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Financial Statements, 2005

Black Jack Fire Protection District

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BERGMAN · SCHRAIER & CO.

A PROFESSIONAL CORPORATION
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BLACK JACK FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2005

BLACK JACK FIRE PROTECTION DISTRICT
DECEMBER 31, 2005

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Black Jack Fire Protection District
St. Louis, Missouri

We have audited the accompanying financial statements of the governmental activities including all major funds of Black Jack Fire Protection 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. We have also audited each fiduciary fund type of Black Jack Fire Protection District, as of and for the year ended December 31, 2005, as displayed in the District's basic financial statements. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities including all major funds as well as each fiduciary fund type of Black Jack Fire Protection District as of December 31, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 25 through 28, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2006, on our consideration of Black Jack Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws,

regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Black Jack Fire Protection District's basic financial statements. The supplementary schedules 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 information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Bergman, Schraier + Co, P.C.

May 12, 2006
St. Louis, Missouri

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

This section of Black Jack Fire Protection District of St. Louis County, Missouri's (the District) annual financial report presents management's discussion and analysis of the District's financial activity for the year ended December 31, 2005. In order to have a comprehensive understanding of the Management Discussion and Analysis, we recommend that the attached financial statements, including all notes to the financial statements, be read in their entirety.

Using this Annual Report

In 2004, the District implemented GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments*. The attached financial statements, for the year ended December 31, 2005, are reported using this new reporting model - GASB 34. The District's basic financial statements are designed to emulate corporate presentation models whereby all District activities are consolidated. This approach is intended to summarize and simplify the analysis of the costs associated with the emergency services provided by the District for the benefit of its residents.

Overview of the Financial Statements

This discussion and analysis 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:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the basic financial statements.

Required supplementary information and additional supplementary information are also included in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements include the *Statement of Net Assets* and the *Statements of Activities*.

The *Statement of Net Assets* presents all of the District's assets and liabilities which measures the District's overall financial health. The increases and decreases in net assets can be monitored to determine whether the District's financial position is improving or deteriorating.

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

The *Statement of Activities* presents information reflecting how the District's net assets changed during the most recent 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 flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused compensation, etc.)

The government-wide financial statements report functions of the District that are principally supported by taxes and charges for services. The governmental activities for the District include fire protection, dispatching services and debt services. It should be noted that the District currently has no business-type activities.

Fund Financial Statements

The fund financial statements provide grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure compliance with finance-related legal requirements.

Governmental Funds

The District's basic services are included in the governmental funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. These fund statements measure current financial resources, or near-term inflows and outflows of expendable resources, as well as the balances of expendable resources available at the end of the year. Such information may be useful in evaluating a District'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 financing decisions. Both the Governmental Fund Balance Sheet and the Statement Of Revenues, Expenditures And Changes In Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governmental units and/or other funds. The District's Fiduciary Fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the District's own programs. The District's fiduciary fund is the Pension Trust Fund.

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

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the information reported in the government-wide and fund financial statements.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, this financial report also contains certain required supplementary information. Required Supplementary Information includes a Budgetary Comparison Schedule for the General Fund.

Financial Analysis of the District as a Whole

Government-Wide Financial Analysis

As mentioned earlier, net assets may serve over time as a useful indicator of a government's financial position. The condensed statement of net assets as of December 31, 2005 is as follows:

	Statement of Net Assets		
	2005	2004	Increase (Decrease)
Assets:			
Current and other assets	\$ 14,636,901	\$ 14,303,729	\$ 333,172
Capital assets, net of depreciation	5,921,014	2,873,559	3,047,455
Total Assets	<u>20,557,915</u>	<u>17,177,288</u>	<u>3,380,627</u>
Liabilities:			
Current and other liabilities	591,749	187,274	404,475
Non-current liabilities	10,527,183	8,731,198	1,795,985
Total Liabilities	<u>11,118,932</u>	<u>8,918,472</u>	<u>2,200,460</u>
Net Assets:			
Invested in capital assets, net of related debt	5,921,014	2,873,559	3,047,455
Restricted	1,598,735	1,308,113	290,622
Unrestricted	1,919,234	4,077,144	(2,157,910)
Prior period adjustment – see footnote 13.		(666,158)	666,158
Total Net Assets	<u>\$ 9,438,983</u>	<u>\$ 7,592,658</u>	<u>\$ 1,846,325</u>

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

The District's assets exceeded liabilities (net assets) by \$9,438,983 as of December 31, 2005. Of this amount, \$5,921,014 is invested in capital assets, net of related debt; \$1,598,735 is restricted by the District for debt service; and, \$1,919,234 is unrestricted and available to provide for current and future obligations of the District.

