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Compliance Report and Financial Statements Supplemental Information, 2004

Lemay Fire Protection District

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CLAIRE C. McCASKILL
Missouri State Auditor

August 30, 2005

Board of Directors
Lemay Fire Protection District
St. Louis County
1201 Telegraph Road
St. Louis, MO 63125-1828

Fiscal Period: One Year Ended December 31, 2004 ✓

Dear Directors:

In accordance with Sections 105.145 and 321.690 RSMo, we acknowledge receipt of the audit report of your fire protection district for the above-described fiscal period. We will review this report for compliance with 15 CSR 40-4 and report to you whether or not it complies with these administrative rules.

Thank you for your cooperation in sending this information.

Sincerely,

CLAIRE C. McCASKILL
STATE AUDITOR

A handwritten signature in cursive script that reads "Judy Buerky".

Judy Buerky
Local Government Analyst

STATE AUDITOR'S OFFICE
RECEIVED
AUG 30 2005

Lemay Fire Protection District

Report on Compliance and on Internal Control
Over Financial Reporting
For the Year Ended December 31, 2004

*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
Lemay Fire Protection District
St. Louis, Missouri

We have audited the financial statements of Lemay Fire Protection District as of and for the year ended December 31, 2004, which was qualified as described therein and have issued our report thereon dated May 25, 2005. We conducted our audit in accordance with generally accepted auditing standards 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 Lemay 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 an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Lemay Fire Protection district's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and responses under the status of prior year findings.

A material weakness is a reportable 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 caused by error or fraud 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

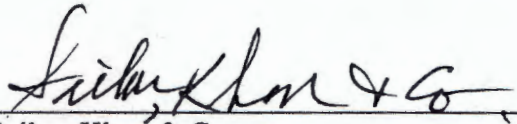
Sailor

Khan & Co.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lemay 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses.

This report is intended solely for the information and use of the board of directors, and management, and is not intended to be and should not be used by anyone other than these specified parties.



Sailor, Khan & Co.

St. Louis, MO

May 25, 2005

FINDINGS AND RESPONSES

CURRENT YEAR FINDINGS

INTERFUND ACCOUNTS

Finding – The general ledger does not have interfund accounts. Currently all of the funds are out of balance. The differences are for interfund transactions. In addition, the bank accounts all have several outstanding interfund transactions that are also interfund receivables and payables. We made journal entries to update the interfund balances and correct the bank accounts.

Recommendation: We recommend that the District maintain separate interfund balance accounts and document the reasons for the balances in order to comply with generally accepted accounting principles.

STATUS OF PRIOR YEAR FINDINGS

REGARDING COLLECTION OF AMBULANCE FEES –First Reported in 2003.

We recommended the District require service providers to have service auditor's reports performed on their internal accounting controls or, at a minimum, have their CPA firms perform agreed upon procedures on the transactions processed for the district and provide those reports directly to the District.

RESPONSE OF DISTRICT –The district concurred with all recommendations

STATUS: No service audits performed.

2003 FETA grant records –First Reported in 2003

We had two findings regarding the FEMA grants received in 2003. There are no longer any grants and the granting agencies have taken no action. Therefore, the finding is no longer applicable.

REGARDING BUDGET First Reported in 2003

We recommended that the District have a contingency in its budget anticipating that audit adjustments will be made. The finding was implemented and there was no similar finding this year.

SELF FUNDED HEALTH INSURANCE PLAN

We recommended the District revise its health insurance plan to clarify what medical procedures are covered.

STATUS – The District revised its plan.

LEMAY FIRE PROTECTION DISTRICT
Financial Statements
Supplemental Information

December 31, 2004

Sailor

Khan & Co.

St. Louis, Missouri

==== Certified Public Accountants =====

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Independent Auditor's Report

To the Board of Directors
Lemay Fire Protection District
St. Louis, Missouri

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lemay Fire Protection District, as of and for the year ended December 31, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Lemay Fire Protection District's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as noted below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinions.

Management has not conducted a study to determine the claims incurred but not recorded. In addition, medical claims are processed by a third party provider. We were unable to apply audit procedures at the third party provider. Consequently, we were unable to satisfy ourselves regarding the medical expenses and related liability reported in the internal service fund and their effect on expenses reported in the statement of activities and statement of net assets.

Management has engaged a third party provider to collect and remit ambulance fees to the district. We were unable to apply audit procedures at the third party provider. Consequently we were unable to satisfy ourselves regarding the ambulance revenue reported in the ambulance fund, statement of activities and statement of net assets.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to audit medical claims and ambulance fees on the internal service fund, ambulance fund, statement of net assets, and statement of activities, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lemay Fire Protection District , as of December 31, 2004 , and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A, the District has implemented a new financial reporting model, as required by the provisions of *GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as of December 31, 2004.

