

**PRELIMINARY OFFICIAL STATEMENT DATED JUNE 14, 2024**

**NEW ISSUE  
Book-Entry Only  
Bank-Qualified**

**S&P RATING: “A+”  
See “RATING” herein.**

*In the opinion of Gilmore & Bell, P.C., as Bond Counsel to the District, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.*

**\$7,295,000\***

**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
(JACKSON COUNTY, MISSOURI)  
GENERAL OBLIGATION BONDS  
SERIES 2024**

**Dated: Date of Issuance**

**Due: March 1, as shown on the inside cover page**

The General Obligation Bonds, Series 2024 (the “Bonds”), will be issued by the Southern Jackson County Fire Protection District (Jackson County, Missouri) (the “District”), for the purpose of (1) paying the costs of the Project (defined herein), and (2) paying costs of issuing the Bonds. The Bonds will be issued as fully-registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. The Bonds will be available for purchase in denominations of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. DTC will receive all payments with respect to the Bonds from UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds. DTC is required to remit such payments to DTC Participants (defined herein) for subsequent disbursement to the Beneficial Owners (defined herein) of the Bonds.

Principal of the Bonds is payable annually on March 1 in the years set forth on the inside cover page of this Official Statement. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing on March 1, 2025.

The Bonds are subject to optional redemption and payment prior to maturity as described herein. See the caption “**THE BONDS – Redemption Provisions**” herein.

THE BONDS AND INTEREST THEREON WILL CONSTITUTE GENERAL OBLIGATIONS OF THE DISTRICT, PAYABLE FROM AD VALOREM TAXES WHICH MAY BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT UPON ALL OF THE TAXABLE TANGIBLE PROPERTY, REAL AND PERSONAL, WITHIN THE TERRITORIAL LIMITS OF THE DISTRICT. See the caption “**SECURITY FOR THE BONDS**” herein.

**See inside cover for maturities, principal amounts, interest rates, yields and CUSIP numbers.**

*The Bonds are offered when, as and if issued by the District, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, as Bond Counsel to the District. McLiney And Company, a division of SAMCO Capital Markets, Inc., has been engaged by the District to serve as its municipal advisor in connection with the issuance, sale and delivery of the Bonds. It is expected that the Bonds will be available for delivery in book-entry form through DTC, New York, New York, on or about July 16, 2024.*

***Bids for the Bonds will only be received electronically through the PARITY electronic bid submission system until 10:00 A.M., Central Time, on Tuesday, June 25, 2024.***

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\* Preliminary, subject to change.

**\$7,295,000\***  
**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT**  
**(JACKSON COUNTY, MISSOURI)**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2024**

**MATURITY SCHEDULE**

**Serial Bonds**

<b>Maturity March 1</b>	<b>Principal Amount*</b>	<b>Interest Rate</b>	<b>Yield</b>	<b>CUSIP<sup>(1)</sup></b>
2033	\$480,000			
2034	500,000			
2035	520,000			
2036	540,000			
2037	560,000			
2038	585,000			
2039	610,000			
2040	635,000			
2041	680,000			
2042	710,000			
2043	725,000			
2044	750,000			

<sup>(1)</sup> CUSIP Numbers have been assigned to this issue by CUSIP Global Services managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and are included solely for the convenience of the Bondowners. Neither the District nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

\* Preliminary, subject to change.

**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
(JACKSON COUNTY, MISSOURI)**

101 Lotawana Drive  
Lake Lotawana, Missouri 64086  
(816) 578-4211

**Board of Directors**

Mike Boinski, Chairman and Director  
Carl Allison, Vice Chairman and Director  
Margaret Smith, Assistant Treasurer and Director  
Pat Vanscoy, Director  
Ann Doughty, Director

**Administration**

Bill Large, Fire Chief  
Lisa Mahaffey, Secretary and Treasurer of the District

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**MUNICIPAL ADVISOR**



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**BOND COUNSEL**

Gilmore & Bell, P.C.  
Kansas City, Missouri

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**PAYING AGENT**

UMB Bank, N.A.  
Kansas City, Missouri

## REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the District and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may overallocate or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or “blue sky” laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

### CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the District’s current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENTS WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS SET FORTH IN **APPENDIX C**.

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## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, which is provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

District:	Southern Jackson County Fire Protection District (Jackson County, Missouri)
Issues:	\$7,295,000* General Obligation Bonds, Series 2024
Dated Date:	Date of Delivery.
Interest Payment Dates:	Semi-annually on March 1 and September 1 in each year, commencing March 1, 2025.
Principal Due:	Principal is payable on March 1 in the years and in the principal amounts detailed on the inside cover page of this Official Statement.
Optional Redemption:	The Bonds are subject to optional redemption prior to their Stated Maturity. See the section captioned <b>“THE BONDS – Redemption Provisions”</b> herein.
Authorization:	The Bonds are authorized by a resolution of the Board of Directors of the District pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 321 and 108 of the Revised Statutes of Missouri, as amended.
Security:	The Bonds will be general obligations of the District and will be payable from ad valorem taxes which may be levied without limitations as to rate or amount upon all taxable property, real and personal, within the territorial limits of the District. See also the caption <b>“SECURITY FOR THE BONDS”</b> herein.
Credit Rating:	S&P Global Ratings, a division of Standard & Poor’s Financial Services, LLC, has assigned the Bonds the rating shown on the cover page of this Official Statement based upon the evaluation of the creditworthiness of the District. See also the caption <b>“RATING”</b> herein.
Purpose:	The Bonds are being issued to provide funds to (1) pay a portion of the costs of the Project (defined herein) utilizing \$7,295,000* of the total \$20,000,000 principal amount of general obligation bonds approved by the required number of qualified voters of the District voting on the general obligation bond question at an election held in the District on April 2, 2024, and (2) pay the costs of issuing the Bonds. See also the captions <b>“PLAN OF FINANCING – Authorization and Purpose of the Bonds,”</b> and <b>“-The Project,”</b> herein.
Tax Exemption:	Gilmore & Bell, P.C., as Bond Counsel to the District, will provide an opinion as to the tax exemption of the interest on the Bonds as discussed under the caption <b>“TAX MATTERS”</b> in this Official Statement.
Bank Qualification:	The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
Paying Agent:	UMB Bank, N.A., Kansas City, Missouri
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ( <b>“DTC”</b> ), New York, New York. DTC will act as securities depository of the Bonds.

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\* Preliminary, subject to change.

## OFFICIAL STATEMENT

**\$7,295,000\***  
**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT**  
**(JACKSON COUNTY, MISSOURI)**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2024**

### INTRODUCTION

*This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.*

#### **Purpose of the Official Statement**

The purpose of this Official Statement is to furnish information relating to (1) the Southern Jackson County Fire Protection District (Jackson County, Missouri) (the “**District**”), and (2) the General Obligation Bonds, Series 2024 (the “**Bonds**”) to be issued by the District in the aggregate principal amount of \$7,295,000\*.

#### **The District**

The District is a fire protection district and political subdivision organized and existing under the laws of the State of Missouri. The District began operations as of January 1, 2021, as a result of the legal consolidation of the Lotawana Fire Protection District (the “**Lotawana FPD**”) and the Prairie Township Fire Protection District (the “**Prairie Township FPD**”). Pursuant to Section 321.688 of the Revised Statutes of Missouri, as amended (the “**Consolidation Law**”), the consolidation was approved at an election held on August 4, 2020, at which the question was approved by more than 77% of Lotawana FPD’s qualified voters voting at the election and more than 59% of Prairie Township FPD’s qualified voters voting at the election. **Pursuant to the Consolidation Law, effective January 1, 2021, all properties, rights, assets, and liabilities of the Lotawana FPD and the Prairie Township FPD, including any outstanding bonds became the properties, rights, assets, and liabilities of the District.**

For general, economic and financial information about the District see *Appendix A*.

#### **Purpose of the Bonds**

At an election held in the District on April 2, 2024 (the “**2024 Election**”), the required majority of the qualified voters of the District approved the issuance of \$20,000,000 principal amount of general obligation bonds for the purpose of acquiring and constructing new facilities and fire/rescue equipment and acquiring facilities and equipment now leased to the District by paying off and retiring outstanding leasehold financing obligations (collectively, the “**Project**”). The District has not previously issued any of the general obligation bonds authorized by voters of the District at the 2024 Election, and the principal amount of the Bonds (\$7,295,000\*) represents the first installment of the total \$20,000,000 general obligation bonds authorized by voters at the 2024 Election. See the sections captioned “**PLAN OF FINANCING**” and “**THE BONDS**” herein.

The Bonds are being issued pursuant to a resolution adopted by the Board of Directors of the District on June 13, 2024, as supplemented by a Certificate of Final Terms to be executed by the Chairman of the Board of Directors and attested by the Secretary of the Board of Directors on June 25, 2024 (collectively, the “**Bond**”).

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\* Preliminary, subject to change.

**Resolution”**). All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Bond Resolution.

### **Security and Source of Payment**

The Bonds will be general obligations of the District and will be payable from ad valorem taxes which may be levied without limitations as to rate or amount upon all taxable property, real and personal, within the territorial limits of the District. See also the caption “**SECURITY FOR THE BONDS**” herein.

### **Other Outstanding General Obligation Bonds and Lease Obligations**

In addition to the Bonds, the District will be obligated to pay from ad valorem taxes the principal and interest on the District’s other outstanding general obligation bonds, consisting of the District’s (1) General Obligation Bonds, Series 2019, currently outstanding in the aggregate principal amount of \$725,000 and (2) General Obligation Bonds, Series 2020, currently outstanding in the aggregate principal amount of \$2,675,000. See the caption “**DEBT STRUCTURE OF THE DISTRICT – Current Long-Term General Obligation Indebtedness**” in *Appendix A* to this Official Statement. The District is also obligated on an annually renewable basis to make certain basic rent payments under a lease purchase financing that is described under the section captioned “**DEBT STRUCTURE OF THE DISTRICT – Other Long-Term Obligations of the District**” in *Appendix A* to this Official Statement. The basic rent payments are payable solely from available money in the District’s General Fund and not from moneys in the District’s Debt Service Fund, which may be used solely to make payments on the District’s general obligation bonds, including the Bonds.

### **Financial Statements**

Audited financial statements of the District, as of and for the year ended December 31, 2022, are included in *Appendix B* to this Official Statement. These financial statements have been audited by Novak Birks, P.C., Certified Public Accountants, Kansas City, Missouri, to the extent and for the period indicated in the Independent Auditors’ Report which is also included in *Appendix B* hereto.

### **Continuing Disclosure Information**

The District will enter into a Continuing Disclosure Undertaking dated as of the date of issuance of the Bonds (the “**Continuing Disclosure Undertaking**”), to provide certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the section herein captioned “**CONTINUING DISCLOSURE UNDERTAKING**” and the “**FORM OF CONTINUING DISCLOSURE UNDERTAKING**” included as *Appendix C* to this Official Statement.

### **Bond Rating**

S&P Global Ratings, a division of Standard & Poor’s Financial Services, LLC (“**S&P**”) has assigned the Bonds the rating set forth on the cover page of this Official Statement. See the section captioned “**RATING**” herein.

## **PLAN OF FINANCING**

### **Authorization and Purpose of Bonds**

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 321 and 108 of the Revised Statutes of Missouri, as amended. At the 2024 Election, the qualified voters of the



District voting on the general obligation bond proposition approved by 73.68% (2,097 voting “yes” to 749 voting “no”) the proposition authorizing the District to issue general obligation bonds in the principal amount of \$20,000,000 for the purpose of paying costs of the Project. The principal amount of the Bonds (\$7,295,000\*) represents the first installment of the total \$20,000,000 general obligation bonds authorized by voters at the 2024 Election. The proceeds received by the District from the sale of the Bonds will be used to (1) pay a portion of the costs of the Project (relating to the acquisition and construction of new facilities and fire/rescue equipment) as authorized by voters at the 2024 Election and (2) pay certain costs of issuing the Bonds.

**Sources and Uses of Funds**

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the expected uses of such funds, in connection with the plan of financing:

<i>Sources of Funds:</i>	
Principal amount of the Bonds	\$7,295,000.00*
[Net] original issue premium	
Total	
 <i>Uses of Funds:</i>	
Deposit to Project Fund	
Costs of issuance for the Bonds, including Underwriter’s discount	
Total	

**THE BONDS**

*The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Resolution for the detailed terms and provisions thereof.*

**General Description**

The Bonds are being issued in the aggregate principal amount of \$7,295,000\*. The Bonds are dated as of the date of original delivery of and payment for such Bonds and the principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement, subject to redemption and payment prior to maturity upon the terms and conditions described under the caption “**Redemption Provisions**” herein. Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page of this Official Statement, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which said interest has been paid and is payable semiannually on March 1 and September 1 (each an “**Interest Payment Date**”), beginning March 1, 2025.

