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1-1-2006

## Annual Report, 2005

Antonia Fire Protection District

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

March 16, 2006

Gregory Spinner, C.P.A.  
Ross, Spinner & Kummer, P.C.  
50 Crestwood Executive Center, Suite 400  
St. Louis, MO 63126

RE: **Antonia Fire Protection District of Jefferson County**

Fiscal Period: Ten Months Ended October 31, 2005 ✓

Dear Mr. Spinner:

In accordance with Section 105.145, RSMo, we acknowledge receipt of the financial report of your political subdivision for the above-described fiscal period.

Thank you for your cooperation in sending this information.

Sincerely,

CLAIRE C. McCASKILL  
STATE AUDITOR

Judy Buerky  
Local Government Analyst

# ROSS, SPINNER & KUMMER, P. C.

CERTIFIED PUBLIC ACCOUNTANTS

50 CRESTWOOD EXECUTIVE CENTER ~ SUITE 400

(WATSON & SAPPINGTON)

ST. LOUIS, MISSOURI 63126

FOUNDED 1928

BY

FELIX G. KRAFT, C.P.A.

DENNIS J. ROSS, C.P.A.

GREGORY J. SPINNER, C.P.A.

BRUCE D. KUMMER, C.P.A.

(314) 842-1120

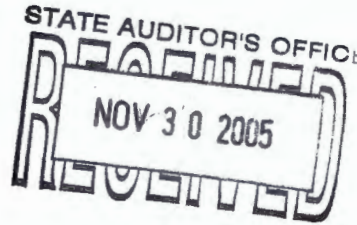
FAX: (314) 842-0921

November 28, 2005

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MISSOURI SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

State Auditor of Missouri  
P. O. Box 869  
Jefferson City, Mo 65102



Dear State Official:

In accordance with Section 105.145, RSMo1978, we are submitting on behalf of our client, Antonia Fire Protection District, Barnhart, Missouri, their financial report for the ten months ended October 31, 2005. If you have any questions regarding the report, please feel free to contact us.

Sincerely,

A handwritten signature in cursive script that reads "Gregory J. Spinner, CPA".

Gregory J. Spinner, C. P. A.  
ROSS, SPINNER & KUMMER, P. C.

GJS/cp

Enclosure (1)

**ANTONIA FIRE PROTECTION DISTRICT**

**ANNUAL REPORT**

**TEN MONTHS ENDED OCTOBER 31, 2005**

**ROSS, SPINNER & KUMMER, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

50 CRESTWOOD EXECUTIVE CENTER • SUITE 400

ST. LOUIS, MISSOURI 63126

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Antonia Fire Protection District  
6633 Moss Hollow Rd.  
Barnhart, MO 63012

We have audited the accompanying financial statements of the governmental activities, and each major fund of

### ANTONIA FIRE PROTECTION DISTRICT

as of and for the ten months ended October 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 Antonia Fire Protection District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 discussed in Note 1(C), Antonia Fire Protection District prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - modified cash basis of the governmental activities and each major fund of Antonia Fire Protection District as of October 31, 2005 and the respective changes in financial position - modified cash basis thereof for the year then ended in conformity with the basis of accounting described in Note 1(C).

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 the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*Ross, Spivey & Kummer, P.C.*  
Certified Public Accountants

November 22, 2005

## MANAGEMENT'S DISCUSSION AND ANALYSIS

An objective and easily readable analysis of the District's financial activities. The Management's Discussion and Analysis presents an analytical overview of both short-term and long-term financial information.



## ANTONIA FIRE PROTECTION DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS TEN MONTHS ENDED OCTOBER 31, 2005

The discussion and analysis of the Antonia Fire Protection District's financial performance provides an overview of the District's financial activities for the ten months ended October 31, 2005. Please read it in conjunction with the financial statements.

#### FINANCIAL HIGHLIGHTS

- The net assets for the Governmental Activities decreased by \$45 thousand.
- Governmental Activities revenue was \$1.6 million.
- Property taxes represented \$1.5 million of the Governmental Activities revenue total or 90%.
- Expenses for the Governmental Activities were \$1.7 million.

#### USING THIS ANNUAL FINANCIAL REPORT

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the District's modified cash basis of accounting.

#### Report Components

This annual report consists of four parts as follows:

**Government-wide Financial Statements:** The Statement of Net Assets and the Statement of Activities provide information about the activities of the District's government-wide (or "as a whole") and present a longer-term view of the District's finances.

**Fund Financial Statements:** Fund financial statements focus on the individual parts of the District's government. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant ("major") funds. For *governmental activities*, these statements tell how these services were financed in the short term as well as what remains for future spending.

**Notes to the Financial Statements:** The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Required Supplementary Information:** This Management Discussion and Analysis and the General Fund Budgetary Comparison Schedule represent financial information required to be presented by the GASB. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as "the basic financial statements").

## **Basis of Accounting**

The District has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to *when* financial events are recorded, such as the timing for recognizing revenues, expenses and their related assets and liabilities. Under the District's modified cash basis of accounting, revenues and expenses and related assets and liabilities are recorded when they result from cash transactions, except for the recording of depreciation expense on capital assets in the government-wide financial statements for all activities.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (*such as accounts receivable and revenue for billed or provided services not yet collected*) and certain liabilities and their related expenses (*such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities*) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

## **Reporting the District as a Whole**

### ***The District's Reporting Entity Presentation***

This annual report includes all activities for which the Antonia Fire Protection District is fiscally responsible.

The primary government includes the following legal entity:

- Antonia Fire Protection District

### ***The Government-wide Statement of Net Assets and the Statement of Activities***

One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all of the District's assets and liabilities resulting from the use of the modified cash basis of accounting.