This schedule is prepared from the District's Statement of Net Assets, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

The District's net assets increased by \$1,180,167, net of the prior period adjustment discussed in footnote 13. of this audit report, during the year ended December 31, 2005. This increase is primarily a result of revenues exceeding expenses during the year. The key elements of this increase are presented in the following condensed statement of changes in net assets:

Statement of Activities			
	2005	2004	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	\$ 74,677	\$ 71,711	\$ 2,966
General revenues			
Property taxes	6,626,157	6,310,965	315,192
Investment income	228,007	112,339	115,668
Other income	151,475	100,447	51,028
Total Revenues	7,080,316	6,595,462	484,854
Expenses			
Public safety	4,895,236	4,113,533	781,703
Interest and fiscal charges	338,755	614,021	(275,266)
Total Expenses	5,233,991	4,727,554	506,437
Change in net assets	1,846,325	1,867,908	(21,583)
Net Assets, beginning of year, as restated	8,258,816	6,390,908	1,867,908
Prior period adjustment	(666,158)		(666,158)
Net Assets, end of year, as restated in 2004	\$ 9,438,983	\$ 8,258,816	\$ 1,180,167

Program revenue includes activities that have the characteristics of exchange transactions, such as commercial and residential inspections. General revenues include activities that have the characteristics of non-exchange transactions, such as property taxes. Program expenses are those expenses for the purpose of providing fire protection and operational activities of the District. Total revenues increased by \$484,854, when comparing 2005 to 2004, primarily due to the timing of tax collections coupled with increasing interest rates for the District's investments.

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

Fund Analysis

	General Fund Revenues		
	2005	2004	Increase (Decrease)
Property taxes	\$ 5,176,260	\$ 5,083,063	\$ 93,197
Licenses, permits and fees	74,677	71,711	2,966
Investment income	87,044	20,607	66,437
Other income	35,141	198,609	(163,468)
	\$ 5,373,122	\$ 5,373,990	\$ (868)

General Fund

General fund revenues decreased \$868 in 2005 from 2004. This decrease was primarily attributable to the fact that in 2004 the District had fixed asset sales totaling \$98,162, net of accumulated depreciation, which did not reoccur in 2005. General fund revenues exceeded general fund expenditures by \$1,039,284. The general fund balance increased by \$1,039,284. The increase in the general fund balance was primarily due to the District's conservative approach to budgeting and monthly monitoring of expenses

Dispatch Fund

Dispatch fund revenues and dispatch fund expenditures both totaled \$219,971 in 2005. As such, no change occurred in the 2005 dispatch fund balance. Dispatch fund expenditures provide for the District's communications and dispatching services. These services are contracted with North Central County Fire Alarm System.

Capital Projects Fund

The capital projects fund expenses exceed revenues by \$1,064,473. The expenses are the result of the fact that the District is in the process of building new fire stations and procuring new fire trucks and life-saving equipment. The District is utilizing long-term fire protection bonds, approved by the District's voters in April 2002, to finance these capital projects. In 2005, the District's capital projects fund balance increased by \$1,064,473.

Budget Analysis

The District adopts an annual budget for each of its governmental funds, pursuant to Missouri State Statutes.

Annually, as allowed by Missouri State Statutes, the District amends the budgets of each fund to reflect approved changes in spending requirements and unforeseen events that occurred during the most recent year.

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

The difference between the original budget as adopted by the Board for 2005 and the final amended budget as approved by the Board for 2005, in January 2006, was primarily due to the timing of tax receipt collections from St. Louis County. Timing of tax receipt collections could result from a) the economy, or b) tax collections received by St. Louis County, or c) the processing of tax collections by St. Louis County, or d) all of the above.

Capital Assets

GASB 34 requires the District to include in capital assets all real estate to house firefighters and ambulance personnel and emergency vehicles, the District's administrative building and all emergency and administrative equipment and vehicles owned by the District. The District has adopted a capitalization policy with specific useful lives by capital asset category. More detailed information on the District's capital asset assets is presented in the notes to the financial statements.

	2005	2004	Increase (Decrease)
Land	\$ 14,941	\$ 14,941	\$ -
Building & Improvements	4,522,868	800,155	3,722,713
Fire Equipment & Vehicles	2,120,830	1,765,522	355,308
Equipment & Fixtures	507,437	191,066	316,371
Construction in progress		1,163,685	(1,163,685)
Total	7,166,076	3,935,369	3,230,707
Less: Accumulated depreciation	(1,245,062)	(1,061,811)	(183,251)
Net Capital Assets	\$ 5,921,014	\$ 2,873,558	\$ 3,047,456

Long-Term

During the year ended December 31, 2002, December 31, 2003 and December 31, 2005, the District issued \$5,000,000, \$4,000,000 and \$2,000,000, respectively, in Fire Protection Bonds, with an average interest rate ranging from 3.05% through 5.0%. These bonds were issued for the purpose of constructing, equipping, and maintaining fire stations and fire protection and fire-fighting apparatus and auxiliary equipment. During the year ended December 31, 2005, the District made principal payments totaling \$275,000. Outstanding bonds payable at year-end are \$10,000,000. More detailed information on the District's long-term liabilities is presented in the notes to the financial statements.