The interest payable on each Bond on any Interest Payment Date will be paid to the person in whose name such Bond is registered (the “**Registered Owner**” or “**Owner**”) as shown on the registration books (the “**Bond Register**”) at the close of business on the 15<sup>th</sup> day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the “**Record Date**”) for such interest (1) by check or draft mailed by UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds (the “**Paying Agent**”), to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank

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\* Preliminary, subject to change.

(which shall be in the continental United States), its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

The principal or Redemption Price (as defined herein) of each Bond will be paid by check, electronic transfer or draft to the Registered Owner at the Maturity thereof, upon presentation and surrender of such Bond at the payment office of the Paying Agent, or such other office designated by the Paying Agent.

While the Bonds remain in book-entry only form, payments to Beneficial Owners (defined in *Appendix D* to this Official Statement) are governed by the rules of DTC as described in *Appendix D* to this Official Statement. If DTC ceases to act as securities depository for the Bonds, payment may be made as described in the Bond Resolution.

### **Book-Entry Only System**

Ownership interests in the Bonds will be available to purchasers only through a book-entry only system (the “**Book-Entry Only System**”) described in *Appendix D* attached hereto. If, however, the Book-Entry Only System has been discontinued and a Direct Participant (defined in *Appendix D* to this Official Statement) has elected to withdraw its Bonds from DTC (or such successor securities depository), Bond certificates may be delivered to Beneficial Owners in the manner described herein under the caption “**Registration, Transfer and Exchange of Bonds Upon Discontinuance of Book-Entry Only System**” below.

### **Registration, Transfer and Exchange of Bonds Upon Discontinuance of Book-Entry Only System**

The District will cause the Bond Register to be kept at the payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Bond Resolution. Upon surrender of any Bond at the payment office of the Paying Agent, or at such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond as provided in the Bond Resolution.

The Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate or principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner’s duly authorized agent. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. The District and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond after notice calling such bond or portion thereof for redemption has been mailed by the Paying Agent in accordance with the Bond Resolution and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (2) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the District of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Bond Resolution.

## Redemption Provisions

**Optional Redemption.** At the option of the District, the Bonds or portions thereof maturing on March 1, 2031, and thereafter may be called for redemption and payment prior to maturity on March 1, 2030, and thereafter, in whole or in part, at any time at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

**Selection of Bonds to be Redeemed.** Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from Stated Maturities selected by the District, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the case of a partial redemption of Bonds at the time Outstanding in denominations greater than \$5,000, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the price which such Bonds are to be redeemed (the "**Redemption Price**") and interest to the date fixed for redemption (the "**Redemption Date**") of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

**Notice of Redemption for Bonds.** Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the District by mailing a copy of an official redemption notice by first class mail at least 20 days prior to the Redemption Date to the State Auditor of Missouri and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

With respect to optional redemptions, such notice may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the District that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Bond Resolution to DTC. It is expected that DTC will, in turn, notify its Participants (as defined in *Appendix D*) and that the Participants (as defined in *Appendix D*), in turn, will notify or cause to be notified the Beneficial Owners (as defined in *Appendix D*). Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

***Effect of Call for Redemption.*** Official notice of redemption having been given as provided in the Bond Resolution, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the District defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Bond Resolution for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying Agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Bond Resolution. All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent pursuant to the Bond Resolution and shall not be reissued.

The failure of any Registered Owner to receive the foregoing notice or any immaterial defect therein shall not invalidate any redemption.

### **CUSIP Numbers**

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Bonds.

## **SECURITY FOR THE BONDS**

***Pledge of Full Faith and Credit.*** The Bonds will constitute general obligations of the District and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District. The full faith, credit and resources of the District are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

***Levy and Collection of Annual Tax.*** Under the Bond Resolution, there is levied upon all of the taxable tangible property within the District a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the District are levied and collected. The proceeds derived from said property taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the District and shall be used solely for the payment of the principal or Redemption Price of and interest on the Bonds as and when the same become due, taking into account scheduled mandatory redemptions, if any, and the fees and expenses of the Paying Agent.

## **RISK FACTORS**

*The following is a discussion of certain risks that could affect the payments to be made by the District with respect to the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.*

## **Ad Valorem Property Taxes**

The Bond Resolution levies a direct annual tax on all taxable tangible property within the District sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the District, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See the caption "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – History of Property Valuations**" in *Appendix A* to this Official Statement. In addition, the issuance of additional general obligation bonds by the District or other indebtedness by other political subdivisions in, or overlapping the boundaries of, the District would increase the tax burden on taxpayers in the District. See the caption "**DEBT STRUCTURE OF THE DISTRICT – Overlapping Indebtedness**" in *Appendix A* to this Official Statement. Missouri law limits the amount of general obligation debt issuable by the District to 5% of the assessed valuation of taxable tangible property in the District. See the caption "**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity**" in *Appendix A* to this Official Statement. Other political subdivisions in the District are subject to similar limitations on general obligation debt imposed by Missouri law, including cities, school districts, counties and certain other political subdivisions, which are limited to general obligation debt of 20%, 15%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the District would expose the District's ability to collect ad valorem property taxes to the financial strength, ability and willingness of major taxpayers to pay property taxes. See the captions "**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT – Property Valuations – Current Assessed Valuation**" and "**– Major Property Taxpayers**" in *Appendix A* to this Official Statement.

## **Secondary Market Prices and Liquidity**

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's or the issuer's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

## **No Reserve Fund or Credit Enhancement**

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to insure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the District to pay the Bonds. As described under "**SECURITY FOR THE BONDS**" in this Official Statement, the District has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, on all taxable tangible property in the District in an amount sufficient to pay principal and interest on the Bonds.

## **Rating**

S&P has assigned the Bonds the rating set forth on the cover page of this Official Statement. Such rating reflects only the view of S&P, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised,

either downward or upward, or withdrawn entirely, by S&P if, in S&P's judgment, circumstances warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

### **Bankruptcy**

In addition to the limitations on remedies contained in the Bond Resolution, the rights and remedies provided by the Bonds may be limited by and are subject to (1) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (2) the application of equitable principles, and (3) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri, as amended, requires that any interest and sinking fund moneys only be used to pay principal and interest on the Bonds. The District, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

### **Pensions and Other Postemployment Benefits**

The District contributes to the Missouri Local Government Employees Retirement System ("LAGERS"), an agent multi-employer, statewide public employee retirement plan for entities of local government which is legally separate and fiscally independent of the State of Missouri. Future required contribution increases required by LAGERS beyond the current fiscal year may require the District to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the District's operations or limit the District's ability to generate additional revenues in the future.

For more information specific to the District's participation, including the District's past contributions, net pension liability, and pension expense, relating to LAGERS see the caption "**FINANCIAL INFORMATION CONCERNING THE DISTRICT - Employee Retirement and Pension Plans**" included in *Appendix A* to this Official Statement and *Note G* to the District's audited financial statements for fiscal year ended December 31, 2022, included as *Appendix B* to this Official Statement.

### **Amendment of the Bond Resolution**

Certain amendments, effected by resolution of the District, to the Bonds and the Bond Resolution may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (1) extend the maturity of any payment of principal or interest due upon any Bond; (2) effect a reduction in the amount which the District is required to pay as principal of or interest on any Bond; (3) permit preference or priority of any Bond over any other Bond; or (4) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Resolution without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The District may also amend or supplement the Bond Resolution, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

### **Loss of Premium from Redemption**

Any person who purchases the Bonds at a price in excess of its principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the caption "**THE BONDS – Redemption Provisions**" in this Official Statement.

## **Tax-Exempt Status and Risk of Audit**

The failure of the District to comply with certain covenants set forth in the Bond Resolution could cause the interest on the Bonds to become included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bond Resolution does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal income tax purposes. See the caption “**TAX MATTERS**” in this Official Statement.

The Internal Revenue Service (the “**IRS**”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds was commenced, the IRS, in accordance with its current published procedures, is likely to treat the District as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

## **Defeasance Risks**

When all Bonds are deemed paid and discharged as provided in the Bond Resolution, the requirements contained in the Bond Resolution and the pledge of the District’s faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the Stated Maturity or prior Redemption Date. There is no legal requirement in the Bond Resolution that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

## **Future Economic, Demographic and Market Conditions**

Adverse economic conditions or changes in demographics in the District, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact timely payment of taxes by taxpayers in the District and, therefore, the District’s financial condition.

## **Cybersecurity Risks**

The District relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the District’s security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the District and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the District may incur significant costs to remediate possible injury to the affected persons, and the District may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the District’s operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

## LEGAL MATTERS

### Litigation

There is not now pending or, to the knowledge of the District, threatened any litigation against the District seeking to prohibit, restrain, or enjoin the issuance, sale, or delivery of the Bonds or the levy and collection of a debt service property tax to pay the principal and interest on the Bonds, or which might affect the District's ability to meet its obligations to pay the Bonds.

### Approval of Legality

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, as Bond Counsel to the District (see the form of Bond Counsel's opinion is attached hereto as *Appendix E*).

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

### Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., as Bond Counsel to the District ("**Bond Counsel**"), under the law existing as of the issue date of the Bonds:

***Federal and State of Missouri Tax Exemption.*** The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

***Alternative Minimum Tax.*** The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

***Bank Qualification.*** The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.



Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds, but has reviewed the discussion under the heading "TAX MATTERS."

### **Other Tax Consequences**

**Original Issue Discount.** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

**Original Issue Premium.** For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

**Sale, Exchange or Retirement of Bonds.** Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

**Reporting Requirements.** In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

***Collateral Federal Income Tax Consequences.*** Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

## RATING

S&P has assigned the Bonds rating set forth on the cover page hereof based upon the creditworthiness of the District.

The rating reflects only the view of S&P at the time such rating is given, and the Underwriter and the District make no representation as to the appropriateness of such ratings. An explanation of the significance of such rating may be obtained only from S&P. The District has furnished S&P with certain information and materials relating to the Bonds and the District that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. The above rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. Except as described provided in the District’s Continuing Disclosure Undertaking, neither the Underwriter nor the District have undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. See “**FORM OF CONTINUING DISCLOSURE UNDERTAKING**” attached to this Official Statement as *Appendix C*. Any such revision or withdrawal of the rating could have an adverse effect on the market price and marketability of the Bonds.

## CONTINUING DISCLOSURE UNDERTAKING

Pursuant to a Continuing Disclosure Undertaking to be entered into by the District in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”), the District has agreed to provide to the Municipal Securities Rulemaking Board (the “**MSRB**”), *via* the EMMA system, not later than **June 30<sup>th</sup>** after the end of each fiscal year, commencing with the fiscal year ending December 31, 2024, (1) the audited financial statements of the District for that fiscal year and (2) certain operating data of the District (the “**Annual Report**”). The financial statements of the District are audited by the District’s independent certified public accountants. The District has also agreed to provide prompt notice of the occurrence of certain enumerated events with respect to the Bonds. See “**FORM OF CONTINUING DISCLOSURE UNDERTAKING**” attached as *Appendix C* to this Official Statement.

The District has previously entered into a continuing disclosure undertaking under the Rule in connection with the issuance of the District’s Certificates of Participation, Series 2021. Furthermore, pursuant to Consolidation Law, which resulted in the creation of the District on January 1, 2021, through the consolidation of Lotawana FPD and Prairie Township FPD, the District has assumed the General Obligation Bonds, Series

2019 (the “**Series 2019 Bonds**”), and General Obligation Bonds, Series 2020 (the “**Series 2020 Bonds**”), previously issued by Lotawana FPD prior to the January 1, 2021, consolidation. As a result, the District has assumed continuing disclosure undertaking obligations of Lotawana FPD previously entered into by Lotawana FPD in connection with the issuance of the Series 2019 Bonds and Series 2020 Bonds. Prior to the consolidation that formally created the District on January 1, 2021, the District believes Lotawana FPD complied in all material respects with its prior undertakings under the Rule entered into for the Series 2019 Bonds and Series 2020 Bonds during fiscal years ended December 31, 2019 and December 31, 2020. After the consolidation and creation of the District on January 1, 2021, the District believes it has complied in all material respects with its prior undertakings under the Rule for the Series 2019 Bonds and Series 2020 Bonds (assumed from Lotawana FPD as a result of the consolidation) and the Series 2021 Certificates during fiscal years ended December 31, 2021 through December 31, 2022. Therefore, the District believes it has complied in all material respects with its prior continuing disclosure undertakings under the Rule during the past five years.