These two statements report the District's net assets and changes in them. Keeping in mind the limitations of the modified cash basis of accounting, you can think of the District's net assets - the difference between assets and liabilities - as one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's real estate tax base.

In the Statement of Net Assets and the Statement of Activities, we have one kind of activity:

*Governmental activities* - All of the District's basic services are reported here. Property taxes and permit fees finance most of the activities.

## Reporting the District's Most Significant Funds

### *The Fund Financial Statements*

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District Board of Directors establishes certain other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

**Governmental funds** - All of the District's basic services are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that is available for spending. These funds report the acquisition of capital assets and payments for debt principal as expenditures and not as changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine (through a review of changes to fund balances) whether there are more or fewer financial resources that can be spent in the near future to finance the District's program. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements. The District considers the General Fund, Special Revenue Fund, and Debt Service Fund to be its significant or major governmental funds.

**Fiduciary fund** - The District uses this fund to account for assets that are held in a trustee capacity such as pension plan assets, assets held per trust agreements, and similar arrangements.

## A FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

### Net Assets - Modified Cash Basis

The District's net assets, resulting from modified cash transactions, increased from approximately \$(720) thousand to \$(766) thousand between years 2005 and 2004.

	<u>Governmental Activities</u>		<u>Total</u>
	<u>Ten Months Ended</u>	<u>December 31,</u>	<u>Percentage Change</u>
	<u>October 31, 2005</u>	<u>2004</u>	<u>Ten Months Ended</u>
			<u>October 31, 2005 - 2004</u>
Current assets	\$ 269,101.	\$ 343,054.	(21)%
Capital assets	<u>1,656,705.</u>	<u>1,776,742.</u>	(10)%
Total assets	\$ <u>1,925,806.</u>	\$ <u>2,119,796.</u>	(14)%
Long-term debt outstanding	\$ 2,660,000.	\$ 2,785,000.	(4)%
Other liabilities	<u>31,802.</u>	<u>55,380.</u>	(4)%
Total liabilities	\$ <u>2,691,802.</u>	\$ <u>2,840,380.</u>	(5)%
Net assets			
Invested in capital assets, net of related debt	\$ (1,003,295.)	\$ (893,258.)	12%
Unrestricted	<u>237,299.</u>	<u>172,674.</u>	37%
Total net assets	\$ <u>(765,996.)</u>	\$ <u>(720,584.)</u>	(6)%

Net assets of the District's governmental activities decreased 6% to \$(766) thousand. However, \$(1) million of those net assets either are restricted as to the purposes they can be used for or are invested in capital assets (buildings, equipment, vehicles and so on). Consequently, unrestricted net assets showed only \$237 thousand at the end of this year. Changes between 2005 and 2004 reflect a favorable increase of 37%.

**Changes in Net Assets - Modified Cash Basis**

For the ten months ended October 31, 2005, net assets of the primary government (resulting from modified cash basis transactions) changed as follows:

	<u>Governmental Activities</u>		<u>Total Percentage Change</u>
	<u>Ten Months Ended October 31, 2005</u>	<u>December 31, 2004</u>	<u>Ten Months Ended October 31, 2005 - 2004</u>
Revenues -			
Program revenues			
Permits and fees	\$ 122,459.	\$ 108,204.	13%
Grant revenue	0.	150,300.	(100)%
General revenues			
Taxes, penalties and interest	1,474,377.	1,432,205.	3%
Interest revenue	8,328.	16,197.	(49)%
Miscellaneous revenue	6,081.	12,662.	(52)%
Sale of assets	<u>30,500.</u>	<u>0.</u>	100%
Total revenues	<u>\$ 1,641,745.</u>	<u>\$ 1,719,568.</u>	(5)%
Expenses			
Public safety	<u>\$ 1,687,157.</u>	<u>\$ 1,648,956.</u>	2%
Total expenses	<u>\$ 1,687,157.</u>	<u>\$ 1,648,956.</u>	2%
Increase (decrease) in net assets	<u>\$ (45,412.)</u>	<u>\$ 70,612.</u>	(164)%

**Governmental Activities**

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed first with revenues from that particular program reported below it. The result is a Net (Expense)/Revenue. This type of format highlights the relative financial burden of each of the functions on the District's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees, grants, or contributions. All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

For the ten months ended October 31, 2005, total expenses for governmental activities, resulting from modified cash basis transactions, amounted to \$1,687,157. Of these total expenses, taxpayers and other general revenues funded only \$1,519,286, while those directly benefiting from the program funded \$0 from grants and other contributions and \$122,459 from charges for services.

**Net Cost of Antonia Fire Protection District's Governmental Activities - Modified Cash Basis**

	<u>Total Cost of Services</u>		<u>Percentage Change</u>	<u>Net Cost of Services</u>		<u>Percentage Change</u>
	<u>Ten Months Ended Oct. 31, 2005</u>	<u>2004</u>	<u>Ten Months Ended Oct. 31, 2005 - 2004</u>	<u>Ten Months Ended Oct. 31, 2005</u>	<u>2004</u>	<u>Ten Months Ended Oct. 31, 2005 - 2004</u>
Public safety	<u>\$ 1,687,157.</u>	<u>\$ 1,648,956.</u>	2%	<u>\$ 1,564,698.</u>	<u>\$ 1,540,752.</u>	2%
Total	<u>\$ 1,687,157.</u>	<u>\$ 1,648,956.</u>	2%	<u>\$ 1,564,698.</u>	<u>\$ 1,540,752.</u>	2%

## A FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Certain funds experienced noteworthy changes from the prior year and are highlighted as follows:

- On the modified cash basis of accounting, the General Fund reported revenues of \$1,641,745 and expenditures and net transfers of \$1,692,120, resulting in an decrease in fund balance of \$50,375.