In accordance with Government Auditing Standards, we have also issued our report dated May 25, 2005 on our consideration of the Lemay Fire Protection District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The accompanying required supplementary information, such as management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are 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 the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lemay Fire Protection District basic financial statements. The supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental information listed in the table of contents have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The history of Lemay Fire Protection District has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



Sailor, Khan & Co.
May 25, 2005

LEMAY FIRE PROTECTION DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Lemay Fire Protection District annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on December 31, 2004. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District covers an area of land with an assessed valuation of personal property and real estate, net of new construction in progress, of \$148,062,265.
- During the year revenue exceeded expenses for the governmental programs by \$91,825.
- The District has no business-type activities, but does operate one Internal Service Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like fire suppression were financed in the short term as well as what remains for future spending.
 - Proprietary fund statements offer financial information about business-type activities. These statements cover only the internal service fund.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

The figure below summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**LEMAY FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Major Features of Lemay Fire Protection District Government-wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District government (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as fire suppression and emergency medical services	Includes only the District's Internal Service Fund	The District is trustee or agent for someone else's resources such as the Retirement Plan
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of Net Assets ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenue, Expenditures, and Changes in Fund Balance 	<ul style="list-style-type: none"> ▪ Statement of Net Assets ▪ Statement of Revenue, Expenditures, and Changes in Net Assets ▪ Statement of Cash Flows 	<ul style="list-style-type: none"> ▪ Statement of Fiduciary Net Assets ▪ Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when good or services have been received and payment is due during the year or soon thereafter	All revenue and expenditures during the year, regardless of when cash is received or paid	All revenue and expenses during the year, regardless of when cash is received or paid

**LEMAY FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

NET ASSETS

The net assets of the district are summarized below: Comparative information is not provided since this is the first year of GASB 34 implementation.

Current and other assets	\$ 2,657,800
Capital assets	<u>1,571,646</u>
 Total assets	 <u>\$ 4,229,446</u>
 Liabilities	
Current liabilities	\$ 294,611
Long term debt	<u>303,864</u>
 Total liabilities	 <u>598,475</u>
 Net assets	
Invested in capital net of Related debt	1,271,646
Unrestricted	<u>2,359,325</u>
 Total net assets	 <u>\$ 3,630,971</u>

CHANGES IN NET ASSETS

The district's changes in net assets are summarized below. Comparative information is not provided since this is the first year of GASB 34 implementation.

Program revenues	
Charges for services	\$ 283,323
Operating grants & contributions	1,360
General revenues	
Property taxes	1,928,119
Other revenues	<u>31,722</u>
 Total revenues	 <u>2,244,524</u>
 Expenses	
Fire fighting and administration	1,403,620
Ambulance	850,425
Central alarm	49,358
Interest and fiscal charges	<u>20,092</u>
 Total expenses	 <u>2,323,495</u>
 Decrease in net assets	 <u>(78,971)</u>
Beginning net assets	3,709,942
Ending net assets	<u>\$ 3,630,971</u>

**LEMAY FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

NET COST OF ACTIVITIES

The district's net cost of activities are summarized below. Comparative information is not provided since this is the first year of GASB 34 implementation.

Expenses	<u>Total Cost</u>	<u>Net Cost</u>
Fire fighting and administration	\$ 1,403,620	\$ 1,402,260
Ambulance	850,425	567,102
Central alarm	49,358	49,358
Interest and fiscal charges	20,092	20,092
Total expenses	<u>\$ 2,323,495</u>	<u>\$ 2,038,812</u>

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all the government's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net Assets-the difference between the District's assets and liabilities -is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, additional non-financial factors such as changes in the District's property tax base and the size of the District need to be considered.
- The government-wide financial statements of the District are comprised solely of governmental activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The District Board of Directors establishes other funds to control and manage money for particular purposes (such as emergency medical services) or to show that it is properly using certain taxes (such as collection and payment of the Central Dispatch fees).

The District has three kinds of funds:

- Governmental funds – Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds

LEMAY FIRE PROTECTION DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

- Proprietary funds – The District uses an internal service fund (a kind of proprietary fund) to report activities of the District health and dental plans.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Assets

The District's combined assets, net of liabilities and accumulated depreciation, were \$3,630,971 as of the end of 2004.

Changes in Net Assets

The District's total revenue was \$2,244,524. The majority of the District's revenue comes from property taxes, accounting for approximately 87.3%. Another 11.4% comes from fees charged for services. The remaining 1.3% is derived from investment earnings and other miscellaneous revenue, such as building permits.

The total cost of all program and services was \$2,323,495 including \$103,398 of current year depreciation. Depreciable asset additions of \$29,771 are not included in this expenditure amount. The District has three major types of expenditures, including personnel costs, administration, and equipment purchase and maintenance costs. For 2004, the personnel costs accounted for 69.4% of the total expenditures.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported a combined fund balance of \$2,156,774. Included in this year's total change in fund balance, however, are excess expenditures over revenues of \$143,769 in the District's Ambulance Fund.

In the beginning of 2002, the district switched from fully-funded health and dental plans to self-insurance plans. Since inception, these self-funded plans have been presented as internal service funds. For the District, this presentation allows a more efficient way to track the performance of the self-funded plans, and permits better management of those plans. During 2004, expenditures exceeded self-insurance revenues by \$53,876.

General Fund Budgetary Highlights

Over the course of the year, the District amended the budget, as per the established procedure in place for many years. The amended budget reflects actual revenues exceeding budget revenues, and increases appropriations to prevent budget overruns in expense accounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the District had invested \$2,698,161 in a broad range of capital assets, including land and buildings, fire and medical equipment, communications equipment and maintenance equipment, as well as furniture and fixtures for the engine house and administration building. The District is not responsible for maintaining any infrastructure assets and does not own any such assets. This amount represents an increase of \$30,031 over last year.

