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1-1-2006

## Comprehensive Annual Financial Report, 2005

Mehlville Fire Protection District of St. Louis County

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**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

July 5, 2006

Robert B. Offerman, CPA  
Hochschild, Bloom & Company LLP  
16100 Chesterfield Parkway West, Suite 125  
Chesterfield, MO 63017-4829

RE: Mehlville Fire Protection District of St. Louis County

Fiscal Period: One Year Ended December 31, 2005 ✓

Dear Mr. Offerman:

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,

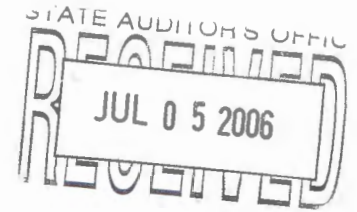
CLAIRE C. McCASKILL  
STATE AUDITOR

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

Judy Buerky  
Local Government Analyst



**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors



June 29, 2006

Ms. Claire C. McCaskill  
State Auditor of Missouri  
P.O. Box 869  
Jefferson City, MO 65102

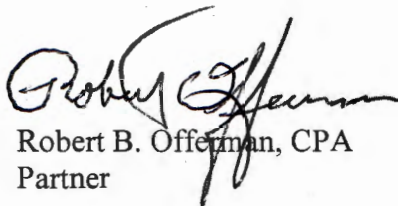
**RE: Mehlville Fire Protection District**

Dear Ms. McCaskill:

Our Firm performed an audit of the financial statements of the Mehlville Fire Protection District as of December 31, 2005 and for the year then ended.

Per the requirement of audits of Fire Protection Districts in St. Louis County (15CSR40-4(4)), we are submitting to you a copy of the completed audit report and management letter.

Sincerely yours,

  
Robert B. Offerman, CPA  
Partner

RBO/smm

Enclosures

cc: Chief James Silvernail



**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

April 27, 2006

Board of Directors  
**MEHLVILLE FIRE PROTECTION DISTRICT**

In planning and performing our audit of the basic financial statements of **MEHLVILLE FIRE PROTECTION DISTRICT** (the District) for the year ended December 31, 2005, we considered its internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and improving operating efficiency.

The memorandum that accompanies this letter entitled "Internal Control and Management Comments and Recommendations" summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated April 27, 2006 on the basic financial statements of the District.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various District personnel.

We wish to express our appreciation for the cooperation and courtesy extended to us by all personnel. We will be pleased to discuss these recommendations with you in greater detail at your convenience. Should you desire assistance in the implementation of these recommendations, please do not hesitate to contact us.

*Hochschild Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

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**MEHLVILLE FIRE PROTECTION DISTRICT**  
**INTERNAL CONTROL AND MANAGEMENT**  
**COMMENTS AND RECOMMENDATIONS**

---

**Finding for the year ended December 31, 2005:**

**1. GENERAL JOURNAL ENTRIES**

**Finding**

We noted the District's comptroller records most general journal entries into the general ledger. No subsequent review or approval of these entries is performed or documented.

**Recommendation**

In order to improve the District's internal controls, we recommend that all general journal entries be documented as reviewed and approved on at least a monthly basis by a member of management other than the person recording the entries.

**Management's Comment**

The District's management plans to implement in 2006.

**2. GASB 44**

**Finding**

Management should review the provisions of the following upcoming GASB Statements and plan accordingly for their implementation.

**Recommendation**

The objective of GASB 44, *Economic Condition Reporting: The Statistical Section*, is to improve the understandability and usefulness of the information in the statistical section of the CAFR. The statement establishes and modifies the requirements related to the information in the statistical section and is effective for the District's December 31, 2006 year-end.

**Management's Comment**

The District's management will review the provisions of the upcoming GASB Statement and develop a plan to properly implement it.

---



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**INTERNAL CONTROL AND MANAGEMENT**  
**COMMENTS AND RECOMMENDATIONS**

---

**Finding for the year ended December 31, 2004:**

**1. ACCOUNTING PROCEDURES MANUAL**

**Finding**

We noted that the District has not fully completed an accounting procedures manual. An accounting manual can help to ensure that all similar transactions are treated consistently, that accounting principles used are proper, and that records are produced in the form desired by management. A good accounting manual should aid in the training of new employees and allow for delegation to other employees of some accounting functions. There may be an assumption that because the District's accounting system is relatively simple and accounting personnel have direct and easy access to management when questions arise, there is no need for a manual. However, written procedures will help reduce misunderstandings, duplicated procedures, and potential fraud possibilities.

**Recommendation**

We recommend the District develop an accounting manual in order to communicate its accounting procedures to other personnel and also to document approved procedures. It will take some time and effort for management to develop a manual; however, we believe this time will be more than offset by time saved later in training and supervising accounting personnel.

Also, in the process of the comprehensive review of existing accounting procedures for the purpose of developing the manual, management might discover procedures that can be eliminated or improved to make the system more efficient and effective.

**Management's Comment**

Time permitting, the District will complete this project in conjunction with a software upgrade.

---

**MEHLVILLE FIRE  
PROTECTION DISTRICT  
MISSOURI**



**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FISCAL YEAR ENDED DECEMBER 31, 2005**

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**MEHLVILLE FIRE  
PROTECTION DISTRICT  
MISSOURI**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
(Audited)**

Year Ended December 31, 2005

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Prepared by  
Jeffery L. Geisler, CPA  
Comptroller



# MEHLVILLE FIRE PROTECTION DISTRICT

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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# Mehlville Fire Protection District

**Aaron Hilmer**  
Director - Chairman

**Bonnie C. Stegman**  
Director - Treasurer

**Daniel C. Ottoline, Sr.**  
Director - Secretary

**James J. Silvernail**  
Fire Chief

April 27, 2006

## Fire Chief and Members of the Board of Directors

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Mehlville Fire Protection District (the District) for the fiscal year ended December 31, 2005. This report consists of management's representations concerning the finances of the District and for the third year is presented using the financial reporting model outlined in the GASB Statement No. 34. The statements, combined with other information, are further analyzed in a narrative called Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. The responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with U.S. generally accepted auditing standards. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

This report is presented in four sections: Introductory, Financial, Statistical, and Compliance and Internal Control.

The *Introductory Section* includes this letter of transmittal, a list of principal officials, and an organizational chart.

The *Financial Section* includes the independent auditors' report, MD&A, basic financial statements for the entity as a whole, notes to the basic financial statements, required supplemental information, and other supplemental information.



The *Statistical Section* includes selected financial and demographic information, generally presented on a multi-year basis.

The *Compliance and Internal Control Section* includes the independent auditors' report on compliance and internal control over financial reporting.

## **THE REPORTING ENTITY AND ITS SERVICES**

The District is a political subdivision of the State of Missouri, established to provide a full range of services to its citizens and those who contract with the District. These services include fire suppression, emergency medical services, fire prevention, and public education. The District was originally formed in the 1930s as the Mehlville Volunteer Fire Department by a group of local citizens. In 1953, an election was held to form the District as a tax-supported fire protection district. The District currently provides fire protection and emergency medical service to a population of approximately 110,000 residents in approximately 53 square miles of south St. Louis County.

This report includes all funds and account groups of the District and its component unit, South County Fire Alarm Association. A component unit is considered part of the District's reporting entity when it is concluded that the District was financially accountable for the entity or the nature and significance of the relationship between the District and the entity was such that exclusion would cause the District's financial statements to be misleading or incomplete.

## **ECONOMIC CONDITION AND OUTLOOK**

The District, through its broad geographic base, serves a developing and growing part of Missouri's economic base. The annual growth in the District's assessed valuation and market value of property each year is one indication of the growth in both industrial and residential areas. While the current economic slowdown has precluded significant growth, we believe the area will continue to grow and develop. Growth in the District's assessed valuation is largely expected to come from continued growth and development within its service boundaries. The true cash value, or market value, of the District grew 14.2% to \$9,522,620,034 for the property tax year 2005. Missouri Revised Statutes, Section 137, requires all real estate property to be reassessed every two years (in the odd-numbered years).

The District's population is expected to grow in the next 20 years. We are working proactively and cooperatively with other governments and regional planning groups to ensure continued ability to service this future population. This includes neighborhood and street planning, emergency access and road construction as well as evaluating and working across jurisdictional boundaries to ensure closest force response to population centers regardless of where city and county boundary lines fall.

A variety of economic indicators are reflecting strong growth trends for the area including job growth, taxable sales, personal income, new businesses, and manufacturing. The District believes there is no reason to doubt the outlook will continue to be acceptable and will allow for those necessary services to at least maintain our current status in the future. The District's diverse economy and increasing urbanization should provide an economically stable community for the foreseeable future.

## **MAJOR INITIATIVES**

### **For The Year and For The Future**

It is the intent of the District to focus on the continued delivery of quality services in the areas of fire suppression, emergency medical services, and fire prevention, along with a strong, common sense



and professional administration of fire district activities as it has in the past. We intend to do this by continually assessing and evaluating our current delivery service methods as well as alternative methods in order to maintain response times and quality service, while minimizing cost to the taxpayer.

The District continues to seek improvement in the areas of personnel safety, fireground communications, physical fitness, fireground operations, emergency medical services, and human resources.

As our personnel continue to mature and gain experience with the District, the resultant management skills are evident as is the handling of labor matters, financial matters, and day-to-day management skills as well as on-scene professional fire suppression and emergency medical services activities.

The District currently holds an Insurance Service Office (ISO) Class 3. With this rating, the District ranks in the top 3% of all of the nation's 45,000 fire districts. By standards, this rating is extremely high and allows property owners to enjoy lower fire insurance premiums compared to those individuals in fire districts with a classification above a Class 3.

### **AWARDS AND ACKNOWLEDGEMENTS**

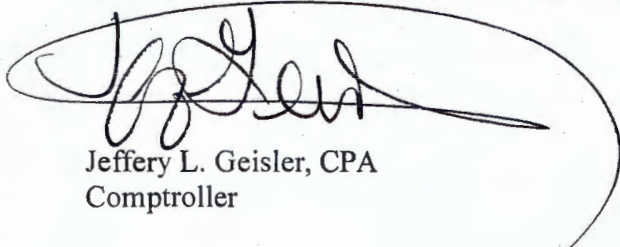
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2004. This was the seventh consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to both U.S. generally accepted accounting principles and applicable legal requirements.

We believe that our current CAFR continues to meet the Programs' requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We express our sincere gratitude to the District's personnel who assisted in accumulating the data in this report and to the accounting firm of Hochschild, Bloom & Company LLP for their continuing guidance in preparing the District's CAFR. We would also like to express our appreciation to the Board of Directors and the Fire Chief whose continuing support has been vital to the financial and community affairs of the District.

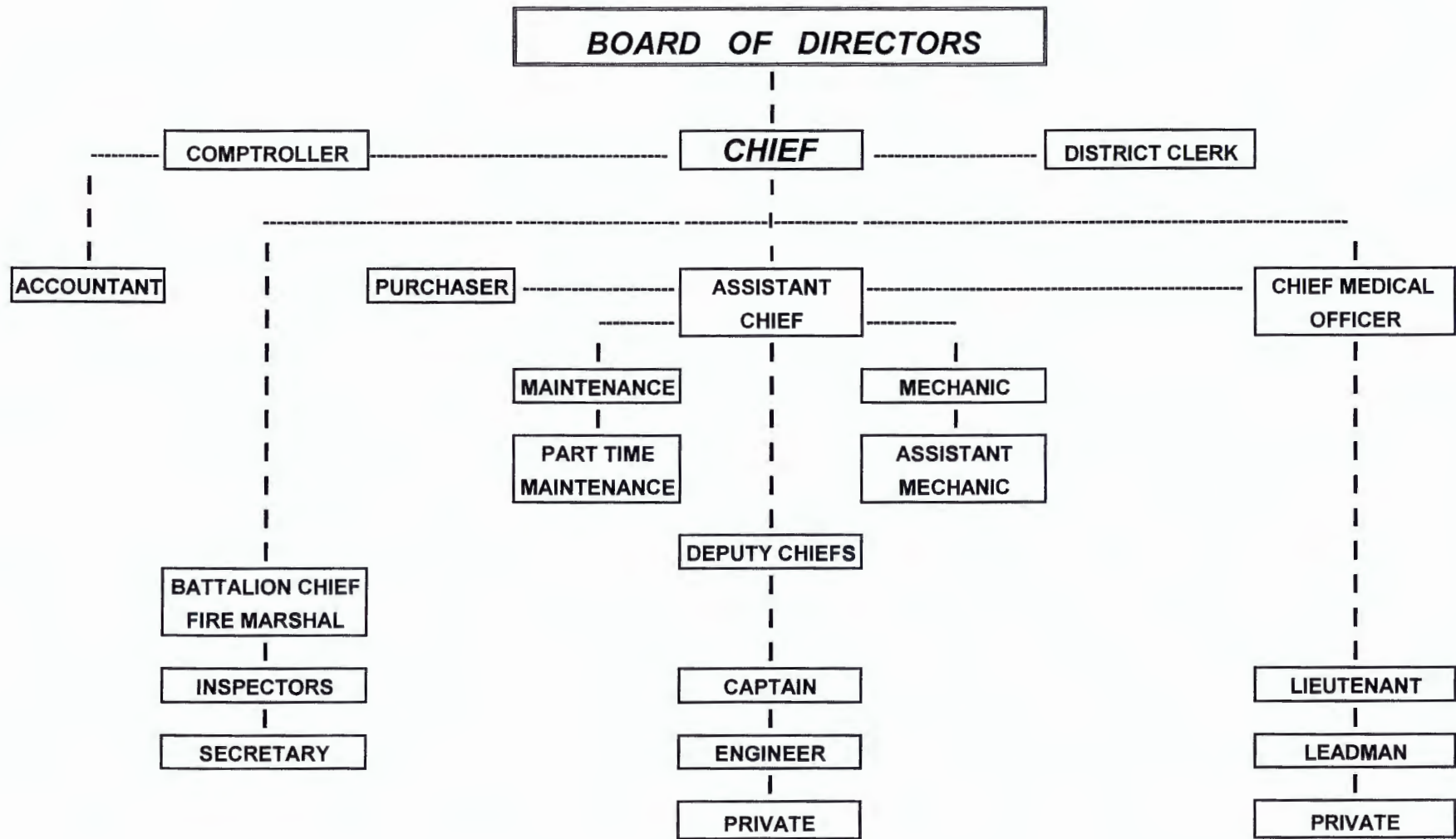
Respectfully submitted,

**MEHLVILLE FIRE PROTECTION DISTRICT**



Jeffery L. Geisler, CPA  
Comptroller

# MEHLVILLE FIRE PROTECTION DISTRICT ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Mehlville Fire Protection District, Missouri

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Carla E. Fudge*

President

*Jeffrey R. Emmer*

Executive Director





**Hochschild, Bloom & Company LLP**

Certified Public Accountants  
Consultants and Advisors

**INDEPENDENT AUDITORS' REPORT**

April 27, 2006

Board of Directors  
**MEHLVILLE FIRE PROTECTION DISTRICT**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **MEHLVILLE FIRE PROTECTION DISTRICT** (the District) as of and for the year ended December 31, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. 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. 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.