### General Fund Budgetary Highlights

Over the course of the year, the Board of Directors revised the General Fund budget at various times. The final adjusted budget, however, was consistent with the prior year budget.

For the ten months ended October 31, 2005, General Fund expenditures were \$111,219 above final appropriations, while actual resources available for appropriation were \$18,784 above the final budgeted amount.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets - Modified Cash Basis

At October 31, 2005, the District had \$1.6 million invested in capital assets, net of depreciation, including buildings, equipment and vehicles. This represents a net decrease of \$120,037, or 7%, below last year.

### Primary Government Capital Assets - Modified Cash Basis (Net of accumulated depreciation)

	<u>Governmental Activities</u>	
	<u>Ten Months Ended</u> <u>October 31, 2005</u>	<u>Year Ended</u> <u>December 31, 2004</u>
Land	\$ 71,859.	\$ 71,859.
Buildings and improvements	493,337.	511,206.
Vehicles	897,270.	140,480.
Firefighting equipment	121,843.	81,528.
Office equipment and furniture	<u>72,396.</u>	<u>971,669.</u>
TOTAL	<u>\$ 1,656,705.</u>	<u>\$ 1,776,742.</u>

This year's more significant capital asset additions included:

- 2006 ¾ Ton Crew Cab \$ 37,638.

### Long-Term Debt - Modified Cash Basis

At October 31, 2005, the District had \$2,660,000 in long-term debt arising from modified cash basis transactions, compared to \$2,785,000 at December 31, 2004. This represents a decrease of 4%. All debt is related to governmental activities.

**Primary Government Long-Term Debt - Modified Cash Basis**

	<b><u>October 31, 2005</u></b>	<b><u>December 31, 2004</u></b>
General obligation bonds	<b><u>\$ 2,660,000.</u></b>	<b><u>\$ 2,785,000.</u></b>

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

For the upcoming year ending October 31, 2006, the District's budget is fairly consistent with the October 31, 2005 budget.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions concerning this report or need additional information, contact Frances Newkirk, Director, at 6633 Moss Hollow Rd., Barnhart, MO 63012.

## BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements
  - Governmental funds
  - Fiduciary fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF NET ASSETS - MODIFIED CASH BASIS  
GOVERNMENTAL ACTIVITIES  
OCTOBER 31, 2005**

**ASSETS**

Cash and cash equivalents	\$ 248,374.40
Due from other funds	20,727.05
Capital assets:	
Land	71,859.00
Other capital assets, net of accumulated depreciation	<u>1,584,846.03</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>1,925,806.48</u></b>

**LIABILITIES**

Due to other funds	\$ 22,062.06
Payroll withholdings	2,625.00
Electric deposits	7,115.00
Long-term liabilities:	
Due within one year	199,000.00
Due in more than one year	<u>2,461,000.00</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>2,691,802.06</u></b>

**NET ASSETS**

Invested in capital assets, net of related debt	\$ (1,003,294.97)
Unrestricted	<u>237,299.39</u>
<b>TOTAL NET ASSETS</b>	<b>\$ <u>(765,995.58)</u></b>

See accompanying notes to the basic financial statements.



**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
GOVERNMENTAL ACTIVITIES  
TEN MONTHS ENDING OCTOBER 31, 2005**

**EXPENSES**

Public safety - fire protection:	
Personal services - wages and fringe benefits	\$ 724,763.69
Materials, supplies and maintenance	124,381.60
Depreciation	166,129.79
Interest	289,002.74
Insurance	257,328.79
Communications - dispatching, telephone and paging	33,098.96
General and administrative	<u>92,451.71</u>
	TOTAL PROGRAM EXPENSES
	\$ <u>1,687,157.28</u>

**PROGRAM REVENUES**

Charges for services	\$ <u>122,459.43</u>
	\$ <u>122,459.43</u>
	NET PROGRAM EXPENSE
	\$ <u>1,564,697.85</u>

**GENERAL REVENUES**

Property taxes	\$ 1,474,376.87
Interest revenue	8,327.72
Miscellaneous	6,081.41
Sale of assets	<u>30,500.00</u>
	TOTAL GENERAL REVENUES
	\$ <u>1,519,286.00</u>

CHANGE IN NET ASSETS \$ (45,411.85)

**NET ASSETS - Beginning of year** (720,583.73)

**NET ASSETS - End of year** \$ (765,995.58)

See accompanying notes to the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
OCTOBER 31, 2005**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 120,551.82	\$ 10,250.18	\$ 117,572.40	\$ 248,374.40
Due from other funds	<u>15,000.00</u>	<u>604.18</u>	<u>5,122.87</u>	<u>20,727.05</u>
TOTAL ASSETS	<u>\$ 135,551.82</u>	<u>\$ 10,854.36</u>	<u>\$ 122,695.27</u>	<u>\$ 269,101.45</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Due to other funds	\$ 7,062.06	\$ 15,000.00	\$	\$ 22,062.06
Payroll withholdings	2,625.00			2,625.00
Electric deposits	<u>7,115.00</u>			<u>7,115.00</u>
TOTAL LIABILITIES	<u>\$ 16,802.06</u>	<u>\$ 15,000.00</u>	<u>\$ 0.00</u>	<u>\$ 31,802.06</u>
Fund Balance:				
Fund Balance - unreserved	<u>\$ 118,749.76</u>	<u>\$ (4,145.64)</u>	<u>\$ 122,695.27</u>	<u>\$ 237,299.39</u>
TOTAL FUND BALANCES	<u>\$ 118,749.76</u>	<u>\$ (4,145.64)</u>	<u>\$ 122,695.27</u>	<u>\$ 237,299.39</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 135,551.82</u>	<u>\$ 10,854.36</u>	<u>\$ 122,695.27</u>	

**RECONCILIATION TO STATEMENT OF NET ASSETS**

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

Capital assets used in governmental activities of \$2,544,585.64 are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$887,880.61.