## MISCELLANEOUS

### Underwriting

Based upon bids received by the District on June 25, 2024, the Bonds were awarded to [\_\_\_\_\_] , as the original purchaser and underwriter of the Bonds (the “**Underwriter**”). The Underwriter has agreed, subject to certain conditions, to purchase the Bonds from the District at a purchase price of \$[\_\_\_\_\_] (equal to the par amount of the Bonds plus/minus a net original issue premium/discount of \$[\_\_\_\_\_] , less an underwriting discount of \$[\_\_\_\_\_] ). The Underwriter is purchasing the Bonds from the District for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

### Municipal Advisor

McLiney And Company, a division of SAMCO Capital Markets, Inc., Mission, Kansas (the “**Municipal Advisor**”), has acted as Municipal Advisor to the District in connection with the sale of the Bonds. The Municipal Advisor has assisted in various matters relating to the planning, structuring and issuance of the Bonds and various other debt related matters. The Municipal Advisor has not passed on the accuracy or completeness of the factual information contained in this Official Statement. The Municipal Advisor will not be a manager or a member of any purchasing group submitting a proposal for the purchase of the Bonds.

### Certain Relationships

Gilmore & Bell, P.C., as Bond Counsel to the District, has represented the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing the Paying Agent in connection with the issuance of the Bonds.

### Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the District, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds and the Bond Resolution do not purport to be complete and are qualified in their entirety by reference thereto.

The form of this Official Statement, and its distribution and use by the Underwriters, has been approved by the District. Neither the District nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District's ability to make payments required of it; and further, neither the District nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Bond Resolution.

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**Additional Information**

Additional information regarding the District or the Bonds may be obtained from McLiney And Company, Attention: G. Joseph McLiney, 5201 Johnson Drive, Suite 415, Mission, Kansas 66205 (816-221-4042), or from the District, Attention: Chief Bill Large, Fire Chief, 101 Lotawana Drive, Lake Lotawana, Missouri 64086 (816-578-4211).

**SOUTHERN JACKSON COUNTY FIRE  
PROTECTION DISTRICT**

By: \_\_\_\_\_  
Chairman of the Board of Directors

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**APPENDIX A**

**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
(JACKSON COUNTY, MISSOURI)**

**GENERAL, ECONOMIC AND FINANCIAL INFORMATION  
REGARDING THE DISTRICT**

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**APPENDIX A**

**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
(JACKSON COUNTY, MISSOURI)**

**GENERAL, ECONOMIC AND FINANCIAL INFORMATION  
REGARDING THE DISTRICT**

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## GENERAL INFORMATION CONCERNING THE DISTRICT

### Organization

On January 1, 2021, the Southern Jackson County Fire Protection District of Jackson County, Missouri (the “**District**”), was formed pursuant to Section 321.688 of the Revised Statutes of Missouri, as amended (the “**Consolidation Law**”), through the legal consolidation of the Lotawana Fire Protection District (the “**Lotawana FPD**”) and the neighboring Prairie Township Fire Protection District (the “**Prairie Township FPD**”). The consolidation was approved at an election held on August 4, 2020, at which the question was approved by more than 77% of Lotawana FPD’s qualified voters voting at the election and more than 59% of Prairie Township FPD’s qualified voters voting at the election.

### Location and Size

The District encompasses an estimated 46 square miles in eastern Jackson County, Missouri (“**Jackson County**”) within the city limits of the City of Lake Lotawana, Missouri, the southern portion of the City of Blue Springs, Missouri, and certain unincorporated areas of Jackson County. The estimated year-round population of the area encompassing the boundaries of the District is 27,000. Lake Lotawana was developed by Milton Thompson, owner of nearby Highland Farms, the world’s largest Hereford cattle breeding farm at that time (1927). He had previously developed Lake Tapawingo, another nearby lake community. Permission for the new lake was requested in 1927. The dam was completed in the fall of 1929. The lake has approximately 500 acres of surface water and 27 miles of shoreline, and is owned by a nonprofit homeowners association. Lake Lotawana is located approximately 30 miles southeast of downtown Kansas City, Missouri.

### Government and Organization

Pursuant to the Consolidation Law, the initial Board of Directors of the District (the “**Board of Directors**” or “**Board**”) consisted of the existing board members of the Lotawana FPD and the Prairie Township FPD. In accordance with the Consolidation Law, the number of members on the Board were subsequently reduced to five by approval by a majority of the remaining Board members. The terms of office for Board members are identical to the terms of office the Board members who were originally elected to serve before the consolidation.

Members of the Board of Directors are elected by the voters of the District for six-year staggered terms with one director elected each year. The Board of Directors is responsible for the overall safety and soundness of the District, setting policy and providing the fiscal management of the District.

The current members and officers of the Board of Directors are as follows:

<u>Name</u>	<u>Office</u>	<u>Original District</u>	<b>First Term Began in Original District</b>	<b>Current Term Expires</b>
Mike Boinski	Chairman of the Board	Prairie Township FPD	2020	2026
Carl Allison	Vice Chairman of the Board	Lotawana FPD	2009	2027
Margaret Smith	Assistant Treasurer	Lotawana FPD	2011	2023
Pat Vanscoy <sup>(1)</sup>	Director	Prairie Township FPD	2019	2030
Ann Doughty <sup>(2)</sup>	Director	Southern Jackson Co FPD	2023	2030

<sup>(1)</sup> Appointed in 2019 to fill a vacant position for a term that began in 2018. Elected on April 2, 2024, for a six-year term.

<sup>(2)</sup> Appointed in 2023 to fill a vacant position. Elected on April 2, 2024 for a six-year term.

Bill Large, who has served as Fire Chief for both Lotawana FPD and Prairie Township FPD for many years, acts as Fire Chief of the District, overseeing management and controlling and supervising all business and affairs. The Secretary and Treasurer of the District is Lisa Mahaffey.

**Firefighting Personnel**

The District has 20 full-time employees, all of whom are certified as professional firefighters and are also licensed as either emergency medical technicians or advanced life support paramedics. In addition, many personnel possess specialized certifications as code inspectors, arson investigators and fire and medical service instructors. The District’s full-time personnel are supplemented by 36 part-time firefighter/paramedics. Union representation is offered to all full-time employees of the District. Management has historically had good relations with all employees and their representatives.

**Firefighting Facilities and Apparatus**

Pursuant to the Consolidation Law, as of January 1, 2021, all assets of Lotawana FPD and Prairie Township FPD became assets of the District.

The District currently owns the following three fire stations:

<b><u>Headquarters Station</u></b> 101 Lotawana Drive Lake Lotawana, Missouri	<b><u>Station No. 1</u></b> 11010 Milton Thompson Road Lee’s Summit, Missouri	<b><u>Station No. 3</u></b> 1101 SW Wyatt Road Blue Springs, Missouri (completed in 2023 with proceeds from the District’s Certificates of Participation, Series 2021)
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The District owns the below-listed apparatus, as well as all other machinery and equipment which were previously owned by Lotawana FPD and Prairie Township FPD:

<b><u>Description</u></b>	<b><u>Original District</u></b>
2020 Ferrara Custom 1,500 GPM 1,000-gallon Pumper	Lotawana FPD
2019 One-Boat Flat bottom 50HP 500 GPM (Fire/Rescue Boat)	Lotawana FPD
2019 McCoy Miller F-450 4x4 ALS Type 1 Ambulance	Lotawana FPD
2019 Ford F-150 4x4 Command Pickup Truck	Prairie Township FPD
2019 Ford F-150 4x4 Command Pickup Truck	Lotawana FPD
2017 Ford F-250 4x4 Command Pickup Truck	Lotawana FPD
2016 Ford F-350 4x4 Brush Truck	Prairie Township FPD
2015 Ford F-450 4x4 ALS Type 1 Ambulance	Prairie Township FPD
2012 Rosenbauer Custom 1,500 GPM Pumper	Prairie Township FPD
2010 Feld Fire International 500 GPM 2,100-gallon Tanker	Lotawana FPD
2009 Osage F-450 ALS Type 1 Ambulance	Lotawana FPD
2009 E-One International 1,500 GPM 1,000-gallon Pumper	Lotawana FPD
2004 F-550 Light Rescue Truck	Lotawana FPD
2002 GMC C8500 750 GPM, 3,300-gallon Tanker	Prairie Township FPD
2002 Ford F-350 4x4 Brush Truck	Lotawana FPD
1998 American LaFrance 1,500 GPM Pumper	Prairie Township FPD

## ISO Rating

Currently, the District has an Insurance Offices (ISO) rating of Class 5.

## ECONOMIC INFORMATION CONCERNING THE DISTRICT

### Commerce, Industry and Employment

**Major Employers.** Listed below are several major employers located in Jackson County and the Kansas City Metropolitan Area and the number employed by each:

Employer	Type of Business	Employees
Federal Government	Government	38,665
Saint Luke's Health System	Health care	9,976
Children's Mercy	Health care	7,607
Burns & McDonnell	Engineering, architecture, construction	5,000
Hallmark Cards Inc.	Retail	4,366
City of Kansas City	Government	4,160
Lee's Summit School District	Education	2,868
University of Missouri-Kansas City	Education	2,572
Blue Springs School District	Education	2,164
Independence School District	Education	1,767

Source: Kansas City Business Journal, July 2023.

**Unemployment Data.** The following table sets forth the average unemployment figures for the last five years for Jackson County and the State of Missouri.

	2020	2021	2022	2023	2024 <sup>(1)</sup>
<b>Jackson County</b>					
Average Total Labor Force	356,799	359,128	360,551	361,497	363,233
Average Unemployed	25,892	18,229	10,287	11,943	15,132
Average Unemployment Rate	7.3%	5.1%	2.9%	3.3%	4.2%
<b>State of Missouri</b>					
Average Total Labor Force	3,037,880	3,050,028	3,036,611	3,087,759	3,087,804
Average Unemployed	185,933	124,810	79,259	94,172	120,058
Average Unemployment Rate	6.1%	4.1%	2.6%	3.0%	3.9%

Source: MERIC (Missouri Economic Research and Information Center).

<sup>(1)</sup> Average of January and February, the latest data available.

### Population

	1990	2000	2010	2020	2023
Jackson County	633,232	654,880	674,158	717,204	718,560
State of Missouri	5,117,073	5,595,211	5,988,927	6,154,913	6,196,156

Source: U.S. Census Bureau, Quick Facts; Missouri Census Data Center.

## Per Capita Personal Income

The following table presents per capita personal income<sup>(1)</sup> for Jackson County and the State of Missouri for the years 2018 through 2022, the latest dates for which information is available:

Year	Jackson County	State of Missouri
2022	53,153	57,818
2021	52,436	56,073
2020	49,572	52,095
2019	46,214	48,401
2018	45,319	46,680

*Source:* U.S. Department of Commerce - Bureau of Economic Analysis.

<sup>(1)</sup> Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. “**Personal Income**” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “**Net Earnings**” is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

## Housing

The number and median value of owner-occupied housing units in Jackson County, as compared to the State of Missouri, are as follows:

	Number of Owner-Occupied Units	Median Home Value
Jackson County	182,149	\$221,800
State of Missouri	1,704,800	221,200

*Source:* Missouri Census Data Center, American Community Survey, 2022.

## Educational Facilities

Residents of the District are primarily served by the Lee’s Summit R-7 School District. For the school year ended June 30, 2023, this district had a total enrollment of 17,469 students. There are nine institutions within the Kansas City Metropolitan Area offering graduate degrees in numerous disciplines. The University of Missouri (Kansas City) also offers professional degrees in law, medicine, dentistry and pharmacy.

## Transportation and Communication Facilities

District residents have access to all transportation systems serving the Kansas City metropolitan area including easy access to U.S. Highway 50, Missouri State Highway 291 and Interstate Highway 470. Kansas City International Airport is located approximately 38 miles northwest of the District. The airport is served by several major domestic and international airlines and several smaller commuter airlines. Lee’s Summit Municipal Airport is a general aviation airport with two lighted runways, 40,000 square foot heated, enclosed hanger, pilot’s lounge and concierge service. Amtrak makes regularly scheduled stops in nearby Lee’s Summit. The District is served by two weekly newspapers. Local television broadcasting and several cable and internet providers are available in the District.

## Medical and Health Facilities

In addition to the hospitals and medical services throughout the Kansas City metropolitan area, located approximately three miles from the District is Lee’s Summit Medical Center in the City of Lee’s Summit, Missouri, a full service hospital with 80 beds serving the City and surrounding areas. All services are supported by a medical staff of more than 300 physicians who represent more than 40 specialties, approximately 500 highly trained staff members and 60 volunteers.

