued for one year at the same rate.

The following summarizes lease activity for the year ended December 31, 2023:

	<u>Balance</u> <u>12-31-2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12-31-2023</u>
Right to use Lease Assets	\$ 436,007	\$ -	\$ -	\$ 436,007
Accumulated Amortization	<u>(70,879)</u>	<u>(70,881)</u>		<u>(141,760)</u>
Net	<u>\$ 365,128</u>	<u>\$ (70,881)</u>	<u>\$ -</u>	<u>\$ 294,247</u>
Leases Payable	<u>\$ 371,403</u>	<u>\$ -</u>	<u>\$ (66,137)</u>	<u>\$ 305,266</u>

CASS COUNTY EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Future minimum lease payments under non-cancelable operating lease agreements at December 31, 2023, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 68,925	\$ 8,900	\$ 77,825
2025	71,817	6,618	78,435
2026	74,817	4,239	79,056
2027	77,929	1,761	79,690
2028	11,778	64	11,842
Total	<u>\$ 305,266</u>	<u>\$ 21,582</u>	<u>\$ 326,848</u>

NOTE 6: PENSION PLAN

A. Plan Description

CCESB'S defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. CCESB 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 the financial statements and supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

B. 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 with five 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 and receive a reduced allowance.

2023 Valuation

Benefit Multiplier:	2%
Final Average Salary:	3 years
Member Contributions:	0%

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.

At June 30, 2023, the measurement date, membership in LAGERS is comprised of one inactive member and one active member.

C. 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 do not contribute to the pension plan. The employer rate was 17.3% of annual covered payroll.

D. Net Pension Liability

The employer's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability determined by an actuarial valuation as of February 28, 2023.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

E. Actuarial Assumptions

The total pension liability in the February 28, 2023, actuarial valuation was determined using the following assumptions applied to all periods included in the measurements:

Inflation	2.75% Wage Inflation; 2.25% Price Inflation
Salary Increase	2.75% to 6.75% including Wage Inflation
Investment Rate of Return	7.00%, net of investment expenses

Mortality rates for healthy retirees were based on 115% of the PubG-2010 Retiree Mortality Table for males and females. Mortality rates for disabled retirees were based upon 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. Mortality rates for early retirees were based upon 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

F. Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits). The expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.86%; and the resulting single discount rate is 7.00%.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>(a)</u> Total Pension Liability	<u>(b)</u> Plan Fiduciary Net Position	<u>(a) - (b)</u> Net Pension Liability(Asset)
Balances at 12/31/2022	\$ 165,522	\$ 156,717	\$ 8,805
Changes for the year:			
Service Cost	13,420	-	13,420
Interest	12,048	-	12,048
Difference between expected and actual Experience	5,611	-	5,611
Change in Assumptions			
Contributions - Employer	-	17,856	(17,856)
Net investment Income	-	5,791	(5,791)
Administrative Expense	-	(305)	305
Other (Net Transfer)	-	(395)	395
Net changes	31,079	22,947	8,132
Balances at 12/31/2023	\$ 196,601	\$ 179,664	\$ 16,937

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Plan fiduciary net position as a percentage of the total pension liability	91.39%
Covered-employee payroll	\$ 94,557
Net pension liability as a percentage of covered employee payroll	17.91%

G. Sensitivity of the Net Pension Liability to changes in the discount rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of:

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability	\$ 225,515	\$ 196,601	\$ 172,793
Plan Fiduciary Net Position	179,664	179,664	179,664
Net Pension Liability (Asset)	\$ 45,851	\$ 16,937	\$ (6,871)

H. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

For the year ended December 31, 2023, the employer recognized pension expense of \$12,962. The employer reported deferred outflows and inflows of resources related to the following sources:

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
LAGERS:		
Difference in experience	\$ 5,885	\$ (18,058)
Assumption Changes	1,682	(2,375)
Excess investment returns	2,994	-
Contributions subsequent to the measurement date	<u>9,079</u>	<u>-</u>
Total	<u>\$ 19,640</u>	<u>\$ (20,433)</u>

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending December 31, 2023.

