

University of Missouri, St. Louis

IRL @ UMSL

UMSLCAB - UMSL's Political Science Millennial
Era Saint Louis Local Curated Area Budgets

Political Science Department

1-1-2006

Financial Statements, 2005

Wentzville Fire Protection District

Follow this and additional works at: <https://irl.umsl.edu/cab>

Recommended Citation

Wentzville Fire Protection District, "Financial Statements, 2005" (2006). *UMSLCAB - UMSL's Political Science Millennial Era Saint Louis Local Curated Area Budgets*. 63.
<https://irl.umsl.edu/cab/63>

This Book is brought to you for free and open access by the Political Science Department at IRL @ UMSL. It has been accepted for inclusion in UMSLCAB - UMSL's Political Science Millennial Era Saint Louis Local Curated Area Budgets by an authorized administrator of IRL @ UMSL. For more information, please contact marvinh@umsl.edu.

Wentzville Fire Protection District

Wentzville, Missouri

Financial Statements

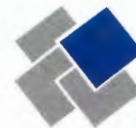
Year Ended December 31, 2005

Wentzville Fire Protection District

Table Of Contents
Year Ended December 31, 2005

Financial Section	<u>Page</u>
Independent Auditors' Report	1
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	2
Management's Discussion and Analysis	3 - 4
Statement of Net Assets and Governmental Funds Balance Sheet – Cash Basis	4
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances – Cash Basis	5
Notes to Financial Statements	7 - 11
Required Supplementary Information	
Statement of Revenues, Expenses and Changes in Net Assets – Cash Basis – Budget to Actual	12 - 13
Other Supplementary Information	
Statement of Administrative and Other Expenditures	14
Schedule of Assessed Valuation and Tax Rate	15

Financial Section



Members:

American Institute of CPAs
PCPS Alliance for CPA Firms
Missouri Society of CPAs
Illinois CPA Society

J.D. Valbracht, CPA
M.J. Mudd, CPA
D.G. Koch, CGFM, CPA
P.L. Richards, CPA
S.S. Straub, CPA

L.L. Kennett, CPA
B.J. Schmid, CPA
A.C. Failor, CPA
S.T. Brune, CPA
R.A. Deien, CPA

Independent Auditors' Report

Board of Directors Wentzville Fire Protection District

We have audited the accompanying financial statements of Wentzville Fire Protection District as of and for the year ended December 31, 2005. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards of the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position – cash basis of the Wentzville Fire Protection District, as of December 31, 2005, and the changes in financial position – cash basis for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2006 on our consideration of Wentzville Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements of Wentzville Fire Protection District, taken as a whole. The accompanying financial information listed as other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

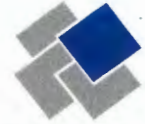
Respectfully submitted,

Wade Stables P.C.

Wade Stables P.C.

Certified Public Accountants

May 24, 2006
O'Fallon, Missouri



Members:

American Institute of CPAs
PCPS Alliance for CPA Firms
Missouri Society of CPAs
Illinois CPA Society

J.D. Valbracht, CPA
M.J. Mudd, CPA
D.G. Koch, CGFM, CPA
P.L. Richards, CPA
S.S. Straub, CPA

L.L. Kennett, CPA
B.J. Schmid, CPA
A.C. Failor, CPA
S.T. Brune, CPA
R.A. Deien, CPA

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards

Board of Directors
Wentzville Fire Protection District

We have audited the financial statements of Wentzville Fire Protection District, as of and for the year ended December 31, 2005, which collectively comprise Wentzville Fire Protection District's basic financial statements and have issued our report thereon dated May 25, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Wentzville Fire Protection District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wade Stables P.C.
Certified Public Accountants

May 25, 2006
O'Fallon, Missouri

**Management's Discussion
and Analysis**

Wentzville Fire Protection District
Management's Discussion & Analysis
December 31, 2005

The discussion and analysis of the Wentzville Fire Protection District's financial performance provides an overview and analysis of the District's financial statements for the fiscal year ended December 31, 2005. It should be read in conjunction with the accompanying basic financial statements.