## DEBT STRUCTURE OF THE DISTRICT

### Overview

Pursuant to the Consolidation Law, all properties, rights, assets, and liabilities of the Lotawana FPD and the Prairie Township FPD, including any outstanding bonds became the properties, rights, assets, and liabilities of the District, as of January 1, 2021.

The following table summarizes certain financial information concerning the District following the issuance of the Bonds on July 16, 2024. This information should be reviewed in conjunction with the information contained in this section and the audited financial statements of the District for fiscal year ended December 31, 2022, attached as *Appendix B* to the Official Statement.

2023 Assessed Valuation <sup>(1)</sup> .....	\$506,522,574
2023 Estimated Actual Valuation <sup>(2)</sup> .....	\$2,498,308,546
Outstanding General Obligation Bonds (“Direct Debt”) <sup>(3)</sup> .....	\$10,695,000*
Outstanding Lease Obligations (“Leases”) <sup>(4)</sup> .....	\$3,365,000
Total Outstanding Direct Debt and Leases.....	\$14,060,000*
Current Estimated Population of the District .....	27,000
Per Capita Direct Debt .....	\$396.11*
Ratio of Direct Debt to Assessed Valuation.....	2.11%*
Ratio of Direct Debt to Estimated Actual Valuation.....	0.43%*
Ratio of Direct Debt and Leases to Assessed Valuation .....	2.78%*
Ratio of Direct Debt and Leases to Estimated Actual Valuation .....	0.56%*
Overlapping General Obligation Debt (“Indirect Debt”) <sup>(5)</sup> .....	\$35,954,163
Total Direct Debt, Leases and Indirect Debt.....	\$50,014,163*
Per Capita Direct Debt, Leases and Indirect Debt.....	\$1,852.38*
Ratio of Direct Debt, Leases and Indirect Debt to Assessed Valuation .....	9.87%*
Ratio of Direct Debt, Leases and Indirect Debt to Estimated Actual Valuation .....	2.00%*

<sup>(1)</sup> Includes 2023 assessed value of all taxable tangible property situated in the District, including state assessed railroad and utility property, as provided by the Jackson County Clerk, as finally adjusted through December 31, 2023. For further details see the caption “PROPERTY TAX INFORMATION CONCERNING THE DISTRICT” in this *Appendix A*.

<sup>(2)</sup> Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios see the caption “PROPERTY TAX INFORMATION CONCERNING THE DISTRICT” in this *Appendix A*.

<sup>(3)</sup> Reflects the aggregate principal amount of the Bonds (\$7,295,000\*), and the aggregate principal amount of the District’s other outstanding general obligation bonds (\$3,400,000\*).

<sup>(4)</sup> Reflects the outstanding aggregate principal amount of the District’s Series 2021 Certificates (defined herein) as of the date of issuance of the Bonds (July 16, 2024). See the caption “DEBT STRUCTURE OF THE DISTRICT – Other Long-Term Obligations of the District” in this *Appendix A*.

<sup>(5)</sup> For further details see the caption “DEBT STRUCTURE OF THE DISTRICT - Overlapping Indebtedness” in this *Appendix A*.

\* Preliminary, subject to change.

## General Obligation Indebtedness

As of January 1, 2021, which was the date the District was officially formed through the consolidation of Lotawana FPD and Prairie Township FPD, the outstanding general obligation debt of Lotawana FPD became the general obligation debt of the District. Prairie Township FPD had no outstanding general obligation debt as of January 1, 2021. The following table sets forth the general obligation debt of the District as of the date of issuance of the Bonds (July 16, 2024):

<b>Outstanding General Obligation Indebtedness</b>			
<b>Category of Indebtedness</b>	<b>Date of Indebtedness</b>	<b>Principal Amount Originally Issued</b>	<b>Principal Amount Outstanding</b>
General Obligation Bonds, Series 2019	June 13, 2019	\$1,335,000	\$725,000
General Obligation Bonds, Series 2020	December 22, 2020	3,465,000	2,675,000
General Obligation Bonds, Series 2024	July 16, 2024	7,295,000*	<u>7,295,000*</u>
<b>TOTAL</b>			<b><u>\$10,695,000*</u></b>

## History of General Obligation Indebtedness

The following table sets forth the outstanding general obligation debt information pertaining to the District as of the end of each of the last five fiscal years, including the general obligation debt of the Lotawana FPD outstanding as of fiscal years ended December 31, 2019, and December 31, 2020, which was prior to the formation of the District on January 1, 2021, as a result of the consolidation of Lotawana FPD and Prairie Township FPD:

<b>Fiscal Year Ended December 31</b>	<b>Total Outstanding Debt</b>	<b>Assessed Valuation<sup>(1)</sup></b>	<b>Debt as % of Assessed Value</b>
2023	\$3,795,000	\$506,522,574	0.75%
2022	4,185,000	390,350,919	1.07%
2021	4,570,000	345,762,771	1.32%
2020	4,690,000	308,373,387	1.52%
2019	1,335,000	312,317,743	0.43%

*Source:* District's audited financial statements for fiscal years ended December 31, 2021 through 2023; Jackson County Clerk; annual financial statements filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website for Lotawana FPD.

<sup>(1)</sup> Reflects the assessed valuation of the District, after Board of Equalization adjustments, for the calendar year ended December 31. For more information, see the caption "**DEBT STRUCTURE OF THE DISTRICT – Legal Debt Capacity**" herein.

*[Remainder of page intentionally left blank.]*



## Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for all outstanding general obligation bonds of the District, including the Bonds:

Fiscal Year Ended December 31	All Outstanding Bonds		Series 2024 Bonds		Total
	Principal	Interest	Principal*	Interest	
2024	\$395,000.00	\$55,595.00	--	--	
2025	400,000.00	47,180.00	--	--	
2026	410,000.00	38,460.00	--	--	
2027	415,000.00	30,775.00	--	--	
2028	420,000.00	24,165.00	--	--	
2029	430,000.00	17,245.00	--	--	
2030	435,000.00	11,525.00	--	--	
2031	440,000.00	7,150.00	--	--	
2032	<u>450,000.00</u>	<u>2,475.00</u>	--	--	
2033			\$480,000.00		
2034			500,000.00		
2035			520,000.00		
2036			540,000.00		
2037			560,000.00		
2038			585,000.00		
2039			610,000.00		
2040			635,000.00		
2041			680,000.00		
2042			710,000.00		
2043			725,000.00		
2044			750,000.00		
Total	\$3,795,000.00	\$234,570.00	\$7,295,000.00*		
(Less 03/01/2024 Payment) <sup>(1)</sup>	(395,000.00)	(29,870.00)	--	--	
<b>TOTAL OUTSTANDING</b>	<b><u>\$3,400,000.00</u></b>	<b><u>\$204,700.00</u></b>	<b><u>\$7,295,000.00*</u></b>		

<sup>(1)</sup> Reflects principal and interest on the District's outstanding general obligation bonds previously paid by the District on March 1, 2024, during the District's current fiscal year ending December 31, 2024.

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\* Preliminary, subject to change.

## Overlapping Indebtedness

The following table sets forth overlapping indebtedness of political subdivisions with boundaries overlapping the District, and the approximate percent attributable (based on assessed valuation figures for calendar year 2022) to the District. The indebtedness listed below includes overlapping general obligation debt of taxing jurisdictions with boundaries overlapping the District, to the extent that information could be compiled from publicly available information as of May 1, 2024. The District has not independently verified the accuracy or completeness of such information. Furthermore, taxing jurisdictions may have ongoing programs requiring the incurrence of additional indebtedness, the amounts of which cannot be determined at this time.

<b>Taxing Jurisdiction</b>	<b>General Obligation Bonds Outstanding</b>	<b>Percent Applicable to the District</b>	<b>Overlapping Amount Applicable to the District</b>
City of Blue Springs	\$12,750,000	6.82%	\$ 869,550
City of Greenwood	1,580,000	9.89	156,262
Blue Springs R-4 School District	328,815,000	2.04	6,707,826
Grain Valley R-5 School District	68,566,250	0.07	47,996
Lee's Summit R-7 School District	243,707,000	11.56	<u>28,172,529</u>
<b>TOTAL</b>			<u><u>\$35,954,163</u></u>

*Source:* Jackson County Assessment Department, Missouri State Auditor Bond Registration Reports, taxing jurisdiction annual financial statements filed on EMMA.MSRB.org or otherwise publicly available.

## Legal Debt Capacity

Under Article VI, Section 26(b) of the Constitution of Missouri, the District may incur indebtedness for authorized fire protection district purposes not to exceed 5% of the valuation of taxable tangible property in the District according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the District voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date.

The legal debt limitation and debt margin of the District as of the date of issuance of the Bonds (July 16, 2024) is as follows:

2023 Assessed Valuation	\$506,522,574
Constitutional Debt Limit (5% of 2023 assessed valuation)	25,326,128
General Obligation Bonds Outstanding and Authorized but Unissued <sup>(1)</sup>	<u>23,400,000*</u>
Legal Debt Margin	<u><u>\$ 1,926,128*</u></u>

*Source:* Jackson County Clerk.

<sup>(1)</sup> Includes the outstanding principal amounts of the District's (a) General Obligation Bonds, Series 2019 (\$725,000), (b) General Obligation Bonds, Series 2020 (\$2,675,000) and (c) the Bonds (\$7,295,000\*), plus the remaining \$12,705,000\* principal amount of the total \$20,000,000 principal amount of general obligation bonds authorized by voters at the April 2, 2024, election.

\* Preliminary, subject to change.

## Unissued General Obligation Debt

At an election held in the District on April 2, 2024 (the “**2024 Election**”), the required majority of the qualified voters of the District approved a general obligation bond proposition authorizing the District to issue general obligation bonds in the principal amount of \$20,000,000 for the purpose of acquiring and constructing new facilities and fire/rescue equipment and acquiring facilities and equipment now leased to the District by paying off and retiring outstanding leasehold financing obligations.

After the issuance of the Bonds (in the principal amount of \$7,295,000\*), the District will have \$12,705,000\* of voted authority available from the 2024 Election. Currently, the District does not have any definitive plans to issue the remaining \$12,705,000\* principal amount of general obligation bonds authorized by voters at the 2024 Election within the next three to five years.

## Other Long-Term Obligations of the District

**Series 2021 Certificates.** On April 29, 2021, Certificates of Participation, Series 2021 (the “**Series 2021 Certificates**”), were delivered in the original principal amount of \$3,875,000 pursuant to a Declaration of Trust granted by Security Bank of Kansas City, as trustee (the “**Trustee**”), for the purpose of constructing, furnishing and equipping a new fire station for the District including garaging for apparatus, living quarters, office and meeting space. The Series 2021 Certificates are payable from Basic Rent Payments paid by the District to the Trustee, pursuant to a Lease Purchase Agreement dated as of April 1, 2021 (the “**Lease**”), between Trustee, as lessor, and the District, as lessee, which Basic Rent Payments are subject to annual appropriation by the Board of Directors of the District. The remaining Basic Rent Payments distributable to the Owners of the Series 2021 Certificates is shown below:

Fiscal Year Ending December 31	Principal Portion	Interest Portion	Total Basic Rent Payment
2024	\$170,000.00	\$62,700.00	\$232,700.00
2025	170,000.00	59,300.00	229,300.00
2026	175,000.00	55,850.00	230,850.00
2027	175,000.00	53,225.00	228,225.00
2028	180,000.00	51,225.00	231,225.00
2029	180,000.00	48,975.00	228,975.00
2030	185,000.00	46,462.50	231,462.50
2031	185,000.00	43,687.50	228,687.50
2032	190,000.00	40,400.00	230,400.00
2033	195,000.00	36,550.00	231,550.00
2034	200,000.00	32,600.00	232,600.00
2035	205,000.00	28,550.00	233,550.00
2036	210,000.00	24,400.00	234,400.00
2037	215,000.00	20,150.00	235,150.00
2038	215,000.00	15,850.00	230,850.00
2039	220,000.00	11,500.00	231,500.00
2040	230,000.00	7,000.00	237,000.00
2041	235,000.00	2,350.00	237,350.00
Total	\$3,535,000.00	\$640,775.00	\$4,175,775.00
(Less 04/01/2024 Payment) <sup>(1)</sup>	(170,000.00)	(32,200.00)	(202,200.00)
<b>TOTAL OUTSTANDING</b>	<b><u>\$3,365,000.00</u></b>	<b><u>\$608,575.00</u></b>	<b><u>\$3,973,575.00</u></b>

<sup>(1)</sup> Reflects principal portion and interest portion of Basic Rent Payments on the Series 2021 Certificates previously paid by the District on April 1, 2024, during the District’s current fiscal year ending December 31, 2024.