Amounts reported as deferred outflows and inflows of resources related to the pensions will be recognized in pension expense as follows:

<u>Ending December 31</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ (1,784)
2025	(2,973)
2026	1,500
2027	(2,315)
2028	(3,911)
Thereafter	<u>(389)</u>
Totals	<u>\$ (9,872)</u>

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 7: COMMITMENTS

In connection to the Capital Lease entered into with Motorola Solutions, Inc., CCESB entered into a Maintenance and System Software Upgrade Agreement. Payments are to be made yearly, in advance of the period of performance upon completion of the Project and receipt of billing. The year one payment was made in 2015 for the period May 1, 2015 through April 30, 2016. The year two payment was made in 2016 for the period May 1, 2016 through April 30, 2017. The year three payment was made in 2017 for the period May 1, 2017 through April 30, 2018. The year four payment was made in 2018 for the period May 1, 2018 through April 30, 2019. The amount paid was \$545,425, which was per the old plan. The additional payment of \$21,895 was to be reflected as a reduction in the year five payment and was included in Prepaids. The year five payment was made in 2019 for the period May 1, 2019 through April 30, 2020. The year six payment was made in 2020 for the period May 1, 2020 through April 30, 2021. The year seven payment was made in 2021 for the period May 1, 2021 through April, 30, 2022. The year eight payment was made in 2022 for the period May 1, 2022 through April 30, 2023

At December 31, 2023, CCESB recognized expense of \$179,703 and no prepaid expense remained.

Year

1	\$ 441,065
2	443,970
3	449,270
4	523,530
5	527,487
6	531,242
7	535,279
8	<u>539,109</u>
Totals	<u><u>\$ 3,990,952</u></u>

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

On August 26, 2013, CCEsb entered into a reimbursement agreement with the City of Raymore, Missouri (the City) to provide for the terms and conditions under which the City will implement Section 99.848, RSMo, with respect to CCEsb. Section 99.848 provides that any district providing emergency services pursuant to Chapter 190 or 321 of the Revised Statutes of Missouri shall be entitled to reimbursement from the Special Allocation Funds as a result of providing emergency services to the Redevelopment project areas. CCEsb will receive from the Missouri Department of Revenue all of the 911 tax revenues generated by retail businesses within the Redevelopment Project Areas. The City will calculate that portion of the 911 tax revenues that should be transferred to the City by CCEsb for deposit into the appropriate Special Allocation Fund. The City will deliver an invoice to CCEsb on a regular periodic basis, which provides notice of the 911 tax revenues generated within the Redevelopment Project Areas that CCEsb should transfer to the City for deposit into the appropriated Special Allocation Funds. The remaining 911 tax revenues, generated from within the Redevelopment Project Areas, which are retained by CCEsb and not transferred to the City, serves as reimbursement to CCEsb under Section 99.848, RSMo.

On July 24, 2013, CCEsb entered into a 9-1-1 Interlocal Cooperation Agreement, which replaced the existing Interlocal Cooperation Agreement executed in June 1995. The agreement is between CCEsb along with Johnson County, Leavenworth County, Miami County and the Unified Government of Kansas City, Kansas/Wyandotte County, Kansas; Clay County, Jackson County, Platte County, Ray County, Missouri, the City of Excelsior Springs, Missouri, and Mid-American Regional Council. The agreement implements a region-wide modernization of the 9-1-1 emergency system used by public safety answering point, sharing the operational, administrative and maintenance costs of the regional 9-1-1 system on a per capita basis, and establishes an oversight policy and coordinating committee for the ongoing management of the regional 9-1-1 system.

During August 2014, CCEsb entered into an agreement with the City of Harrisonville, Missouri. In consideration of promises and mutual obligations the City leases to CCEsb sufficient ground space for the Tower, and CCEsb leases portions of the Tower to the City. The initial term commences on the effective date of agreement, and shall continue for a fifteen year period. The agreement will automatically extend for three additional, consecutive five year terms, unless proper notification is given not to renew.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

During July 2022, a motion was approved to renew the agreement with Motorola Solutions for radio site maintenance services. The term is twelve months at a cost of \$87,258. At December 31, 2023, expense of \$58,172 and no prepaid amount were recorded.