As described in Note A-3 to the financial statements, the District has adopted the provisions of the Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, as of and for the year ended December 31, 2005.

In our opinion, 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 District as of December 31, 2005, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

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In accordance with *Government Auditing Standards*, we have also issued a report dated April 27, 2006 on our consideration of the 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, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. 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 District's basic financial statements. The other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplemental information has 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.

We did not audit the data included in the introductory and statistical sections of this report and, therefore, express no opinion thereon.

*Hochschild Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

---

The Management's Discussion and Analysis (MD&A) of the Mehlville Fire Protection District's (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2005. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages i through iii and the District's financial statements which begins on page 13.

**FINANCIAL HIGHLIGHTS**

- 1) The District's total net assets increased by \$3,438,032 as a result of this year's operations. The majority of this increase is attributable to the construction of a new Fire House 1 at 3241 Lemay Ferry Road, the purchase of a Pierce pumper and a Wheeled Coach ambulance, and increased property tax revenue collections.
- 2) In the government-wide financial statements, the assets of the District exceeded its liabilities at December 31, 2005 by \$29,943,838 (net assets). Of this amount, \$6,378,947 represents the District's investment in capital assets, net of related debt and the balance of \$23,564,891 will be used to meet the District's ongoing obligations to citizens and creditors.
- 3) As of December 31, 2005 the District's governmental funds reported combined ending fund balances of \$22,829,388, an increase of \$607,264 in comparison with the prior year. The majority of this amount \$20,967,477 is unreserved and undesignated.
- 4) Unreserved fund balance for the General Fund was \$13,562,514 or 98% of General Fund expenditures and other financing uses. This fund balance is provided from property taxes both received and earned at December 31, 2005 and will be used to finance the next 11 months of operations during 2006.
- 5) At December 31, 2005, the unreserved fund balance of the Ambulance Fund was \$6,281,356 or 92% of Ambulance Fund expenditures and other financing uses. This fund balance will be used to finance the next 12 months of operations during 2006.
- 6) Beginning in April 2005, the current administration diligently examined the entire operations of the District and adopted innovative cost saving policies and procedures. By reducing our Alarm Fund tax levy by 4 cents and then levying 4 cents or 13% of the Prop S voter approved 33 cent tax levy in the General Fund, we succeeded *with no tax increase* from last year. The 4 cents is earmarked for future capital outlays. As a result, the original budgeted tax rate levy of \$1.19 was amended drastically to reflect the major voluntary reduction in the property tax levy to 86 cents.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains supplementary information and statistical data in addition to the basic financial statements.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements provide the reader with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities provides information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements present activities of the District that are principally supported by taxes and charges for services. The District provides services for fire protection, emergency medical, fire prevention, safety, rescue, and hazardous materials response services.

The government-wide financial statements can be found on pages 13 and 14 of this report.

**FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary fund type.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate their comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and

**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

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changes in fund balances for the General Fund (comprised of the fire apparatus and equipment, sick leave and death benefit sub-funds), Ambulance Fund, and Pension Revenue Fund, which are considered to be major funds. Data from the other two governmental funds (Alarm Fund and SCFAA) are combined into a single, aggregated presentation located on the governmental funds statement. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements located in the other supplemental section.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for the resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The basic fiduciary fund financial statements can be found on pages 19 and 20 of this report.

**Notes to the basic 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 the basic financial statements can be found on pages 24 through 44 of this report.

**Required supplemental information.** In addition to the basic financial statements and accompanying notes, certain required supplemental information can be found on pages 46 through 51 of this report.

**Other supplemental information.** The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 54 through 59 of this report.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$29,943,838 and \$26,505,806 at December 31, 2005 and 2004, respectively. The condensed statement of net assets was as follows:



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>December 31</u>		<u>2005 Change</u>	
	<u>2005</u>	<u>2004</u>	<u>Amount</u>	<u>Percent</u>
<b>ASSETS</b>				
Current and other assets	\$28,786,734	26,926,057	1,860,677	6.91%
Capital assets, net	<u>9,663,947</u>	<u>8,261,638</u>	<u>1,402,309</u>	16.97
Total Assets	<u>38,450,681</u>	<u>35,187,695</u>	<u>3,262,986</u>	9.27
<b>LIABILITIES</b>				
Current liabilities	1,989,634	1,470,905	518,729	35.27
Long-term liabilities	<u>6,517,209</u>	<u>7,210,984</u>	<u>(693,775)</u>	(9.62)
Total Liabilities	<u>8,506,843</u>	<u>8,681,889</u>	<u>(175,046)</u>	(2.02)
<b>NET ASSETS</b>				
Investment in capital assets, net of related debt	6,378,947	5,101,638	1,277,309	25.04
Unrestricted	<u>23,564,891</u>	<u>21,404,168</u>	<u>2,160,723</u>	10.09
Total Net Assets	<u>\$29,943,838</u>	<u>26,505,806</u>	<u>3,438,032</u>	12.97%

Investment in capital assets (e.g., land, buildings, fire and rescue equipment), less any related debt used to acquire those assets that is still outstanding was 21% of total net assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining assets consist mainly of cash, investments, and property taxes receivable which are used to meet the District's ongoing obligations to its citizens.

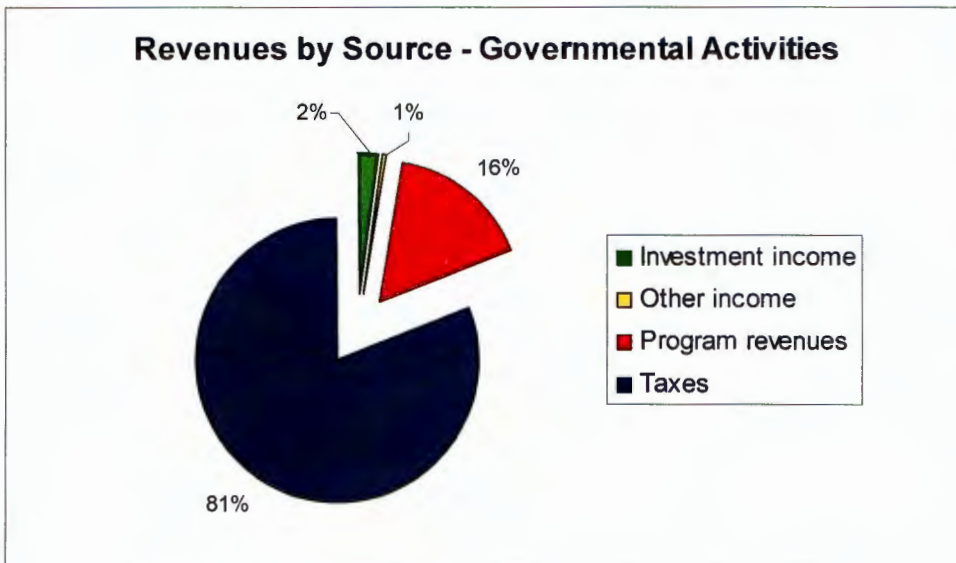
The District's largest liability (39%) is for the repayment of certificates of participation.

**Governmental activities.** This analysis focuses on the net assets and changes in net assets of the District's governmental activities. Governmental activities increased the District's net assets by \$3,438,032 and \$3,114,832 for the years ended December 31, 2005 and 2004, respectively. The condensed statement of activities was as follows:

**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>For The Years Ended December 31</b>		<b>2005 Change</b>	
	<b>2005</b>	<b>2004</b>	<b>Amount</b>	<b>Percent</b>
<b>REVENUES</b>				
Program revenue:				
Charges for services	\$ 3,610,030	3,402,250	207,780	6.11%
Capital grants and contributions	<u>63,993</u>	<u>38,603</u>	<u>25,390</u>	65.77
	3,674,023	3,440,853	233,170	6.78
General revenues:				
Taxes	18,194,596	17,392,654	801,942	4.61
Investment income	469,716	207,575	262,141	126.29
Gain on sale of capital assets	-	1,059,681	(1,059,681)	100.00
Other	<u>169,810</u>	<u>87,495</u>	<u>82,315</u>	94.08
Total Revenues	<u>22,508,145</u>	<u>22,188,258</u>	<u>319,887</u>	1.44
<b>EXPENSES</b>				
Public safety	18,946,396	18,889,451	56,945	0.30
Interest on long-term debt	<u>123,717</u>	<u>183,975</u>	<u>(60,258)</u>	(32.75)
Total Expenses	<u>19,070,113</u>	<u>19,073,426</u>	<u>(3,313)</u>	(0.02)
<b>CHANGE IN NET ASSETS</b>	3,438,032	3,114,832	323,200	10.38
<b>NET ASSETS, JANUARY 1</b>	<u>26,505,806</u>	<u>23,390,974</u>	<u>3,114,832</u>	13.32
<b>NET ASSETS, DECEMBER 31</b>	<u>\$29,943,838</u>	<u>26,505,806</u>	<u>3,438,032</u>	12.97%

**REVENUES BY SOURCE GRAPH**



**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

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**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2005, the District's governmental funds reported combined ending fund balances of \$22,829,388, an increase of \$607,264 in comparison with the prior year. The majority of this total amount (92%) constitutes unreserved and undesignated fund balance, which is available for spending at the District's discretion. The remainder of fund balance is designated for sick leave benefits, medical benefits, dispatching equipment, vacation pay, and contingency.

**General Fund.** The General Fund is the chief operating fund of the District. As of December 31, 2005, unreserved and undesignated fund balance of the General Fund was \$13,562,514, while total fund balance reached \$15,160,158. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to current and debt service fund expenditures. Unreserved fund balance represents 128% of current and debt service expenditures and total fund balance also represents 144% of that same amount.

The fund balance of the District's General Fund increased by \$199,444 or 1% during the current fiscal year. Key factors in this growth resulted from increased property tax revenue collections, investment earnings, and building permits. Expenditure increases offset most of the increased revenues in the areas of workers' compensation insurance, operating transfers out to pension and ambulance funds, and capital outlays for new equipment, vehicles, and a new fire house. Additionally, the District's employees now pay a portion of health insurance premiums.

**Ambulance Fund.** The Ambulance Fund has an unreserved fund balance of \$6,281,356. As a measure of the Ambulance Fund's liquidity, it may be useful to compare unreserved fund balance to current and debt service expenditures. Unreserved fund balance represents 131% of current and debt service expenditures.

The fund balance of the District's Ambulance Fund increased by \$971,346 or 18% during the current fiscal year. Key factors in this growth resulted from increased property tax revenue collections, investment earnings, and revenues from our medical transports of patients increased by \$315,110 or 20% from the prior year. Additionally, there were decreases in total personnel costs from changes to our staffing model. In contrast, there were increases in capital outlays for a new ambulance and a new fire house.

**Pension Revenue Fund.** The Pension Revenue Fund does not have a fund balance. All monies collected from the tax levy and transfers in are passed through to the Pension Trust Fund. Taxes increased \$55,304 or 3% during the current fiscal year.



**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues were \$438,501 lower than budgeted amounts primarily due to the timing of property tax revenue collections that resulted in a significant increase in deferred property tax collections that were received greater than 60 days from our fiscal year-end. In contrast there were higher than expected revenues from investment earnings and building permits.

Actual expenditures were \$227,993 less than budgeted amounts due to decreases in total personnel costs from changes to our staffing level, office expense, professional fees, and training expenditures.

Over the course of the year, the Board approved one budget amendment. Differences between the original budget and the final approved budget were significant and can be summarized as follows:

- \$4,576,600 decrease in taxes due to a voluntary reduction in the property tax levy by only levying 4 cents or 13% of the Prop S voter approved 33 cent tax levy. Additionally, operating transfers out were decreased by \$1,333,640 mostly for the same reason.
- \$67,482 increase in other revenues due to higher than expected investment earnings, building permits, rents, and a FEMA Grant award.
- \$1,455,298 decrease in personnel costs mostly from removing the Prop S staffing models and employees began paying a portion of health insurance premiums.
- \$8,760 decrease in administration due to pay reductions for directors and lower office expenditures.
- \$24,999 decrease in training and education due to removing the Prop S funded newsletter.
- \$23,728 decrease in professional fees mostly due to changing law firms with lower rates.
- \$227,842 decrease in capital outlay due to postponement of purchasing new vehicles. In contrast, there were additions for FEMA grant equipment purchases.

During the year, all General Fund expenditures were within budget.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, fire apparatus and equipment, and office furniture and equipment. As of December 31, 2005, the District had invested \$15,773,905 in capital assets and accumulated depreciation amounted to \$6,109,958. Capital assets, net of depreciation, were as shown in the following table:

	<u>December 31</u>		<u>Change</u>
	<u>2005</u>	<u>2004</u>	
Land and construction in progress	\$ 646,476	752,971	(106,495)
Buildings and improvements	6,740,224	5,444,692	1,295,532
Equipment	<u>2,277,247</u>	<u>2,063,975</u>	<u>213,272</u>
Total	<u>\$9,663,947</u>	<u>8,261,638</u>	<u>1,402,309</u>



**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

During the year, the District's investment in capital assets was \$1,999,767. The major capital assets events for the year included the following:

- Completion of new Fire House 1 at 3241 Lemay Ferry Road totaling \$1,468,973.
- Purchased 3 hydraulic rescue tool sets totaling \$40,463.
- Purchased and installed 2 new HP servers for the network totaling \$8,994.
- Acquired a 2005 Pierce Dash pumper and a 2005 Wheeled Coach ambulance for \$496,433.

Additional information of the District's capital assets can be found in Note C on page 29 of this report.