1,656,705.03

Long-term liabilities of \$2,660,000.00 are not due and payable in the current period and are not reported in the funds.

(2,660,000.00)

NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ (765,995.58)

See accompanying notes to the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
TEN MONTHS ENDING OCTOBER 31, 2005**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
<b><u>REVENUES</u></b>				
Taxes, penalties and interest	\$ 1,154,385.79	\$ 36,267.30	\$ 283,723.78	\$ 1,474,376.87
Permits and fees	122,459.43			122,459.43
Interest revenue	4,917.12	184.32	3,226.28	8,327.72
Miscellaneous revenue	6,081.41			6,081.41
Sale of assets	<u>30,500.00</u>			<u>30,500.00</u>
<b>TOTAL REVENUES</b>	<b>\$ <u>1,318,343.75</u></b>	<b>\$ <u>36,451.62</u></b>	<b>\$ <u>286,950.06</u></b>	<b>\$ <u>1,641,745.43</u></b>
<b><u>EXPENDITURES</u></b>				
Current:				
General and administration	\$ 1,199,815.99	\$ 32,208.76		\$ 1,232,024.75
Capital outlay:				
Current expenditures	46,092.68			46,092.68
Debt Service:				
Principal retirement			125,000.00	125,000.00
Lease interest and fees			<u>289,002.74</u>	<u>289,002.74</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>1,245,908.67</u></b>	<b>\$ <u>32,208.76</u></b>	<b>\$ <u>414,002.74</u></b>	<b>\$ <u>1,692,120.17</u></b>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b>\$ 72,435.08</b>	<b>\$ 4,242.86</b>	<b>\$ (127,052.68)</b>	<b>\$ (50,374.74)</b>
<b><u>FUND BALANCES - Beginning of year</u></b>	<b><u>46,314.68</u></b>	<b><u>(8,388.50)</u></b>	<b><u>249,747.95</u></b>	<b><u>287,674.13</u></b>
<b><u>FUND BALANCES - End of year</u></b>	<b><u>\$ 118,749.76</u></b>	<b><u>\$ (4,145.64)</u></b>	<b><u>\$ 122,695.27</u></b>	<b><u>\$ 237,299.39</u></b>

See accompanying notes to the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
TEN MONTHS ENDING OCTOBER 31, 2005**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

**NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS** \$ (50,374.74)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense as to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	46,092.68
Depreciation expense	(166,129.79)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	<u>125,000.00</u>
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**CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES** \$ (45,411.85)

See accompanying notes to the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF FIDUCIARY NET ASSETS - MODIFIED CASH BASIS  
FIDUCIARY FUND  
OCTOBER 31, 2005**

**ASSETS**

Cash and cash equivalents	\$	16,645.41
Due from other funds		1,335.01
Investments, at fair value		<u>812,179.93</u>

TOTAL INVESTMENTS	\$	<u>830,160.35</u>
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TOTAL ASSETS	\$	<u>830,160.35</u>
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**LIABILITIES**

TOTAL LIABILITIES	\$	<u>0.00</u>
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**NET ASSETS**

Held in trust for pension benefits and other purposes	\$	<u>830,160.35</u>
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TOTAL NET ASSETS	\$	<u>830,160.35</u>
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See accompanying notes to the basic financial statements.

**ANTONIA FIRE PROTECTION DISTRICT**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - MODIFIED CASH BASIS  
FIDUCIARY FUND  
TEN MONTHS ENDING OCTOBER 31, 2005**

**ADDITIONS**

Contributions:		
Employer		\$ 0.00
Plan members		0.00
Property taxes		<u>60,445.50</u>
	<b>TOTAL CONTRIBUTIONS</b>	<b>\$ <u>60,445.50</u></b>
Investments earnings:		
Net increase (decrease) in fair market value of investments		<u>\$ 16,573.04</u>
	<b>TOTAL INVESTMENT EARNINGS</b>	<b>\$ 16,573.04</b>
Less investment expense		<u>0.00</u>
	<b>NET INVESTMENT EARNINGS</b>	<b>\$ <u>16,573.04</u></b>
	<b>TOTAL ADDITIONS</b>	<b>\$ <u>77,018.54</u></b>

**DEDUCTIONS**

Life insurance premiums		\$ 14,206.09
Administrative expenses		<u>2,720.00</u>
	<b>TOTAL DEDUCTIONS</b>	<b>\$ <u>16,926.09</u></b>

**CHANGE IN NET ASSETS**

		\$ 60,092.45
<b><u>NET ASSETS</u> - Beginning of year</b>		<u>770,067.90</u>
<b><u>NET ASSETS</u> - End of year</b>		<b>\$ <u>830,160.35</u></b>

See accompanying notes to the basic financial statements.

**NOTES TO FINANCIAL STATEMENTS**

**ANTONIA FIRE PROTECTION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**  
**OCTOBER 31, 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in Note 1(C), these financial statements are presented on a modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

**A. Financial Reporting Entity**

The District's financial reporting entity is comprised of the following:

Primary Government:	Antonia Fire Protection District
Component Units:	None

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

**B. Basis of Presentation**

**Government-Wide Financial Statements**

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements represent the District's governmental activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and non-exchange revenues.