During November 2015, CCESB entered into an agreement with Everbridge, Inc. for a mass notification system. The contract was for three years. The fee for the first year was \$37,366, with a one-time implementation and set up fee of \$2,371. The fee for each of the next two years was \$37,366. The first payment was made during January 2016. During November 2018, CCESB exercised its first option year of the two written in the original contract. The fee paid during 2018 for the period November 2018 to November 2019 was \$43,616. During October 2019, CCESB exercised its second year option. The fee paid during 2019 for the period November 2019 to November 2020 was \$42,116. During September 2020, CCESB approved the renewal from November 2020 through November 2021. The fee paid was \$44,222. During September 2021, CCESB approved the renewal from November 2021 through November 2022. The fee paid was \$46,433. During September 2022, CCESB approved the renewal from November 2022 through November 2023. The fee paid was \$48,755. During September 2023, CCESB approved the renewal from November 2023 through November 2024. The fee paid was \$51,192.

During July 2020, a motion was approved to accept a two year maintenance plan for Communication Recording Systems at the five PSAP locations with Equature, at \$12,771 per year. During February 2022, the maintenance contract was renewed for five years. The payments are \$19,242 for the first year and \$28,896 for years two through five.

On September 25, 2013, CCESB approved the Metropolitan Regional Radio System User Agency Master (MARS) Site Port Agreement with Kansas City, Missouri for six ports for a 5-year term beginning June 1, 2015 through May 31, 2020 with annual payments ranging from \$72,645 through \$73,369 as defined in the agreement. Subsequent to the initial term, the MARS Agreement has been continued on an annual basis with an escalator built in.

During May 2022, a motion was approved to accept a Software License and Service Agreement with Central Square Technologies, LLC in the amount of \$1,068,343, which consists of the \$714,848 service fee and the first annual subscription fee in the amount of \$353,495. At December 31, 2023 CCESB had paid 80% of the \$714,848. The remaining 20% and annual maintenance fee are due at the Go Live date. Then \$353,495 will be due annually for the next four years.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

During June 2023, a motion was approved to accept an agreement with Motorola Solutions, Inc. for ongoing Astro 25 System Support Services. The payment schedule is yearly for four years. The year one payment was made in 2023 for the period July 1, 2023 through June 30, 2024.

At December 31, 2023, CCESB recognized expense of \$366,626 and a prepaid expense of \$366,626.

<u>Year</u>	
1	\$ 733,252
2	775,396
3	806,077
4	<u>834,024</u>
Totals	<u>\$ 3,148,749</u>

On April 19, 2023, the effective date, CCESB entered into an agreement with Miami County, Kansas (County). In consideration of promises and mutual obligations, CCESB leases portions of a tower to the County. The rent for the initial term is \$1,500 per month or \$18,000 per year. The initial term commences on the effective date of agreement, and shall continue for a five-year period. The agreement will automatically extend for three additional, consecutive five-year terms, unless proper notification is given to cancel.

CASS COUNTY EMERGENCY SERVICES BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 8: RISK MANAGEMENT

CCESB is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets, errors and omissions; workers' compensation, and natural disasters for which CCESB carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year.

NOTE 9: CONTINGENCY

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. The disruption is currently expected to be temporary, but there is considerable uncertainty around the duration. While the Board does not expect this matter to negatively affect its operating results, the potential impact is unknown at this time.

NOTE 10: SUBSEQUENT EVENTS

Events that occur after the Statement of Net Position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the Statement of Net Position date, require disclosure in the accompanying notes. CCESB has evaluated subsequent events through June 26, 2024 (the date the financial statements were available to be issued) and concluded that there were no subsequent events that required recognition in the financial statements and disclosure in the notes to the financial statements.

SUPPLEMENTAL INFORMATION

CASS COUNTY EMERGENCY SERVICES BOARD

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

DECEMBER 31, 2023, 2022, 2021, 2020, and 2019

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Pension Liability					
Service Cost	\$ 13,420	\$ 4,400	\$ 7,039	\$ 10,389	\$ 10,083
Interest on Total Pension Liability	12,048	9,734	11,166	9,858	8,428
Changes of Benefit Terms	-	-	-	-	-
Difference between Expected and Actual Experience	5,611	14,487	(28,080)	(566)	1,065
Changes of Assumptions	-	-	(3,773)	-	-
Benefit Payments, including Refunds	-	-	-	-	-
Net Change in Total Pension Liability	31,079	28,621	(13,648)	19,681	19,576
Total Pension Liability - Beginning	165,522	136,901	150,549	130,868	111,292
Total Pension Liability - Ending (a)	<u>\$ 196,601</u>	<u>\$ 165,522</u>	<u>\$ 136,901</u>	<u>\$ 150,549</u>	<u>\$ 130,868</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 17,856	\$ 16,293	\$ 3,663	\$ 13,932	\$ 13,484
Contributions - Employee	-	-	-	-	-
Net Investment Income	5,791	96	30,370	1,247	5,153
Benefit Payments, including Refunds	-	-	-	-	-
Pension Plan Administrative Expense	(305)	(221)	(206)	(135)	(121)
Other (Net Transfer)	(395)	(340)	(96)	(368)	(359)
Net Change in Plan Fiduciary Net Position	22,947	15,828	33,731	14,676	18,157

See Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2018, 2017, 2016 and 2015

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service Cost	\$ 9,738	\$ 9,496	\$ 9,151	\$ 8,834
Interest on Total Pension Liability	7,107	5,990	4,560	3,477
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	1,209	(202)	155	2,474
Changes of Assumptions	-	-	5,682	-
Benefit Payments, including Refunds	-	-	-	-
Net Change in Total Pension Liability	18,054	15,284	19,548	14,785
Total Pension Liability - Beginning	<u>93,238</u>	<u>77,954</u>	<u>58,406</u>	<u>43,621</u>
Total Pension Liability - Ending (a)	<u>\$ 111,292</u>	<u>\$ 93,238</u>	<u>\$ 77,954</u>	<u>\$ 58,406</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 12,798	\$ 11,760	\$ 11,016	\$ 10,518
Contributions - Employee	-	-	-	-
Net Investment Income	7,230	5,014	(109)	380
Benefit Payments, including Refunds	-	-	-	-
Pension Plan Administrative Expense	(85)	(84)	(84)	(93)
Other (Net Transfer)	<u>(348)</u>	<u>(270)</u>	<u>(197)</u>	<u>1,432</u>
Net Change in Plan Fiduciary Net Position	19,595	16,420	10,626	12,237

See Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2023, 2022, 2021, 2020, and 2019

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Plan Fiduciary Net Position - Beginning	\$ 156,717	\$ 140,889	\$ 107,158	\$ 92,482	\$ 74,325
Plan Fiduciary Net Position - Ending (b)	<u>\$ 179,664</u>	<u>\$ 156,717</u>	<u>\$ 140,889</u>	<u>\$ 107,158</u>	<u>\$ 92,482</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ 16,937</u>	<u>\$ 8,805</u>	<u>\$ (3,988)</u>	<u>\$ 43,391</u>	<u>\$ 38,386</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.39%	94.68%	102.91%	71.18%	70.67%
Covered-Employee Payroll	\$ 94,557	\$ 91,444	\$ -	\$ 73,105	\$ 71,322
Net Pension Liability as a Percentage Of Covered Employee Payroll	17.91%	9.63%	N/A	59.35%	53.82%

See Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2018, 2017, 2016 and 2015

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Plan Fiduciary Net Position - Beginning	\$ 54,730	\$ 38,310	\$ 27,684	\$ 15,447
Plan Fiduciary Net Position - Ending (b)	<u>\$ 74,325</u>	<u>\$ 54,730</u>	<u>\$ 38,310</u>	<u>\$ 27,684</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ 36,967</u>	<u>\$ 38,508</u>	<u>\$ 39,644</u>	<u>\$ 30,722</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.78%	58.70%	49.14%	47.40%
Covered-Employee Payroll	\$ 68,852	\$ 66,436	\$ 65,133	\$ 63,597
Net Pension Liability as a Percentage Of Covered Employee Payroll	53.69%	57.96%	60.87%	48.31%

See Independent Auditors' Report.

CASS COUNTY EMERGENCY SERVICES BOARD

SCHEDULE OF CONTRIBUTIONS

DECEMBER 31, 2023

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contribution In Relation</u>	<u>Contribution Deficiency</u>	<u>Covered Employee Payroll</u>	<u>Contribution As Percentage</u>
2014	\$ 10,260	\$ 10,260	\$ -	\$ 63,333	16.20
2015	10,776	10,776	-	64,917	16.60
2016	11,257	11,257	-	66,215	17.00
2017	12,766	12,289	477	68,271	18.00
2018	13,282	13,282	-	71,026	18.70
2019	13,687	13,687	-	72,802	18.80
2020	10,752	10,752	-	56,588	19.00
2021	7,216	7,216	-	37,583	19.20
2022	18,155	18,155	-	94,557	19.20
2023	17,858	17,858	-	103,224	17.30

See Independent Auditors' Report.