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

Economic Factors

The District serves over 55,000 residents and has mutual aid agreements with all Fire Protection Districts and Fire Departments in the 'Region C' area of Missouri. The District also participates in the statewide mutual aid program through the State of Missouri's Division of Fire Safety. While the District includes office buildings, regional and local shopping areas, churches, residential care and light manufacturing facilities, it primarily consists of single and multi-family residential housing. Hence, the District is somewhat insulated from significant changes in the economy.

Contact Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. This financial report hereby demonstrates the District's spirit of full disclosure to provide readers of this report with an overview of the District's financial operations. For questions or requests for additional information, please direct requests to the Chief of the Fire Protection District at 5675 N. Highway 67 Florissant, MO 63034.

BLACK JACK FIRE PROTECTION DISTRICT
FUND BALANCE SHEETS / STATEMENT OF NET ASSETS
DECEMBER 31, 2005

	<u>General</u>	<u>Dispatch</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
<u>ASSETS</u>							
Cash and cash equivalents	\$ 4,742,909	\$ -	\$ -	\$ -	\$ 4,742,909	\$ -	\$ 4,742,909
Cash - Restricted	-	-	1,244,323	5,776,086	7,020,409	-	7,020,409
Taxes receivable, net of allowance	2,230,933	91,432	381,727	-	2,704,092	(128,240)	2,575,852
Other receivables	7,118	-	-	116,334	123,452	-	123,452
Prepaid expenses	-	-	-	-	-	-	-
Due from fiduciary fund	174,279	-	-	-	174,279	-	174,279
Due from other funds	-	48,850	131,648	59,551	240,049	(240,049)	-
Capital assets, net of accumulated depreciation	-	-	-	-	-	5,921,014	5,921,014
Total Assets	<u>7,155,239</u>	<u>140,282</u>	<u>1,757,698</u>	<u>5,951,971</u>	<u>15,005,190</u>	<u>5,552,725</u>	<u>20,557,915</u>
<u>LIABILITIES</u>							
Accounts payable	22,770	102,207	-	336,881	461,858	16,574	478,432
Salaries and benefits payable	113,317	-	-	-	113,317	-	113,317
Due to other funds	240,049	-	-	-	240,049	(240,049)	-
Deferred revenue	929,031	38,075	158,963	-	1,126,069	(1,126,069)	-
Long-term liabilities:							
Due within one year	-	-	-	-	-	573,936	573,936
Due after one year	-	-	-	-	-	9,953,247	9,953,247
Total Liabilities	<u>1,305,167</u>	<u>140,282</u>	<u>158,963</u>	<u>336,881</u>	<u>1,941,293</u>	<u>9,177,639</u>	<u>11,118,932</u>
<u>FUND BALANCES / NET ASSETS</u>							
Fund balances:							
Reserved for debt service	-	-	1,598,735	-	1,598,735	(1,598,735)	
Reserved for capital projects	-	-	-	5,615,090	5,615,090	(5,615,090)	
Unreserved:							
Designated for future appropriations	2,300,000	-	-	-	2,300,000	(2,300,000)	
Designated for future pension appropriations	200,000	-	-	-	200,000	(200,000)	
Undesignated	3,350,072	-	-	-	3,350,072	(3,350,072)	
Total fund balances	<u>5,850,072</u>	<u>-</u>	<u>1,598,735</u>	<u>5,615,090</u>	<u>13,063,897</u>	<u>(13,063,897)</u>	
Total liabilities and fund balances	<u>\$ 7,155,239</u>	<u>\$ 140,282</u>	<u>\$ 1,757,698</u>	<u>\$ 5,951,971</u>	<u>\$ 15,005,190</u>		
Net Assets:							
Invested in capital assets						5,921,014	5,921,014
Restricted for debt service						1,598,735	1,598,735
Unrestricted						1,919,234	1,919,234
Total net assets						<u>\$ 9,438,983</u>	<u>\$ 9,438,983</u>

The accompanying auditors' report and notes should be read in conjunction
with the financial statements.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENTS OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES / STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