**Fund Financial Statement**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. An emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 5% of the corresponding total for all governmental funds combined.

The funds of the financial report entity are described as follows:



## **Governmental Funds**

### **General Fund**

The General Fund is the primary operating fund of the District and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

### **Special Revenue Fund**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Pension Fund is accounted for as a special revenue fund.

### **Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Fiduciary Fund Type**

#### **Pension Trust Fund**

This fund was established to provide pension benefits for District employees. The principal revenue source for this fund is a tax levy.

## **C. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

### **Measurement Focus**

In the government-wide Statement of Net Assets and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item (b) following.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. All governmental activities utilize an “economic resources” measurement focus in the Statement of Net Assets and the Statements of Activities. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current, financial, or non-financial) associated with their activities are reported.

## Basis of Accounting

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

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

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

### **D. Assets, Liabilities and Equity**

#### Cash and Cash Equivalents

“Cash and cash equivalents” includes all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

#### Capital Assets

The District’s modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

#### *Government-Wide Statements*

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$1,000.00 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

- Buildings and improvements	30 years
- Firefighting equipment	5 - 10 years
- Office equipment and furniture	5 - 10 years
- Vehicles	10 years

## *Fund Financial Statements*

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

### Long-Term Debt

All long-term debt arising from cash basis transactions to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

### Compensated Absences

As a result of the use of the modified cash basis of accounting, liabilities related to accrued compensated absences are not recorded in the government-wide or fund financial statements. Expenditures/expenses related to compensated absences are recorded when paid. Employees must use accrued vacation leave. If not used during the year, the vacation time will be lost. Employees are paid 100% of their accumulated vacation pay when they terminate their employment for any reason. Accumulated sick leave is not paid upon termination of employment.

### Equity Classification

#### *Government-Wide Statements:*

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use by (1) external groups such as creditors, grantors, contributors or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

#### *Fund Financial Statements:*

Governmental fund equity is classified as fund balance.

## **E. Property Tax**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 15 and payable by December 31. Taxes paid after December 31 are subject to penalties. Jefferson County bills, collects and remits the taxes to the District. The District records the revenues from property taxes when they are received, since the District uses the modified cash basis of accounting.

## **F. Revenues, Expenditures/Expenses**

### **Program Revenues**

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the District's taxpayers are reported as program revenues. The District has the following program revenues in each activity:

Public Safety - fire protection

Permits and fees; operating and capital grants

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

### **Operating Revenue and Expenses**

Operating revenue and expenses include all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities.

## **G. Use of Estimates**

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense). Accordingly, actual results could differ from those estimates.

## **H. Post - Employment Health Care Benefits**

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured to the District. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program, and there were no participants in the program as of October 31, 2005.

## **2. CASH AND CASH EQUIVALENTS**

The District has determined that interest-bearing checking accounts, certificates of deposit, repurchase agreements, United States Government Obligations, bonds, notes or other obligations of the State of Missouri, and any other securities or investments that are lawful for the investment of monies held in such funds or accounts under the law of the State of Missouri are appropriate types of deposits and investments for its needs.

**Depository Account****Bank Balance**

Insured	\$	301,134.32
Collateralized:		
Collateral held by District's agent in the District's name		0.00
Collateral held by pledging bank's trust department in the District's name		0.00
Collateral held by pledging bank's trust department not in the District's name		0.00
Uninsured and uncollateralized		<u>0.00</u>
Total	\$	<u>301,134.32</u>

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of October 31, 2005, \$0.00 of the District's bank balance of \$301,134.32 was exposed to credit risk as follows:

		<b><u>Custody Credit Risk Amount</u></b>
<b><u>Type of Deposit</u></b>		
Uninsured and uncollateralized	\$	0.00
Uninsured and collateralized by pledging bank's trust department not in the District's name		<u>0.00</u>
Total	\$	<u>0.00</u>

**3. CAPITAL ASSETS**

Capital asset activity resulting from modified cash basis transactions for the ten months ended October 31, 2005 was as follows:

<b><u>Governmental Activities:</u></b>	<b><u>Balance Jan. 1, 2005</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance Oct. 31, 2005</u></b>
Land	\$ 71,859.00	\$ 0.00	\$ 0.00	\$ 71,859.00
Buildings & improvements	716,072.64	0.00	0.00	716,072.64
Firefighting equipment	196,243.41	0.00	0.00	196,243.41
Office equipment & furniture	121,002.41	8,454.86	0.00	129,457.27
Vehicles	<u>1,393,315.50</u>	<u>37,637.82</u>	<u>0.00</u>	<u>1,430,953.32</u>
Totals at historical cost	\$ 2,498,492.96	\$ 46,092.68	\$ 0.00	\$ 2,544,585.64
Less accumulated depreciation:				
Buildings & improvements	\$ 204,866.17	\$ 17,869.09	\$ 0.00	\$ 222,735.26
Firefighting equipment	55,763.56	18,637.18	0.00	74,400.74
Office equipment & furniture	39,474.34	17,587.22	0.00	57,061.56
Vehicles	<u>421,646.75</u>	<u>112,036.30</u>	<u>0.00</u>	<u>533,683.05</u>
Total accumulated depreciation	\$ 721,750.82	\$ 166,129.79	\$ 0.00	\$ 887,880.61
Governmental activities capital assets, net	\$ <u>1,776,742.14</u>	\$ <u>(120,037.11)</u>	\$ <u>0.00</u>	\$ <u>1,656,705.03</u>

Depreciation expense was charged to the public safety function in the Statement of Activities.