**Long-term debt.** During the current year, the District's total debt decreased by \$693,775 due to the net effect of scheduled principal payments and decreased accumulated sick leave benefits. At December 31, 2005, the District had long-term debt of \$6,517,209, as shown in the following table:

	<b>December 31</b>		<b><u>Change</u></b>
	<b>2005</b>	<b>2004</b>	
Certificates of participation	\$3,000,553	3,160,000	(159,447)
Compensated absences	<u>3,516,656</u>	<u>4,050,984</u>	<u>(534,328)</u>
Total	<u>\$6,517,209</u>	<u>7,210,984</u>	<u>(693,775)</u>

In 2005, the District, under its lease agreement with UMB Bank, issued certificates to provide funds to refinance the District's lease payment obligation relating to the Series 2000 Certificates. The 2000 Certificates were outstanding in the aggregate principal amount of \$3,030,000, all of which was refunded from the proceeds of the Certificates. To accomplish the refinancing plan, the net proceeds of the Certificates were transferred to the 2000 Trustee for deposit in an escrow fund established under Irrevocable Refunding Instructions given by the District upon execution and delivery of the Certificates. The 2000 Trustee invested the net proceeds deposited in the Escrow Funds. These funds were sufficient to pay and prepay the 2000 Certificates in full on August 1, 2006. The cost of issuance amounted to \$49,135. The net present value of the debt savings or economic gain was \$180,583 with an overall lower interest rate averaging 3.63%. As a result of the refinancing, the annual debt service payment will be reduced by approximately \$22,000 per year. During the process, the District's bond rating was upgraded to Aa3.

Additional information on long-term debt activity can be found in Note G on pages 31 and 32.

The District maintains an Aa3 rating from Moody's Investors Service.

The State of Missouri mandates a general obligation debt limit of 5% of total assessed value. Thus, the District's legal debt margin is \$105,131,107.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The District's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

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- 1) Ad valorem taxes
- 2) Interest income
- 3) Projects under consideration
- 4) Intergovernmental revenues (state and local grants)

On November 4, 2004, voters approved Proposition S a 33 cents tax levy for the District based on a two-phase, ten year, long-range plan. The major components of the long-range plan are:

- Restore Staffing, Training, and Public Education
- Balanced Budget and Maintain Current Level of Service
- Fire/EMS Apparatus/Equipment Replacement Plan
- Keep Equipment Staffed and In Service
- Upgrade Facilities and Infrastructure

The success of Prop S has provided the District with long-term financial stability. The 2006 budget reflects the Prop S tax levying 2 cents and is expected to increase our property tax revenues by \$492,000 or 3% if fully assessed. However, current administration is diligently examining the entire operations of the District and adopting innovative cost saving policies and procedures to minimize usage of the Prop S voter approved tax levy to ensure the integrity of public procurement and to obtain reasonable assurance that taxpayers receive value for the property taxes received from them by the District.

The District's financial position has improved in the last year *with no tax increase*. The 2006 budget and future forecasts continues to be adequate. The District has worked hard to reduce expenses wherever possible and made some difficult choices about employee benefits and service. The reforms of 2005 were implemented mid year, whereas, 2006 will reflect the full effect of them. It would be more difficult in the future to find additional areas in which spending could be reduced. The innovative cost savings policies and procedures that promoted our financial stability are summarized as follows:

- Implemented fire/medic staffing and ALS equipped pumpers
- Recaptured tax revenues lost due to tax court adjustments
- Hired an independent firm as disability case manager
- Hired a third party insurer for life and disability benefits
- Reduced certain sick leave, vacation, overtime, holiday, and uniform benefits
- Implemented health insurance premiums paid by employees for dependents or buy-up benefits
- Adopted ordinances abolishing employer self-funded disability and death benefits
- Reduced directors pay
- Eliminated Deputy Chief EMS position
- Publicly requested and awarded bids for legal and insurance services, property leases, equipment, and debt refinancing

The District's defined benefit pension plan has been under significant scrutiny as the costs of the benefits have become higher than acceptable and are projected to continue to significantly increase. As a result, on March 16, 2006, the plan was amended, terminated, and then replaced with a defined contribution pension plan. These pension program changes are being contested through the court system creating additional uncertainty for plan costs in the future.



**MEHLVILLE FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

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The District will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, 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 financial information, contact the Chief Financial Officer, Mehlville Fire Protection District, 11020 Mueller Road, St. Louis, MO, 63123, phone 314-894-0420.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2005**

	<u>Primary Government Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 16,530,261
Investments	2,094,539
Receivables:	
Taxes, net of allowance for uncollectible amounts	7,726,450
EMS fees, net of allowance for uncollectible amounts	967,356
Other	15,234
Bond issue costs, net of accumulated amortization	47,770
Net pension assets	1,405,124
Capital assets:	
Land	646,476
Other capital assets, net of accumulated depreciation	9,017,471
Total Assets	38,450,681
<b>LIABILITIES</b>	
Accounts payable	438,247
Accrued interest payable	52,262
Accrued salaries, benefits, and payroll taxes	620,885
Due to Fiduciary Fund	878,240
Noncurrent liabilities:	
Due within one year	1,588,903
Due in more than one year	4,928,306
Total Liabilities	8,506,843
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	6,378,947
Unrestricted	23,564,891
Total Net Assets	\$ 29,943,838

See notes to financial statements



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges</u> <u>For Services</u>	<u>Capital</u> <u>Grants And</u> <u>Contributions</u>		<u>Net Revenues</u> <u>(Expenses)</u> <u>And Changes</u> <u>In Net Assets</u>
<b>FUNCTIONS/PROGRAMS</b>					
<b>Governmental Activities</b>					
Public safety	\$ 18,946,396	3,610,030	63,993		(15,272,373)
Interest on long-term debt	123,717	-	-		(123,717)
Total Governmental Activities	<u>\$ 19,070,113</u>	<u>3,610,030</u>	<u>63,993</u>		<u>(15,396,090)</u>
<b>General Revenues</b>					
Taxes					18,194,596
Investment income					469,716
Other					169,810
Total General Revenues					<u>18,834,122</u>
<b>CHANGE IN NET ASSETS</b>					3,438,032
NET ASSETS, JANUARY 1					<u>26,505,806</u>
NET ASSETS, DECEMBER 31					<u>\$ 29,943,838</u>

See notes to financial statements

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2005**

	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Pension Revenue Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash	\$ 11,518,702	3,999,290	-	1,012,269	16,530,261
Investments	937,062	669,534	-	487,943	2,094,539
Receivables:					
Taxes, net of allowance for uncollectible amounts	5,090,539	1,837,790	798,121	-	7,726,450
EMS fees, net of allowance for uncollectible amounts	-	967,356	-	-	967,356
Other	15,234	-	-	-	15,234
Due from other funds	1,958	186,510	-	-	188,468
	<u>17,563,495</u>	<u>7,660,480</u>	<u>798,121</u>	<u>1,500,212</u>	<u>27,522,308</u>
Total Assets	<u>\$ 17,563,495</u>	<u>7,660,480</u>	<u>798,121</u>	<u>1,500,212</u>	<u>27,522,308</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 287,347	54,377	-	96,523	438,247
Accrued salaries, benefits, and payroll taxes	442,779	164,249	-	13,857	620,885
Deferred revenue	1,406,582	1,160,498	-	-	2,567,080
Due to other funds	266,629	-	798,121	1,958	1,066,708
Total Liabilities	<u>2,403,337</u>	<u>1,379,124</u>	<u>798,121</u>	<u>112,338</u>	<u>4,692,920</u>
<b>Fund Balances</b>					
Unreserved, designated for:					
General Fund:					
Sick leave benefits	1,597,644	-	-	-	1,597,644
Special Revenue Funds:					
Sick leave benefits	-	-	-	77,178	77,178
Dispatching equipment	-	-	-	43,942	43,942
Medical benefits	-	-	-	65,285	65,285
Vacation pay	-	-	-	19,879	19,879
Contingency fund	-	-	-	57,983	57,983
Unreserved, reported in:					
General Fund	13,562,514	-	-	-	13,562,514
Special Revenue Funds	-	6,281,356	-	1,123,607	7,404,963
Total Fund Balances	<u>15,160,158</u>	<u>6,281,356</u>	<u>-</u>	<u>1,387,874</u>	<u>22,829,388</u>
Total Liabilities And Fund Balances	<u>\$ 17,563,495</u>	<u>7,660,480</u>	<u>798,121</u>	<u>1,500,212</u>	<u>27,522,308</u>

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2005**

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Total Fund Balances - Governmental Funds	\$ 22,829,388
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$15,773,905 and the accumulated depreciation is \$6,109,958.	9,663,947
Net pension assets are not financial resources and, therefore, are not reported in the funds.	1,405,124
Other long-term assets (property taxes and ambulance fee receivable not collected within 60 days of year-end) are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,567,080
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(52,262)
Certificates of participation	(3,285,000)
Compensated absences	(3,516,656)
Unamortized deferred charges	284,447
Unamortized bond issuance costs	47,770
Net Assets Of Governmental Activities	\$ 29,943,838



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Pension Revenue Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 11,460,008	4,154,402	1,861,979	36,331	17,512,720
Investment income	324,415	102,844	-	42,457	469,716
Inspection fees	511,603	-	-	-	511,603
EMS fees	-	1,895,007	-	-	1,895,007
Dispatching	-	-	-	1,183,694	1,183,694
Other	134,821	13,551	-	85,431	233,803
Total Revenues	<u>12,430,847</u>	<u>6,165,804</u>	<u>1,861,979</u>	<u>1,347,913</u>	<u>21,806,543</u>
<b>EXPENDITURES</b>					
Current:					
Personnel	9,228,765	3,792,840	-	871,960	13,893,565
Administration	87,364	51,917	-	15,760	155,041
General overhead	995,665	549,602	-	134,426	1,679,693
Professional fees	57,859	183,278	-	21,457	262,594
Dispatching	-	-	-	687,728	687,728
Other	53,597	81,207	-	4,760	139,564
Pension contribution	-	-	1,968,830	85,085	2,053,915
Debt service:					
Principal	65,000	65,000	-	-	130,000
Interest	45,996	45,996	-	-	91,992
Bond issue costs	24,568	24,568	-	-	49,136
Capital outlay	1,518,850	409,364	-	90,263	2,018,477
Total Expenditures	<u>12,077,664</u>	<u>5,203,772</u>	<u>1,968,830</u>	<u>1,911,439</u>	<u>21,161,705</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>353,183</u>	<u>962,032</u>	<u>(106,851)</u>	<u>(563,526)</u>	<u>644,838</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	28,101	106,851	-	134,952
Transfers out	(134,952)	-	-	-	(134,952)
Payment to escrow agent	(1,661,287)	(1,661,287)	-	-	(3,322,574)
Proceeds from bond issue	1,642,500	1,642,500	-	-	3,285,000
Total Other Financing Sources (Uses)	<u>(153,739)</u>	<u>9,314</u>	<u>106,851</u>	<u>-</u>	<u>(37,574)</u>
<b>NET CHANGE IN FUND BALANCES</b>	199,444	971,346	-	(563,526)	607,264
FUND BALANCES, JANUARY 1	<u>14,960,714</u>	<u>5,310,010</u>	<u>-</u>	<u>1,951,400</u>	<u>22,222,124</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 15,160,158</u>	<u>6,281,356</u>	<u>-</u>	<u>1,387,874</u>	<u>22,829,388</u>

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Net Change In Fund Balances - Governmental Funds \$ 607,264

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount by which capital outlays over the capitalization threshold \$1,999,767 exceeds depreciation expense (\$597,458).

1,402,309

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:  
 Increase in deferred revenue.

701,603

The issuance of long-term debt (e.g. sick leave, certificates of participation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds, however, it has no effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt:

Certificates of participation principal payments	130,000	
Paid off Certificate of Participation Series 2000 including deferred charges	3,322,574	
Refunding Certificate of Participation Series 2005	(3,285,000)	
Compensated absences earned	(1,259,398)	
Compensated absences payments	1,793,726	
Bond issuance costs	49,136	
Amortization (bond issue costs plus deferred charges)	<u>(9,493)</u>	
Net Adjustment		741,545

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Increase in accrued interest on bonds	(22,232)	
Increase in net pension assets	<u>7,543</u>	
		<u>(14,689)</u>

Change In Net Assets Of Governmental Activities \$ 3,438,032

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**STATEMENT OF FIDUCIARY NET ASSETS - PENSION TRUST FUNDS**  
**DECEMBER 31, 2005**

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**ASSETS**

Investments, at fair value:	
Equity securities	\$ 28,588,259
Money market funds	398,154
Mutual funds	3,794,069
U.S. government and agency securities	4,535,872
Total Investments	<u>37,316,354</u>
Cash	1,094,042
Due from other funds	878,240
Total Assets	<u><u>39,288,636</u></u>

**LIABILITIES**

Accounts payable	44,132
Separation benefits payable	202,997
Total Liabilities	<u><u>247,129</u></u>

**NET ASSETS**

Held in trust for pension benefits	<u><u>\$ 39,041,507</u></u>
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**MEHLVILLE FIRE PROTECTION DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

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**ADDITIONS**

Investment income:	
Interest and dividends earned	\$ 1,200,285
Net appreciation in fair value of investments	881,253
Total Investment Income	2,081,538
Less - Investment management and custodial fees	99,065
Net Investment Income	1,982,473
Employer contribution	2,053,915
Total Additions	4,036,388

**DEDUCTIONS**

Distributions to participants and beneficiaries	5,234,485
Professional fees	170,225
Disability insurance	16,335
Total Deductions	5,421,045

**CHANGE IN NET ASSETS** (1,384,657)

NET ASSETS HELD IN TRUST FOR PENSION  
 BENEFITS, JANUARY 1 40,426,164

**NET ASSETS HELD IN TRUST FOR PENSION**  
**BENEFITS, DECEMBER 31** \$ 39,041,507

# MEHLVILLE FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**MEHLVILLE FIRE PROTECTION DISTRICT** (the District) is a political subdivision duly organized under the laws of the State of Missouri to supply protection to persons and property against injuries and damage from fire and to give assistance in the event of an accident or emergency of any kind.

The accounting policies and financial reporting practices of the District conform to U.S. generally accepted accounting principles (GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the District's more significant accounting policies:

#### 1. Reporting Entity

In evaluating the District as a reporting entity, management has addressed all component units for which the District may or may not be financially accountable and, as such, be includable within the District's financial statements. In accordance with GASB Statement No. 14, the District (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the primary government. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Because of the closeness of their relationship with the primary government, the component unit has been blended as though it is a part of the primary government.

#### Component Unit

South County Fire Alarm Association (SCFAA) has a three member board, two of its board members are District board members. Although legally separate, the SCFAA is appropriately blended as a primary government nonmajor governmental fund. Separate financial statements may be obtained by contacting Amy Haag, Manager, of SCFAA at 314-894-0424.

#### 2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that



# MEHLVILLE FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2. Government-wide and Fund Financial Statements (Continued)

are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### 3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments are recorded only when payment is due.

Property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Ambulance services are recorded at the time of service, net of allowances for uncollectible amounts. Inspection fees and other income are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest income is recorded as earned since it is measurable and available.

The District reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are



# MEHLVILLE FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

The District reports the following major governmental funds:

**General Fund** -- This 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.

**Ambulance Fund** -- This fund is used to account for the funds to be utilized for promotion, maintenance, and improvements of emergency medical services.