	General	Dispatch	Debt Service	Capital Projects	Total	Adjustments	Statement of Activities
<u>REVENUE</u>							
Property taxes	\$ 5,176,260	\$ 219,971	\$ 890,667	\$ -	\$ 6,286,898	\$ 339,259	\$ 6,626,157
Licenses, permits, and fees	74,677	-	-	-	74,677	-	74,677
Investment income	87,044	-	14,485	126,478	228,007	-	228,007
Other income	35,141	-	-	2,116,334	2,151,475	(2,000,000)	151,475
Total Revenue	5,373,122	219,971	905,152	2,242,812	8,741,057	(1,660,741)	7,080,316
<u>EXPENDITURES</u>							
Current Operating:							
Personal services	3,629,486	-	-	-	3,629,486	70,985	3,700,471
Materials and services	704,352	219,971	775	24,464	949,562	9,837	959,399
Depreciation	-	-	-	-	-	235,366	235,366
Capital outlay	-	-	-	3,282,821	3,282,821	(3,282,821)	-
Debt service:							
Principal retirement	-	-	275,000	-	275,000	(275,000)	-
Interest payments	-	-	338,755	-	338,755	-	338,755
Total Expenditures	4,333,838	219,971	614,530	3,307,285	8,475,624	(3,241,633)	5,233,991
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,039,284	-	290,622	(1,064,473)	265,433	1,580,892	-
CHANGE IN NET ASSETS	-	-	-	-	-	-	1,846,325
FUND BALANCE							
Beginning of year	4,810,788	-	1,308,113	6,679,563	12,798,464	(4,539,648)	8,258,816
Prior period adjustment	-	-	-	-	-	(666,158)	(666,158)
Beginning of year, as restated	4,810,788	-	1,308,113	6,679,563	12,798,464	(5,205,806)	7,592,658
End of year	\$ 5,850,072	\$ -	\$ 1,598,735	\$ 5,615,090	\$ 13,063,897	\$ (3,624,914)	\$ 9,438,983

The accompanying auditors' report and notes should be read in conjunction
with the financial statements.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2005

ASSETS

Investments, at fair value	\$ 5,109,363
Taxes receivable, net of allowance	213,358
Total assets	<u>5,322,721</u>

LIABILITIES

Due to other funds	<u>174,279</u>
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NET ASSETS

Held in Trust for Pension Benefits	<u><u>\$ 5,148,442</u></u>
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BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2005

ADDITIONS

Contributions:	
Employer contributions	\$ 544,144
Investment Income:	
Net appreciation in fair value of assets	315,886
Less: Investment expense	<u>-</u>
Net investment income	<u>315,886</u>
Total Additions	<u>860,030</u>

DEDUCTIONS

Benefits paid	<u>583,775</u>
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NET INCREASE 276,255

FUND BALANCE

Beginning of year	4,926,246
Prior period adjustment	<u>(54,059)</u>
Beginning of year, as restated	<u>4,872,187</u>
End of year	<u><u>\$ 5,148,442</u></u>

The accompanying auditors' report and notes should be read in conjunction with the financial statements.

BLACK JACK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005

1. DESCRIPTION OF REPORTING ENTITY

Black Jack Fire Protection District (Black Jack/the District) provides fire protection and prevention services to the surrounding community. They operate as a political subdivision, duly organized under the laws of the State of Missouri and are funded by real and personal property tax revenue, licenses, permits, and miscellaneous revenues. An elected board of directors, who regulate all major operations, oversees the district.

Component units are legally separate organizations for which the District is financially accountable; the District has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summary of accounting policies of the Black Jack is presented to assist in understanding the District's financial statements. The financial statements and notes are the representations of the Fire District's management, who is responsible for their integrity and objectivity. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental funds provided they do not conflict with or contradict GASB pronouncements.

Basis of presentation

The government-wide financial statements (statement of net assets and statement of activities) report information on all of the non-fiduciary activities of the District. Interfund payables have been removed from these statements for governmental fund types, except interfund payables between the general and fiduciary funds. Elimination of these balances would distort the revenues and expenditures reported for the various funds.

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 fund financial statements.

The District's basic financial statements combine the government-wide statements, including a statement of net assets and a statement of activities, with the fund financial statements. An adjustment column presents differences in the modified accrual and accrual basis of accounting. These differences arise in the recognition of revenue, the recording of deferred revenues, and in the presentation of expenses versus expenditures.

Measurement Focus and Basis of Accounting

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 reported 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. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Measurable means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to finance any liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end.

Those revenues susceptible to accrual are property taxes and ambulance fees. Charges for licenses and permits are not susceptible to accrual because they are generally not measurable until received in cash. Expenditures are recognized when the related fund liability is incurred except for certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Allocations of cost such as depreciation are not recognized in governmental funds.