Financial Highlights

- The assets of Wentzville Fire Protection District exceeded its liabilities at the close of the fiscal years ending December 31, 2005 and 2004 by \$1,201,842 and \$924,713, (net assets), respectively. Of this amount, \$1,201,842 and \$924,713 (unrestricted net assets) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net assets increased by \$277,130 and increased by \$511,393 for the years ended December 31, 2005 and 2004, respectively. In comparing the two years, the increase in net assets decreased by \$234,263. This was mainly due to receiving two years of property taxes from Mastercard in the year ended December 31, 2004 and received only one year in 2005.
- The District incurred additional debt of \$367,760 for the year ended December 31, 2005, for the purchase of a Smeal pumper and other vehicles. The District also made principal payments of \$325,590 resulting in an overall increase of debt of \$42,170 for the year ended December 31, 2005. For the year ended December 31, 2004, the District incurred additional debt of \$382,000 for project improvements and paid \$179,517 in principal payments resulting in an overall debt increase of \$202,483.

Overview of the Financial Statements

The discussion and analysis serves as an introduction to Wentzville Fire Protection District's basic financial statements. The District's financial statements are comprised of two components, combined government-wide and fund financial statements and notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Combined Government-wide and Fund Financial Statements

The fund financial statements provide detailed information about the only fund.

Governmental fund - All of the District's basic services are reported in a governmental fund, which recognizes increases and decreases in financial resources only to the extent that they reflect inflows or outflows of cash. The fund is reported using the *cash basis of accounting*. Revenues are recorded when they are received. Expenditures are recorded when paid.

The Wentzville Fire Protection District maintains the *general fund* which is the government's primary operating fund. It accounts for all financial resources of the general government. Information is presented in the Statement of Net Assets and Governmental Funds Balance Sheet.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following the basic financial statements.

Wentzville Fire Protection District
Management's Discussion & Analysis
December 31, 2005

Property, Plant and Equipment and Related Debt

The District does not maintain its fixed assets and the amount that should be recorded is not known. Capital expenditures are expensed when paid.

At year-end, the District had \$803,173 in notes and leases payable. The District incurred \$367,760 in additional debt during the year ended December 31, 2005 and paid \$325,590 in principal. \$354,650 of the additional debt was incurred to purchase a Smeal pumper and \$13,110 was incurred for additional vehicles for fire prevention.

General Fund Budgeting Highlights

For the fiscal year ending December 31, 2005, actual operating expenditures on a budgetary basis were \$4,589,535 compared to the budget amount of \$4,252,750. The \$336,785 negative variance for 2005 was mainly due to capital expenditures for the Smeal pumper and computer purchases not being included in the budget. For the fiscal year ending December 31, 2004, actual expenditures on a budgetary basis were \$4,259,536 compared to the budget amount of \$4,226,100. The \$33,436 positive variance for 2004 was mainly due to larger than expected housing and commercial development in the area.

The District's actual operating revenues on a budgetary basis for fiscal year ending December 31, 2005 were \$4,426,198 compared to the budgeted amount of \$4,224,923. For fiscal year ending December 31, 2004, actual revenues on a budgetary basis were \$4,770,929 compared to the budget amount of \$4,262,350. The positive variance of \$201,275 and \$508,579 for 2005 and 2004, respectively, was mainly the result of an increase in property tax revenues for the district as a result of an increase in property tax valuation.

Local, national and international economic factors influence the District's revenues. Positive economic growth correlates with increased revenues from property taxes. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, new construction and assessed valuation. The District has enjoyed steady growth in recent years and hopes to continue the trend in the next fiscal year. The District has prepared its budget for the next fiscal year considering the economic factors discussed above.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District.