Prior to the adoption of GASB 34, the District had no requirement to depreciate fixed assets and maintained those assets in a separate account group. Upon adoption of GASB 34, the District must recognize the Accumulated

LEMAY FIRE PROTECTION DISTRICT
Statement of Net Assets
December 31, 2004

	<u>Governmental Activities</u>
Assets	
Cash	\$ 1,634,437
Accounts receivable	
Property taxes	888,370
Ambulance fees	115,000
Other assets	19,993
Property net of accumulated depreciation	<u>1,571,646</u>
Total assets	<u>\$ 4,229,446</u>
Liabilities and fund equity	
Liabilities:	
Accounts payable & accrued expenses	\$ 101,137
Accrued interest	5,690
Current portion	
Compensated absences	42,784
General obligation bonds	145,000
Long term portion	
Compensated absences	148,864
General obligation bonds	<u>155,000</u>
Total liabilities	<u>598,475</u>
Net Assets	
Net assets invested in capital assets, net of related debt	1,271,646
Unrestricted net assets	<u>2,359,325</u>
Total net assets	<u>3,630,971</u>
Total liabilities and net assets	<u>\$ 4,229,446</u>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Statement of Activities
For The Year Ended December 31, 2004*

Functions/programs	Expenses	Program Charges for Services and Sales	Revenues Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets Government Activities
<i>Governmental activities:</i>				
Fire fighting and administration	\$ (1,403,620)	\$ -	\$ 1,360	\$ (1,402,260)
Ambulance	(850,425)	283,323	-	(567,102)
Central alarm	(49,358)	-	-	(49,358)
Interest and fiscal charges	(20,092)	-	-	(20,092)
	<u>\$ (2,323,495)</u>	<u>\$ 283,323</u>	<u>\$ 1,360</u>	<u>(2,038,812)</u>
<i>General revenues:</i>				
<i>Taxes levied for:</i>				
General purposes				1,353,275
Ambulance				412,666
Central alarm				61,065
Debt service				101,113
Other income				19,954
Interest and investment earnings				11,768
				<u>1,959,841</u>
Changes in net assets				(78,971)
Net assets - beginning				<u>3,709,942</u>
Net assets - ending				<u>\$ 3,630,971</u>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Balance Sheet
Governmental Funds
December 31, 2004*

	General Fund	Central Dispatch Fund	Ambulance Fund	Pension Fund	Debt Service Fund	Total
Assets						
Cash	\$ 1,285,732	\$ 55,374	\$ -	\$ 76,462	\$ 196,854	\$ 1,614,422
Accounts receivable						
Property taxes	603,375	30,292	140,334	61,203	53,166	888,370
Ambulance fees	-	-	115,000		-	115,000
Due from other funds	-	-	307,624	24,730	26,337	358,691
Other assets	17,127	-	2,866		-	19,993
Total assets	\$ 1,906,234	\$ 85,666	\$ 565,824	\$ 162,395	\$ 276,357	\$ 2,996,476
Liabilities and fund equity						
Liabilities:						
Accounts payable & accrued expenses	\$ 35,200	\$ 410	\$ 22,908	\$ -	\$ -	\$ 58,518
Due to other funds	351,810	7,328	-	-	-	359,138
Compensated absences	42,360	-	424	-	-	42,784
Deferred ambulance fees	-	-	59,000	-	-	59,000
Deferred taxes	217,519	10,921	50,591	22,064	19,167	320,262
Total liabilities	646,889	18,659	132,923	22,064	19,167	839,702
Fund equity:						
Unreserved	1,259,345	67,007	432,901	140,331	257,190	2,156,774
Total fund equity	1,259,345	67,007	432,901	140,331	257,190	2,156,774
Total liabilities and fund equity	\$ 1,906,234	\$ 85,666	\$ 565,824	\$ 162,395	\$ 276,357	\$ 2,996,476

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Reconciliation Between Fund Balance Sheet
and Statement of Net Assets
December 31, 2004*

Fund equity balance sheet governmental funds	\$	2,156,774
Fixed assets cost not included in fund financial statements.		1,571,646
General obligation bonds not included in fund financial statements		(300,000)
Long term portion of compensated absences not included in fund financial statements.		(148,864)
Accrued interest on general obligation bonds		(5,690)
Deferred ambulance fees collected after 60 days		59,000
Deferred property taxes collected after 60 days		320,262
Internal service funds net assets and liabilities		<u>(22,157)</u>
Net assets governmental activities	\$	<u><u>3,630,971</u></u>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2004*

	General Fund	Central Dispatch Fund	Ambulance Fund	Pension Fund	Debt Service Fund	Total
Revenues:						
Property Taxes	\$ 1,369,764	\$ 69,335	\$ 324,422	\$ 140,526	\$ 125,543	\$ 2,029,590
Interest Income	9,717	107	-	-	1,563	11,387
Ambulance Charges	-	-	283,323	-	-	283,323
Other Income	25,914	-	210	268	-	26,392
Total Revenues	1,405,395	69,442	607,955	140,794	127,106	2,350,692
Expenditures:						
Fire Fighting and District Administration	1,225,364	-	-	-	-	1,225,364
Central Alarm	-	49,358	-	-	-	49,358
Ambulance Services	-	-	729,153	-	-	729,153
Pension	-	-	-	144,363	-	144,363
Debt Service	-	-	-	-	158,182	158,182
Purchase of Fixed Assets	5,911	1,289	22,571	-	-	29,771
Total Expenditures	1,231,275	50,647	751,724	144,363	158,182	2,336,191
Excess of Revenues over (under) Expenditures	174,120	18,795	(143,769)	(3,569)	(31,076)	14,501
Fund Balance Beginning	1,085,225	48,212	576,670	143,900	288,266	2,142,273
Fund Balance Ending	\$ 1,259,345	\$ 67,007	\$ 432,901	\$ 140,331	\$ 257,190	\$ 2,156,774