**Pension Revenue Fund** -- This fund is used to collect tax revenue for pension funding.

Additionally, the District reports the following fund type:

**Pension Trust Funds** -- These funds are used to account for assets held in a trustee capacity for the District's and Component Unit's eligible employees.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges and various other functions of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and investment income.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

During 2005, the District adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures, an Amendment of GASB Statement No. 3* (GASB 40). The adoption of GASB 40 modifies certain financial statement disclosures requirements. The new standard enhances the deposit and investment risk disclosures by updating the custodial credit risk disclosure requirements of GASB 3 and addressing other common risks, including

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

concentrations of credit risk, interest rate risk, and foreign currency risk. The implementation of GASB 40 had no effect on financial statement amounts.

**4. Allowance for Doubtful Accounts**

Allowances for uncollectible receivable amounts by fund are as follows:

	<b>December 31, 2005</b>	
	<b>Property Taxes</b>	<b>EMS Fees</b>
General Fund	\$76,930	-
Pension Revenue Fund	12,063	-
Ambulance Fund	27,773	633,506

**5. Inventories**

Expenditures for fuel and other operating supplies are charged to operations when purchased. Inventories on hand at December 31, 2005 are not material.

**6. Capital Assets**

Capital assets, which include property and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation is being computed on the straight-line method (full year depreciation in the year acquired), using asset lives as follows:

<b>Assets</b>	<b>Years</b>
Buildings and improvements	50
Equipment	5 - 12



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**7. Advances To/From Other Funds**

Noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by a fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets. Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered "available spendable resources" and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and fiduciary activities are reported in the government-wide statements as "due to fiduciary fund".

**8. Investments**

Investments are carried at fair value.

**9. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable on or before December 31. All unpaid taxes are delinquent January 1 of the following year.

Property taxes levied for 2005 are recorded as receivables, 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 2005 and prior tax years to be remitted to the District subsequent to year-end. The portion of taxes not collected and remitted to the District within 60 days of year-end is recorded as deferred tax revenue. The allowance for uncollectible taxes is estimated based on past experience. Property taxes are billed and collected by St. Louis County and remitted by the County to the District. The County's fee is 1.5% of the taxes collected. The following is a summary of the 2005 tax rates per \$100 of assessed value:

	<b>2005 Tax Rates</b>				
	<u>General</u> <u>Fund</u>	<u>Ambulance</u> <u>Fund</u>	<u>Alarm</u> <u>Fund</u>	<u>Pension</u> <u>Fund</u>	<u>Total</u>
Real property:					
Residential	.563	.203	.000	.089	.855
Commercial	.553	.199	.000	.085	.837
Agricultural	.755	.284	.000	.094	1.133
Personal property	.619	.225	.000	.096	.940



# MEHLVILLE FIRE PROTECTION DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 10. Eliminations

Eliminating entries have been made to remove various balance sheet accounts resulting from transactions between the primary government's records and the component unit's records.

#### 11. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could differ from those amounts.

#### 12. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### 13. Change in Accounting Policy

Due to the subsequent event in Note Q, the District's pension plan did not have an actuarial valuation prepared for January 1, 2006. Therefore, the District has disclosed valuation data for the pension plan in Note H as of the beginning rather than the end of the fiscal year.

### NOTE B - CASH AND INVESTMENTS

#### 1. Deposits

Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's bank deposits are required

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**1. Deposits (Continued)**

by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the District or trustee institution. The value of the securities must amount to the total of the District's cash not insured by the Federal Deposit Insurance Corporation.

As of December 31, 2005, the District's bank balances were entirely secured or collateralized with securities held by the District or by its agent in the District's name.

**2. Investments**

As of December 31, 2005, the District held investments in its governmental and fiduciary funds and the following schedule provides a summary of the investment maturities by investment type, which helps demonstrate the current level of interest rate risk assumed by the District:

<b>Maturities As Of December 31, 2005</b>						
<u>Investments</u>	<u>Fair Market Value</u>	<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>More Than 10 Years</u>
<b>Primary Government</b>						
Certificates of deposit	\$ 2,094,539	-	2,034,834	59,705	-	-
<b>Fiduciary Funds</b>						
Equities:						
Corporate stock	6,675,426	6,675,426	-	-	-	-
Pooled equity funds	15,579,040	15,579,040	-	-	-	-
Mutual funds	3,794,069	3,794,069	-	-	-	-
Bonds:						
Corporate bonds	6,333,793	-	-	2,165,190	3,288,965	879,638
Government securities:						
U.S. Treasury notes	2,187,913	-	250,333	1,460,213	477,367	-
Federal agency notes	2,347,959	-	50,031	946,316	254,888	1,096,724
Money market funds	398,154	398,154	-	-	-	-
Total Fiduciary Investments	<u>37,316,354</u>	<u>26,446,689</u>	<u>300,364</u>	<u>4,571,719</u>	<u>4,021,220</u>	<u>1,976,362</u>
<b>Grand Total Investments</b>	<u>\$39,410,893</u>	<u>26,446,689</u>	<u>2,335,198</u>	<u>4,631,424</u>	<u>4,021,220</u>	<u>1,976,362</u>

The District's current level of exposure to credit risk, or the risk that an issuer or other counterparty to an investment will not fulfill its obligations, is demonstrated by the following table:



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

<b>Credit Rating By Investment As Of December 31, 2005</b>						
	<b>Credit Rating Level</b>	<b>Equity Investments</b>	<b>Corporate Bonds</b>	<b>Government Securities</b>	<b>Money Market</b>	<b>Certificates Of Deposit</b>
Primary govern- ment	Not rated	\$ -	-	-	-	2,094,539
Fiduciary funds:	AAA	-	1,013,689	4,535,872	-	-
	AA+	-	98,623	-	-	-
	AA-	-	420,505	-	-	-
	A+	-	630,519	-	-	-
	A-	-	609,450	-	-	-
	A	-	1,196,948	-	-	-
	BBB+	-	426,870	-	-	-
	BBB-	-	833,790	-	-	-
	BBB	-	716,305	-	-	-
	BB+	-	216,071	-	-	-
	BB	-	111,211	-	-	-
	B+	-	59,812	-	-	-
	Not rated	<u>26,048,535</u>	-	-	<u>398,154</u>	-
Total		<u>\$26,048,535</u>	<u>6,333,793</u>	<u>4,535,872</u>	<u>398,154</u>	<u>2,094,539</u>

**Investments Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy for the primary government is to pre-qualify financial institutions with which the District will do business and limit investment choices as required by law. The District's pension investment policy is to invest in moderate risk securities at the discretion of the investment manager.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District's investment policy for the primary government is to limit all investment maturities to three years. The District does not have a written pension investment policy covering interest rate risk.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy for the primary government is to diversify the portfolio so that potential losses on individual securities will be minimized. The District's pension investment policy is to diversify investments over broad categories to minimize risk. The target asset allocation for the Pension Fund is as follows:



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

<u>Asset Class</u>	<u>Target</u>	<u>Range</u>
Domestic Large Capitalization Equity	40%	30 - 50
Domestic Small Capitalization Equity	10	5 - 15
International Equity	10	5 - 15
Domestic Fixed Income	40	30 - 50
Cash	-	0 - 5

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

	<u>For The Year Ended December 31, 2005</u>			
	<u>Balance December 31 2004</u>	<u>Additions</u>	<u>Reclassi- fications And Deletions</u>	<u>Balance December 31 2005</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 646,476	-	-	646,476
Construction in progress	<u>106,495</u>	<u>1,363,268</u>	<u>1,469,763</u>	-
Total Capital Assets Not Being Depreciated	<u>752,971</u>	<u>1,363,268</u>	<u>1,469,763</u>	<u>646,476</u>
Capital assets being depreciated:				
Buildings and improvements	7,069,600	1,468,973	-	8,538,573
Equipment	<u>5,951,567</u>	<u>637,289</u>	-	<u>6,588,856</u>
Total Capital Assets Being Depreciated	<u>13,021,167</u>	<u>2,106,262</u>	-	<u>15,127,429</u>
Less - Accumulated depreciation for:				
Buildings and improvements	1,624,908	173,441	-	1,798,349
Equipment	<u>3,887,592</u>	<u>424,017</u>	-	<u>4,311,609</u>
Total Accumulated Depreciation	<u>5,512,500</u>	<u>597,458</u>	-	<u>6,109,958</u>
Total Capital Assets Being Depreciated, Net	<u>7,508,667</u>	<u>1,508,804</u>	-	<u>9,017,471</u>
Governmental Activities Capital Assets, Net	<u>\$ 8,261,638</u>	<u>2,872,072</u>	<u>1,469,763</u>	<u>9,663,947</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

	<u>For The Year Ended December 31, 2005</u>
Governmental activities:	
Public safety	<u>\$597,458</u>

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE D - COMPENSATED ABSENCES**

The District grants vacation to all employees at a rate based on years of experience and employees are scheduled to take vacation in the following year. In the event of termination, an employee is reimbursed for accumulated vacation days. The liability for accrued vacation at December 31, 2005 amounted to \$1,152,608.

The District also grants sick leave to all employees. Sick leave days are earned at various rates, depending on the employee's classification and the amount of sick leave already accumulated by the employee. Upon termination of employment due to retirement or other reasons, 1/3 to 100% of the balance accumulated is paid to the employee at the rate of pay at which the amounts were accumulated. The amount paid depends on the number of service years attained and the reason for termination. The \$2,364,048 liability for accumulated sick leave at December 31, 2005 is reflected at the present value of such benefits discounted at 5% to 6%.

**NOTE E - LEASE AGREEMENT**

The District has entered into a lease agreement, renewable annually, to lease a dispatching center to the Component Unit SCFAA. In 2005, the District received \$20,200 in rental income. The District has renewed the lease for 2006, with annual rental income of \$12,500. The District also now has several tower leases on that property being leased to other parties.

**NOTE F - SELF-INSURANCE PROGRAMS**

The District participates in Missouri Fire and Ambulance Districts' Insurance Trust (MoFAD), a public entity risk pool, for workers' compensation along with 34 other districts which distributes the cost of self-insurance over similar entities. The District's insurance coverage with MoFAD is in the amount of \$2,000,000 per occurrence. The District pays an annual contribution to MoFAD for its insurance coverage. Should the contributions received not produce sufficient funds to meet obligations, MoFAD is empowered to make special assessments. Members of MoFAD are jointly and severally liable for all claims against MoFAD. Settled claims have not exceeded the District's coverages in any of the past three fiscal years. The District's premium payment for 2005 to MoFAD was \$892,616 and 2006 will be \$827,466.

Through June 30, 2005, the District had a self-funded, self-insured employee group life insurance fund which provided benefits to an employee's designated beneficiary in the event of death. The provisions of the fund provided a benefit of \$2,000 a month for 36 months to the beneficiary. There were no amounts expended for the year ended December 31, 2005. Effective July 1, 2005, the District carries insurance to provide similar benefits.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - LONG-TERM DEBT**

The following is a summary of changes in long-term debt:

	<u>For The Year Ended December 31, 2005</u>			<u>Amounts Due Within One Year</u>	
	<u>Balance December 31 2004</u>	<u>Additions</u>	<u>Reductions</u>		<u>Balance December 31 2005</u>
	2000 certificates of participation	\$3,160,000	-		3,160,000
2005 certificates of participation	-	3,285,000	-	3,285,000	
Less - Deferred charges	-	(292,574)	(8,127)	(284,447)	
Compensated absences	<u>4,050,984</u>	<u>1,259,398</u>	<u>1,793,726</u>	<u>3,516,656</u>	
	<u>\$7,210,984</u>	<u>4,251,824</u>	<u>4,945,599</u>	<u>6,517,209</u>	
				<u>1,588,903</u>	

In August 2005 the District issued \$3,285,000 of certificates of participation to refund \$3,030,000 of outstanding certificates of participation bonds (the old bonds) and pay the costs of issuing the bonds. There were no proceeds after payment of underwriting fees, insurance, and other issuance costs. As a result, the old bonds are considered to be defeased and the liability for this debt has been removed from the District's financial statements. The District decreased its aggregated debt service payments by \$241,190 over 15 years which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$180,583.

Certificates of participation consisted of the following:

	<u>December 31 2005</u>
\$3,285,000 certificates of participation dated August 1, 2005, matures May 15, 2020 with interest rate of 3.63%. Payments are due on May 15 and November 15 of each year. The certificates are subject to redemption and payment prior to maturity, at the option of the District, on or after May 15, 2010, at a redemption price of 100%.	<u>\$3,285,000</u>

A summary of principal debt service requirements is as follows:



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - LONG-TERM DEBT (Continued)**

<b>For The Years Ended December 31</b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2006	\$ 135,000	151,243	286,243
2007	175,000	111,168	286,168
2008	185,000	104,635	289,635
2009	195,000	97,738	292,738
2010	195,000	90,659	285,659
2011 - 2015	1,095,000	338,952	1,433,952
2016 - 2020	<u>1,305,000</u>	<u>121,697</u>	<u>1,426,697</u>
	<u>\$3,285,000</u>	<u>1,016,092</u>	<u>4,301,092</u>

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS**

The District and the Component Unit (SCFAA) both maintain a single-employer, defined benefit pension plan. The combined total of the actuarial accrued liability and actuarial value of assets for both plans are as follows:

	<b><u>Mehlville Fire Protection District</u></b>	<b><u>Component Unit (SCFAA)</u></b>	<b><u>Totals</u></b>
	<b><u>January 1 2005</u></b>	<b><u>January 1 2005</u></b>	
Actuarial value of assets	\$38,046,481	1,392,747	39,439,228
Actuarial accrued liability	<u>43,378,524</u>	<u>1,954,189</u>	<u>45,332,713</u>
Unfunded Actuarial Accrued Liability	(\$ <u>5,332,043</u> )	<u>(561,442)</u>	<u>(5,893,485)</u>

**1. Mehlville Fire Protection District**

***Plan Description***

The District administers a single-employer defined benefit pension plan. Substantially all of the employees of the District participate in the Retirement Plan for Employees of the Mehlville Fire Protection District (the Plan). The District is required to contribute annually an actuarially determined amount. The District's employees do not contribute to the Plan. For the year ended December 31, 2005, the District's total payroll was \$10,584,135.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**1. Mehlville Fire Protection District (Continued)**

The Plan does not issue a separate stand-alone financial report. The financial information is included as a Pension Trust Fund in the District's financial statements. Information about the Plan is provided in a summary plan description.