Depreciation expense totaled \$166,129.79 for the ten months ended October 31, 2005.

#### 4. LONG-TERM DEBT

##### Governmental Activities

As of October 31, 2005, the long-term debt, arising from cash transactions, payable from general revenue fund resources consisted of the following:

- General Obligation Bonds - Series 2005 Issue payable in semi-annual installments, final payment due March 1, 2016. \$ 2,660,000.00

##### Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the ten months ended October 31, 2005:

<u>Governmental Activities:</u>	<u>Balance</u> <u>Jan. 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Oct. 31, 2005</u>	<u>Amount Due</u> <u>Within One</u> <u>Year</u>
General Obligation Bond payable	\$ 2,785,000.00	\$ 0.00	\$ 2,785,000.00	\$ 0.00	\$ 0.00
General Obligation Bond payable	0.00	2,660,000.00	0.00	2,660,000.00	199,000.00
Total Governmental Activities	<u>\$ 2,785,000.00</u>	<u>\$ 2,660,000.00</u>	<u>\$ 2,785,000.00</u>	<u>\$ 2,660,000.00</u>	<u>\$ 199,000.00</u>

##### Debt Service Requirement to Maturity

##### General Obligation Bonds

###### General Obligation Bonds - Series 2005

Dated - May 27, 2005

Original amount of issue - \$2,660,000.00

Interest payable - Semi-annually March 1 and September 1 of each year

Bond paying agent - Bank of America, N.A.

<u>Date of payment</u>	<u>Total Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Purchase Price</u> <u>Balance</u>
03/01/2006	\$ 245,550.00	\$ 199,000.00	\$ 46,550.00	\$ 2,461,000.00
09/01/2006	43,067.50		43,067.50	
03/01/2007	242,067.50	199,000.00	43,067.50	2,262,000.00
09/01/2007	39,585.00		39,585.00	
03/01/2008	251,585.00	212,000.00	39,585.00	2,050,000.00
09/01/2008	35,875.00		35,875.00	
03/01/2009	260,875.00	225,000.00	35,875.00	1,825,000.00
09/01/2009	31,937.50		31,937.50	
03/01/2010	270,937.50	239,000.00	31,937.50	1,586,000.00
09/01/2010	27,755.00		27,755.00	
03/01/2011	280,755.00	253,000.00	27,755.00	1,333,000.00
09/01/2011	23,327.50		23,327.50	
03/01/2012	291,327.50	268,000.00	23,327.50	1,065,000.00

09/01/2012	18,637.50		18,637.50	
03/01/2013	302,637.50	284,000.00	18,637.50	781,000.00
09/01/2013	13,667.50		13,667.50	
03/01/2014	314,667.50	301,000.00	13,667.50	480,000.00
09/01/2014	8,400.00		8,400.00	
03/01/2015	326,400.00	318,000.00	8,400.00	162,000.00
09/01/2015	2,835.00		2,835.00	
03/01/2016	<u>164,835.00</u>	<u>162,000.00</u>	<u>2,835.00</u>	0.00
Totals	<u>\$ 3,196,725.00</u>	<u>\$ 2,660,000.00</u>	<u>\$ 536,725.00</u>	

## 5. INTERFUND TRANSFERS

Interfund transfers for the ten months ended October 31, 2005 consisted of the following amounts:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General	\$ 15,000.00	\$ 7,062.06
Special Revenue	604.18	15,000.00
Debt Service	5,122.87	0.00
Pension Trust	<u>1,335.01</u>	<u>0.00</u>
Total	<u>\$ 22,062.06</u>	<u>\$ 22,062.06</u>

During the year, various funds expended monies for other funds or property taxes were not allocated correctly. The monies were not reimbursed or allocated by year-end. All funds were reimbursed on November 22, 2005.

## 6. PENSION PLANS

### A. DEFINED BENEFIT PLAN

#### (a) Plan Description

Substantially all full-time employees are covered by the Retirement Plan for the employees of Antonia Fire Protection District. The plan administrator is the District's Board Chairman. Employees are eligible on the date hired for participation in the single employer defined benefit pension plan.

As of January 1, 2005 employee membership data related to the pension plan as follows:

Retirees and beneficiaries currently receiving benefits:	0
Active participants:	
Vested	3
Non-vested	15
Terminated participants:	
Vested	<u>0</u>
Total	<u>18</u>

The pension plan provides pension benefits. A member may retire after reaching the age of 55. Benefits vest after 10 years of service. The retirement benefit will be equal to 2.250% of their average monthly compensation times the number of their years of service (not to exceed 24 years). After the first 24 years of service, plus 1% of their average monthly compensation times the number of their years of service (not to exceed 6 years from after first 24 years of service to their normal retirement age).

The District makes annual contributions to the pension plan. The amount of contribution is actuarially determined by using the aggregate actuarial cost method.

For the ten months ended October 31, 2005 the District's total payroll for all employees and the District's total covered payroll amounted to \$778,397.00. Covered payroll refers to all compensation paid by the District to active employees.

The plan assets are invested in various securities by A.G. Edwards & Sons, Inc. There are no investments in, loans to, or leases with parties related to the pension plan.