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
 Reconciliation Between Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds and the Statement of Activity Governmental Funds
 For the year ended December 31, 2004*

Excess of Revenues over (under) Expenditures	\$	14,501
Depreciation not included in fund financial statements		(103,398)
Purchases of fixed assets reclassified as assets		29,771
Principal payment of debt netted against long term debt		135,000
Change in accrued interest		2,560
Change in compensated absences liability		(2,058)
Deferred ambulance fees not deferred in statement of activity		-
Deferred property taxes not deferred in statement of activity		(101,471)
Internal service funds net change		<u>(53,876)</u>
Changes in net assets	\$	<u><u>(78,971)</u></u>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Balance Sheet
Internal Service Fund Medical Benefits*

December 31, 2004

Assets	
Cash	\$ 20,016
Due from other funds	447
	<hr/>
Total Assets	\$ 20,463
	<hr/> <hr/>
Liabilities and retained earnings	
Liabilities:	
Accounts Payable & Accrued Expenses	\$ 42,620
Total Liabilities	42,620
	<hr/>
Net assets (deficit)	(22,157)
	<hr/>
Total liabilities and retained earnings	\$ 20,463
	<hr/> <hr/>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Statement of Income and Changes in
Retained Earnings
Internal Service Fund Medical Benefits*

For the year ended December 31, 2004

Revenues		
Contributions from general & ambulance funds	\$	168,299
		<u>168,299</u>
Total revenues		<u>168,299</u>
Operating expenses		
Insurance		64,103
Benefits		155,739
Other		2,446
		<u>222,288</u>
Total operating expenses		<u>222,288</u>
Operating income		(53,989)
Interest income		113
		<u>113</u>
Net income		(53,876)
Retained earnings		
Beginning		31,719
		<u>31,719</u>
Ending	\$	<u><u>(22,157)</u></u>

See notes to the financial statements.

*LEMAY FIRE PROTECTION DISTRICT
Statement of Cash Flows
Internal Service Fund Medical Benefits*

For the year ended December 31, 2004

Cash from operations		
Cash from other funds	\$	167,852
Cash for benefits		(182,296)
Cash paid for other expenses		<u>(2,446)</u>
Cash flows from operation		<u>(16,890)</u>
Cash flows from investing activities		
Interest income		<u>113</u>
Cash provided by investing activities		113
Net increase in cash		<u>(16,777)</u>
Cash		
Beginning of year		<u>36,793</u>
End of year	\$	<u><u>20,016</u></u>
See notes to financial statements		
Cash flows from operations		
Operating income (loss)	\$	(53,989)
Decrease in prepaid expenses		4,995
Interfund accounts		(447)
Increase in accounts payable		<u>32,551</u>
Cash provided by operations	\$	<u><u>(16,890)</u></u>

See notes to the financial statements.

LEMAY FIRE PROTECTION DISTRICT
Notes to the Financial Statements
December 31, 2004

1. REPORTING ENTITY

The District's financial statements include all funds controlled by the District. A component unit is an organization that is included in the District's financial statements for which the District is financially accountable, or for which the District is not accountable, but for which the nature and significance or their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting principles of the District conform to accounting principles generally accepted in the United States of America for Governmental Entities. The following is a summary of the more significant accounting policies:

Basis of Presentation

Government-wide Statements:

The statement of net assets and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenue for the different functions of the District's activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenue includes (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

Fund Financial Statements:

The fund financial statements provide information about the District's funds. Separate statements for each fund are presented. The District has elected to classify all of the funds as major funds.

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.

Special Revenue Fund Types - These funds are used to account for the proceeds of specific revenue sources.

Central Dispatch Fund – This fund accounts for revenues and related expenditures for contributions to South County Fire Alarm Service which is a joint service funded by several fire districts.

Ambulance Fund – The fund accounts for property taxes and fees and related expenditures associated with emergency ambulance services.

Pension Fund - GASB requires that funds previously classified as expendable trust funds be reclassified as special revenue funds. This fund accounts for property taxes assessed to fund pension contributions.

Debt Service Fund - This fund was established to account for property taxes and related expenditures for payment of principal and interest on long-term debt.

Internal service funds

The district has one internal service fund whose purpose it is to pay medical benefits though a combination of self- insurance and insurance.

IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS 34 THROUGH 42.

In June 1999 and in June 2001, the GASB issued Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local governments, and Statement No. 37, Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments - Omnibus, respectively.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

These statements provide for the most significant change in financial reporting in over twenty years. The District has adopted these statements for its fiscal year ended December 31, 2004.

GASB Statement No. 38

In June 2001, the GASB issued Statement No. 38, Certain Financial Statement Note Disclosures. This statement modifies, adds and deletes various note disclosure requirements. Those requirements address revenue recognition policies, actions taken in response to legal violations, debt service requirements, variable-rate debt, receivable and payable balances, interfund transfers and balances, and short-term debt. The District has adopted this statement for its fiscal year ended December 31, 2004.

