STODDARD COUNTY AMBULANCE DISTRICT
Dexter, Missouri

For the Year Ended December 31, 2025

ANNUAL FINANCIAL REPORT

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Certified Public Accountants

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BEUSSINK, HEY, ROE & STRODER, L.L.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Stoddard County
  Ambulance District
Dexter, Missouri

Opinion

We have audited the accompanying modified cash basis financial statements of the business-type activities of Stoddard County Ambulance District as of and for the year ended December 31, 2025, and the related notes to the financial statements, which comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of the business-type activities of the Stoddard County Ambulance District as of December 31, 2025, and the changes in modified cash basis financial position and cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 judgment made by a reasonable user based on the financial statements.

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

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

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

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Beussink, Hey, Roe & Stroder, L.L.C.

Cape Girardeau, Missouri
June 26, 2026

BASIC FINANCIAL STATEMENTS

STODDARD COUNTY AMBULANCE DISTRICT
Dexter, Missouri

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

December 31, 2025

ASSETS

CURRENT ASSETS:		
Cash	$ 4,129,847	
Total Current Assets		$ 4,129,847
CAPITAL ASSETS:		
Land	$ 282,470	
Land Improvements	88,773	
Buildings	4,565,056	
Ambulances	3,465,841	
Furniture Fixtures and Equipment	4,294,939	
Accumulated Depreciation	(7,798,105)	
Total Capital Assets, Net		4,898,974
TOTAL ASSETS		$ 9,028,821

LIABILITIES

CURRENT LIABILITIES:		
Payroll Liabilities	$ 433	
Stryker Loan - Current Portion	301,862	
Total Current Liabilities		$ 302,295
LONG-TERM LIABILITIES:		
Stryker Loan - Long-Term Portion	$ 285,586	
Total Long-Term Liabilities		285,586
TOTAL LIABILITIES		$ 587,881

NET POSITION

Net Investment in Capital Assets	$ 4,311,526	
Restricted	-	
Unrestricted	4,129,414	
TOTAL NET POSITION		$ 8,440,940

See Accompanying Notes to the Basic Financial Statements.

STODDARD COUNTY AMBULANCE DISTRICT
Dexter, Missouri

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - MODIFIED CASH BASIS

For the Year Ended December 31, 2025

OPERATING REVENUES:		
Patient Services, Net	3,911,786	
Property Taxes	1,230,263	
Contract 911 Services	112,000	
Miscellaneous Income	17,241	
Total Operating Revenues		$ 5,271,290
OPERATING EXPENSES:		
Salaries	2,505,014	
Payroll Taxes and Benefits	871,068	
Office	18,379	
Insurance	160,068	
Telephone	19,560	
Ambulance Expense	378,200	
Field Equipment Maintenance	37,499	
Building and Grounds	295,196	
Communication	39,200	
Training	90,312	
Travel	21,314	
Medical Supplies	90,407	
FEMA/AMR Contract	2,168	
Advertising	374	
Professional Fees	152,993	
Uniforms	31,399	
Miscellaneous	56,807	
Depreciation	863,848	
Total Operating Expenses		5,633,806
Operating Income (Loss)		$ (362,516)
NON-OPERATING REVENUES AND EXPENSES:		
Interest and Dividend Income	$ 138,925	
Grant Revenue - Capital	218,551	
Gain on Sale of Fixed Assets	34,454	
Total Non-Operating Revenues and Expenses		391,930
Increase (Decrease) in Net Position		$ 29,414
Net Position, December 31, 2024		8,411,526
Net Position, December 31, 2025		$ 8,440,940

See Accompanying Notes to the Basic Financial Statements.

STODDARD COUNTY AMBULANCE DISTRICT
Dexter, Missouri

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS

For the Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	$ 3,929,027
Cash Received from Other Sources	1,342,263
Paid to Employees for Services	(3,375,649)
Paid to Suppliers for Goods and Services	(1,393,876)
Cash Received by Grants	218,551
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 720,316
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	$ -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of Capital Assets	$ (242,842)
Proceeds from Sale of Fixed Assets	34,500
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	$ (208,342)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Income	$ 138,925
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	$ 138,925
NET INCREASE (DECREASE) IN CASH	$ 650,899
CASH, December 31, 2024	3,478,948
CASH, December 31, 2025	$ 4,129,847
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating Income (Loss)	$ (362,516)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	863,848
Increase(Decrease) in Payroll Liabilities	433
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 501,765

See Accompanying Notes to the Basic Financial Statements.