(b) Funding and Trend Information

Trend Information

<u>Year</u>	<u>Net Assets Available for Benefits</u>	<u>Pension Benefit Obligation</u>	<u>Percent Funded</u>	<u>Unfunded Pension Benefit Obligation</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Pension Benefit Obligation as a Percent of Covered Payroll</u>
2003	\$ 551,128.15	\$ 645,076.00	85%	\$ 93,947.85	\$ 492,619.00	19%
2004	\$ 687,556.61	\$ 794,560.00	86%	\$ 107,003.39	\$ 562,428.00	19%
2005	\$ 770,067.90	\$ 995,418.00	77%	\$ 225,350.10	\$ 778,397.00	29%

Plan Asset Development

<u>Date</u>	<u>Balance</u>	<u>Employer Contribution</u>	<u>Investment Income</u>	<u>Expense Charges</u>	<u>Balance</u>
Jan. 1, 2002	\$ 520,907.53	\$ 55,610.72	\$ (25,390.10)	\$ 0.00	\$ 551,128.15
Jan. 1, 2003	\$ 551,128.15	\$ 56,025.40	\$ 82,356.06	\$ 2,753.00	\$ 687,556.61
Jan. 1, 2004	\$ 687,556.61	\$ 53,284.97	\$ 52,521.82	\$ 23,295.50	\$ 770,067.90
Jan. 1, 2005	\$ 770,067.90	\$ 60,445.50	\$ 16,573.04	\$ 16,926.09	\$ 830,160.35
Nov. 1, 2005		not determined			

Expenses by Type

<u>Year</u>	<u>Administration Expense</u>	<u>Benefits</u>	<u>Total</u>
2002	\$ 0.00	\$ 0.00	\$ 0.00
2003	\$ 2,753.00	\$ 0.00	\$ 2,753.00
2004	\$ 13,523.50	\$ 9,772.00	\$ 23,295.50
2005	\$ 16,926.09	\$ 0.00	\$ 16,926.09

The trend information, asset development and expenses are through 2005.

(c) Actuarial Valuation Assumptions

Interest Rate	5.5% per annum.
Expenses	\$ 0.00
Retirement Age	1st of the month following attainment of age 55.



**C. DEFERRED COMPENSATION PLAN**

Employees of the Antonia Fire Protection District may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. The plan assets are held in trust by Public Employees Benefit Service Corporation and Nationwide Retirement Solutions.

**7. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
a. Torts, errors, and omissions	Purchased commercial insurance	None
b. Workers compensation, health and life	Purchased commercial insurance	None
c. Physical property loss and natural disasters	Purchased commercial insurance	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

**8. ASSESSED VALUATION AND TAX LEVY**

	<u>2 0 0 5</u>
Aggregate Assessed Valuation	\$ <u>133,561,054.00</u>
	<u>Tax Levy Per \$100.00</u> <u>of Assessed Valuation</u>
General Fund	\$ .9358
Pension	.0490
Dispatch	.0294
Debt Service Fund	<u>.2300</u>
	<u>\$ 1.2442</u>
Total taxes assessed	\$ 1,661,766.63
Less - 1.6% collection fee	<u>(26,588.27)</u>
	<u>\$ 1,635,178.36</u>
Tax collections (including delinquent taxes)	<u>\$ 1,534,822.37</u>

The receipts of current and delinquent property taxes during the ten months ended October 31, 2005 aggregated approximately 94% of the 2004 assessed taxes.

9. **EXPENDITURES EXCEED APPROPRIATIONS**

The District's expenditures have exceeded appropriations in the following funds:

	<u>Appropriations</u>	<u>Expenditures</u>
Debt Service Fund	\$ <u>296,182.00</u>	\$ <u>414,002.74</u>

10. **DISTRICT OFFICIALS**

Board Chairman and Director	Rich Overmann
Director/Secretary/Treasurer	Fran Newkirk
Director	Scott Springkamper
Fire Chief	John Newsome
Fire Marshal	Glen Nivens

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information (RSI) includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Modified Cash Basis - General Fund
- Budgetary Comparison Schedule - Modified Cash Basis - Special Revenue Fund
- Budgetary Comparison Schedule - Modified Cash Basis - Debt Service Fund
- Notes to RSI - Budgetary Comparison Schedules

**ANTONIA FIRE PROTECTION DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**TEN MONTHS ENDED OCTOBER 31, 2005**

	<u>Budgeted Amounts</u>	
	<u>Original and Final</u>	<u>Actual Amounts</u>
<b><u>BEGINNING BUDGETARY FUND BALANCE</u></b>	\$ 46,314.68	\$ 46,314.68
<b><u>RESOURCES (inflows):</u></b>		
Taxes, penalties and interest	1,205,077.00	1,154,385.79
Permits and fees	120,000.00	122,459.43
Interest revenue	12,051.00	4,917.12
Miscellaneous revenue	0.00	6,081.41
Sale of assets	0.00	30,500.00
	<u>1,383,442.68</u>	<u>1,364,658.43</u>
<b>AMOUNTS AVAILABLE FOR APPROPRIATION</b>	<b>\$ 1,383,442.68</b>	<b>\$ 1,364,658.43</b>
<b><u>CHARGES TO APPROPRIATIONS (outflows):</u></b>		
<b>Current:</b>		
Accounting	\$ 3,500.00	\$ 4,755.00
Legal	0.00	930.00
Gas and oil	17,500.00	21,791.12
Truck repairs	20,000.00	24,982.66
Building and garage maintenance	20,000.00	43,146.62
Directors fees	6,300.00	3,975.00
Membership dues and fees	5,000.00	4,274.00
Bank fee	115.00	30.00
Election expense	4,000.00	0.00
Equipment repairs and maintenance	2,000.00	203.90
Fire Marshal expense	3,000.00	6,280.96
Insurance	238,370.00	257,328.79
Salary	839,298.00	657,278.50
Utilities	20,000.00	17,130.90
Medical supplies and expense	3,000.00	3,025.09
Miscellaneous	0.00	3,813.20
Office expense	10,000.00	20,858.24
Payroll taxes	69,895.00	53,089.94
Telephone	0.00	10,198.22
Training and schools	18,350.00	17,146.57
Uniforms and accessories	9,000.00	8,573.98
Rent expense	3,000.00	3,000.00
Firefighting supplies	5,000.00	20,820.97
Payroll processing	2,800.00	2,356.36
Travel	1,500.00	1,523.74

See accompanying notes to the Budgetary Comparison Schedule.