## No Prior Payment Defaults

Neither the District nor the original districts (Lotawana FPD and Prairie Township FPD) have ever defaulted on the payment of any of its respective debt obligations.

## FINANCIAL INFORMATION CONCERNING THE DISTRICT

### Accounting, Budgeting and Auditing Procedures

The District's financial statements have been prepared on a modified cash basis of accounting – the method of accounting that was historically used by the Lotawana FPD and the Prairie Township FPD as well prior to consolidation and the formation of the District on January 1, 2021. The cash basis of accounting involves the measurement of cash and equivalents and changes in cash and equivalents resulting from cash receipt and disbursement transactions. The cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as property taxes and other receivables, revenue for billed or provided services not yet collected, and capital assets) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, accrued expenses and liabilities, and long-term debt) are not recorded in these financial statements. The District records its financial transactions in the following funds:

*General Fund* – this is the principal fund of the District and accounts for all financial transactions not accounted for in other funds.

*Debt Service Fund* – this fund is used to account for the accumulation of resources and property tax revenues for, and the payment of, principal, interest, and other related costs of the District's general obligation bonds.

*Capital Projects Fund* – this fund is used to account for bond proceeds restricted for the acquisition of capital items by the District.

An annual budget is prepared under the direction of the Fire Chief and submitted to the Board of Directors for consideration prior to the fiscal year commencing on January 1 of each year. The operating budget includes proposed expenditures and revenue sources. Public hearings are conducted to obtain taxpayer comments. The budget is legally enacted through the adoption of a resolution.

The audited financial statements of the District for the fiscal year ended December 31, 2022, with the report of Novak Birks, P.C., Certified Public Accountants, with respect thereto, is included in the Official Statement as *Appendix B*. The District's final audited financial statements for fiscal year ended December 31, 2023, are not yet available, but the District expects to formally approve the final audited financial statements for fiscal year ended December 31, 2023, at their Board of Directors meeting on June 26, 2024, and the final audited financial statements for fiscal year ended December 31, 2023, are anticipated to be available after they are formally approved on June 26, 2024. Audited financial statements for earlier years for the District and the original districts are available for examination in the District's office.

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## Summary Statement of Revenues, Expenditures and Changes in Fund Balances

The following Summary Statement of Revenues, Expenditures and Changes in Fund Balances was prepared from (1) the audited financial statements of the District for the fiscal years ended December 31, 2021 and December 31, 2022, and (2) the *unaudited* financial statements of the District for fiscal year ended December 31, 2023 (*the District's final audited financial statements for fiscal year ended December 31, 2023, are not yet available, but are expected to be formally approved by the Board of Directors on June 26, 2024, and available after that date*), which are the District's first full fiscal years since the District was officially formed pursuant to Consolidation Law on January 1, 2021. The information set forth below should be read in conjunction with the audited financial statements of the District prepared by the District's independent auditors and notes appertaining thereto. The District's audited financial statements for the fiscal year ended December 31, 2022, are attached as **Appendix B** to this Official Statement. The District's audited financial statements for fiscal year ended December 31, 2021, are on file at the District's office.

	Fiscal Years Ended December 31		
	2021 <i>(Audited)</i>	2022 <i>(Audited)</i>	2023 <sup>(5)</sup> <i>(Unaudited)</i>
<b><u>General Fund</u></b>			
Revenues	\$6,433,628 <sup>(1)</sup>	\$3,222,978	\$4,674,335
Expenditures	(3,031,454)	(5,760,815)	(6,298,814)
Net Change in Fund Balances	3,402,174	(2,537,837)	(1,624,479)
Balance--Beginning of Year	3,155,989 <sup>(2)</sup>	6,558,163	4,020,326
Balance--End of Year	\$6,558,163	\$4,020,326	\$2,395,847
<b><u>Debt Service Fund</u></b>			
Revenues	\$382,547	\$750,550	\$411,901
Expenditures	(182,514)	(457,351)	(455,165)
Net Change in Fund Balances	362,110	293,199	(43,264)
Balance--Beginning of Year	162,077 <sup>(3)</sup>	362,110	655,309
Balance--End of Year	\$362,110	\$655,309	\$612,045
<b><u>Capital Projects Fund</u></b>			
Revenues	\$6,164	\$118	\$3
Expenditures	(3,209,694)	(283,675)	(22,390)
Net Change in Fund Balances	305,944	(283,557)	(22,387)
Balance--Beginning of Year	3,509,474 <sup>(4)</sup>	305,944	22,387
Balance--End of Year	\$305,944	\$22,387	\$--
<b><u>Total Governmental Funds</u></b>			
Revenues	\$6,822,339 <sup>(1)</sup>	\$3,973,646	\$5,086,239
Expenditures	(6,423,662)	(6,501,841)	(6,776,369)
Net Change in Fund Balances	398,677	(2,528,195)	(1,690,130)
Balance--Beginning of Year	6,827,540 <sup>(2)(3)(4)</sup>	7,226,217	4,698,022
<b>Balance--End of Year</b>	<b>\$7,226,217</b>	<b>\$4,698,022</b>	<b>\$3,007,892</b>

*Source:* For fiscal years ended December 31, 2021 and 2022, the District's audited financial statements for fiscal years ended December 31, 2021 and 2022; for fiscal year ended December 31, 2023, the District's *unaudited* financial statements for fiscal year ended December 31, 2023.

- (1) Includes proceeds received from the sale of the District's Series 2021 Certificates in the original principal amount of \$3,825,000 issued on April 29, 2021.
- (2) Includes contributions from general fund of Prairie Township FPD in the amount of \$2,578,109 and Lotawana FPD in the amount of \$577,880 as a result of the consolidation that occurred on January 1, 2021, officially forming the District.
- (3) Includes contribution from debt service fund of Lotawana FPD in the amount of \$162,077 as a result of the consolidation that occurred on January 1, 2021, officially forming the District.
- (4) Includes contribution from capital projects fund of Lotawana FPD in the amount of \$3,509,474 as a result of the consolidation that occurred on January 1, 2021, officially forming the District.
- (5) The figures for fiscal year ended December 31, 2023, were derived from the District's *unaudited* financial statements for fiscal year ended December 31, 2023, and are subject to change upon release of the District's final audited financial statements for fiscal year ended December 31, 2023.

## Sources of Revenue

The District finances its operations through local property tax levies and other miscellaneous sources deposited into the District's General Fund. The principal and interest payments due on the Bonds, as well as principal and interest due on the District's other outstanding general obligation bonds, will be financed solely through property tax revenue generated by the District's debt service property tax levy deposited into the District's Debt Service Fund.

For the fiscal year ended December 31, 2023, the District's sources of revenue for the General Fund were as follows:

<u>Source</u>	<u>Amount</u> <sup>(1)</sup>	<u>%</u>
Property Taxes	\$4,308,521	92.17%
Ambulance Fees	187,385	4.01
Interest on Late Taxes	41,515	0.89
Interest	24,308	0.52
Tower Lease	50,358	1.08
Other Revenue	62,248	1.33
Total Revenue	\$4,674,335	100.00%

*Source:* District's *unaudited* financial statements for fiscal year ended December 31, 2023.

<sup>(1)</sup> These figures were derived from the District's *unaudited* financial statements for fiscal year ended December 31, 2023, and are subject to change upon release of the District's final audited financial statements for fiscal year ended December 31, 2023.

## Employee Retirement Pension Plans

The District participates in the Missouri Local Government Employees' Retirement System ("LAGERS"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created and is governed by state statute, and is a defined-benefit pension plan that provides retirement, disability and death benefits. The plan is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and is tax-exempt. LAGERS is governed by a seven-member Board of Trustees ("LAGERS' Board") consisting of three trustees elected by participating employees, three trustees elected by participating employers and one trustee appointed by the Missouri Governor.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. The LAGERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2023 (the "2023 LAGERS Annual Financial Report") is available at <http://www.molagers.org/financial.html>. The link to the 2023 LAGERS Annual Financial Report is provided for general background information only, and the information in the 2023 LAGERS Annual Financial Report is not incorporated by reference into this Official Statement. The 2023 LAGERS Annual Financial Report provides detailed information about LAGERS, including its financial position, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plan.

All full-time general and fire employees of the District are eligible to participate in LAGERS. As permitted by LAGERS, the District has elected the non-contributory plan, meaning its participating employees do not contribute to the pension plan. The District is required by statute to contribute at an actuarially determined rate for each category of participating employees, subject to certain limitations. An employer that participates in LAGERS has its actuarially determined contribution rate calculated as follows: using the financial

assumptions adopted by the LAGERS' Board, an actuary computes the contribution rate that, if paid annually by each employer during the total service of its participating employees, will be sufficient to provide the pension reserves required at the time of said employees' retirements to cover the pensions that such employees may be entitled to receive. However, this actuarially-determined contribution rate cannot result in an employer contributing an amount in any fiscal year equal to more than 101% of its total contributions for the immediately preceding fiscal year.

For the fiscal year ended December 31, 2023, the District contributed \$554,294 to LAGERS on behalf of participating employees. The District's actuarially determined contribution rate for the fiscal year ended December 31, 2023, was 18.4% of annual covered payroll for general employees and 20.0% of annual covered payroll for fire employees. In the fiscal year ended December 31, 2023, the District's contribution to LAGERS on behalf of its employees represented approximately 8.2% of the District's total expenditures during the fiscal year. The District's actuarially determined contribution rate for the current fiscal year ending December 31, 2024, is 23.4% of annual covered payroll for general employees and 25.0% of annual covered payroll for fire employees.

The following provides a historical comparison of the District's actual contributions to LAGERS relative to the actuarially determined contributions for fiscal years ended December 31, 2021, through December 31, 2023:

**Schedule of District Contributions**

<b><u>Fiscal Year Ended December 31</u></b>	<b><u>Actuarially Determined Contribution</u></b>	<b><u>Actual Employer Contributions</u></b>	<b><u>Contribution Excess/(Deficiency)</u></b>
2023	\$554,294	\$554,294	--
2022	267,642	267,642	--
2021	240,475	240,475	--

*Source:* District's "Schedule of Contributions" provided by LAGERS.

The District has not implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *An Amendment of GASB Statement No. 68*, because the District's financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. LAGERS, however, implemented GASB Statement No. 67, *Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25*, and annually provides a report to each of its participants setting forth the participant's net pension liability and pension expense, among other things. The net pension liability reported by LAGERS is the difference between the District's total pension liability and the District's fiduciary net position. The pension expense reported by LAGERS is equal to the change in the District's reported net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability and investment experience. Because the District's financial statements are prepared on a modified cash basis, the net pension liability and pension expense discussed below are not reflected in the District's audited financial statements for fiscal year ended December 31, 2022, included as **Appendix B** to the Official Statement.

As of June 30, 2023, the District had 35 participants (active members, retirees, beneficiaries and inactive, nonretired members) in LAGERS, consisting of 1 general participant and 34 firefighting participants. The District has exclusive financial responsibility for the liabilities relating to active District employees; once an employee retires, however, a lump sum payment is transferred from the District's employer fund to the Benefit Reserve Fund equal to the present value of the employee's pension, and the liability for that employee becomes solely an obligation of the LAGERS system.

According to information provided by LAGERS, which was calculated in accordance with *GASB No. 68*, the District's recognized total pension expense (consisting of both the District's expense for active members and a proportionate share of LAGERS' expense for retired members from the District) for the year ended June 30, 2023 would have been \$554,911 under generally accepted accounting principles in the United States of America, and the net pension liability (asset) (consisting of both the District's liability (asset) for active members and a proportionate share of LAGERS' liability (asset) for retired members from the District) attributable to the District's participation in LAGERS as of June 30, 2023, under generally acceptable accounting principles in the United States of America would have been as follows:

<b>Year Ended June 30</b>	<b>Plan Fiduciary Net Position (FNP)</b>	<b>Total Pension Liability (TPL)</b>	<b>Net Pension Liability/ (Asset) (NPL)</b>	<b>FNP as % of TPL</b>	<b>Covered Payroll</b>	<b>NPL as % of Covered Payroll</b>
<b><u>General</u></b>						
2023	\$27,303	\$68,250	\$40,947	40.00%	\$59,101	69.28%
2022	14,522	43,267	28,745	33.56	53,323	53.91
2021	4,833	33,059	28,226	14.62	52,050	54.23
<b><u>Fire</u></b>						
2023	\$717,702	\$1,508,112	\$790,410	47.59%	\$1,764,782	44.79%
2022	338,312	834,258	495,946	40.55	1,330,143	37.29
2021	108,202	485,445	377,243	22.29	1,032,195	36.55

Source: LAGERS – GASB Statement No. 68 Employer Reporting Accounting Schedules – June 30, 2023.