STODDARD COUNTY AMBULANCE DISTRICT
Dexter, Missouri

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Stoddard County Ambulance District operates in Stoddard County, Missouri, and is a political subdivision of the State of Missouri. Stoddard County, Missouri is located in the southeastern part of the state. The District was formed to provide ambulance service to the residents of Stoddard County, Missouri. The District has gone through several expansions since they were formed many years ago. The Board operates with six directors. Each represents a different part of Stoddard County. They are elected by the citizens of Stoddard County to serve a 3-year term.

The summary of significant accounting policies of the Stoddard County Ambulance District (the District) is presented to assist the reader in understanding the District's financial statements. The financial statements and notes to the financial statements are representations of the District's management who is responsible for them. The District operates on a calendar year beginning January 1, and ending on the December 31.

Since the District is a government entity, no provision has been made for federal or state income taxes.

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists, which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. This basis is an other comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A. The Reporting Entity:

In evaluating the District as a reporting entity, management has addressed all potential component units (traditionally separate legal entities) for which the District may be financially accountable and, as such, should be included within the District's financial statements. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The District has determined that it has one component unit because the Boards of the District and the component unit are the same and the component unit's only reason for existence is to benefit the primary government. All transactions within this corporation have been included in these financial statements.

B. Individual Component Unit Disclosure:

Blended Component Unit – Stoddard County Ambulance District Improvement Corporation was formed by action of the board of directors of the Stoddard County Ambulance District. It was formed on July 28, 2008 to help fund the expansion of the Dexter location of the District. This corporation is reported as if it is a part of the primary government because its sole purpose is to finance capital improvements to property owned by the District.

C. Fund Financial Statements:

The fund statements provide information about the District's funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The emphasis of fund financial statements is on major governmental funds. The District is made up of only one fund which is an enterprise fund.

D. Enterprise Fund:

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes only an enterprise fund.

Operating revenues in the enterprise fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. Non-operating revenues consist of investment earnings. All assets and liabilities associated with an enterprise fund's activities are included on its statement of financial position.

E. Property Taxes:

The District receives real estate and personal property taxes from the County based on assessed valuations and an approved tax rate. Property taxes are recorded as revenue when payments are received from the County.

F. Measurement Focus:

The enterprises fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net capital assets, net position, and cash flows. All assets and liabilities associated with their activities are reported. Enterprise fund equity is classified as net position.

G. Concentration of Investment Credit Risk:

The District maintains cash balances and certificates of deposit at several financial institutions located in Southeast Missouri. Accounts at each institution are generally insured up to $250,000 with a collateral pledge to the District for amounts over that.

H. Use of Estimates:

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Vacation, Comp Time, and Sick Leave:

Vacation days accumulate according to position and years of service. If these vacation days are not used within the next year, they are forfeited, unless approved by the manager. These unused days will be recharacterized as comp time. They will then be used before any new vacation time is used. Sick leave is earned at the rate of 8 hours for each month of service for office staff, dispatch, and management, and 12 hours for field staff. This begins to accrue after the first three (3) months of initial service with the District. The maximum accumulation of benefits will be 240 hours for office, dispatch, and management and 432 hours for field staff.

Comp time is earned after the employee works his (her) regular 40-hour week. It is earned at time and one-half and can either be paid or used as time off. Comp time may be accumulated and the maximum amounts are 80 hours for the office/dispatch staff and 144 hours for field staff. As of December 31, 2025, comp time earned is the equivalent of $37,251 and the vacation liability is $32,746. Sick pay is not payable on termination; therefore, no liability has been calculated.

J. Net Position:

Equity for enterprise fund financial statements is classified as net position and displayed in three components.

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, and increased by any unspent proceeds.

2. Restricted net position – Consists of net position with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provision or enabling legislation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above.

3. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

2. <u>DEPOSITS</u>

For the purpose of financial reporting cash includes all demand and savings accounts, and certificates of deposit.

A. <u>Custodial Credit Risk</u>:

State statutes require that all monies in financial institutions be fully collateralized by government obligations that have a market value not less than the principal amount of the deposits. The District deposits were sufficiently insured or collateralized as required by the state statutes at December 31, 2025.