Deferred revenue is reported on the governmental fund balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria. In a subsequent period, when both recognition criteria are met, the liability is removed and the revenue recognized.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. The District has two categories of funds: governmental and fiduciary.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The District's major governmental funds include the following:

General Fund - The General Fund is the operating fund of the District. All tax revenues and other receipts that are not allocated by law or contractual agreement are accounted for in this fund. The General Fund pays operating expenditures, fixed charges, and capital improvement costs not paid through other funds.

Dispatch Fund - The Dispatch Fund is used to account for the portion of the tax revenue designated for emergency vehicle dispatching services. The District uses North Central County Fire Alarm System for dispatching services.

Debt Service – The Debt Service Fund is used to account for the fulfillment of future debt service requirements, including the repurchase of outstanding bonds issued.

Capital Projects – The Capital Projects Fund is used to account for cash received from bond proceeds and expenditures related to construction and other capital improvements, the original purpose of the bond issue.

Fiduciary Fund Types

Fiduciary funds account for assets held by the District in a trustee or agency capacity. The pension (and other employee benefit) trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of a defined benefit pension plan.

Cash and Investments

Deposits (cash and savings accounts) are carried at cost, which approximates fair value. Investments are reported at fair value that is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Mutual fund investments, related to the retirement fund, are reported at their fair market value by the pension plan administration. The District considers all highly liquid investments, purchased with an original maturity of three months or less, as cash equivalents.

Allowance for Uncollectible Accounts

The District calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance at December 31, 2005, is composed of the following:

<u>Fund</u>	<u>Balance</u>
General	\$ 160,000
Dispatch	7,000
Debt Service	27,000
Fiduciary	17,000
Total	<u>\$ 211,000</u>

Interfund Activities

Interfund transfers represent interfund activities whereby the two parties to the transaction do not receive equivalent cash, goods, or services. Transfers should be reported as other financing sources and uses on the Statement of Revenues, Expenditures, and Changes in Fund Balance. Any resulting balances at the end of the accounting period should be reported as amounts due to and due from other funds.

Capital Assets

Land, buildings and equipment are stated on the basis of historical cost. The District maintains a capitalization threshold of \$1,000. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Accumulated depreciation is provided as a systematic amortization of cost to recognize use or obsolescence. Depreciation is accumulated on a straight-line basis over the estimated useful life of the asset. The useful lives of general fixed assets: buildings, 40 years; furniture and fixtures, 10 years; and equipment, 5-15 years.

Property Taxes

Property taxes are assessed by St. Louis County based on real and personal property owned as of January first of each preceding year. The county mails the property tax bills in November and expects collection by December 31. The County submits revenues collected to the District on a monthly basis.

Receivables represent delinquent taxes. At the fund level, deferred revenues represent delinquent taxes not received within 60 days of their due date, December 31 of each year. Allowances for uncollectibles are based upon the District's historical collection experience. Receipts of delinquent taxes are prorated between the funds based on rates adopted for the year the tax was originally levied. Revenue is adjusted to the full accrual method of accounting on the government-wide level.

Compensated Absences

District employees are entitled to accumulate unused sick leave to an established limit until retirement. Accrued sick leave is considered a general liability, split between current and long-term, and is reported in the government-wide statement of net assets rather than reported as a liability in the governmental funds.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

Budget Policy and Practice

The Board of Directors approves the budget at the end of each year, for the subsequent year. The District's budget includes all governmental funds and the pension expendable trust fund. The board of directors throughout the year monitors budget to actual expenditures. Periodically during the year, the District amends the budget.

Black Jack prepares the fund budgets on the cash basis. Revenues are budgeted in the year receipt is expected, and expenditures are budgeted in the years that payment is expected. The budget and actual financial statements are reported on this basis.

Designations of Fund Balance

The board, though not legally required, segregates the fund balance for specific purposes. At December 31, 2005, the District designated funds for future capital projects, future pension appropriations and other 2006 appropriations, and to fulfill future debt service requirements.

Implementation of New Accounting Principles

GASB Statement No. 40 establishes and modifies disclosure requirements related to investment and deposit risks. This statement addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Disclosures per GASB 40 are included in footnote 3.

3. DEPOSITS AND INVESTMENTS

Deposits

Missouri State Law requires deposits to be secured by certain securities held by the District or a trustee institution. The value of the securities must be equal to or greater than the District's cash and cash equivalent investments not insured by the Federal Deposit Insurance Corporation. As of December 31, 2005, the District's deposits remained fully insured or collateralized as required by state statutes. The collateral is held by Bank of America in the District's name.

Deposits held with financial institutions	\$ 7,498,712
FDIC insurance	100,000
Market value of collateral	<u>7,433,492</u>
Collateral in Excess of Requirements	<u><u>\$ (34,780)</u></u>

Investments

Statutes authorize the District to invest in obligations of the U.S. Treasury, U.S. Agencies, municipal securities and repurchase agreements. The Pension Trust Fund, by authorization, may invest in corporate common or preferred stocks, bonds and mortgages, real or personal property and other evidence of indebtedness or ownership.