As of January 1, 2005 (the most recent actuarial valuation) membership in the Plan is comprised of the following:

<u>Group</u>	
Retirees and beneficiaries currently receiving benefits	46
Terminated with deferred vested benefits	6
Current active employees:	
Fully vested	122
Nonvested	<u>8</u>
 Total Membership	 <u>182</u>

All employees hired on or after January 1, 1968 who work at least 20 hours per week and five months per year are eligible to participate in the Plan. Employees who retire at or after age 58 are entitled to a retirement benefit, payable monthly for life, equal to 2.625% of their average monthly earnings for each year of continuous service, up to 27 years, plus 1% for each additional year of service to a maximum of 75%. Retirees are also entitled to a 3% annual increase in benefits, upon approval of the Board of Directors, not to exceed a maximum 24% increase in original retirement pay. Average monthly earnings is defined in the Plan as an employee's monthly base pay plus longevity and scheduled overtime pay, but exclusive of bonuses, nonscheduled overtime pay, expense allowance, and other extraordinary compensation for services over and above the schedule, as determined by the Committee, averaged over the three consecutive years of service of a participant producing the highest average. Benefits fully vest on reaching five years of service. Vested employees may retire as early as age 55 and receive reduced retirement benefits. The Plan also provides death and disability benefits. Benefits are established by the Board of Directors.

The minimum contribution requirement for the year ended December 31, 2004 was \$1,635,750 or 18% of covered payroll for the District.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**1. Mehlville Fire Protection District (Continued)**

*Funding Status and Progress*

**Schedule Of Employer Contributions**

<u>For The Years Ended December 31</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>
2004	\$1,732,453	\$1,732,453	100.0%
2003	1,687,860	1,687,860	100.0
2002	1,611,393	1,611,393	100.0
2001	1,476,774	1,500,000	101.6
2000	1,370,076	1,439,848	105.1
1999	1,024,321	1,340,810	130.9

**Pension Plan**

<u>Valuation For The Actuarial Years Ended January 1</u>	<u>Actuarial Value Of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>
2005	\$38,046,481	\$43,378,524	\$5,332,043
2004	38,215,847	42,724,096	4,508,249
2003	36,965,918	40,690,510	3,724,592
2002	38,067,070	40,687,671	2,620,601
2001	35,673,381	36,649,325	975,944
2000	32,531,464	33,261,936	730,472

<u>Valuation For The Actuarial Years Ended January 1</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL As A Percentage Of Covered Payroll</u>
2005	87.7%	\$9,089,676	58.66%
2004	89.4	9,456,552	47.67
2003	90.9	9,600,120	38.80
2002	93.6	9,587,736	27.33
2001	97.3	9,340,509	10.45
2000	97.8	8,632,016	8.46



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**1. Mehlville Fire Protection District (Continued)**

The information presented in the required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2005
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	30-year closed
Asset valuation method	5 year assumed yield
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	4%

Prior to January 1, 2005 the actuarial assumption for investment rate of return was 8% and projected salary increases was 6.5%. These assumption changes decreased the actuarial unfunded accrued liability by \$402,579.

***Annual Pension Cost***

Current year annual pension costs are shown in the trend information. Annual required contributions were made. There was no net pension obligation for the Plan.

***Trend Information***

Historical trend information about the Plan is presented herewith as required supplementary information. This information is intended to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparison with other Public Employee Retirement Systems (PERS).

<b>For The Years Ended December 31</b>	<b>Pension Plan</b>		<b>Net Pension Obligation (Asset)</b>
	<b>Annual Pension Cost</b>	<b>Percentage Contributed</b>	
2004	\$1,744,652	99.3%	(\$1,369,777)
2003	1,700,168	99.3	(1,381,976)
2002	1,623,811	99.2	(1,394,284)
2001	1,489,095	100.7	(1,406,702)
2000	1,381,885	104.2	(1,395,797)
1999	1,033,417	129.7	(1,337,834)

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**1. Mehlville Fire Protection District (Continued)**

<u>Schedule Of Development Of Net Pension Obligation (NPO)</u>							
For The Years Ended December 31	(1) Annual Required Contri- bution (ARC)	(2) Interest On NPO (Asset)	(3) ARC Adjust- ment	(4) = (1+2+3) Annual Pension Cost	(5) Employer Contri- butions	(6) = (4) - (5) Change In NPO	Actual NPO (Asset) Balance
2004	\$1,732,453	(110,558)	122,757	1,744,652	1,732,453	12,199	(1,369,777)
2003	1,687,860	(111,543)	123,851	1,700,168	1,687,860	12,308	(1,381,976)
2002	1,611,393	(112,536)	124,954	1,623,811	1,611,393	12,418	(1,394,284)
2001	1,476,774	(111,664)	123,985	1,489,095	1,500,000	(10,905)	(1,406,702)
2000	1,370,076	(107,027)	118,836	1,381,885	1,439,848	(57,963)	(1,395,797)
1999	1,024,321	(82,435)	91,531	1,033,417	1,340,810	(307,393)	(1,337,834)

**2. Component Unit (SCFAA)**

***Plan Description***

The Association contributes to a single-employer, defined benefit pension plan (the Plan) which was adopted effective January 1, 1986. The Plan provides retirement and death benefits to plan members and beneficiaries in accordance with the resolution establishing the Plan. The Plan may be amended under the provisions of the original resolution.

The Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the Association's financial statements. Information about the Plan is provided in a summary plan description.

Employees are eligible to begin participation the first day of the plan year following the date of employment with the Association. Benefits vest after five years of service. The Plan also provides death and disability benefits.

As of January 1, 2005 (the most recent actuarial valuation), membership in the Plan is comprised of the following:

<u>Group</u>	
Retirees and beneficiaries currently receiving monthly benefits	4
Vested terminated employees	5
Active employees:	
Fully vested	8
Not vested	<u>4</u>
Total Membership	<u>21</u>



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**2. Component Unit (SCFAA) (Continued)**

The information presented in the trend information below was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2005
Actuarial cost method	Aggregate
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	3-year adjusted value average method
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	5%

***Annual Pension Cost***

Current year annual pension costs are shown in the trend information. Annual required contributions were made. There was no net pension obligation for the Plan.

***Trend Information***

Historical trend information about the Plan is presented herewith as required supplementary information. This information is intended to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other Public Employee Retirement Systems (PERS).

<b>Pension Plan</b>			
<b>Valuation For The Actuarial Years Ended January 1</b>	<b>Actuarial Value Of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL</b>
2005	\$1,392,747	\$1,954,189	\$561,442
2004	1,356,203	1,696,874	340,671
2003	1,337,482	1,589,006	251,524
2002	1,357,841	1,555,177	197,336
2001	1,342,848	1,349,039	6,191



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**2. Component Unit (SCFAA) (Continued)**

<b>Pension Plan</b>			
<b>Valuation For The Actuarial Years Ended January 1</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>Unfunded AAL As A Percentage Of Covered Payroll</b>
2005	71.27%	\$630,691	89.02%
2004	79.92	656,507	51.89
2003	84.17	626,040	40.18
2002	87.31	529,147	37.29
2001	99.54	502,260	1.23

<b>Schedule Of Employer Contributions</b>			
<b>For The Years Ended December 31</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2004	\$82,188	\$90,000	109.51%
2003	78,027	80,000	102.53
2002	76,897	80,000	104.04
2001	62,359	60,000	96.22
2000	30,185	56,000	185.52

<b>Pension Plan</b>			
<b>Valuation For The Actuarial Years Ended January 1</b>	<b>Annual Pension Cost</b>	<b>Percentage Contributed</b>	<b>Estimated Net Pension Obligation (Asset)</b>
2005	\$82,457	109.15%	(\$35,347)
2004	78,280	102.20	(27,804)
2003	77,122	103.73	(26,084)
2002	62,609	95.83	(23,206)
2001	30,185	185.52	(25,815)

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**3. Condensed Statement of Fiduciary Net Assets**

	<b>December 31, 2005</b>		
	<b>Mehlville Fire Protection District</b>	<b>Component Unit (SCFAA)</b>	<b>Total</b>
<b>ASSETS</b>			
Investments, at fair value:			
Equity securities	\$27,673,370	914,889	28,588,259
Money market funds	298,824	99,330	398,154
Mutual funds	3,794,069	-	3,794,069
U.S. Government and agency securities	4,029,336	506,536	4,535,872
Total Investments	35,795,599	1,520,755	37,316,354
Cash	1,094,042	-	1,094,042
Due from other funds	878,240	-	878,240
Total Assets	37,767,881	1,520,755	39,288,636
<b>LIABILITIES</b>			
Accounts payable	44,132	-	44,132
Separation benefits payable	202,997	-	202,997
Total Liabilities	247,129	-	247,129
<b>NET ASSETS</b>			
Held in trust for pension benefits	\$37,520,752	1,520,755	39,041,507

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**

**4. Condensed Statement of Changes in Fiduciary Net Assets**

	<u>For The Year Ended December 31, 2005</u>		
	<u>Mehlville Fire Protection District</u>	<u>Component Unit (SCFAA)</u>	<u>Total</u>
<b>ADDITIONS</b>			
Investment income:			
Interest and dividends earned	\$ 1,162,329	37,956	1,200,285
Net appreciation in fair value of investments	<u>843,580</u>	<u>37,673</u>	<u>881,253</u>
Total Investment Income	2,005,909	75,629	2,081,538
Less - Investment management and custodial fees	<u>99,065</u>	<u>-</u>	<u>99,065</u>
Net Investment Income	1,906,844	75,629	1,982,473
Employer contribution	<u>1,968,830</u>	<u>85,085</u>	<u>2,053,915</u>
Total Additions	<u>3,875,674</u>	<u>160,714</u>	<u>4,036,388</u>
<b>DEDUCTIONS</b>			
Distributions to participants and beneficiaries	5,124,203	110,282	5,234,485
Professional fees	161,136	9,089	170,225
Disability insurance	<u>16,335</u>	<u>-</u>	<u>16,335</u>
Total Deductions	<u>5,301,674</u>	<u>119,371</u>	<u>5,421,045</u>
<b>CHANGE IN NET ASSETS</b>	(1,426,000)	41,343	(1,384,657)
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, JANUARY 1</b>	<u>38,946,752</u>	<u>1,479,412</u>	<u>40,426,164</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, DECEMBER 31</b>	<u>\$37,520,752</u>	<u>1,520,755</u>	<u>39,041,507</u>

**NOTE I - DEFINED CONTRIBUTION RETIREMENT PLAN**

The District administers the Mehlville Fire Protection District Money Purchase Plan, a defined contribution retirement plan, for substantially all employees in accordance with Internal Revenue Code Section 401(a).

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of the contributions. All contributions to the plan vest immediately. An employee who leaves the District is entitled to all contributions made by the District and earnings applied to the individual's account through the date of separa-



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE I - DEFINED CONTRIBUTION RETIREMENT PLAN (Continued)**

tion, less legally required income tax withholding. Contribution levels into the deferred compensation plan are \$20 per pay period up to \$520 per year by the District for each participant.

During the year, total required and actual contributions amounted to \$64,720 by the District.

**NOTE J - DEFERRED COMPENSATION PLAN**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan complies with Section 457 of the Internal Revenue Code, whereby, trust provisions are incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. As a result, as of December 31, 2005, the assets and liabilities of the deferred compensation plan are not included in the accompanying financial statements.

The Component Unit (SCFAA) also has a deferred compensation plan under Internal Revenue Code Section 401(a). In addition to employee elected deferral contributions, SCFAA contributes \$50 per pay period for each employee.

SCFAA contributed \$19,913 to the plan during the year ended December 31, 2005.

**NOTE K - BOARD DESIGNATED FUND BALANCE**

A portion of the District's and Component Unit's fund balance has been designated by their respective Board to fund future expenditures as follows:

- a. Sick leave benefits - accumulated leave
- b. Dispatching equipment - replacement of dispatching equipment
- c. Medical benefits - medical reimbursement plan
- d. Vacation pay - accumulated leave
- e. Contingency fund - unforeseen future expenditures

**NOTE L - FIRE DISTRICT DIRECTORS' FEES AND RELATED EXPENSES**

Directors' fees consist of the following:

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE L - FIRE DISTRICT DIRECTORS' FEES AND RELATED EXPENSES (Continued)**

	<b>For The Year Ended December 31 <u>2005</u></b>
Aaron Hilmer, President and Chairman	\$ 1,950
Bonnie C. Stegman, Treasurer	1,908
Daniel C. Ottoline, Sr., Secretary	2,978
Thomas P. O'Driscoll, Former President and Chairman	1,900
David Gralike, Former Secretary	<u>1,733</u>
	<b><u>\$10,469</u></b>

**NOTE M - INSURANCE COVERAGE**

The following insurance policies of the District with Reliance and Safeco Insurance Companies were in force:

<b><u>Type Of Coverage</u></b>	<b><u>December 31 2005</u></b>
Property:	
Real and personal property	\$11,578,802
Equipment - portable	Actual
EDP	\$435,000
Radio antenna	\$177,144
Commandeered watercraft	Actual
Earthquake	\$11,578,802
Umbrella Liability	\$4,000,000
Umbrella General Aggregate	\$8,000,000
Vehicle:	
Bodily injury and property damage	\$1,000,000
Comprehensive and collision	Actual
General Liability:	
Errors and omissions	\$3,000,000
Employee benefits liability	\$1,000,000
Employee Dishonesty	\$250,000
Forgery	\$250,000

In the past three years, no settlements exceeded insurance coverage.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE N - INTERFUND ASSETS/LIABILITIES**

Individual interfund assets and liabilities are as follows:

**Due from/to other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>December 31 2005</u>
Ambulance Fund	General Fund	\$ 186,510
Pension Trust Fund	General Fund	80,119
General Fund	Alarm Fund	1,958
Pension Trust Fund	Pension Revenue Fund	<u>798,121</u>
		<u>\$1,066,708</u>

The outstanding balances between funds result mainly from the time lag between the dates that interfund transactions occur and payments between funds are made.

**NOTE O - INTERFUND TRANSFERS**

Individual fund transfers for the year ended December 31, 2005 are as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Total</u>
General Fund	Ambulance Fund	\$ 28,101
General Fund	Pension Revenue Fund	<u>106,851</u>
		<u>\$134,952</u>

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, and to move revenues in excess of current year expenditures to other funds.

**NOTE P - COMMITMENTS**

At December 31, 2005, the District had commitments to purchase 2 ambulances in the amount of \$301,292.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE Q - SUBSEQUENT EVENT**

On March 16, 2006, the Board of Directors adopted a resolution to freeze the accrual of all benefits and terminate the retirement plan for the employees of the District effective March 31, 2006. All employees actively employed on March 31, 2006, become fully vested in their accrued retirement benefit earned through March 31, 2006. Also, in a separate resolution on the same date, the Board of Directors amended the District's 401(a) plan (Mehlville Fire Protection District Money Purchase Plan) to include employer contribution of 8% - 11%. Local 1889 has filed suit against the District to prevent both resolutions stated above. The outcome of this case is uncertain and any liability the District may have cannot be calculated.