GASB Statement No. 40

The deposits and investments of state and local governments are exposed to risks that have the potential to result in losses. This Statement addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, this Statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to the risks identified in this Statement also should be disclosed.

GASB Statement No. 41

This Statement amends Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. The amendment to Statement 34 clarifies the budgetary presentation requirements for governments with significant budgetary perspective differences that result in their not being able to present budgetary comparison information for their general fund and major special revenue funds. These governments are required to present budgetary comparison schedules as required supplementary information (RSI) based on the fund, organization, or program structure that the government uses for its legally adopted budget.

GASB Statement No. 42

This Statement establishes accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. This Statement also clarifies and establishes accounting requirements for insurance recoveries.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

GASB Interpretation No. 6

In March 2000, the GASB issued Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. This interpretation clarifies the application of standards for modified and accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice. The District has adopted this statement for its fiscal year ended December 31, 2004.

MEASUREMENT FOCUS

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the District gives (or receives) value without receiving (or giving) equal value in exchange, include property taxes. On an accrual basis, property taxes are recognized in the fiscal year for which the taxes are levied.

Government Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available.

The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after year-end. Property taxes are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The internal service fund of the District follow FASB Statements and interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

CASH AND CASH EQUIVALENTS

For purposes of the accompanying statement of cash flows, the internal service fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by December 31. Property taxes not collected by January 1 of the subsequent year are delinquent. The St. Louis County Collector collects the property tax and remits it to the District. The county's fee for this service is 1.5% of the taxes collected.

Property taxes levied for 2004 are recorded as receivable, net of estimated uncollectibles, as are prior year levies which are reevaluated annually. Taxes receivable represent estimated amounts to be collected by the County Collector of Revenue for 2004 and prior tax years, to be remitted to the District subsequent to December 31. The portion of taxes not collected and remitted to the District within 60 days of year-end is recorded as deferred tax revenue.

AMBULANCE FEES

Receivables for ambulance fees are subject to review by third parties and are not paid unless approved.

CAPITAL ASSETS

The district capitalized property and equipment with a useful life in excess of one year. Property and equipment is depreciated over the estimated useful lives of the related asset using the straight line method. The useful lives are 5 to 10 years for equipment and 39 years for buildings.

The district does not own or control any infrastructure.

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 may differ from those estimates.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

3. *CHANGES IN FIXED ASSETS*

	Beginning Balance	Additions	Retirements	Ending Balance
Land	\$ 323,730	\$ -	\$ -	\$ 323,730
Building	1,485,465	-	-	1,485,465
Equipment	859,195	29,771	-	888,966
Total	2,668,390	29,771	-	2,698,161
Accumulated Depreciation	(1,023,117)	(103,398)		(1,126,515)
Net Fixed Assets	\$ 1,645,273	\$ (73,627)		\$ 1,571,646

Depreciation was allocated as follows:

Fire fighting and district administration	\$ 82,056
Ambulance	21,342
Total depreciation	\$ 103,398

4. *COMPENSATED ABSENCES*

The District requires that all personnel use vacation days prior to year-end, however the District has an agreement with the union to accrue sick days at a rate of six days per year up to a maximum of 60 days. If the employees are terminated prior to retirement they are entitled to 50 % of their unused sick days, which are accrued at their current hourly rate assuming 24-hour shifts. If the employees retire, they are entitled to 100 % of their unused sick days. The following schedule is based on 50 % of sick pay. The agreement also provides for compensation if an employee does not use sick days

	Beginning	Increase	Ending
Compensated absences			
Current	\$ 68,310	\$ (25,526)	\$ 42,784
Long-term	146,806	2,058	148,864
	\$ 215,116	\$ (23,468)	\$ 191,648

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

5. INTERFUND RECEIVABLES AND PAYABLES

December 31, 2004 inter-fund balances are as follows:

	Due From	Due To
General fund	\$ -	\$ 351,810
Internal service fund	447	
Pension fund	24,730	
Ambulance fund	307,624	-
Debt service fund	26,337	
Central alarm fund	-	7,328
Total	\$ 359,138	\$ 359,138

The purpose of the interfund debt is short term financing. Interest has not been charged.

6. LONG-TERM DEBT

In 1992, the fire district received authorization from its voters in a special election to issue debt for the construction of a new fire station building. The total bonds authorized were \$ 1,500,000. The bond issues has two years remaining. The bonds are funded by property taxes. The bonds have an interest rate of 5.969%.

Changes in long-term debt are as follows:

	Beginning Balance	Proceeds	Payments	Ending Balance
General Obligation Bonds	\$ 435,000	\$ -	\$ 135,000	\$ 300,000

Debt Service Requirements to maturity for the bonds capital leases and bank note are as follows:

Year ended December 31	Principal	Interest	Total
2005	\$ 145,000	\$ 14,069	\$ 159,069
2006	155,000	4,805	159,805
Grand Total	\$ 300,000	\$ 18,874	\$ 318,874

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

Legal debt margin

Assessed valuation January 1, 2004	\$148,783,355
Debt limit - 5% of assessed value	\$ 7,439,168
Less general obligation bonds	(300,000)
Add amount available in debt service fund	257,190
Legal debt margin	\$ 7,396,358

7. COMMITMENTS

The district signed a contract on March 1, 1986 with the South County Fire Alarm Service for dispatching services is renewable from year to year at about \$ 41,000 per year. The district is negotiating with South County Fire Alarm for a new contract which will have an effective date of October 2005.