As of December 31, 2005, the District had the following investments:

	<u>Carrying Amount/Fair Value</u>
Repurchase Agreement	\$ 4,695,000
Mutual Funds	<u>5,109,363</u>
	<u><u>\$ 9,804,363</u></u>

* Investments by the district in mutual funds are considered unclassified as to credit risk, because no evidence, by securities, exists in physical or book entry form. The pension trust fund owns all mutual funds.

4. RESTRICTED CASH

In order to allow the District to fund the repayment of the bonds outstanding, cash held in the bond retirement account is restricted solely for this purpose. Cash held in the bond proceeds account is restricted to capital improvements, the original purpose of the bond issue.

5. GENERAL FIXED ASSETS

	Balance January 1, 2005	Additions	Deletions	Balance December 31, 2005
Non-depreciable:				
Land	\$ 14,941	\$ -	\$ -	\$ 14,941
Construction in Progress	1,163,685	-	1,163,685	-
Depreciable:				
Building & Improvements	800,155	3,722,713	-	4,522,868
Fire Equipment & Vehicles	1,765,522	384,863	29,555	2,120,830
Equipment & Fixtures	191,066	338,931	22,560	507,437
Total	3,935,369	4,446,507	1,215,800	7,166,076
Accumulated depreciation	1,061,811	235,366	52,115	1,245,062
Net Book Value	<u>\$ 2,873,558</u>	<u>\$ 4,211,141</u>	<u>\$ 1,163,685</u>	<u>\$ 5,921,014</u>

Construction in progress amounts relate to preliminary costs incurred for new facilities.

6. PROTECTION FROM RISK

The District remains exposed to losses related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters for which the district carries commercial insurance. At this time management believes no risk of loss exists.

The District participates in a public entity risk pool with other districts covering workmen compensation benefits. The district pays an annual premium to the pool, of which 5% is used to purchase commercial insurance coverage. Stop-loss coverage exists for individual claims exceeding \$1,000,000.

7. BONDS OUTSTANDING

The District issued \$11,000,000 in general obligation bonds for the purpose of constructing and equipping fire stations. Black Jack utilized portions of the proceeds to purchase new fire protection equipment and construct on a new firehouse. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. They require the District to compute, at the times taxes are levied, the rate required to provide a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

The outstanding bonds carry interest rates of 3.05% to 5.0% and mature from February 15, 2006 to 2025.

<u>Maturity Date</u>	<u>Bond</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 425,000	\$ 385,372	\$ 810,372
2007	450,000	387,431	837,431
2008	425,000	369,981	794,981
2009	450,000	352,463	802,463
2010	450,000	334,944	784,944
2011-2015	2,525,000	1,406,409	3,931,409
2016-2020	2,825,000	863,681	3,688,681
2021-2025	2,450,000	217,425	2,667,425
	<u>\$ 10,000,000</u>	<u>\$ 4,317,706</u>	<u>\$ 14,317,706</u>

Legal Debt Margin:

Assessed valuation - January 1, 2005	<u>\$ 558,158,618</u>
Debt limit - 5% of Assessed value	\$ 27,907,931
Less amount of debt applicable to debt limit:	
Total bonded debt outstanding	<u>10,000,000</u>
Legal Debt Margin	<u>\$ 17,907,931</u>

8. CHANGES IN LONG-TERM LIABILITIES

	Balance January 1, 2005	Additions	Deletions	Balance December 31, 2005	Balance Due Within One Year
Accrued Compensated Absences	\$ 456,198	\$ 70,985	\$ -	\$ 527,183	\$ 148,936
Bonds Payable	8,275,000	2,000,000	275,000	10,000,000	425,000
Net Book Value	<u>\$ 8,731,198</u>	<u>\$ 2,070,985</u>	<u>\$ 275,000</u>	<u>\$ 10,527,183</u>	<u>\$ 573,936</u>

9. INTERFUND RECEIVABLES/PAYABLES

	Interfund Receivables	Interfund Payable
General fund	\$ -	\$ 65,770
Dispatching fund	48,850	-
Expendable trust fund	-	174,279
Capital Projects fund	59,551	-
Bond Retirement fund	131,648	-
Total	<u>\$ 240,049</u>	<u>\$ 240,049</u>

10. DEFINED BENEFIT PLAN

Plan Description

Black Jack Fire Protection District maintains a single-employer, defined-benefit pension plan administered by the Retirement Plan Committee. The Plan provides retirement, death, and disability benefits to plan members and beneficiaries in accordance with the resolution establishing the Plan. The Plan may be amended under the provisions of Article X.