Wentzville Fire Protection DistrictStatement of Net Assets and Governmental
Funds Balance Sheet - Cash Basis
December 31, 2005

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
Assets			
Cash and equivalents	\$ 1,214,570	\$ -	\$ 1,214,570
Total Assets	<u>\$ 1,214,570</u>	<u>\$ -</u>	<u>\$ 1,214,570</u>
Liabilities			
Payroll taxes payable	\$ 12,728	\$ -	\$ 12,728
Total Liabilities	<u>\$ 12,728</u>	<u>\$ -</u>	<u>\$ 12,728</u>
Fund Balances / Net Assets			
Fund Balance:			
Unreserved			
Board designated	\$ 924,712	\$ (924,712)	\$ -
Undesignated	277,130	(277,130)	-
Total fund balance	<u>\$ 1,201,842</u>	<u>\$ (1,201,842)</u>	<u>\$ -</u>
Total liabilities and fund balance	<u>\$ 1,214,570</u>		
Net Assets:			
Unrestricted		\$ 1,201,842	\$ 1,201,842
Total Net Assets		<u>\$ 1,201,842</u>	<u>\$ 1,201,842</u>

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

Wentzville Fire Protection District

Statement of Activities and Governmental Fund Revenues, Expenditures, and
Changes in Fund Balances - Cash Basis
For the Year Ended December 31, 2005

	General Fund	Adjustments	Statement of Activities
Expenditures/Expenses:			
General government	\$ 265,699	\$ -	\$ 265,699
Public safety	3,013,063	-	3,013,063
Fire prevention bureau	426,976	-	426,976
Capital expenditures	883,797	-	883,797
Interest expense	48,062	-	48,062
Total expenditures/expenses	<u>\$ 4,637,597</u>	<u>\$ -</u>	<u>\$ 4,589,535</u>
Program Revenues:			
Charges for services			
Building inspections	\$ 476,679	\$ -	\$ 476,679
Total program revenues	<u>\$ 476,679</u>	<u>\$ -</u>	<u>\$ 476,679</u>
Net program expense			<u>\$ (4,112,856)</u>
General Revenues:			
Property tax revenue	\$ 3,949,276	\$ -	\$ 3,949,276
Grant revenue	61,155	-	61,155
Insurance claims	746	-	746
Miscellaneous income	2,141	-	2,141
Fire reports	243	-	243
Sale of surplus items	10,074	-	10,074
Election fee overpayment	2,598	-	2,598
Interest income	44,055	-	44,055
Loan proceeds	367,760	-	367,760
Total general revenues	<u>\$ 4,438,048</u>	<u>\$ -</u>	<u>\$ 4,438,048</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 277,130</u>	<u>\$ (277,130)</u>	<u>\$ -</u>
Change in net assets	-	277,130	277,130
Fund balance/net assets:			
Beginning of Year	924,712	-	924,712
End of Year	<u>\$ 1,201,842</u>	<u>\$ -</u>	<u>\$ 1,201,842</u>

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

1. Summary of Significant Accounting Policies

Wentzville Fire Protection District (the District) was authorized and established under the constitution of the State of Missouri as a political subdivision in 1971. The District was incorporated upon voter approval. Upon creation, the District assumed responsibilities to provide fire protection within its defined boundaries. Those boundaries have expanded since 1971 to include a service area comprising the Wentzville city limits and surrounding areas totaling approximately 88 square miles. The District operates as a "three director" district as described in RSMo Chapter 162.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below.

A. Basis of Presentation

Special-purpose governments engaged in a single governmental program and having no component units may present financial statements as combining fund financial statements with government-wide statements. This is illustrated on page 4 for Statement of Net Assets and Governmental Funds Balance Sheet and page 5 for Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances. In the fund financial statements, financial transactions and accounts of the District are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The fund statements are presented on a cash basis of accounting.

The following is a brief description of the specific funds used by the District.

Governmental Funds

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes. The District does not maintain any other funds.

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements and Fund Financial Statements are prepared using the cash basis of accounting, a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Revenues are recognized when they are received rather than when earned and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