The District's net pension liability is based on a 7.00% discount rate. 7.00% is also the current assumed investment rate of return of LAGERS. LAGERS advised the District that the District's net pension liability using a 1% higher or lower discount rate at June 30, 2023 would be as follows:

	<b><u>Net Pension Liability/(Asset) Sensitivity</u></b>		
	<b>1.0% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1.0% Increase (8.00%)</b>
District's Net Pension Liability/(Asset)	\$46,530	\$40,947	\$35,088
	<b><u>Fire</u></b>		
	<b>1.0% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1.0% Increase (8.00%)</b>
District's Net Pension Liability/(Asset)	\$940,393	\$790,410	\$637,808

Source: LAGERS – GASB Statement No. 68 Employer Reporting Accounting Schedules – June 30, 2023.

For additional information regarding the District's participation in LAGERS relating to the fiscal year ended December 31, 2022, see *Note H* in the District's audited financial statements for fiscal year ended December 31, 2022, attached to this Official Statement as *Appendix B*, and for additional information regarding LAGERS, see the 2023 LAGERS Annual Financial Report.



**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**

**Property Valuations**

**Assessment Procedure.** All taxable real and personal property within the District will be assessed annually by the assessor for Jackson County, Missouri. Missouri law requires that personal property be assessed at 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property .....	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property .....	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, each county assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The assessment ratio for personal property is generally 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 0.5%, livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

The county assessor within each county is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

**Current Assessed Valuation.** The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the District, including state assessed railroad and utility property, according to the assessment for calendar year 2023 for property owned as of January 1, 2023 (after Board of Equalization adjustments).

<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Total Estimated Actual Valuation</u>	<u>% of Actual Valuation</u>
Real Property:				
Residential	\$427,199,682	19.00%	\$2,248,419,379	90.00%
Agricultural	1,678,716	12.00%	\$13,989,300	0.56%
Commercial <sup>(1)</sup>	<u>23,609,013</u>	32.00%	<u>\$73,778,166</u>	2.95%
Total Real Property	\$452,487,411		\$2,336,186,845	93.51%
Personal Property <sup>(1)</sup>	<u>54,035,163</u>	33.33% <sup>(2)</sup>	<u>\$162,121,701</u>	<u>6.49%</u>
<b>TOTAL PROPERTY</b>	<u>\$506,522,574</u>		<u>\$2,498,308,546</u>	<u>100.00%</u>

Source: Jackson County Clerk.

<sup>(1)</sup> Includes state assessed railroad and utility property.

<sup>(2)</sup> Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See “*Assessment Procedure*” discussed above.

**History of Property Valuations.** The total assessed valuation of all taxable tangible property situated in (1) Lotawana FPD and Prairie Township FPD (which, as of January 1, 2021, comprises the District) in calendar years ended December 31, 2019 and 2020 (prior to the consolidation and creation of the District) and (2) the District in calendar years ended December 31, 2021 through 2023 (after consolidation and formal creation of the District on January 1, 2021), including state assessed railroad and utility property, has been as follows:

Calendar Year	Assessed Valuation Lotawana FPD	Assessed Valuation Prairie Township FPD	Total District Assessed Valuation	% Change
2023	--	--	\$506,522,574	29.76% <sup>(2)</sup>
2022	--	--	390,350,919	12.90
2021	--	--	345,762,771 <sup>(1)</sup>	12.12 <sup>(2)</sup>
2020	\$128,613,657	\$179,759,730	308,373,387	(1.26)
2019	135,285,273	177,032,470	312,317,743	25.20 <sup>(2)</sup>

Source: Jackson County Clerk.

(1) Lotawana FPD and Prairie Township FPD merged into the consolidated District as of January 1, 2021.

(2) Large increase in assessed valuation due to reassessment by Jackson County, which occurs in each odd-numbered year.

### Property Tax Levies and Collections

Property taxes are levied and collected for the District by the county, for which each county receives a collection fee of 1.5% of the gross tax collections made.

The District is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the District's debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the county clerk for the county in which the property is located. The District must fix its ad valorem property tax rates and certify them to each county clerk not later than September 1 for entry in the tax books.

The county clerk for each county receives the county tax books from the county assessor, which set forth the assessments of real and personal property. The county clerk enters the tax rates certified by the local taxing bodies in the tax books and assesses such rates against all taxable property in the District as shown in such books. The county clerk for each county forwards the tax books by October 31 to the county collector of that county, who is charged with levying and collecting taxes as shown therein. The county collector extends the taxes on the tax rolls and issues the tax statements in early December. Taxes are due by December 31 and become delinquent if not paid to the county collector by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of eighteen percent of each year's delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in October of each year. Foreclosure can begin after tax bills are unpaid for two years.

The county collector of each county is required to make disbursements of collected taxes to the District each month. Because of the tax collection procedure described above, the District receives the bulk of its moneys from local property taxes in the months of December, January and February.

### Tax Rates

**Tax Limitation Provisions.** The District is subject to the same limitations on setting tax levies as those that apply to other Missouri political subdivision. Pursuant to the Consolidation Law, the District may levy the same operating levy for fire and ambulance purposes as levied in the fire protection district with the lowest voter-approved tax levy before the consolidation.

Article X, Section 22(a) of the Missouri Constitution (popularly known as the “**Hancock Amendment**”), approved in 1980, places limitations on total state revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of “total state revenues” to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a “Hancock rollback.” The limitation on local governmental units does not apply to taxes imposed for the payment of principal and interest on general obligation bonds.

In 2008, through the enactment of Senate Bill 711 (“**SB 711**”), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a local government’s *actual* operating tax levy if its current tax levy was less than its current tax levy *ceiling*, due to the local government’s voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a district’s *actual* operating tax levy, regardless of whether that levy is at the district’s tax levy *ceiling*. This further reduction is sometimes referred to as an “**SB 711 rollback.**” In non-reassessment years (even-numbered years), the operating levy may be increased to the district’s tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

**General Revenue/Operating Levy.** For the District’s fiscal year ended December 31, 2023, the District’s general fund levy for fire protection purposes was equal to \$0.6129 per \$100 of assessed value. Pursuant to Consolidation Law, as of the creation of the District in calendar year 2021, the District’s operating levy is limited to \$0.7400, without future voter approval.

**Ambulance Levy.** For the District’s fiscal year ended December 31, 2023, the District’s levy for ambulance purposes was equal to \$0.2485 per \$100 of assessed value. Pursuant to the Consolidation Law, as of the creation of the District in calendar year 2021, the District’s levy for ambulance purposes is limited to \$0.3000, without future voter approval.

**Debt Service Levy.** For the District’s fiscal year ended December 31, 2023, the District’s debt service levy was equal to \$0.1500 per \$100 of assessed valuation. Pursuant to the Consolidation Law, the District assumed all liability for the general obligation bonds of the Lotawana Fire Protection District and the Prairie Township Fire Protection District as of January 1, 2021. As a result, the District was, and is, required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the general obligation bonds of the District as they fall due and to retire the same within 20 years from the date of issue (including the Bonds being issued and the Series 2019 Bonds and Series 2020 Bonds previously issued by Lotawana FPD, which are now general obligation bonds of the District). The Board of Directors of the District may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

## History of Tax Levies

The following table shows the District’s tax levies per \$100 of assessed valuation for each of the fiscal years ended December 31, 2021 through December 31, 2023, which are the District’s fiscal years that have occurred since the formal consolidation and creation of the District on January 1, 2021.

<b>Fiscal Year Ended December 31</b>	<b>General Fund</b>	<b>Ambulance Fund</b>	<b>Debt Service Fund</b>	<b>Total Levy</b>
2023	\$0.6129	\$0.2485	\$0.1500	\$1.0114
2022	0.7400	0.3000	0.1500	1.1900
2021	0.3594	0.1707	0.1500	0.6801

*Source:* State Auditor of Missouri – Property Tax Rate Reports for calendar years ended December 31, 2021 through 2023.

## Tax Collection Record

The following table sets forth property tax collection information for all funds of the District for each of the fiscal years ended December 31, 2021 through December 31, 2023. In addition, pursuant to the Consolidation Law, the District has the right to collect all unpaid property taxes payable to the District, the Lotawana FPD and the Prairie Township FPD.

<b>Fiscal Year Ended December 31</b>	<b>Total Levy (per \$100 of Assessed Value)</b>	<b>Assessed Valuation<sup>(1)</sup></b>	<b>Total Taxes Levied<sup>(2)</sup></b>	<b>Current and Delinquent Taxes Collected<sup>(3)</sup></b>	
				<b>Amount</b>	<b>Percentage</b>
2023	\$1.0114	\$506,522,574	\$5,122,969	\$4,720,422 <sup>(4)</sup>	92.14%
2022	1.1900	390,350,919	4,645,176	3,647,478 <sup>(5)</sup>	78.52
2021	0.6801	345,762,771	2,351,533	2,529,806	107.58

*Source:* For fiscal years ended December 31, 2021 and 2022, the District’s audited financial statements for fiscal years ended December 31, 2021 through 2022; for fiscal year ended December 31, 2023, the District’s *unaudited* financial statements for fiscal year ended December 31, 2023; Jackson County Clerk as to assessed valuations.

- (1) The assessed valuation used is the assessed valuation of the District, as finally adjusted, of the calendar year ended December 31 (the same year as the District’s fiscal year ended).
- (2) Total Taxes Levied is calculated by dividing Assessed Valuation by 100 and multiplying by the Total Levy.
- (3) Delinquent taxes are shown in the year payment is actually received, which may cause the percentage of Current and Delinquent Taxes Collected to exceed 100%.
- (4) The tax collection figure for the District’s fiscal year ended December 31, 2023, was derived from the District’s *unaudited* financial statements for fiscal year ended December 31, 2023, and is subject to change upon release of the District’s final audited financial statements for fiscal year ended December 31, 2023.
- (5) During fiscal year ended December 31, 2022, certain property taxes were paid under protest and some of those property taxes paid under protest (and other property taxes) were not received by the District until fiscal year ended December 31, 2023.

## Major Property Taxpayers

The following table sets forth the taxpayers owning property with the greatest amount of assessed valuation within the District, based on the valuation of property owned as of January 1, 2023. The District has not independently verified the accuracy or completeness of such information.

Taxpayer	Assessed Valuation	% of District's Total 2023 Assessed Valuation
Everygy West	\$12,337,176	2.44%
BSEC Holdings LLC	6,832,283	1.35
RS Rental III-A LLC	4,893,776	0.97
TKG StorageMart Partners Portfolios LLC	3,104,616	0.61
Colonial Highlands 2 LLC	2,754,932	0.54
Garden City Bank	968,000	0.19
Southern Union dba MGE	930,677	0.18
Ashlar Homes LLC	923,630	0.18
Hamm Inc.	887,950	0.18
Barber & Sons Co.	<u>887,134</u>	<u>0.18</u>
TOTAL	<u>\$34,520,174</u>	6.82%

*Source:* Jackson County Assessor.

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**APPENDIX B**

**SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
(JACKSON COUNTY, MISSOURI)**

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

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

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**SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT**

**AUDIT REPORT AND  
FINANCIAL STATEMENTS**

**December 31, 2022**

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Southern Jackson County Fire Protection District  
Lotawana, Missouri

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

#### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities and each fund of Southern Jackson County Fire Protection District as of and for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each fund of Southern Jackson County Fire Protection District as of December 31, 2022, and the respective changes in modified cash basis financial position and the respective budgetary comparison for each fund for the year then ended in accordance with the modified cash basis of accounting described in Note A.