The Plan does not issue a separate stand-alone financial report. Black Jack displays the financial information in the District's financial statements in the Statement of Fiduciary Net Assets and Changes in Net Assets.

Current plan membership as of December 31, 2005:

Current active members:	
Fully vested	37
Retirees and beneficiaries currently receiving benefits	4
Deferred vested	<u>4</u>
Total Membership	<u>45</u>

Funding Policy

The District must annually contribute an actuarially determined amount; in response they authorized an \$635,161 contribution in 2005.

Annual Pension Cost and Net Pension Obligation

The District's annual pension cost and net pension obligation to the Plan for the current year:

Annual required contribution	\$ 371,197
Interest on net pension obligation	(34,252)
Adjustment to annual required contribution	<u>46,206</u>
Annual pension cost	383,151
Contribution made *	<u>620,371</u>
Decrease in net pension obligation	(237,220)
Net pension obligation:	
Beginning of year	<u>(489,318)</u>
End of year	<u>\$ (726,538)</u>

The actuarial firm determined the annual required contribution for the current year as part of the January 1, 2006 actuarial valuation using the entry age normal cost method, with entry age determined at the date each employee would have entered the plan, had the plan always been in existence. The actuarial assumptions included a 7% investment rate of return (net of administrative expenses of \$10,000). The actuarial value of plan assets equals fair market value at December 31, 2005.

*Actual employer contribution per actuarial valuation does not include a contribution in transit at December 31, 2005 of \$246,109, and does include a contribution in transit from December 31, 2004 of \$231,319 recorded by the pension in 2005.

Three-Year Trend Information

Fiscal Year Ending December 31,	Annual Pension Cost (APC)	* Percentage of APC Contributed	Net Pension Obligation
2005	383,151	161.91%	(726,538)
2004	399,358	167.05%	(489,318)
2003	408,082	117.81%	(221,549)

Schedule of Funding Progress

Actuarial Valuation Date January 1,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAL as a Percentage of Covered Payroll
2006	4,863,254	7,882,791	3,019,537	61.69%	3,085,000	97.88%
2005	4,508,347	6,938,785	2,430,438	64.97%	2,864,631	84.84%
2004	3,728,434	6,938,785	3,210,351	53.73%	2,639,446	121.63%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution (ARC)	*Actual Employer Contribution	Percentage Contributed
12/31/2005	371,197	620,371	167.13%
12/31/2004	393,945	667,127	169.35%
12/31/2003	404,446	480,773	118.87%

11. DEFERRED COMPENSATION PLAN

All employees of the District may choose to 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). 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 an unforeseeable emergency.

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees of beneficiaries, are the property of the District, subject only to claims of the District's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the District, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The District believes it is unlikely plan assets will be needed to satisfy claims arising from general creditors.

As part of its fiduciary role, the District has an obligation of due care in selecting the third-party administrator. In the opinion of the District's legal counsel, the District has acted in a prudent manner and should not be liable for losses that may arise from the administration of the plan.

12. CONTRACTUAL AGREEMENTS

The District has entered into a contractual agreement with North Central County Fire Alarm System (NCCFAS) for dispatching services. Terms of the agreement state that all monies from tax collections due (per levy of 4 cents per \$100.00 assessed valuation for 2005) must be remitted to NCCFAS.

13. PRIOR PERIOD ADJUSTMENT

The beginning net assets reported in the financial statements have been adjusted to properly reflect an overstatement of revenue and taxes receivable in the 2004 financial statements as defined by GASB 34. The statement of activities includes an adjustment of \$666,158 and the statement of changes in fiduciary net assets includes an adjustment of \$54,059, totaling \$720,217.

SUPPLEMENTARY INFORMATION

BLACK JACK FIRE PROTECTION DISTRICT
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2005

TAX REVENUES AND ASSESSMENTS

	Total Assessed Valuation	Total Blended Rate	Tax Levy
Real estate	\$ 452,836,050	1.279/\$100	\$ 5,792,905
Personal property	93,644,610	1.279/\$100	1,197,949
Railroad and utilities	11,677,958	1.279/\$100	149,390
Totals Based on Valuation as of	<u>\$ 558,158,618</u>		<u>\$ 7,140,244</u>

ALLOCATION OF TAX RATES BY FUND
PER \$100 OF ASSESSED VALUATION

	Residential	Agricultural	Commercial	Personal	Total Blended Rate
General Fund	\$ 0.911	\$ 1.000	\$ 0.993	\$ 1.000	\$ 0.976
Dispatch Fund	0.040	0.040	0.040	0.040	0.040
Debt Service Fund	0.167	0.167	0.167	0.167	0.167
Pension Trust Fund	0.091	0.100	0.094	0.100	0.096
	<u>\$ 1.209</u>	<u>\$ 1.307</u>	<u>\$ 1.294</u>	<u>\$ 1.307</u>	<u>\$ 1.279</u>

The accompanying auditors' report and notes should be read in conjunction
with the supplemental information.