C. Budgets and Budgetary Accounting

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

- 1) In accordance with Section 67 of the Missouri Revised Statutes, the budget officer, as designated by the District, prepares and adopts an annual budget which represents the complete financial plan for the ensuing budget year. The budget includes at least the following information:
 - a) A budget message describing the important features of the budget and major changes from the preceding year;
 - b) Estimated revenues to be collected from all sources for the budget year, with a comparative statement of actual or estimated revenues for the two years next preceding, itemized by year, fund, activity and object;
 - c) The amount required for the payment of interest, amortization, and redemption charges on the debt of the District;
 - d) A general budget summary.
- 2) In no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 3) The District may revise, alter, increase or decrease the items in the proposed budget, subject to such limitations as may be provided by law, provided that in no event shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 4) The District shall, before the beginning of the fiscal year, approve the budget and approve or adopt such orders, motions, resolutions or ordinances as may be required to authorize the budgeted expenditures and produce the revenues in the budget.
- 5) After the District has approved the budget and approved or adopted the orders, motions, resolutions or ordinances required to authorize the expenditures proposed in the budget, the District shall not increase the total amount authorized for expenditure from any fund, unless the District Council adopts a resolution setting forth the facts and reasons making the increase necessary and approves or adopts an order, motion resolution or ordinance to authorize the expenditures.

The District approved the 2005 original budget at its regularly scheduled Board of Directors meeting.

1. Summary of Significant Accounting Policies (Concluded)

D. Fixed Assets

General fixed assets are recorded as expenditures in the General Fund at the time the expenditures are made. The District does not maintain a record of its general fixed assets, and therefore, no depreciation is provided on general fixed assets.

E. Inventories

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

F. Compensated Absences

Vacation time, personal business days, and sick leave are considered as expenditures in the year paid. Such amounts unused are not vested in the employee upon termination.

G. Use of Estimates

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

2. Cash and Temporary Investments

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2005, the carrying amount of the District's deposits was \$1,214,570 and the bank balance was \$1,282,341. Of the bank balance, \$100,000 was covered by federal depository insurance, \$27,566 was covered by collateral in the District's name and the remaining amount is backed by repurchase agreements.

Investments - The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements maturing and becoming payable within ninety days secured by U. S. Treasury obligations or obligations of U. S. government agencies or instrumentality's of any maturity, as provided by law.

For the year ended December 31, 2005, the District had no investments.

3. Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and are payable by December 31. All unpaid taxes become delinquent January 1, of the following year. The county collects the property taxes and remits them to the District on a monthly basis.

The assessed valuation of the tangible taxable property for calendar year 2005 for purposes of local taxation is shown in the other supplementary information following the notes to financial statements.

Wentzville Fire Protection DistrictNotes to Financial Statements
Year Ended December 31, 2005**4. Notes Payable**

The District's long-term debt at December 31, 2005 consisted of the following:

Note payable to a bank, payable in monthly installments of \$8,216.45, including interest at 6%, final payment due April, 2006, collateralized by the District's assets	\$ 32,458
Capital lease with a bank, payable in annual installments of \$28,009.79, including interest at 3.75%, final payment due May, 2006, collateralized by a 2003 2,500 gallon freightliner tanker	26,997
Capital lease with a bank, payable in annual installments of \$77,551.10 including interest at 3.55%, final payment due November, 2007, collateralized by a 2003 Smeal pumper	146,269
Capital lease with a bank, payable in annual installments of \$13,482.46, including interest at 4.59%, final payment due June 2007, collateralized by a 2 pickup trucks	25,216
Capital lease with a bank, payable in annual installments of \$79,641.85 including interest at 5.00%, final payment due July 2009, collateralized by a real estate in Foristell, Missouri	282,734
Capital lease with a bank, payable in annual installments of \$80,224.32 including interest at 4.25%, final payment due November 2009, collateralized by a 2005 Smeal pumper	<u>289,499</u>
Total Long Term Debt	<u><u>\$ 803,173</u></u>

Maturities of long-term debt, including installment loan interest, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 277,048	\$ 34,727	\$ 311,775
2007	227,162	23,737	250,899
2008	146,123	13,744	159,867
2009	152,840	7,027	159,867
Total	<u><u>\$ 803,173</u></u>	<u><u>\$ 79,235</u></u>	<u><u>\$ 882,408</u></u>

5. Pension Plan/Length of Service Awards Program

The Wentzville Fire Protection District contributes to a 457 plan set up through the Principal Financial Group for full-time employees who have been employed continuously for at least one year. The District contributes \$3,000 for each employee and additionally matches employee deferrals up to \$2,500. The District contributed \$141,981 to the 457 plan in 2005.