**ANTONIA FIRE PROTECTION DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**TEN MONTHS ENDED OCTOBER 31, 2005**

	<b><u>Budgeted Amounts</u></b>	<b><u>Actual</u></b>
	<b><u>Original</u></b>	<b><u>Amounts</u></b>
	<b><u>and Final</u></b>	
Volunteer fees and expenses	\$ 29,000.00	\$ 10,420.25
Firefighting equipment expense	12,750.00	1,147.82
Physicals and drug tests	500.00	1,734.16
Maps	250.00	0.00
Reserve for contingencies	<u>13,000.00</u>	<u>0.00</u>
	<u>\$ 1,357,128.00</u>	<u>\$ 1,199,815.99</u>
Capital outlay:		
Garage equipment	\$ 0.00	\$ 2,000.00
Vehicles	0.00	37,637.82
Computer equipment	<u>0.00</u>	<u>6,454.86</u>
	<u>\$ 0.00</u>	<u>\$ 46,092.68</u>
<b>TOTAL CHARGES TO APPROPRIATIONS</b>	<u>\$ 1,357,128.00</u>	<u>\$ 1,245,908.67</u>
<b><u>ENDING BUDGETARY FUND BALANCE</u></b>	<u>\$ 26,314.68</u>	<u>\$ 118,749.76</u>

See accompanying notes to the Budgetary Comparison Schedule.

**ANTONIA FIRE PROTECTION DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**SPECIAL REVENUE FUND**

**TEN MONTHS ENDED OCTOBER 31, 2005**

	<u>Budgeted Amounts</u> <u>Original</u> <u>and Final</u>	<u>Actual</u> <u>Amounts</u>
<b><u>BEGINNING BUDGETARY FUND BALANCE</u></b>	\$ (8,388.50)	\$ (8,388.50)
<b><u>RESOURCES (inflows):</u></b>		
Taxes, penalties and interest	37,859.00	36,267.30
Interest revenue	<u>378.00</u>	<u>184.32</u>
 <b>AMOUNTS AVAILABLE FOR APPROPRIATION</b>	 <u>\$ 29,848.50</u>	 <u>\$ 28,063.12</u>
 <b><u>CHARGES TO APPROPRIATIONS (outflows):</u></b>		
Current:		
Dispatching	\$ 24,952.00	\$ 18,714.00
Telephone expense	6,750.00	4,186.74
Radio repairs	6,157.00	9,263.42
Office expense	<u>0.00</u>	<u>44.60</u>
 <b>TOTAL CHARGES TO APPROPRIATIONS</b>	 <u>\$ 37,859.00</u>	 <u>\$ 32,208.76</u>
 <b><u>ENDING BUDGETARY FUND BALANCE</u></b>	 <u>\$ (8,010.50)</u>	 <u>\$ (4,145.64)</u>

See accompanying notes to the Budgetary Comparison Schedule.

**ANTONIA FIRE PROTECTION DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**DEBT SERVICE FUND**

**TEN MONTHS ENDED OCTOBER 31, 2005**

	<b><u>Budgeted Amounts</u></b>		
	<b><u>Original</u></b>	<b><u>and Final</u></b>	<b><u>Actual</u></b>
			<b><u>Amounts</u></b>
<b><u>BEGINNING BUDGETARY FUND BALANCE</u></b>	\$	249,747.95	\$ 249,747.95
<b><u>RESOURCES (inflows):</u></b>			
Taxes, penalties and interest		296,182.00	283,723.78
Interest revenue		<u>29,618.00</u>	<u>3,226.28</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	\$	<u>575,547.95</u>	\$ <u>536,698.01</u>
<b><u>CHARGES TO APPROPRIATIONS (outflows):</u></b>			
Debt Service:			
Principal retirement	\$	115,000.00	\$ 125,000.00
Interest and fees		<u>181,182.00</u>	<u>289,002.74</u>
TOTAL CHARGES TO APPROPRIATIONS	\$	<u>296,182.00</u>	\$ <u>414,002.74</u>
<b><u>ENDING BUDGETARY FUND BALANCE</u></b>	\$	<u>279,365.95</u>	\$ <u>122,695.27</u>

See accompanying notes to the Budgetary Comparison Schedule.

## **ANTONIA FIRE PROTECTION DISTRICT**

### **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE OCTOBER 31, 2005**

#### **Budgets and Budgetary Practices**

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

- a. Prior to September 1, the Board of Directors prepares a proposed operating budget for the upcoming year. The operating budget includes proposed expenditures and the means of financing them.
- b. Open meetings of the Board of Directors are held to obtain taxpayer comments.
- c. Prior to October 31, the budget for the upcoming year is adopted by the Board of Directors.
- d. Budgets are adopted on a basis consistent with the modified cash basis of accounting.
- e. Any revisions that alter the total expenditures must be approved by the Board of Directors.
- f. Prior to year-end, the Board of Directors adopts an amended budget approving any additional expenditures, if necessary.
- g. All annual appropriations lapse at fiscal year-end.

All transfers of appropriations between departments and supplemental appropriations require the Board of Directors' approval. Supplemental appropriations must also be approved by the Board of Directors.

#### **Budgetary Accounting**

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenues and expenditures are reported when they result from cash transactions.