BLACK JACK FIRE PROTECTION DISTRICT
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2005

SCHEDULE OF INSURANCE

<u>Company</u>	<u>Coverage</u>	<u>Limits</u>
American Alternative Ins.	Commercial Property	Guaranteed Replacement Cost
American Alternative Ins.	Umbrella Policy	\$1,000,000 limit per occurrence
American Alternative Ins.	Commercial Crime Policy	\$20,000 limit per employee
American Alternative Ins.	Management Liability Policy	\$1,000,000 limit per occurrence
American Alternative Ins.	Portable Equipment Policy	Guaranteed Replacement Cost
Missouri Fire and Ambulance	Worker's Compensation	Per Missouri Statutes

DIRECTORS' SALARIES AND EXPENSES

<u>Director</u>	<u>Salary</u>	<u>Expenses</u>
Kenneth Schmalbeck	\$ 8,600	\$ 850
Randolph Adler	10,800	302
Sylvestor Taylor II	10,750	993
	<u>\$ 30,150</u>	<u>\$ 2,145</u>

The accompanying auditors' report and notes should be read in conjunction with the supplemental information.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenue</u>				
Property taxes	\$ 4,909,105	\$ 5,489,499	\$ 5,484,514	\$ (4,985)
Licenses, permits, and fees	50,000	74,677	74,677	-
Investment income	15,000	80,612	87,044	6,432
Other income	21,000	35,140	35,141	1
Total revenue	4,995,105	5,679,928	5,681,376	1,448
<u>Expenditures</u>				
Current Operating:				
Personal services	3,809,510	3,757,190	3,590,163	(167,027)
Materials and services	512,500	521,197	560,096	38,899
Total expenditures	4,322,010	4,278,387	4,150,259	(128,128)
NET CHANGES IN FUND BALANCES	673,095	1,401,541	1,531,117	(126,680)
FUND BALANCES - BEGINNING	4,810,788	4,810,788	4,810,788	-
FUND BALANCES - ENDING	\$ 5,483,883	\$ 6,212,329	\$ 6,341,905	\$ (126,680)

The accompanying auditors' report and notes should be read in conjunction
with the supplemental information.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DISPATCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenue</u>				
Property taxes	\$ 196,797	\$ 231,091	\$ 231,091	\$ -
Total revenue	<u>196,797</u>	<u>231,091</u>	<u>231,091</u>	<u>-</u>
<u>Expenditures</u>				
Current Operating:				
Materials and services	196,797	201,537	201,537	-
Total expenditures	<u>196,797</u>	<u>201,537</u>	<u>201,537</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	-	29,554	29,554	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 29,554</u>	<u>\$ 29,554</u>	<u>\$ -</u>

The accompanying auditors' report and notes should be read in conjunction with the supplemental information.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

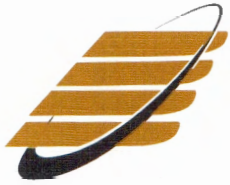
	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenue</u>				
Property taxes	\$ 516,593	\$ 837,156	\$ 837,156	\$ -
Investment income	4,500	14,485	14,485	-
Total revenue	521,093	851,641	851,641	-
<u>Expenditures</u>				
Current Operating:				
Materials and services	800	775	775	-
Debt service:				
Principal retirement	275,000	275,000	275,000	-
Interest and fiscal charges	338,756	338,756	338,755	(1)
Total expenditures	614,556	614,531	614,530	(1)
NET CHANGES IN FUND BALANCES	(93,463)	237,110	237,111	(1)
FUND BALANCES - BEGINNING	1,308,113	1,308,113	1,308,113	-
FUND BALANCES - ENDING	\$ 1,214,650	\$ 1,545,223	\$ 1,545,224	\$ (1)

The accompanying auditors' report and notes should be read in conjunction with the supplemental information.

BLACK JACK FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

**The District has not adopted a budget for the
Capital Projects Fund because it is not legally
required to do so, thus eliminating the requirement
to present budgetary comparison information.**

The accompanying auditors' report and notes should be read in conjunction
with the supplemental information.



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

To the Board of Directors
Black Jack Fire Protection District

We have audited the financial statements of Black Jack Fire Protection District, as of and for the year ended December 31, 2005, and have issued our report thereon dated May 12, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Black Jack Fire Protection District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and 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 provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Black Jack Fire Protection District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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.

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

May 12, 2006
St. Louis, Missouri

Bergman, Schraier & Co., P.C.