The District also has a length of service awards program plan through VFIS that covers the District's 46 volunteer firefighters, which begins vesting after five years of continuous service. After age 65, volunteers can draw benefits based on length of service. The District contributed \$84,792 to this plan in 2005.

As of the date of the last actuarial valuation of December 31, 2004 the pension administrator has advised the District it has an unfunded liability of \$127,389 based on the following assumptions of its length of service awards program.

- 1) Present Value of Benefits - \$396,961. The amount of money invested today, inclusive of cash value and based on the Plan's assumed rate of return, sufficient to provide the members' projected benefits at Entitlement Age.
- 2) Present Value of Accrued Benefits - \$273,259. The amount of money invested today, exclusive of cash value and based on the Plan's assumed rate of return, sufficient to provide the members' accrued benefits (benefits earned to date) at Entitlement Age.
- 3) Present Value of Vested Accrued Benefits - \$262,124. The amount of money invested today, exclusive of cash value and based on the Plan's assumed rate of return, sufficient to provide the members' vested accrued benefits (vested benefits earned to date) at Entitlement Age.
- 4) Assets - \$130,458. The amount currently invested in the side fund. If you subtract this amount from the above figures, the result is the net amount needed in a single sum to guarantee either the projected, accrued, or vested accrued benefits.
- 5) Frozen Initial Liability - \$188,413. This is the amount that was established as of the effective date of the plan to fund for service prior to the plan.
- 6) Frozen Initial Liability Amortization Period - 10 Years. This is the number of years established as of the effective date to pay off the Frozen Initial Liability.

6. Commitments and Contingencies

Grant Audit - The District receives Federal grants for specific purposes that is subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The District is not aware of any noncompliance with Federal or State provisions that might require the District to provide reimbursement.

Litigation - The District advises that there are no claims or lawsuits pending against the District that would be significant to the District's financial statements.

Required Supplementary Information

Wentzville Fire Protection District

Statement of Revenues Collected and Expenditures Paid -
Budget and Actual - Cash Basis
For the Year Ended December 31, 2005

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues Received:			
Building inspections	\$ 448,000	\$ 476,679	\$ 28,679
Property tax revenue	3,776,923	3,949,276	172,353
Fire reports	-	243	243
Total Operating Revenues Received	\$ 4,224,923	\$ 4,426,198	\$ 201,275
Operating Expenditures Disbursed:			
General government:			
Insurance	\$ 60,000	\$ 41,007	\$ 18,993
Professional fees and commissions	81,500	34,738	46,762
Director fees	20,400	12,100	8,300
Building repairs and maintenance	38,000	84,278	(46,278)
Office supplies and postage	45,000	57,014	(12,014)
Utilities	37,100	36,562	538
	\$ 282,000	\$ 265,699	\$ 16,301
Public safety:			
Firefighting supplies	\$ 10,000	\$ 1,169	\$ 8,831
Medical supplies	8,000	2,097	5,903
Salaries	1,982,650	1,924,746	57,904
Payroll taxes	185,000	168,135	16,865
Employee benefits	727,400	692,216	35,184
Education and training	64,500	41,184	23,316
Equipment repairs and maintenance	58,000	53,101	4,899
Membership dues	9,700	11,035	(1,335)
Uniforms and gear	30,000	43,523	(13,523)
Public fire education and prevention	10,000	9,006	994
Radios and communications	37,500	30,699	6,801
Fuel	25,000	36,152	(11,152)
	\$ 3,147,750	\$ 3,013,063	\$ 134,687
Fire Prevention Bureau:			
Salaries	\$ 287,900	\$ 281,168	\$ 6,732
Payroll taxes	-	21,509	(21,509)
Employee benefits	105,600	85,008	20,592
Insurance	-	5,527	(5,527)
Office supplies	10,000	17,814	(7,814)
Membership dues	-	550	(550)
Vehicle maintenance	30,000	2,494	27,506
Training	-	230	(230)
Professional fees	-	892	(892)
Building repairs and maintenance	-	247	(247)
Computer equipment and supplies	-	171	(171)
Career development	-	2,528	(2,528)
Utilities	-	921	(921)
Radios and communication	-	3,353	(3,353)
Fuel in vehicles	-	4,564	(4,564)
	\$ 433,500	\$ 426,976	\$ 6,524