8. PENSION PLAN

The district has a defined contribution pension plan funded by a group annuity contract at the Principal Life Insurance Company. The new plan covers substantially all employees of the district. The Principal Life Insurance Company has assumed the liability for defined benefits of the previous plan and the district will have no obligation to make payments to the pension plan. The district will make payments to the new plan on a discretionary basis. Covered payroll for the year was \$ 1,385,696.

Also, the district has an employee savings plan matched by the district.

The district also has a section 457 deferred compensation plan, which covers all employees and independent contractors of the district.

9. CASH

Cash is restricted for use in the funds for which the taxes were assessed. Insured or collateralized with securities held by its agent in the name of the Lemay Fire Protections District

The General and ambulance fund cash are pooled.

LEMAY FIRE PROTECTION DISTRICT
Notes to The Financial Statements
December 31, 2004
(Continued)

10. RISK MANAGEMENT

The district is exposed to various risks such as casualties, workmen's compensation, and litigation. In order to reduce its exposure to loss, the District purchases commercial insurance policies. The district self-insures itself for employee medical benefits. The district purchases stop loss coverage to hedge against catastrophic medical claims the district has not had any insurance settlements in excess of insurance coverage the past three years.

11. MEDICAL CLAIMS INCURRED BUT NOT REPORTED

The District has estimated claims incurred but not reported for medical claims without the benefit of a formal study . The board of Directors has adopted polices to limit claims however it is not known such policies will actually limit claims if challenged.

12. SUBSEQUENT EVENTS

The district purchased an ambulance for \$ 126,000.

13. CHANGE IN BEGINNING FUND BALANCE

The following is a summary of the change to beginning fund balances as a result of the adoption of GASB 34.

Fund balance beginning	\$ 2,142,273
Revenue deferred that was previously recognized	480,733
Capital assets, net of accumulated depreciation	1,645,273
Bonds payable	(435,000)
Compensated absences	(146,806)
Accrued interest	(8,250)
Internal service fund	31,719
	31,719
Net assets beginning	\$ 3,709,942

LEMAY FIRE PROTECTION DISTRICT

Required Supplemental Information

Budgetary Comparison Schedules

General and Major Special Revenue Funds

LEMAY FIRE PROTECTION DISTRICT
General Fund
Budgetary Comparison Schedule
For the year ended December 31, 2004

	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH FINAL BUDGET
Revenues:				
Property Taxes	\$ 1,369,764	\$ 1,466,654	\$ 1,442,000	\$ (72,236)
Interest Income	9,717	9,000	9,800	(83)
Other Income	25,914	4,000	19,800	6,114
Total Revenues	1,405,395	1,479,654	1,471,600	(66,205)
Expenditures:				
Personnel:				
Clothing	6,769	11,780	6,900	(131)
Employee Benefits	105,816	114,000	106,000	(184)
Employee Physical	4,648	5,000	4,700	(52)
Social Security	62,105	65,061	62,118	(13)
Wages	833,521	883,268	831,700	1,821
Personnel Subtotal	1,012,859	1,079,109	1,011,418	1,441
Administration:				
Directors Fees	26,600	27,500	27,000	(400)
Social Security Directors	1,954	2,104	2,000	(46)
Dues and Subscriptions	3,288	4,100	3,200	88
Office Supplies	2,150	5,776	2,200	(50)
Administration Subtotal	33,992	39,480	34,400	(408)
General Overhead:				
Maintenance Building	5,650	25,000	6,800	(1,150)
Meetings	86	1,000	100	(14)
Fire Prevention	2,594	1,000	2,600	(6)
Gasoline and Oil	2,331	5,500	2,400	(69)
Insurance and Bonds	85,688	70,750	86,000	(312)
Miscellaneous Expense	8,862	7,500	8,600	262
Maintenance Equipment	16,839	35,000	15,800	1,039
Supplies	3,472	5,000	3,500	(28)
Training - EMT	4,391	5,500	4,400	(9)
Telephone	3,477	4,500	3,500	(23)
Utilities	21,586	21,000	21,650	(64)
Election Expense	425		450	(25)
General Overhead Subtotal	155,401	181,750	155,800	(399)
Debt Service				
Interest Expenses	7	-	20	(13)
Debt Service Subtotal	7	-	20	(13)
Other:				
Legal Settlements	-	40,000	40,000	(40,000)
Professional Fees	22,877	39,650	23,100	(223)
Purchase Small Fixed Assets	228	4,000	300	(72)
Purchase . Fixed Assets	5,911	21,000	6,400	(489)
Other Subtotal	29,016	104,650	69,800	(40,784)
Total Expenditures	1,231,275	1,404,989	1,271,438	(40,163)
Excess of Revenue Over (Under)				
Expenditures before other financing sources uses	174,120	74,665	200,162	(26,042)
Other financing sources Uses				
Proceeds of Capital Lease	-	-	-	-
Excess of Revenue Over (Under)				
Expenditures	174,120	74,665	200,162	(26,042)
Fund Balance Beginning	1,085,225	1,085,225	1,085,225	-
Fund Balance Ending	\$ 1,259,345	\$ 1,159,890	\$ 1,285,387	\$ (26,042)