#### **Basis for Opinions**

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

#### **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 A; this includes 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 within twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

*Novah Bilal, P. C.*

Kansas City, Missouri  
May 23, 2023

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
December 31, 2022

ASSETS

	<u>Governmental Activities</u>
Cash:	
General Fund - unrestricted	\$ 2,837,504
General Fund - restricted for capital projects	948,005
General Fund - restricted for debt service	235,005
Debt Service Fund	655,309
Capital Projects Fund	22,387
Total Assets	<u>\$ 4,698,210</u>

LIABILITIES AND NET POSITION

Liabilities:	
Payroll taxes and withholdings payable	\$ 188
Total Liabilities	<u>188</u>
Net Position:	
Restricted for capital projects	970,392
Restricted for debt service	890,314
Unrestricted	<u>2,837,316</u>
Total Net Position	<u>4,698,022</u>
Total Liabilities and Net Position	<u>\$ 4,698,210</u>

The accompanying notes are an integral part of  
this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
For The Year Ended December 31, 2022

	Program Revenues			Net Revenues	
	Charges for	Operating	Capital	(Expenditures)	
Expenditures	Services	Grants and	Grants and	and Changes in	
		Contributions	Contributions	Net Position	
<u>Functions/Programs</u>					
Governmental Activities:					
Public safety	\$ 2,970,832	\$ 188,012	\$ 0	\$ 0	\$ (2,782,820)
Debt service	698,726	0	0	0	(698,726)
Capital projects	2,832,283	0	0	0	(2,832,283)
Net Program Revenues					
(Expenditures)	\$ 6,501,841	\$ 188,012	\$ 0	\$ 0	(6,313,829)
General Revenues:					
Property taxes					3,647,478
Sales taxes					154
Interest income					41,182
Tower lease					54,819
Other					42,001
Total General Revenues					3,785,634
Change in Net Position					(2,528,195)
Net Position, beginning of year					7,226,217
Net Position, end of year					\$ 4,698,022

The accompanying notes are an integral part of  
this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
 BALANCE SHEET - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS  
 December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash	\$ 4,020,514	\$ 655,309	\$ 22,387	\$ 4,698,210
Total Assets	<u>\$ 4,020,514</u>	<u>\$ 655,309</u>	<u>\$ 22,387</u>	<u>\$ 4,698,210</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Payroll taxes and withholdings payable	\$ 188	\$ 0	\$ 0	\$ 188
Total Liabilities	<u>188</u>	<u>0</u>	<u>0</u>	<u>188</u>
 Fund Balances:				
Unassigned	2,836,555	0	0	2,836,555
Restricted for debt service	235,005	655,309	0	890,314
Restricted for capital projects	948,766	0	22,387	971,153
Total Fund Balances	<u>4,020,326</u>	<u>655,309</u>	<u>22,387</u>	<u>4,698,022</u>
Total Liabilities and Fund Balances	<u>\$ 4,020,514</u>	<u>\$ 655,309</u>	<u>\$ 22,387</u>	<u>\$ 4,698,210</u>

The accompanying notes are an integral part of  
 this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS - MODIFIED CASH BASIS  
 For The Year Ended December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 2,896,928	\$ 750,550	\$ 0	\$ 3,647,478
Sales taxes	154	0	0	154
Ambulance fees	188,012	0	0	188,012
Interest on late taxes	14,736	0	0	14,736
Interest	26,328	0	118	26,446
Tower lease	54,819	0	0	54,819
Other	42,001	0	0	42,001
Total Revenues	<u>3,222,978</u>	<u>750,550</u>	<u>118</u>	<u>3,973,646</u>
Expenditures:				
Human Resources -				
Payroll	1,666,911	0	0	1,666,911
Health, death, disability insurance, work comp	354,584	0	0	354,584
Retirement	277,538	0	0	277,538
Payroll taxes	111,511	0	0	111,511
Uniforms	13,079	0	0	13,079
Training, development	16,099	0	0	16,099
Other	5,451	0	0	5,451
Total Human Resources	<u>\$ 2,445,173</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,445,173</u>

The accompanying notes are an integral part of  
 this financial statement



SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS  
For The Year Ended December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Expenditures (Continued):				
Support Services -				
Insurance	\$ 112,757	\$ 0	\$ 0	\$ 112,757
Maintenance	57,268	0	0	57,268
Fuel	37,086	0	0	37,086
Dues/subscriptions	1,822	0	0	1,822
Licenses/fees	18,380	0	0	18,380
EMS supplies	20,108	0	0	20,108
Station supplies	5,257	0	0	5,257
Office expenses	6,685	0	0	6,685
Prevention	6,308	0	0	6,308
Election	9,175	0	0	9,175
Computer	28,605	0	0	28,605
Copier	3,751	0	0	3,751
Dispatch	82,452	0	0	82,452
Ambulance billing fees	16,878	0	0	16,878
Professional fees	57,159	0	0	57,159
Telephone	12,811	0	0	12,811
Utilities	36,175	0	0	36,175
Other	12,982	0	0	12,982
Total Support Services	<u>\$ 525,659</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 525,659</u>

The accompanying notes are an integral part of  
this financial statement

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS  
For The Year Ended December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Expenditures (Continued):				
Capital Expenditures -				
Certificate/bond payment - principal	\$ 170,000	\$ 385,000	\$ 0	\$ 555,000
Certificate/bond payment - interest	69,500	71,701	0	141,201
Fees	1,875	650	0	2,525
Buildings	2,548,608	0	94,422	2,643,030
Equipment	0	0	189,253	189,253
Interest	0	0	0	0
Fees	0	0	0	0
Total Capital Expenditures	<u>2,789,983</u>	<u>457,351</u>	<u>283,675</u>	<u>3,531,009</u>
Total Expenditures	<u>5,760,815</u>	<u>457,351</u>	<u>283,675</u>	<u>6,501,841</u>
Net Change in Fund Balances	(2,537,837)	293,199	(283,557)	(2,528,195)
Fund Balance, beginning of year	<u>6,558,163</u>	<u>362,110</u>	<u>305,944</u>	<u>7,226,217</u>
Fund Balance, end of year	<u>\$ 4,020,326</u>	<u>\$ 655,309</u>	<u>\$ 22,387</u>	<u>\$ 4,698,022</u>

The accompanying notes are an integral part of  
this financial statement

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
 STATEMENT OF REVENUES AND EXPENDITURES - BUDGET  
 AND ACTUAL - MODIFIED CASH BASIS - GENERAL FUND  
 For The Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes	\$ 1,982,888	\$ 1,982,888	\$ 2,896,928	\$ 914,040
Sales taxes	30,000	30,000	154	(29,846)
Ambulance fees	350,000	350,000	188,012	(161,988)
Interest on late taxes	10,000	10,000	14,736	4,736
Interest	10,000	10,000	26,328	16,328
Tower lease	55,000	55,000	54,819	(181)
Other	10,000	10,000	42,001	32,001
Total Revenues	<u>2,447,888</u>	<u>2,447,888</u>	<u>3,222,978</u>	<u>775,090</u>
<b>Expenditures:</b>				
Human Resources -				
Payroll	1,710,179	1,666,911	1,666,911	0
Health, death, disability insurance, work comp	247,417	247,417	354,584	(107,167)
Retirement	300,000	277,538	277,538	0
Payroll taxes	160,000	111,511	111,511	0
Uniforms	9,000	9,000	13,079	(4,079)
Training, development	24,000	24,000	16,099	7,901
Other	6,000	6,000	5,451	549
Total Human Resources	<u>\$ 2,456,596</u>	<u>\$ 2,342,377</u>	<u>\$ 2,445,173</u>	<u>\$ (102,796)</u>

The accompanying notes are an integral part of  
 this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET  
AND ACTUAL - MODIFIED CASH BASIS - GENERAL FUND  
For The Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Expenditures (Continued):				
Support Services -				
Insurance	\$ 55,007	\$ 55,007	\$ 112,757	\$ (57,750)
Maintenance	66,750	66,750	57,268	9,482
Fuel	23,750	23,750	37,086	(13,336)
Dues/subscriptions	5,000	5,000	1,822	3,178
Licenses/fees	10,300	10,300	18,380	(8,080)
EMS supplies	20,000	20,000	20,108	(108)
Station supplies	10,000	10,000	5,257	4,743
Office expenses	6,500	6,500	6,685	(185)
Prevention	6,000	6,000	6,308	(308)
Election	14,000	14,000	9,175	4,825
Computer	20,000	20,000	28,605	(8,605)
Copier	4,000	4,000	3,751	249
Dispatch	89,898	89,898	82,452	7,446
Ambulance billing fees	35,000	35,000	16,878	18,122
Professional fees	64,800	64,800	57,159	7,641
Telephone	17,000	17,000	12,811	4,189
Utilities	37,500	37,500	36,175	1,325
Other	10,000	10,000	3,907	6,093
Total Support Services	495,505	495,505	516,584	(21,079)
Capital Expenditures -				
Certificate payment - principal	0	0	170,000	(170,000)
Certificate payment - interest	0	0	69,500	(69,500)
Certificate payment - fees	0	0	1,875	(1,875)
Buildings	0	0	2,548,608	(2,548,608)
Equipment	0	0	0	0
Interest	0	0	0	0
Other	0	0	9,075	(9,075)
Total Capital Expenditures	0	0	2,799,058	(2,799,058)
Total Expenditures	2,952,101	2,837,882	5,760,815	(2,922,933)
Excess of Revenues Over (Under) Expenditures	\$ (504,213)	\$ (389,994)	\$ (2,537,837)	\$ (2,147,843)

The accompanying notes are an integral part of  
this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL - MODIFIED CASH BASIS - DEBT SERVICE FUND  
For The Year Ended December 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 518,644	\$ 518,644	\$ 750,550	\$ 231,906
Interest	<u>2,500</u>	<u>2,500</u>	<u>0</u>	<u>(2,500)</u>
Total Revenues	<u>521,144</u>	<u>521,144</u>	<u>750,550</u>	<u>229,406</u>
Expenditures:				
Bond principal	0	0	385,000	(385,000)
Bond interest	0	0	71,701	(71,701)
Bond fees	<u>0</u>	<u>0</u>	<u>650</u>	<u>(650)</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>457,351</u>	<u>(457,351)</u>
Excess Of Revenues Over (Under) Expenditures	<u>\$ 521,144</u>	<u>\$ 521,144</u>	<u>\$ 293,199</u>	<u>\$ (227,945)</u>

The accompanying notes are an integral part of  
this financial statement.

SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT  
 STATEMENT OF REVENUES AND EXPENDITURES  
 BUDGET AND ACTUAL - MODIFIED CASH BASIS - CAPITAL PROJECTS FUND  
 For The Year Ended December 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Interest	\$ 5,000	\$ 5,000	\$ 118	\$ (4,882)
Total Revenues	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 118</u>	<u>\$ (4,882)</u>
Expenditures:				
Buildings	0	0	94,422	(94,422)
Equipment	<u>0</u>	<u>0</u>	<u>189,253</u>	<u>(189,253)</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>283,675</u>	<u>(283,675)</u>
Excess Of Revenues Over (Under) Expenditures	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ (283,557)</u>	<u>\$ (288,557)</u>

The accompanying notes are an integral part of  
 this financial statement.

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The Southern Jackson County Fire Protection District was established under the Statutes of the State of Missouri on January 1, 2021 by merging the Prairie Township Fire Protection District and the Lotawana Fire Protection District. The District is governed by five elected directors.

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

Financial Reporting Entity – In evaluating how to define the District, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in generally accepted accounting principles. The basic – but not the only – criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District’s financial statements.

Basis of Presentation –

Government-Wide Financial Statements: The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements represent the District’s governmental activities. Governmental activities generally are financed through taxes and service fees.

Fund Financial Statements: Accounts of the District are organized on the basis of funds each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenues, and expenditures. The following fund types are used by the District:

The General Fund is the principal fund of the District and accounts for all financial transactions not accounted for in other funds.

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal, interest, and other related costs of the District's general obligation bonds.

The Capital Projects Fund is used to account for bond proceeds restricted for the acquisition of capital items by the District.

Measurement Focus and Basis of Accounting - Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus - In the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting, is used.

Basis of Accounting - In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses primarily when they result from modified cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets, and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and certain accrued expenses and liabilities) are not recorded in these financial statements.

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

Compensated Absences - As a result of the use of the modified cash basis of accounting, liabilities related to accrued compensated absences are not recorded in the government-wide or fund financial statements. Expenditures/expenses related to compensated absences are recorded when paid.



SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification -

*Government-Wide Statements:*

Equity is classified as net position and displayed in two components:

- a. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net positions – All other net positions that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Fund Balances -

Non-spendable – Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

Restricted – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

Committed – Amounts constrained to specific purposes by the District itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint. The District's highest level of decision-making authority is the Board of Directors. The formal action that is required to be taken to establish committed fund balances is either by ordinance or resolution.

Assigned – Amounts the District intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

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

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District's policy is to spend the most restricted resources first before less restricted resources in the following order: Non-spendable (if funds become spendable), restricted, committed, assigned, then unassigned.

The District's fund balance policy was enacted in an effort to ensure financial security through the maintenance of a healthy reserve fund that guides the creation, maintenance, and use of resources for financial stabilization purposes. The District's primary objective is to maintain a prudent level of financial resources to project against reducing service levels or raising taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. The District also seeks to maintain the highest possible credit ratings which are dependent, in part, on the District's maintenance of a healthy fund balance. The unrestricted fund balances of the General Fund have been accumulating to meet this purpose to provide stability and flexibility in order to respond to unexpected adversity and/or opportunities.