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

Wentzville Fire Protection District

Statement of Revenues Collected and Expenditures Paid -
Budget and Actual - Cash Basis
For the Year Ended December 31, 2005

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating Expenditures Disbursed:			
Capital Expenditures:			
Smeal pumper	\$ -	\$ 449,652	\$ (449,652)
Computer purchases	-	108,555	(108,555)
Lease payments - building	174,000	155,846	18,154
Lease payments - Fire Prevention Bureau	14,500	9,628	4,872
Lease payments - equipment	201,000	160,116	40,884
	<u>\$ 389,500</u>	<u>\$ 883,797</u>	<u>\$ (494,297)</u>
Total Operating Expenditures Disbursed	<u>\$ 4,252,750</u>	<u>\$ 4,589,535</u>	<u>\$ (336,785)</u>
Net Operating Income (Loss)	<u>\$ (27,827)</u>	<u>\$ (163,337)</u>	<u>\$ (135,510)</u>
Non-Operating Income (Expenses):			
Grant revenue	\$ -	\$ 61,155	\$ 61,155
Insurance claims	-	746	746
Miscellaneous income	-	2,141	2,141
Loan proceeds	-	367,760	367,760
Interest income	-	44,055	44,055
Interest expense	(36,400)	(48,062)	(11,662)
Sale of surplus items	-	10,074	10,074
Election fee overpayment	-	2,598	2,598
	<u>\$ (36,400)</u>	<u>\$ 440,467</u>	<u>\$ 476,867</u>
Total Non-Operating Income	<u>\$ (36,400)</u>	<u>\$ 440,467</u>	<u>\$ 476,867</u>
Increase (Decrease) in Net Assets	<u>\$ (64,227)</u>	<u>\$ 277,130</u>	<u>\$ 341,357</u>
Net Assets - beginning of the year		<u>924,712</u>	
Net Assets - end of year		<u>\$ 1,201,842</u>	

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

Other Supplementary Information

Wentzville Fire Protection District
Statement of Administrative and Other Expenditures
Year Ended December 31, 2005

		2005
General Government:		
Insurance	\$	41,007
Professional fees and commissions		34,738
Director fees		12,100
Building repairs and maintenance		84,278
Office supplies and postage		57,014
Utilities		36,562
Total General Government	\$	265,699
Public Safety:		
Firefighting supplies	\$	1,169
Medical supplies		2,097
Salaries		1,924,746
Payroll taxes		168,135
Employee benefits		692,216
Education and training		41,184
Equipment repairs and maintenance		53,101
Membership dues		11,035
Uniforms and gear		43,523
Public fire education and prevention		9,006
Radios and communications		30,699
Fuel		36,152
Total Public Safety	\$	3,013,063
Fire Prevention Bureau:		
Salaries	\$	281,168
Payroll taxes		21,509
Employee benefits		85,008
Insurance		5,527
Office supplies		17,814
Membership dues		550
Vehicle maintenance		2,494
Training		230
Professional fees		892
Building repairs and maintenance		247
Computer equipment and supplies		171
Career development		2,528
Utilities		921
Radios and communication		3,353
Fuel in vehicles		4,564
Total Fire Prevention Bureau	\$	426,976
Capital Expenditures:		
Smeal pumper	\$	449,652
Computer purchases		108,555
Lease payments - building		155,846
Lease payments - Fire Prevention Bureau		9,628
Lease payments - equipment		160,116
Total Capital Expenditures	\$	883,797

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

Wentzville Fire Protection District
Schedule of Assessed Valuation and Tax Rate
Tax Year 2005

Assessed Valuation:

	2005
Real Estate	\$ 727,900,982
Personal Property	146,127,047
Railroad and Utility	<u>31,849,923</u>
Total Assessed Valuation	<u>\$ 905,877,952</u>

Tax Rate Per \$100 of Assessed Valuation:

General	<u>\$ 0.4644</u>
---------	------------------