See Auditor's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
 Central Dispatch Fund
 Budgetary Comparison Schedule
 For the year ended December 31, 2004

	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH FINAL BUDGET
Revenues:				
Property Taxes	\$ 69,335	\$ 73,942	\$ 72,750	\$ (3,415)
Proceeds from sales	-	-	-	-
Interest Income	107	40	100	7
Total Revenues	69,442	73,982	72,850	(3,408)
Expenditures:				
Central Dispatch	42,757	43,700	42,800	(43)
Central Dispatch Phone Serv.	5,349	5,500	5,400	(51)
Maintenance of Equipment	1,064	200	1,100	(36)
Miscellaneous	-	-	-	-
Office Supplies	188	150	200	(12)
Purchases of Fixed assets	1,289	-	1,300	(11)
Total Expenditures	50,647	49,550	50,800	(153)
Excess of Revenue Over (Under)				
Expenditures	18,795	24,432	22,050	(3,255)
Fund Balance Beginning	48,212	48,212	48,212	-
Fund Balance Ending	\$ 67,007	\$ 72,644	\$ 70,262	\$ (3,255)

See Auditor's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
 Ambulance Fund
 Budgetary Comparison Schedule
 For the year ended December 31, 2004

	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH FINAL BUDGET
Revenues and Other Sources				
Property Taxes	\$ 324,422	\$ 346,850	\$ 334,000	\$ (9,578)
Ambulance Charges	283,323	300,000	283,000	323
Other Income	210	-	-	210
Total Revenues	607,955	646,850	617,000	(9,045)
Expenditures:				
Personnel:				
Clothing	3,760	3,000	3,500	260
Employee Benefits	39,092	40,000	39,400	(308)
Employee Physical	1,425	2,000	1,500	(75)
Social Security Contrib.	40,031	33,668	40,100	(69)
Wages	552,175	444,080	564,000	(11,825)
Personnel Subtotal	636,483	522,748	648,500	(12,017)
General Overhead:				
Gasoline and Oil	2,356	5,000	2,400	(44)
Insurance and Bonds	34,189	25,350	34,500	(311)
Maintenance	11,741	16,500	11,900	(159)
Miscellaneous Expenses	2,937	950	3,000	(63)
Medical Supplies	17,978	21,000	18,000	(22)
Office Supplies	1,728	2,200	1,800	(72)
Professional fees	246	10,000	300	(54)
Telephone	-	-	-	-
Collection Fees Ambulance Charges	20,545	24,000	21,000	(455)
Training - EMT	950	4,500	1,000	(50)
General Overhead Subtotal	92,670	109,500	93,900	(1,230)
Other:				
Purchase of Fixed Assets	22,571	2,500	23,000	(429)
Other Subtotal	22,571	2,500	23,000	(429)
Total Expenditures	751,724	634,748	765,400	(13,676)
Excess of Revenues over (under) Expenditures	(143,769)	12,102	(148,400)	4,631
Fund Balance Beginning	576,670	576,670	576,670	-
Fund Balance Ending	\$ 432,901	\$ 588,772	\$ 428,270	\$ 4,631

See Auditor's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
 Pension Fund
 Budgetary Comparison Schedule
 For the year ended December 31, 2004

	<i>ACTUAL</i>	<i>ORIGINAL BUDGET</i>	<i>FINAL BUDGET</i>	<i>VARIANCE WITH FINAL BUDGET</i>
Revenues:				
Property Taxes	\$ 140,526	\$ 151,367	\$ 145,500	\$ (4,974)
Interest income	268	600	250	18
Total Revenues	140,794	151,967	145,750	(4,956)
Expenditures:				
Pension Plan Contributions	142,000	140,000	142,500	(500)
Admin Fees	2,363	-	2,400	(37)
Death benefits	-	9,300	-	-
Total Expenditures	144,363	149,300	144,900	(537)
Excess of Revenue Over (Under) Expenditures	(3,569)	2,667	850	(4,419)
Fund Balance Beginning	143,900	143,900	143,900	-
Fund Balance Ending	\$ 140,331	\$ 146,567	\$ 144,750	\$ (4,419)

See Auditor's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison Schedules.
December 31, 2004

The budget is prepared in using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available.

The budget is prepared by a third party hired by the District to be the Budget Officer prior to the beginning of the year.

The budget is then approved by the board of directors and amended as necessary.

LEMAY FIRE PROTECTION DISTRICT

Schedules

LEMAY FIRE PROTECTION DISTRICT

Schedule of Insurance in Force

December 31, 2004

<i>POLICY</i>	<i>COMPANY</i>	<i>COVERAGE</i>	
Property & Casualty/Automobile	American Alternative Insurance Company	General Aggregate	\$ 3,000,000
		Each Occurrence	\$ 1,000,000
Umbrella		Each Occurrence	\$ 4,000,000
		Aggregate	\$ 8,000,000
Workers Compensation	Missouri Employees Mutual Insurance Co	Statutory Limits	
Employee Major Medical	Star Mark Self Insured	Stop Loss	

See Accountant's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
 Tax Years 2000 Through 2004
 Schedule of Assessed Valuation, Tax Rate and Tax Levy
 December 31, 2004