Budgetary Process – The reported budgetary data represents the final approved budget after amendments, as adopted by the Board of Directors. Prior to January 1, a budget is adopted for the coming year. The budget includes anticipated revenues and proposed expenditures.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Management Review – In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through May 23, 2023 the date that the financial statements were available to be issued.

NOTE B – CASH

Cash consisted of the following at December 31, 2022:

Unrestricted –	
Blue Ridge Bank	\$1,871,648
Great American Bank	226,367
Security Bank of Kansas City	738,754
Total Unrestricted	<u>2,836,769</u>
Restricted –	
Blue Ridge Bank – debt service	655,309
Security Bank of Kansas City – debt service	234,978
Security Bank of Kansas City – capital projects	971,154
Total Restricted	<u>1,861,441</u>
Total	<u>\$4,698,210</u>

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE B – CASH (Continued)

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with provisions of state law. State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Missouri; bonds of any city having a population of not less than two thousand, county, school district or special road district of the State of Missouri; bonds of any state, tax anticipation notes issued by any first class county, or a surety bond having an aggregate value at least equal to the amount of the deposits. The balances of the District's deposits are sufficiently collateralized.

NOTE C – TAXES

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

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

	<u>2022</u>	<u>2021</u>
Real estate	\$321,130,968	\$ 299,430,446
Personal property	59,258,656	43,414,787
Stated assessed railroad and utility	9,961,295	2,917,538
	<u>\$390,350,919</u>	<u>\$ 345,762,771</u>

The tax levy per \$100.00 of the assessed valuation of tangible property for calendar year 2022 for purposes of local taxation was \$1.1900 allocated \$0.7400 to general, \$0.300 to fire and ambulance, and \$0.1500 to debt service. For 2021, the levy was \$0.6801 allocated \$0.3594 to general, \$0.1707 to fire and ambulance, and \$0.1500 to debt service.

NOTE D – CHANGES IN FIXED ASSETS

	<u>Balance</u> <u>December 31, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>December 31, 2022</u>
Land	\$ 11,325	\$ 0	\$ 0	\$ 11,325
Stations	2,329,112	0	0	2,329,112
Apparatus	2,769,281	155,000	17,100	2,907,181
Equipment	1,261,269	285,246	75,990	1,470,525
Other	613,341	79,744	11,883	681,202
	<u>\$6,984,328</u>	<u>\$ 519,990</u>	<u>\$ 104,973</u>	<u>\$7,399,345</u>

Purchase of fixed assets are not included in this roll forward schedule until the year placed in service.

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE E – BONDS PAYABLE

On April 2, 2019, patrons of the District approved issuance of \$4,800,000 of general obligation bonds for the purpose of acquiring new and replacement firefighting apparatus and auxiliary equipment and renovating and maintaining fire stations and related facilities.

On June 13, 2019, the District issued \$1,335,000 general obligation bonds, series 2019. Interest rates range from 1.90% to 2.80% and are payable from 2020 through 2029.

Then on December 22, 2020, the District issued the remaining \$3,465,000 with general obligation bonds, series 2020. Interest rates range from 1.00% to 2.00% and are payable from 2022 through 2032.

The following is a summary of bond transactions for the year ended December 31, 2022:

	<u>2019</u>	<u>2020</u>	<u>Total</u>
Issued			
Bonds payable, 12/31/21	\$ 1,105,000	\$ 3,465,000	\$ 4,570,000
Bonds issued	0	0	0
Bonds retired	<u>(125,000)</u>	<u>(260,000)</u>	<u>(385,000)</u>
Bonds payable, 12/31/22	<u>\$ 980,000</u>	<u>\$ 3,205,000</u>	<u>\$ 4,185,000</u>

Bonds payable at December 31, 2021, consisted of two issues of general obligation bonds due in varying annual installments through 2032.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 390,000	\$ 63,765	\$ 453,765
2024	395,000	55,595	450,595
2025	400,000	47,180	447,180
2026	410,000	38,460	448,460
2027	415,000	30,775	445,775
2028-2032	<u>2,175,000</u>	<u>62,560</u>	<u>2,237,560</u>
	<u>\$ 4,185,000</u>	<u>\$ 298,335</u>	<u>\$ 4,483,335</u>

NOTE F – LEASE/PURCHASE

On April 1, 2021, the District entered into a \$3,875,000 lease/purchase agreement with Security Bank of Kansas City to finance the costs of constructing, furnishing, and equipping a new fire station. The interest rates vary from 1.25% to 2.00%. Semi-annual principal and interest payments occur on April 1 and October 1.

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE F – LEASE/PURCHASE (Continued)

Future payments by year are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 170,000	\$ 66,100	\$ 236,100
2024	170,000	62,700	232,700
2025	170,000	59,300	229,300
2026	175,000	55,850	230,850
2027	175,000	53,225	228,225
2028-2032	920,000	230,750	1,150,750
2033-2037	1,025,000	142,250	1,167,250
2038-2041	900,000	36,700	936,700
	<u>\$ 3,705,000</u>	<u>\$ 706,875</u>	<u>\$ 4,411,875</u>

NOTE G – ACCRUED LEAVE

Employees accrue vacation /PTO time as a result of services rendered. A maximum of 288 hours may be carried over at year end, with any excess lost. Sick pay carries over to subsequent years. Upon termination, any unused leave is paid to the employee.

As of December 31, 2022, a total of 4,680 hours were accumulated and vested, representing a liability to the District of \$117,278.

NOTE H – RETIREMENT PLAN

The District contributes to a defined benefit plan, the Missouri Local Government Employees Retirement System (LAGERS). Contributions are funded entirely by the employer.

**Summary of Plan's Significant Accounting Policies**

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of LAGERS have been determined on the same basis as they are reported by LAGERS. The Plan's financial statements were prepared using the accrual basis of accounting. Contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits are recognized when due and payable in accordance with the statutes governing LAGERS. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments reported at fair value on trade date basis. The fiduciary net position is reflected in the measurement of the District's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense.

SOUTHERN JACKSON COUNTY  
FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022

NOTE H – RETIREMENT PLAN (Continued)

**General Information About the Plan**

LAGERS is an agent multiple-employer retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section 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 Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P. O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334.

The District's full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rate is 19.5% for staff and 18.4% for office of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

The District's modified cash basis contributions to LAGERS totaled \$277,538 for the year ended December 31, 2022.

At June 30, 2022, the District's net pension liability was \$524,691. The net pension liability was measured as of February 28, 2022 and determined by an actuarial valuation as of that date.

## APPENDIX C

### FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of July 16, 2024 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by **SOUTHERN JACKSON COUNTY FIRE PROTECTION DISTRICT** (the “**Issuer**”).

#### RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **General Obligation Bonds, Series 2024** (the “**Bonds**”), pursuant to a Resolution adopted by the governing body of the Issuer (the “**Resolution**”).

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include

municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the 12-month period beginning on **January 1** and ending on **December 31** or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3** of this Continuing Disclosure Undertaking.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

## **Section 2. Provision of Annual Reports.**

- (a) The Issuer shall, not later than **June 30th** immediately following the end of the Issuer’s Fiscal Year, commencing with the year ending December 31, 2024, file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):
- (1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with accounting principles described in the notes to those audited financial statements attached as *Appendix B* to the final Official Statement relating to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.
  - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “**obligated person**” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s Fiscal Year



changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the last day of the sixth month after the end of the Issuer's new fiscal year.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

**Section 3. Reporting of Material Events.** Not later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a notice to the MSRB, in substantially the form attached hereto as **Exhibit B**, of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

**Section 4. Termination of Reporting Obligation.** The Issuer's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

**Section 5. Dissemination Agents.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**Section 8. Default.** If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 10. Severability.** If any provision in this Continuing Disclosure Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 11. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 12. Governing Law.** This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

**IN WITNESS WHEREOF,** the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

**SOUTHERN JACKSON COUNTY FIRE  
PROTECTION DISTRICT**

By: \_\_\_\_\_  
Title: Chairman of the Board of Directors

**EXHIBIT A  
TO CONTINUING DISCLOSURE UNDERTAKING**

**FINANCIAL INFORMATION AND OPERATING DATA TO BE  
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the tables located in the following described sections of *Appendix A* of the final Official Statement relating to the Bonds:

**DEBT STRUCTURE OF THE DISTRICT**

General Obligation Indebtedness  
History of General Obligation Indebtedness

**PROPERTY TAX INFORMATION CONCERNING THE DISTRICT**

Property Valuations:  
*Current Assessed Valuation*  
*History of Property Valuations*  
History of Tax Levies  
Tax Collection Record

**EXHIBIT B  
TO CONTINUING DISCLOSURE UNDERTAKING**

**FORM OF FAILURE TO FILE NOTICE**

**Event Notice Pursuant to SEC Rule 15c2-12(b)(5)(C)**

**Issuer/Obligated Person:** Southern Jackson County Fire Protection District

**Issues to which this  
Notice relates:** General Obligation Bonds, Series 2024

**CUSIP Numbers for Issue to which this Notice relates:**

**Maturity Date                      CUSIP Number**

**Event Reported:** Failure to Timely File Annual Financial Information/Audited Financial Statements

The Obligated Person did not timely file its operating data for the fiscal year ended December 31, 20\_\_\_. Such operating data [\*will be\*] [\*was\*] filed with the MSRB through EMMA on \_\_\_\_\_, 20\_\_.

The Obligated Person did not timely file its audited financial statements for the fiscal year ended December 31, 20\_\_\_. Such audited financial statements [\*will be\*] [\*were\*] filed with the MSRB through EMMA on \_\_\_\_\_, 20\_\_.

**The information contained in this Notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Notice is, or should be construed as, a representation by the Obligated Person that the information included in this Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.**

**For additional information, contact:**

Chief Bill Large, Fire Chief  
Southern Jackson County Fire Protection District  
101 Lotawana Drive  
Lake Lotawana, Missouri 64086  
Phone: (816) 578-4211

**Date Submitted:** [Date]

**SOUTHERN JACKSON COUNTY FIRE  
PROTECTION DISTRICT**

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## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

*The following information concerning DTC and DTC's Book-Entry Only System has been obtained from sources that the District believes to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by the District, the Paying Agent or the Underwriter. The District, the Paying Agent and the Underwriter make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.*

**General.** Ownership interests in the Bonds will be available to purchasers only through a book-entry only system (the **"Book-Entry Only System"**) maintained by The Depository Trust Company (**"DTC"**), New York, New York. DTC will act as securities depository for the Bonds. Initially, the Bonds will be issued as fully-registered securities, registered in the name of Cede & Co. (DTC'S partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. The following discussion will not apply to any Bonds issued in certificate form due to the discontinuance of the DTC Book-Entry Only System, as described below.

**DTC and its Participants.** DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (**"Direct Participants"**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**"DTCC"**). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**"Indirect Participants"**). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

**Purchase of Ownership Interests.** Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the **"Beneficial Owner"**) is, in turn, to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

**Transfers.** To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

**Notices.** Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond Resolution. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

**Voting.** Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of bonds as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

**Payments of Principal and Interest.** Payments of principal of or redemption price and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, its nominee, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of or redemption price and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) will be the responsibility of the District or the Paying Agent. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

**Discontinuation of Book-Entry Only System.** DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered as described in the Bond Resolution.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC. If, however, the system of book-entry-only transfers has been discontinued and a Direct Participant has elected to withdraw its Bonds from DTC (or such successor securities depository), Bond certificates may be delivered to



Beneficial Owners in the manner described herein under the caption “**Registration, Transfer and Exchange of Bonds Upon Discontinuance of Book-Entry Only System.**”

*None of the Underwriter, the Paying Agent nor the District will have any responsibility or obligations to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or any such Direct Participant or Indirect Participant; (ii) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price or interest on the Bonds; (iii) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to owners of the Bonds; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any consent given or other action taken by DTC as Bondholder.*

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**APPENDIX E**

**FORM OF OPINION OF BOND COUNSEL**

July 16, 2024

Southern Jackson County Fire Protection District  
Lake Lotawana, Missouri

[Underwriter]

\_\_\_\_\_, \_\_\_\_\_

Re:     \$7,295,000\* Southern Jackson County Fire Protection District, General Obligation Bonds,  
          Series 2024

Ladies and Gentlemen:

We have acted as bond counsel to Southern Jackson County Fire Protection District (the “**District**”), in connection with the issuance by the District of the above-captioned bonds (the “**Bonds**”). In this capacity, we have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon and subject to the foregoing, we are of the opinion, under existing law, as follows:

1.       The Bonds have been duly authorized, executed and delivered by the District and are valid and legally binding general obligations of the District, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the District.

2.       The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the District complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

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\* Preliminary, subject to change.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,