As of February 28, 2006, the South County Fire Alarm Association has frozen future benefit accruals within their defined benefit plan with management's intention to terminate the plan once it is fully funded.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION**

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**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Real estate and personal property	\$ 15,972,500	11,490,000	10,901,481	(588,519)
Financial institution	37,458	37,458	38,789	1,331
Manufacturers' equipment and surcharge	280,137	280,137	322,028	41,891
Railroad and utilities	279,600	185,500	197,710	12,210
Total Taxes	<u>16,569,695</u>	<u>11,993,095</u>	<u>11,460,008</u>	<u>(533,087)</u>
Investment income	190,100	269,950	324,415	54,465
Inspection fees	365,000	482,806	511,603	28,797
Other:				
Contracted services:				
Jefferson Barracks V. A. Hospital	16,065	16,065	16,069	4
Rent and other	39,950	107,432	118,752	11,320
Total Other	<u>56,015</u>	<u>123,497</u>	<u>134,821</u>	<u>11,324</u>
Total Revenues	<u>17,180,810</u>	<u>12,869,348</u>	<u>12,430,847</u>	<u>(438,501)</u>
<b>EXPENDITURES</b>				
Public safety:				
Personnel:				
Salaries	8,390,008	7,352,008	7,238,374	(113,634)
Social security contributions	656,000	574,256	552,428	(21,828)
Employee welfare	1,437,804	981,250	961,073	(20,177)
Sick leave payout	205,000	393,000	429,367	36,367
Death benefit payout	26,000	-	-	-
Clothing allowance	92,193	51,193	47,523	(3,670)
Total Personnel	<u>10,807,005</u>	<u>9,351,707</u>	<u>9,228,765</u>	<u>(122,942)</u>
Administration:				
Directors' fees	11,520	5,760	6,656	896
Election expense	25,600	22,600	22,280	(320)
Office expense	73,677	73,677	50,192	(23,485)
Dues and subscriptions	9,600	9,600	8,236	(1,364)
Total Administration	<u>120,397</u>	<u>111,637</u>	<u>87,364</u>	<u>(24,273)</u>
General overhead:				
Gas and oil	35,200	48,000	54,842	6,842
Heat, light, and water	56,320	56,320	56,012	(308)
Telephone	28,800	28,800	20,400	(8,400)
Building maintenance	33,856	33,856	24,137	(9,719)
Equipment maintenance	160,018	160,018	182,568	22,550
Insurance and bond	656,172	644,172	644,124	(48)
Service contracts	19,540	19,540	13,385	(6,155)
Tax assessment	400	400	197	(203)
Total General Overhead	<u>990,306</u>	<u>991,106</u>	<u>995,665</u>	<u>4,559</u>

(Continued)



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>EXPENDITURES (Continued)</b>				
Public safety (continued):				
Professional fees	121,575	97,847	57,859	(39,988)
Other:				
Training and education	110,065	85,066	32,733	(52,333)
Miscellaneous	640	640	-	(640)
Medical supplies	15,500	15,500	20,864	5,364
Total Other	126,205	101,206	53,597	(47,609)
Total Public Safety	12,165,488	10,653,503	10,423,250	(230,253)
Debt service:				
Principal	65,000	65,000	65,000	-
Interest	90,000	90,000	45,996	(44,004)
Bond issue costs	-	-	24,568	24,568
Total Debt Service	155,000	155,000	135,564	(19,436)
Capital outlay:				
Building improvements	1,150,800	1,077,277	1,108,463	31,186
Office furniture and equipment	574,196	419,877	410,387	(9,490)
Total Capital Outlay	1,724,996	1,497,154	1,518,850	21,696
Total Expenditures	14,045,484	12,305,657	12,077,664	(227,993)
<b>REVENUES OVER EXPENDITURES</b>	3,135,326	563,691	353,183	(210,508)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,467,712)	(134,072)	(134,952)	(880)
Payment to escrow agent	-	-	(1,661,287)	(1,661,287)
Proceeds from bond issue	-	-	1,642,500	1,642,500
Total Other Financing Sources (Uses)	(1,467,712)	(134,072)	(153,739)	(19,667)
<b>NET CHANGE IN FUND BALANCE</b>	1,667,614	429,619	199,444	(230,175)
<b>FUND BALANCE, JANUARY 1</b>	14,960,714	14,960,714	14,960,714	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 16,628,328</u>	<u>15,390,333</u>	<u>15,160,158</u>	

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - AMBULANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Real estate and personal property	\$ 3,912,000	4,148,100	3,941,157	(206,943)
Financial institution	9,174	9,174	14,015	4,841
Manufacturers' equipment and surcharge	68,612	68,612	122,067	53,455
Railroad and utilities	68,500	67,000	77,163	10,163
Total Taxes	<u>4,058,286</u>	<u>4,292,886</u>	<u>4,154,402</u>	<u>(138,484)</u>
Investment income	43,750	83,750	102,844	19,094
EMS fees	1,800,000	1,801,395	1,895,007	93,612
Other	1,000	13,500	13,551	51
Total Revenues	<u>5,903,036</u>	<u>6,191,531</u>	<u>6,165,804</u>	<u>(25,727)</u>
<b>EXPENDITURES</b>				
Public safety:				
Personnel:				
Salaries	3,732,592	3,228,592	3,159,846	(68,746)
Social security contributions	284,900	236,881	234,581	(2,300)
Employee welfare	654,424	404,799	379,077	(25,722)
Clothing allowance	41,572	20,572	19,336	(1,236)
Total Personnel	<u>4,713,488</u>	<u>3,890,844</u>	<u>3,792,840</u>	<u>(98,004)</u>
Administration:				
Directors' fees	6,480	3,240	3,744	504
Election expense	14,400	13,400	12,532	(868)
Office expense	41,162	41,162	31,533	(9,629)
Dues and subscriptions	5,400	5,400	4,108	(1,292)
Total Administration	<u>67,442</u>	<u>63,202</u>	<u>51,917</u>	<u>(11,285)</u>
General overhead:				
Gas and oil	28,800	36,000	45,292	9,292
Heat, light, and water	31,680	31,680	31,616	(64)
Telephone	16,200	16,200	11,396	(4,804)
Building maintenance	19,044	19,044	14,540	(4,504)
Equipment maintenance	61,222	61,222	73,022	11,800
Insurance and bond	351,244	344,244	363,370	19,126
Service contracts	18,825	18,825	10,366	(8,459)
Total General Overhead	<u>527,015</u>	<u>527,215</u>	<u>549,602</u>	<u>22,387</u>
Professional fees	<u>176,675</u>	<u>180,203</u>	<u>183,278</u>	<u>3,075</u>
Other:				
Training and education	41,169	41,169	13,283	(27,886)
Miscellaneous	760	760	197	(563)
Medical supplies	66,000	80,204	67,727	(12,477)
Total Other	<u>107,929</u>	<u>122,133</u>	<u>81,207</u>	<u>(40,926)</u>
Total Public Safety	<u>5,592,549</u>	<u>4,783,597</u>	<u>4,658,844</u>	<u>(124,753)</u>

(Continued)

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - AMBULANCE FUND (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
Debt service:				
Principal	65,000	65,000	65,000	-
Interest	90,000	90,000	45,996	(44,004)
Bond issue costs	-	-	24,568	24,568
Total Debt Service	<u>155,000</u>	<u>155,000</u>	<u>135,564</u>	<u>(19,436)</u>
Capital outlay:				
Building improvements	169,200	261,973	254,773	(7,200)
Office furniture and equipment	163,914	161,414	154,591	(6,823)
Total Capital Outlay	<u>333,114</u>	<u>423,387</u>	<u>409,364</u>	<u>(14,023)</u>
Total Expenditures	<u>6,080,663</u>	<u>5,361,984</u>	<u>5,203,772</u>	<u>(158,212)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(177,627)</u>	<u>829,547</u>	<u>962,032</u>	<u>132,485</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	845,270	27,221	28,101	880
Payment to Escrow agent	-	-	(1,661,287)	(1,661,287)
Proceeds from bond issue	-	-	1,642,500	1,642,500
Total Other Financing Sources (Uses)	<u>845,270</u>	<u>27,221</u>	<u>9,314</u>	<u>(17,907)</u>
<b>NET CHANGE IN FUND BALANCE</b>	667,643	856,768	971,346	<u>114,578</u>
FUND BALANCE, JANUARY 1	<u>5,310,010</u>	<u>5,310,010</u>	<u>5,310,010</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 5,977,653</u>	<u>6,166,778</u>	<u>6,281,356</u>	



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - PENSION REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 1,757,951	1,864,251	1,861,979	(2,272)
<b>EXPENDITURES</b>				
Public safety:				
Pension contribution	<u>1,894,293</u>	<u>1,971,102</u>	<u>1,968,830</u>	<u>(2,272)</u>
<b>REVENUES UNDER EXPENDITURES</b>	(136,342)	(106,851)	(106,851)	-
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>136,342</u>	<u>106,851</u>	<u>106,851</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	<u>-</u>
FUND BALANCE, JANUARY 1	<u>-</u>	<u>-</u>	<u>-</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	

**MEHLVILLE FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION -  
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

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**Budgets**

Budgets are adopted on a modified accrual basis. Annual appropriated budgets are adopted for each governmental fund. All annual appropriations lapse at fiscal year-end.

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

- a. The Comptroller submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed operating expenditures, capital expenditures, and the means to finance them.
- b. The preliminary budget and proposed tax rates are presented at a public hearing to obtain comments from all interested parties.
- c. The final budget for the coming year is formally adopted on or before the last day of the current fiscal year by the Board of Directors.
- d. The legal level of control is at the activity level within an individual fund. Expenditures may not exceed budgeted appropriations at the activity level unless approved by the Board of Directors. Total fund expenditures may not legally exceed current year revenues plus prior year's unreserved fund balance. All budget revisions of any fund must be approved by the Board of Directors. This is done during a periodic review and analysis by the District.
- e. The budgets in this report include amendments approved by the Board of Directors.

**Expenditures Exceeding Appropriations**

The District had actual expenditures which exceeded appropriations as follows:

	<b>For The Year Ended December 31 2005</b>
Alarm Fund	\$69,194

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION**

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**OTHER SUPPLEMENTAL INFORMATION SECTION**



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**Alarm Fund** - This fund is used to account for the cost of emergency dispatching services.

**Component Unit (SCFAA)** - This fund is used to account for the operation of emergency dispatching services provided by SCFAA.

**FIDUCIARY FUND**

**Pension Trust Funds** - These funds are used to account for assets held in a trustee capacity for the District's and Component Unit's eligible employees.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2005**

	<u>Alarm Fund</u>	<u>Component Unit (SCFAA)</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 736,907	275,362	1,012,269
Investments	413,651	74,292	487,943
Total Assets	<u>\$ 1,150,558</u>	<u>349,654</u>	<u>1,500,212</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 96,523	-	96,523
Accrued salaries, benefits, and payroll taxes	-	13,857	13,857
Due to General Fund	1,958	-	1,958
Total Liabilities	<u>98,481</u>	<u>13,857</u>	<u>112,338</u>
 <b>Fund Balances</b>			
Unreserved, designated for:			
Sick leave benefits	-	77,178	77,178
Dispatching equipment	-	43,942	43,942
Medical benefits	-	65,285	65,285
Vacation pay	-	19,879	19,879
Contingency fund	-	57,983	57,983
Unreserved, reported in:			
Special Revenue Funds	1,052,077	71,530	1,123,607
Total Fund Balances	<u>1,052,077</u>	<u>335,797</u>	<u>1,387,874</u>
Total Liabilities And Fund Balances	<u>\$ 1,150,558</u>	<u>349,654</u>	<u>1,500,212</u>

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Alarm Fund</u>	<u>Component Unit (SCFAA)</u>	<u>Total</u>
<b>REVENUES</b>			
Taxes	\$ 36,331	-	36,331
Investment income	37,452	5,005	42,457
Dispatching	-	1,183,694	1,183,694
Other	65,381	20,050	85,431
Total Revenues	<u>139,164</u>	<u>1,208,749</u>	<u>1,347,913</u>
<b>EXPENDITURES</b>			
Public safety:			
Personnel	-	871,960	871,960
Administration	-	15,760	15,760
General overhead	-	134,426	134,426
Professional fees	3,125	18,332	21,457
Dispatching	687,728	-	687,728
Other	198	4,562	4,760
Pension	-	85,085	85,085
Capital outlay	2,230	88,033	90,263
Total Expenditures	<u>693,281</u>	<u>1,218,158</u>	<u>1,911,439</u>
<b>NET CHANGE IN FUND BALANCES</b>	(554,117)	(9,409)	(563,526)
FUND BALANCES, JANUARY 1	<u>1,606,194</u>	<u>345,206</u>	<u>1,951,400</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 1,052,077</u>	<u>335,797</u>	<u>1,387,874</u>



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - ALARM FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Real estate and personal property	\$ 685,000	-	9,369	9,369
Financial institution	1,607	1,607	-	(1,607)
Manufacturers' equipment and surcharge	12,015	12,015	13,237	1,222
Railroad and utilities	12,000	-	13,725	13,725
Total Taxes	<u>710,622</u>	<u>13,622</u>	<u>36,331</u>	<u>22,709</u>
Investment income	10,625	20,000	37,452	17,452
Other	-	-	65,381	65,381
Total Revenues	<u>721,247</u>	<u>33,622</u>	<u>139,164</u>	<u>105,542</u>
<b>EXPENDITURES</b>				
Public safety:				
Professional fees	3,375	3,375	3,125	(250)
Dispatching	614,187	619,187	687,728	68,541
Other	4,025	1,525	198	(1,327)
Capital outlay	-	-	2,230	2,230
Total Expenditures	<u>621,587</u>	<u>624,087</u>	<u>693,281</u>	<u>69,194</u>
<b>NET CHANGE IN FUND BALANCE</b>	99,660	(590,465)	(554,117)	<u>36,348</u>
FUND BALANCE, JANUARY 1	<u>1,606,194</u>	<u>1,606,194</u>	<u>1,606,194</u>	
<b>FUND BALANCE, DECEMBER 31</b>	<u>\$ 1,705,854</u>	<u>1,015,729</u>	<u>1,052,077</u>	