	2000	2001	2002	2003	2004
Assessed Valuation:					
Real Estate	\$ 98,997,070	\$ 111,291,497	\$ 110,690,625	\$ 115,248,080	\$ 118,198,135
Personal Property	32,663,572	34,000,000	34,961,702	31,857,351	30,585,220
Total Valuation	\$ 131,660,642	\$ 145,291,497	\$ 145,652,327	\$ 147,105,431	\$ 148,783,355
Tax Rate per \$100 of Assessed Valuation:				<u>Blended Rates</u>	
General Fund	0.990	0.960	0.960	0.980	0.976
Ambulance Fund	0.230	0.220	0.220	0.230	0.227
Pension Fund	0.100	0.100	0.100	0.100	0.099
Central Alarm Fund	0.020	0.030	0.030	0.050	0.049
Debt Service	0.140	0.090	0.090	0.110	0.086
Total Tax Rate	1.480	1.400	1.400	1.470	1.437
Tax Levy	\$ 1,948,578	\$ 2,034,081	\$ 2,039,133	\$ 2,162,450	\$ 2,138,017

See Accountant's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
Schedule of Delinquent Taxes
Receivable Not Collected By February 28, 2005
December 31, 2004

<i>YEAR</i>	<i>REAL ESTATE</i>	<i>PERSONAL PROPERTY</i>	<i>MERCHANTS AND MANUFACTURERS</i>	<i>SURCHARGE</i>	<i>TOTAL</i>	<i>PERCENTAGE OF TOTAL</i>
2004	\$ 134,568	\$ 82,815	\$ 95	\$ 2,562	\$ 220,040	68.70%
2003	32,010	27,740	3	835	60,588	18.92%
2002	12,462	11,385	3	410	24,260	7.58%
2001	(1,994)	7,016	82	(132)	4,972	1.55%
1999 & Prior	490	9,836	-	76	10,402	3.25%
Total	\$ 177,536	\$ 138,792	\$ 183	\$ 3,751	\$ 320,262	100.00%

See Accountant's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
Schedule of Principal Officeholders
December 31, 2004

<i>OFFICE HOLDER</i>	<i>TERM EXPIRES</i>	<i>AMOUNT PAID</i>	<i>SURETY BOND</i>	<i>EXPENSE REIMBURSEMENTS</i>
John C Bettag Treasurer	2007	8,800	\$ 20,000	
Schloss, Jerry G Secretary	2009	\$ 8,800	\$ 20,000	\$ -
James G. Stonebraker Chairman	2005	\$ 9,000	\$ 20,000	\$ -
Neil J. Svetanics Chief	NA	\$ 89,370	\$ 20,000	\$ -

The board of directors is elected and the board determines which of its members will serve as president, treasurer and secretary. The board appoints the chief.

Compensation is \$ 200 a meeting, for each director. In addition, the chairman of the board of directors may receive \$25 for attending each regularly or specially called board meeting, but shall not be paid the additional fee for attending more than two meetings in any calendar month. The secretary and the treasurer, if they are members of the board of directors, may each receive such additional compensation for the performance of their respective duties, as secretary and treasurer, as the board shall deem reasonable and necessary not to exceed \$1,000 per year.

See Accountant's Report Regarding This Information

LEMAY FIRE PROTECTION DISTRICT
History & Organization
December 31, 2004

Lemay Fire Protection District was initially incorporated as an organization of Luxembourg Volunteer Fire Department, Longwood Fire association and Bismark Heights Volunteer Fire Department in July 1911. The organization bought a lot at the corner of the present Orient and Erskine Avenues and erected a small engine house. In 1917, the Department changed its name from Bismark Heights to Dewey Heights. On December 6, 1920, the Longwood and Luxembourg Departments were invited to consolidate with the Dewey Heights Department. On May 12, 1921, the Luxembourg Department and on July 9, 1921, the Longwood department turned its equipment over to the Dewey Heights Department. On February 9, 1933, the general meeting voted to install the tag system. The department generated revenue from the sale of "fire tags" to homeowners and businesses. Those without fire tags paid a fee to have a fire extinguished. In May 1933, regular volunteer firefighters were housed in the engine house to provide 24-hour service.

The officers of the District were elected yearly and the meetings were open to the public. In 1938, the principals were turned over to the Lemay Volunteer Fire Department.

In the summer of 1942, the Lemay Volunteer Fire Department became the Lemay Fire Protection District, becoming the first fire district to be incorporated in the State of Missouri. Trustees were elected and a \$25,000 bond issue was approved. In March 1949, the district sold \$25,000 in bonds to Lemay Bank and Trust Company. On March 1, 1956, these bonds were retired.

On April 4, 1967, the taxpayers approved a Pension Program tax for the fire fighters and in April of 1978, the taxpayers authorized an ambulance tax. In January of 1979, the first Lemay Fire Protection District ambulance went into service. In May of 1979, the Fire District received a second ambulance through a government subsidy program.

Since the incorporation of the district, it has grown from nine paid fire fighters and two pumpers to over 24 paid fire fighters and paramedics.

The total area that the District protects is approximately 4.5 square miles with a population of approximately 25,000 to 30,000 residents.

In 1991, the District voters passed a \$ 1,500,000 bond issue to construct a new firehouse at 1201 Telegraph Road. The firehouse was completed in the fall of 1993.

See Accountants Report Regarding This Information