B. <u>Investment Interest Rate Risk and Credit Risk</u>:

The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. There is also no policy that limits investment choices other than the limitation of state law.

C. <u>Concentration of Investment Credit Risk</u>:

The District places no limit on the amount it may invest in any one issuer. At December 31, 2025, the District's balances were held at five financial institutions.

3. <u>CAPITAL ASSETS</u>

All capital assets are valued at historical cost. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation of all exhaustible capital assets is recorded as an expense. Depreciation is provided over the assets' estimated useful lives using the straight-line basis over periods ranging from 5 to 40 years. The Board updated its capitalization policy in October 2018 to be effective January 2019, raising the capitalization threshold to $1,250.

Capital Assets activity, resulting from modified cash basis transactions, for the year ended December 31, 2025 was as follows:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Capital Assets Not Being Depreciated:				
Land	$ 282,470	$ -	$ -	$ 282,470
Total Capital Assets Not Being Depreciated	$ 282,470	$ -	$ -	$ 282,470
Other Capital Assets				
Land Improvements	$ 88,773	$ -	$ -	$ 88,773
Buildings	4,514,263	67,462	(16,669)	4,565,056
Ambulances	3,465,841	-	-	3,465,841
Furniture, Fixtures, & Equipment	3,892,111	762,827	(359,999)	4,294,939
Total Other Capital Assets	$ 11,960,988	$ 830,289	$ (376,668)	$ 12,414,609
Less Accumulated Depreciation	$ (7,310,880)	$ (863,848)	$ 376,623	$ (7,798,105)
Total Capital Assets, Net	$ 4,932,578	$ (33,559)	$ (45)	$ 4,898,974

4. ASSESSED VALUATION AND TAX LEVY

Property taxes are levied on November 1 and payable by property owners by December 31. Property taxes attach as an enforceable lien on property as of January 1. The county collects the property tax and remits it to the District.

The assessed valuation of the tangible property for the calendar year 2025 for purposes of local taxation was:

	2025
Real Estate	$ 359,601,298
Personal Property	230,315,724
Railroad & Utilities	61,180,417
Totals	$ 651,097,439

The tax levy per $100 of the assessed valuation of tangible taxable property for the calendar year 2025 for purposes of local taxation was $0.2020.

5. RETIREMENT PLAN

A. Plan Description:

The District’s defined pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The District participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMO. 70.600-70.755.

As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

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 (55 for police, fire, or public safety employee) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police, fire, or public safety employee) and receive a reduced allowance.

Benefit Multiplier:	2%
Final Average Salary:	3 years
Member Contributions:	4%

Benefit terms provide for annual postretirement 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.

C. Employees Covered by Benefit Terms:

At December 31, 2025, the following employees were covered by benefit terms:

	General
Retirees and beneficiaries currently receiving benefits	10
Inactive, Nonretired members	24
Fully vested active members	33
Total	67

D. Contributions:

The District is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is an 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. Employer contribution rates are 10.2% of annual covered payroll.

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District purchases commercial insurance for all risks of loss. Settled claims have not exceeded this commercial insurance coverage for any of the past three years.

The District is also exposed to risks of loss related to injuries to employees. The District purchases workers compensation insurance from a commercial workers compensation carrier. Settled claims have not exceeded commercial coverage.

7. SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through June 26, 2026, the date the financial statements were available to be issued.

8. LONG TERM DEBT

During the year ended December 31, 2025, new equipment was purchased with a loan totaling $587,448. The cost of the equipment is included in the Statement of Net Position as furniture, fixtures, and equipment totaling $613,448. Accumulated depreciation of the equipment at December 31, 2025 totaled $10,224. The note bears an interest rate of 6.683 percent and matures January 2027.

The future minimum loan payments under this loan are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 301,862	$ 3,271	$ 305,133
2027	285,586	19,547	305,133
Total	$ 587,448	$ 22,818	$ 610,266

9. SUBSEQUENT EVENT

In February 2026, the District purchased a new ambulance for an amount totaling $371,200.

10. COMMITMENTS

The District has signed sales contracts to purchase 3 ambulances in 2028 not to exceed $1,269,300 and 3 ambulances in 2029 not to exceed $1,325,800.