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - COMPONENT UNIT (SCFAA)**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES</b>				
Investment income	\$ 500	500	5,005	4,505
Dispatching	1,183,694	1,183,694	1,183,694	-
Other	-	-	20,050	20,050
Total Revenues	<u>1,184,194</u>	<u>1,184,194</u>	<u>1,208,749</u>	<u>24,555</u>
<b>EXPENDITURES</b>				
Public safety:				
Personnel:				
Salaries	666,475	666,475	697,322	30,847
Social security contributions	50,985	50,985	53,125	2,140
Employee welfare	71,047	71,047	87,406	16,359
Pension contribution	120,358	120,358	114,152	(6,206)
Clothing allowance	5,460	5,460	5,040	(420)
Total Personnel	<u>914,325</u>	<u>914,325</u>	<u>957,045</u>	<u>42,720</u>
Administration:				
Rent	25,000	25,000	12,500	(12,500)
Office expense	7,150	7,150	3,260	(3,890)
Total Administration	<u>32,150</u>	<u>32,150</u>	<u>15,760</u>	<u>(16,390)</u>
General overhead:				
Heat, light, and water	10,808	10,808	8,696	(2,112)
Telephone	33,100	33,100	29,265	(3,835)
Building maintenance	2,500	2,500	2,167	(333)
Equipment maintenance	3,500	3,500	2,783	(717)
Insurance and bond	18,500	18,500	17,637	(863)
Service contracts	91,333	91,333	73,878	(17,455)
Total General Overhead	<u>159,741</u>	<u>159,741</u>	<u>134,426</u>	<u>(25,315)</u>
Professional fees	12,400	12,400	18,332	5,932
Other:				
Training and education	11,000	11,000	4,562	(6,438)
Total Public Safety	<u>1,129,616</u>	<u>1,129,616</u>	<u>1,130,125</u>	<u>509</u>
Capital outlay:				
Office furniture and equipment	25,098	91,108	88,033	(3,075)
Total Expenditures	<u>1,154,714</u>	<u>1,220,724</u>	<u>1,218,158</u>	<u>(2,566)</u>
<b>NET CHANGE IN FUND BALANCE</b>	29,480	(36,530)	(9,409)	<u>27,121</u>
FUND BALANCE, JANUARY 1	<u>345,206</u>	<u>345,206</u>	<u>345,206</u>	
FUND BALANCE, DECEMBER 31	<u>\$ 374,686</u>	<u>308,676</u>	<u>335,797</u>	

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS -**  
**PENSION TRUST FUNDS**  
**DECEMBER 31, 2005**

	<u>Mehlville Fire Protection District</u>	<u>Component Unit (SCFAA)</u>	<u>Total</u>
<b>ASSETS</b>			
Investments, at fair value:			
Equity securities	\$ 27,673,370	914,889	28,588,259
Money market funds	298,824	99,330	398,154
Mutual funds	3,794,069	-	3,794,069
U.S. government and agency securities	4,029,336	506,536	4,535,872
Total Investments	<u>35,795,599</u>	<u>1,520,755</u>	<u>37,316,354</u>
Cash	1,094,042	-	1,094,042
Due from other funds	878,240	-	878,240
Total Assets	<u>37,767,881</u>	<u>1,520,755</u>	<u>39,288,636</u>
<b>LIABILITIES</b>			
Accounts payable	44,132	-	44,132
Separation benefits payable	202,997	-	202,997
Total Liabilities	<u>247,129</u>	<u>-</u>	<u>247,129</u>
<b>NET ASSETS</b>			
Held in trust for pension benefits	<u>\$ 37,520,752</u>	<u>1,520,755</u>	<u>39,041,507</u>



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Mehlville Fire Protection District</u>	<u>Component Unit (SCFAA)</u>	<u>Total</u>
<b>ADDITIONS</b>			
Investment income:			
Interest and dividends earned	\$ 1,162,329	37,956	1,200,285
Net appreciation in fair value of investments	843,580	37,673	881,253
Total Investment Income	<u>2,005,909</u>	<u>75,629</u>	<u>2,081,538</u>
Less - Investment management and custodial fees	99,065	-	99,065
Net Investment Income	<u>1,906,844</u>	<u>75,629</u>	<u>1,982,473</u>
Employer contribution	<u>1,968,830</u>	<u>85,085</u>	<u>2,053,915</u>
Total Additions	<u>3,875,674</u>	<u>160,714</u>	<u>4,036,388</u>
<b>DEDUCTIONS</b>			
Distributions to participants and beneficiaries	5,124,203	110,282	5,234,485
Professional fees	161,136	9,089	170,225
Disability insurance	16,335	-	16,335
Total Deductions	<u>5,301,674</u>	<u>119,371</u>	<u>5,421,045</u>
<b>CHANGE IN NET ASSETS</b>	(1,426,000)	41,343	(1,384,657)
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, JANUARY 1</b>	<u>38,946,752</u>	<u>1,479,412</u>	<u>40,426,164</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, DECEMBER 31</b>	<u>\$ 37,520,752</u>	<u>1,520,755</u>	<u>39,041,507</u>

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**MEHLVILLE FIRE PROTECTION DISTRICT**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**

<u>For The Years Ended December 31</u>	<u>Personnel</u>	<u>Adminis- tration</u>	<u>General Overhead And Other</u>	<u>Profes- sional Fees</u>	<u>Dispatching</u>	<u>Pension Contri- bution</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
2005	\$13,893,565	\$155,041	\$1,819,257	\$262,594	\$687,728	\$2,053,915	\$271,128	\$2,018,477	\$21,161,705
2004	13,714,247	331,024	1,379,367	299,261	591,000	1,999,868	305,000	441,625	19,061,392
2003	13,660,145	143,789	1,282,809	246,053	555,782	1,858,883	310,348	110,193	18,168,002
2002	14,664,616	165,925	1,213,898	199,652	537,995	1,690,970	559,222	47,309	19,079,587
2001	13,807,536	179,403	1,709,563	229,613	493,094	1,659,413	659,548	3,480,710	22,218,880
2000	12,675,332	146,267	1,306,844	100,476	487,466	1,590,394	548,477	2,961,898	19,817,154
1999	11,152,754	157,274	997,945	101,159	430,882	1,529,185	100,306	590,825	15,060,330
1998	10,263,743	128,781	1,136,260	190,261	410,077	1,457,381	-	1,142,776	14,729,279
1997	9,514,326	116,086	1,157,197	88,809	334,965	1,134,090	-	1,188,739	13,534,212
1996	8,885,953	102,359	1,117,458	98,260	299,517	1,069,612	-	600,184	12,173,343

(1) Includes all governmental fund types



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)**  
**LAST TEN FISCAL YEARS**

<u>For The Years Ended December 31</u>	<u>Taxes</u>	<u>Investment Income</u>	<u>EMS Fees</u>	<u>Inspection Fees</u>	<u>Dispatching*</u>	<u>Other</u>	<u>Total</u>
2005	\$17,512,720	\$ 469,716	\$1,895,007	\$511,603	\$1,183,694	\$ 233,803	\$21,806,543
2004	18,355,570	207,575	1,579,897	401,187	1,212,286	1,420,398	23,176,913
2003	16,328,224	134,077	1,692,182	223,338	1,145,974	106,236	19,630,031
2002	16,344,926	265,582	301,942	327,420	1,090,920	126,326	18,457,116
2001	15,813,149	675,928	-	359,902	928,629	274,197	18,051,805
2000	14,589,460	1,097,647	-	208,593	-	1,006,535	16,902,235
1999	13,938,570	702,439	-	197,881	-	935,803	15,774,693
1998	13,608,313	759,198	-	207,065	-	1,031,497	15,606,073
1997	12,601,562	734,040	-	152,923	-	961,885	14,450,410
1996	12,169,947	594,859	-	205,263	-	869,977	13,840,046

(1) Includes all governmental fund types

\* Prior to 2001, dispatching revenue was included in other revenue.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<u>For The Years Ended December 31</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Of Current Taxes Collected</u>	<u>Delinquent Collections</u>	<u>Total Tax Collections</u>	<u>Ratio Of Total Tax Collections (Percent) To Total Tax Levy</u>
2005	\$18,194,773	\$16,363,698	89.94%	\$ 826,832	\$17,190,530	94.48%
2004	16,934,258	16,069,111	94.89	2,826,845	18,895,956	111.58
2003	16,742,021	15,877,039	94.83	1,032,369	16,909,408	101.00
2002	16,018,717	15,221,169	95.02	952,375	16,173,544	100.97
2001	15,819,775	14,904,536	94.21	740,811	15,645,347	98.90
2000	14,360,661	13,625,138	94.88	954,054	14,579,192	101.52
1999	13,840,588	13,001,052	93.93	846,354	13,847,406	100.05
1998	13,126,662	12,321,510	93.87	860,584	13,182,094	100.42
1997	12,556,916	11,599,075	92.37	617,667	12,216,742	97.29
1996	11,755,269	11,155,638	94.90	738,969	11,894,607	101.19

Source: St. Louis County Collector

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b>Real Property</b>		<b>Personal Property</b>	
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>
2005	\$1,775,783,830	\$8,542,105,092	\$326,838,314	\$ 980,514,942
2004	1,553,609,553	6,214,438,212	318,512,606	2,123,417,373
2003	1,516,657,736	6,066,630,944	325,632,952	2,170,886,347
2002	1,413,024,673	5,652,098,692	328,465,341	2,189,768,940
2001	1,407,339,177	5,629,356,708	310,244,520	2,068,296,800
2000	1,252,117,249	5,008,468,996	310,850,805	2,072,338,700
1999	1,227,200,947	4,908,803,788	279,267,545	1,861,783,633
1998	1,167,920,804	4,671,683,216	260,073,700	1,711,412,772
1997	1,142,121,758	4,568,487,032	254,282,913	1,673,973,237
1996	1,057,048,492	4,228,193,968	249,098,453	1,593,818,055

<b>For The Years Ended December 31</b>	<b>Total</b>		<b>Ratio Of Total Assessed Value To Total Estimated Actual Value</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
2005	\$2,102,622,144	\$9,522,620,034	22.08%
2004	1,872,122,159	8,337,855,585	22.45
2003	1,842,290,688	8,237,517,291	22.36
2002	1,741,490,014	7,841,867,632	22.21
2001	1,717,583,697	7,697,653,508	22.31
2000	1,562,968,054	7,080,807,696	22.07
1999	1,506,468,492	6,770,587,421	22.25
1998	1,427,994,504	6,383,095,988	22.37
1997	1,396,404,671	6,242,460,269	22.37
1996	1,306,146,945	5,822,012,023	22.43

Source: St. Louis County Collector



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**RESIDENTIAL REAL ESTATE PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN FISCAL YEARS**

	<b>For The Years Ended December 31</b>									
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Mehlville Fire Protection District	.8550	.8880	.894	.920	.920	.920	.920	.920	.900	.900
State of Missouri	.0300	.0300	.030	.030	.030	.030	.030	.030	.030	.030
County General Revenue	.1900	.2550	.190	.190	.190	.190	.190	.190	.190	.190
County Park Maintenance	.0350	.0450	.035	.035	.035	.035	.035	.035	.035	.035
County Bond Retirement	.0630	.0000	.085	.085	.085	.085	.085	.085	.085	.085
County Road and Bridges	.1050	.1050	.105	.105	.105	.105	.105	.105	.105	.105
County Health/Hospital	.1650	.1750	.165	.165	.165	.165	.165	.165	.165	.165
Community College	.2231	.2368	.231	.232	.230	.240	.240	.240	.240	.240
Special School District	.8399	.9051	.833	.849	.835	.623	.620	.640	.620	.630
Zoo/Museum District	.2654	.2756	.226	.222	.222	.232	.227	.232	.232	.232
Sheltered Workshop	.0820	.0850	.085	.085	.085	.085	.085	.085	.085	.085
County Library	.1500	.1500	.140	.140	.140	.140	.140	.140	.140	.140
Affton School District	4.9480	4.0080	3.955	4.144	4.104	4.310	3.620	3.680	3.380	3.380
Kirkwood School District	3.7144	3.7403	3.750	3.744	3.946	4.225	4.140	4.220	3.790	3.870
Lindbergh School District	3.1740	3.0796	2.905	2.773	2.770	2.680	2.680	2.690	2.690	2.690
Mehlville School District	3.5893	3.9009	3.823	3.961	3.942	3.569	3.570	3.600	3.250	3.260
Metro Sewer District	.0686	.0690	.069	.069	.069	.070	.070	.070	.070	.070
MSD Extension	.0186	.0190	.019	.019	.020	.020	.020	.020	.020	.020
Miss. River Anti-Pollution	.0000	.0000	.000	.000	.019	.020	.020	.020	.020	.020
Gravois Creek Sewer	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.060
Meramec River Bas. Sewer	.0700	.0700	.070	.070	.070	.070	.070	.070	.070	.070
City of Grantwood	.2310	.2460	.239	.246	.244	.270	.270	.270	.270	.270
City of St. George	.1100	.1380	.135	.139	.120	.120	.120	.120	.120	.120
City of Sunset Hills	.0540	.0600	.060	.060	.060	.060	.060	.060	.060	.080

Source: St. Louis County Collector

(1) Prior to 2003, one rate was used for all property types. All rates are per \$100 of assessed value.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**COMMERCIAL REAL ESTATE PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN FISCAL YEARS**

	<b>For The Years Ended December 31</b>									
	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>	<b><u>2002</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>1999</u></b>	<b><u>1998</u></b>	<b><u>1997</u></b>	<b><u>1996</u></b>
Mehlville Fire Protection District	.8370	.9480	.929	.920	.920	.920	.920	.920	.900	.900
State of Missouri	.0300	.0300	.030	.030	.030	.030	.030	.030	.030	.030
County General Revenue	.1900	.2550	.190	.190	.190	.190	.190	.190	.190	.190
County Park Maintenance	.0350	.0450	.035	.035	.035	.035	.035	.035	.035	.035
County Bond Retirement	.0630	.0000	.085	.085	.085	.085	.085	.085	.085	.085
County Road and Bridges	.1050	.1050	.105	.105	.105	.105	.105	.105	.105	.105
County Health/Hospital	.1650	.1750	.165	.165	.165	.165	.165	.165	.165	.165
Community College	.2231	.2368	.231	.232	.230	.240	.240	.240	.240	.240
Special School District	.8399	.9051	.853	.849	.835	.623	.620	.640	.620	.630
Zoo/Museum District	.2654	.2756	.226	.222	.222	.232	.227	.232	.232	.232
Sheltered Workshop	.0850	.0850	.085	.085	.085	.085	.085	.085	.085	.085
County Library	.1500	.1500	.140	.140	.140	.140	.140	.140	.140	.140
Affton School District	5.6189	4.2589	4.015	4.144	4.104	4.310	3.620	3.680	3.380	3.380
Kirkwood School District	4.4978	4.4129	4.346	3.744	3.946	4.225	4.140	4.220	3.790	3.870
Lindbergh School District	3.2310	3.2641	2.964	2.773	2.770	2.680	2.680	2.690	2.690	2.690
Mehlville School District	3.6112	4.1300	3.968	3.961	3.942	3.569	3.570	3.600	3.250	3.260
Metro Sewer District	.0686	.0690	.069	.069	.069	.070	.070	.070	.070	.070
MSD Extension	.0186	.0190	.019	.019	.020	.020	.020	.020	.020	.020
Miss. River Anti-Pollution	.0000	.0000	.000	.000	.019	.020	.020	.020	.020	.020
Gravois Creek Sewer	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.060
Meramec River Bas. Sewer	.0700	.0700	.070	.070	.070	.070	.070	.070	.070	.070
City of Grantwood	.1550	.1660	.222	.246	.244	.270	.270	.270	.270	.270
City of St. George	.1100	.0000	.000	.139	.120	.120	.120	.120	.120	.120
City of Sunset Hills	.0570	.0600	.060	.060	.060	.060	.060	.060	.060	.080

Source: St. Louis County Collector

(1) Prior to 2003, one rate was used for all property types. All rates are per \$100 of assessed value.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**AGRICULTURAL REAL ESTATE PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN FISCAL YEARS**

	For The Years Ended December 31									
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Mehlville Fire Protection District	1.1330	1.1910	1.200	.920	.920	.920	.920	.920	.900	.900
State of Missouri	.0300	.0300	.030	.030	.030	.030	.030	.030	.030	.030
County General Revenue	.1900	.2550	.190	.190	.190	.190	.190	.190	.190	.190
County Park Maintenance	.0350	.0450	.035	.035	.035	.035	.035	.035	.035	.035
County Bond Retirement	.0630	.0000	.085	.085	.085	.085	.085	.085	.085	.085
County Road and Bridges	.1050	.1050	.105	.105	.105	.105	.105	.105	.105	.105
County Health/Hospital	.1650	.1750	.165	.165	.165	.165	.165	.165	.165	.165
Community College	.2231	.2368	.231	.232	.230	.240	.240	.240	.240	.240
Special School District	.8399	.9051	.864	.849	.835	.623	.620	.640	.620	.630
Zoo/Museum District	.2654	.2756	.226	.222	.222	.232	.227	.232	.232	.232
Sheltered Workshop	.0850	.0850	.085	.085	.085	.085	.085	.085	.085	.085
County Library	.1500	.1500	.140	.140	.140	.140	.140	.140	.140	.140
Affton School District	.0000	.0000	.000	4.144	4.104	4.310	3.620	3.680	3.380	3.380
Kirkwood School District	5.3874	5.5130	5.518	3.744	3.946	4.225	4.140	4.220	3.790	3.870
Lindbergh School District	3.4678	4.3083	4.263	2.773	2.770	2.680	2.680	2.690	2.690	2.690
Mehlville School District	4.0930	4.1300	4.090	3.961	3.942	3.569	3.570	3.600	3.250	3.260
Metro Sewer District	.0686	.0690	.069	.069	.069	.070	.070	.070	.070	.070
MSD Extension	.0186	.0190	.019	.019	.020	.020	.020	.020	.020	.020
Miss. River Anti-Pollution	.0000	.0000	.000	.000	.019	.020	.020	.020	.020	.020
Gravois Creek Sewer	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.060
Meramec River Bas. Sewer	.0700	.0700	.070	.070	.070	.070	.070	.070	.070	.070
City of Grantwood	.2170	.2470	.245	.246	.244	.270	.270	.270	.270	.270
City of St. George	.0000	.0000	.000	.139	.120	.120	.120	.120	.120	.120
City of Sunset Hills	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.080

Source: St. Louis County Collector

(1) Prior to 2003, one rate was used for all property types. All rates are per \$100 of assessed value.



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**PERSONAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN FISCAL YEARS**

	<b>For The Years Ended December 31</b>									
	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>	<b><u>2002</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>	<b><u>1999</u></b>	<b><u>1998</u></b>	<b><u>1997</u></b>	<b><u>1996</u></b>
Mehlville Fire Protection District	.9400	.9230	.932	.920	.920	.920	.920	.920	.900	.900
State of Missouri	.0300	.0300	.030	.030	.030	.030	.030	.030	.030	.030
County General Revenue	.1900	.2550	.190	.190	.190	.190	.190	.190	.190	.190
County Park Maintenance	.0350	.0450	.035	.035	.035	.035	.035	.035	.035	.035
County Bond Retirement	.0630	.0000	.085	.085	.085	.085	.085	.085	.085	.085
County Road and Bridges	.1050	.1050	.105	.105	.105	.105	.105	.105	.105	.105
County Health/Hospital	.1650	.1750	.165	.165	.165	.165	.165	.165	.165	.165
Community College	.2231	.2368	.231	.232	.230	.240	.240	.240	.240	.240
Special School District	.8399	.9051	.864	.849	.835	.623	.620	.640	.620	.630
Zoo/Museum District	.2654	.2756	.226	.222	.222	.232	.227	.232	.232	.232
Sheltered Workshop	.0850	.0850	.085	.085	.085	.085	.085	.085	.085	.085
County Library	.1500	.1500	.140	.140	.140	.140	.140	.140	.140	.140
Affton School District	5.0931	4.1531	4.153	4.144	4.104	4.310	3.620	3.680	3.380	3.380
Kirkwood School District	4.1115	3.8590	3.871	3.744	3.946	4.225	4.140	4.220	3.790	3.870
Lindbergh School District	3.3164	3.2407	3.086	2.773	2.770	2.680	2.680	2.690	2.690	2.690
Mehlville School District	3.9678	4.0037	3.990	3.961	3.942	3.569	3.570	3.600	3.250	3.260
Metro Sewer District	.0686	.0690	.069	.069	.069	.070	.070	.070	.070	.070
MSD Extension	.0186	.0190	.019	.019	.020	.020	.020	.020	.020	.020
Miss. River Anti-Pollution	.0000	.0000	.000	.000	.019	.020	.020	.020	.020	.020
Gravois Creek Sewer	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.060
Meramec River Bas. Sewer	.0700	.0700	.070	.070	.070	.070	.070	.070	.070	.070
City of Grantwood	.2610	.2610	.259	.246	.244	.270	.270	.270	.270	.270
City of St. George	.1390	.1390	.139	.139	.120	.120	.120	.120	.120	.120
City of Sunset Hills	.0600	.0600	.060	.060	.060	.060	.060	.060	.060	.080

Source: St. Louis County Collector

(1)=Prior to 2003, one rate was used for all property types. All rates are per \$100 of assessed value.

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**PRINCIPAL TAXPAYERS**

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<u>Taxpayer</u>	<u>Calendar 2005 Assessed Valuation</u>	<u>Percent Of Total Assessed Valuation</u>
AmerenUE	\$ 34,574,822	1.64%
South County Shopping Town	17,987,350	.86
St. Anthony's Medical Center	10,326,610	.49
Missouri American Water Company	9,229,620	.44
General American Life Insurance Co.	8,691,970	.41
Caplaco, Inc.	8,088,230	.38
Laclede Gas Co.	7,164,580	.34
Ronnies Plaza, Inc.	7,117,120	.34
AT&T	6,383,359	.30
GS Sunset LLC	<u>4,935,860</u>	<u>.23</u>
	<u>\$114,499,521</u>	<u>5.43%</u>

Source: St. Louis County Collector

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**COMPUTATION OF LEGAL DEBT MARGIN**

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**December 31**  
**2005**

**TOTAL ASSESSED VALUATION OF TAXABLE PROPERTY**

\$2,102,622,144

**LEGAL DEBT MARGIN**

Debt limitation - 5% of total assessed value

\$105,131,107

Amount of debt applicable to limit

                  -

Total Legal Debt Margin

\$105,131,107

Source: Missouri State Constitution, Article 6, Section 26(b)



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED**  
**VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

<u>For The Years Ended December 31</u>	<u>Population (1)</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Less - Debt Service Fund</u>	<u>Net Bonded Debt</u>	<u>Ratio Of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2005	110,096	\$2,102,622,144	\$ -	\$ -	\$ -	- %	\$ -
2004	110,096	1,872,122,159	-	-	-	-	-
2003	110,096	1,842,290,688	-	-	-	-	-
2002	110,096	1,741,490,014	-	-	-	-	-
2001	110,096	1,717,583,697	-	-	-	-	-
2000	108,898	1,562,968,054	-	-	-	-	-
1999	108,898	1,506,468,492	-	-	-	-	-
1998	108,898	1,427,994,504	-	-	-	-	-
1997	108,898	1,396,404,671	-	-	-	-	-
1996	108,898	1,306,146,945	-	-	-	-	-

(1) Source: 2000 and 1990 U.S. Census Summary Tape File 1A, St. Louis County Department of Revenue Research and Statistics Division

**MEHLVILLE FIRE PROTECTION DISTRICT  
COMPUTATION OF DIRECT AND OVERLAPPING BONDED  
DEBT - GENERAL OBLIGATION BONDS**

<u>Jurisdiction</u>	<u>December 31, 2005</u>		
	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percent Applicable To The District</u>	<u>Amount Applicable To The District</u>
<b>DIRECT</b>			
Mehlville Fire Protection District	\$ -	100.00%	\$ -
<b>OVERLAPPING</b>			
St. Louis County	98,505,000	9.490	9,348,125
Kirkwood School District	31,450,000	.013	4,089
Lindbergh School District	43,544,874	50.269	21,889,573
Mehlville School District	<u>26,947,208</u>	95.190	<u>25,651,047</u>
Total	<u>\$200,447,082</u>		<u>\$56,892,834</u>

Source: St. Louis County  
Kirkwood, Lindbergh, and Mehlville School Districts

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**DEMOGRAPHIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b><u>Population</u></b>	<b><u>Per Capita Income</u></b>	<b><u>Unemployment Rate</u></b>	<b><u>Public School Enrollment</u></b>	<b><u>Housing Units Built</u></b>
2005	1,009,235	\$ N/A	5.1	142,462	2,535
2004	1,009,235	N/A	5.4	147,949	2,625
2003	1,013,123	43,225	5.1	149,569	2,257
2002	1,018,102	42,196	4.8	146,947	2,180
2001	1,017,970	41,573	3.8	150,830	2,454
2000	1,016,300	40,354	2.2	152,518	2,691
1999	1,015,518	37,839	1.9	157,280	2,598
1998	1,018,015	37,227	3.3	153,237	2,286
1997	1,017,517	34,617	2.9	152,619	2,757
1996	1,015,210	33,451	3.4	151,931	3,124

Source: St. Louis County, Missouri (County in which District is located)

2004 Median Age: 39.2

2004 Percent High School Graduates: 91.4%

2004 Percent College Graduates: 37.1%

Sources of Information:

Population 2000: U.S. Census Bureau

Population Estimates: American Statistical Association, St. Louis Chapter

Per Capita Income: U.S. Department of Commerce, Bureau of Economic Analysis

Unemployment Rate: Missouri Economic, Research, and Information Center, Missouri Department of Economic Development

Public School Enrollment: Cooperating School Districts of St. Louis County

Housing Units Built: St. Louis County Department of Planning



**MEHLVILLE FIRE PROTECTION DISTRICT**  
**CONSTRUCTION AND PROPERTY VALUE**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b>Construction</b>		<b>Assessed Property Value</b>			
	<b>Permits</b>	<b>Value</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Public Utility Property</b>	<b>Total</b>
2005	1,235	\$196,811,433	\$1,743,486,700	\$315,641,560	\$33,234,134	\$2,092,362,394
2004	1,368	148,496,641	1,527,830,220	312,087,370	32,204,569	1,872,122,159
2003	1,390	133,679,440	1,488,614,640	311,156,511	42,519,537	1,842,290,688
2002	1,391	168,954,109	1,384,629,830	311,118,340	45,741,844	1,741,490,014
2001	1,334	178,343,487	1,361,415,090	310,244,520	45,924,087	1,717,583,697
2000	1,136	106,645,672	1,224,831,490	298,123,129	40,013,440	1,562,968,059
1999	1,124	104,764,743	1,199,292,640	267,637,831	39,538,021	1,506,468,492
1998	1,083	106,103,154	1,139,114,790	246,243,709	38,413,295	1,423,771,794
1997	1,098	81,045,087	1,113,540,660	240,964,303	38,818,758	1,393,323,721
1996	1,226	110,133,902	1,027,995,810	233,491,835	41,493,161	1,302,980,806

Source: Mehlville Fire Protection District - Fire Prevention Bureau  
St. Louis County

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MISCELLANEOUS STATISTICS**

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**For The Year Ended December 31, 2005**

Date of incorporation	October 9, 1953
Form of government	Political Subdivision, State of Missouri
Area	53 square miles (approximately)
Population	110,096
Fire insurance rating	3
Number of engine houses	7
Equipment:	
Pumpers	10
Aerial ladder	4
Rescue squad	1
Life support vehicles	9
Maintenance/mechanic vehicles	4
Inspection vehicles	3
Staff vehicles/other	11
Personnel:	
Fire division	80.0
EMS division	32.0
Fire prevention and education division	3.0
Administration	<u>14.5</u>
Total	<u>129.5</u>

**FIRE PREVENTION INSPECTIONS**

For the years ended December 31:

2005	3,758
2004	4,257
2003	4,297
2002	4,138
2001	3,993
2000	3,797
1999	3,892
1998	4,058
1997	3,750
1996	3,905

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**(Continued)**

**MEHLVILLE FIRE PROTECTION DISTRICT**  
**MISCELLANEOUS STATISTICS (Continued)**

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**TOTAL DISTRICT RESPONSES**

For the years ended December 31:

2005	10,633
2004	10,146
2003	9,918
2002	9,894
2001	9,400
2000	8,993
1999	8,820
1998	8,676
1997	8,231
1996	7,967

**EMERGENCY MEDICAL SERVICES RESPONSES**

For the years ended December 31:

2005	8,855
2004	8,106
2003	8,049
2002	8,213
2001	7,886
2000	6,680
1999	6,462
1998	6,282
1997	5,536
1996	6,003

**CPR CLASSES ATTENDEES**

For the years ended December 31:

2005	-
2004	-
2003	152
2002	433
2001	1,625
2000	1,289
1999	1,386
1998	675
1997	792
1996	394





**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

April 27, 2006

Board of Directors  
**MEHLVILLE FIRE PROTECTION DISTRICT**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **MEHLVILLE FIRE PROTECTION DISTRICT** (the District) as of and for the year ended December 31, 2005, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 27, 2006. We conducted our audit in accordance with U.S. 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 the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions 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 that might be material weaknesses. 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. 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 provi-

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sions 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*.

However, we noted certain matters involving the internal control over financial reporting that we have reported to the management of the District in a separate letter dated April 27, 2006.

This report is intended solely for the information and use of the management, others within the organization, and applicable regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Hochschild Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS