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Missouri State Auditor

Review of Independent Audits of Fire Protection Districts in St. Louis County

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YELLOW SHEET

Findings in the audit of the Review of Independent Audits of Fire Protection Districts in St. Louis County

Executive Summary

State law requires all fire protection districts in St. Louis County with revenues in excess of \$50,000 annually to obtain an audit to be performed on a biennial basis. The State Auditor accepted all 21 reports received for the year ended December 31, 2008, all 21 reports received for the year ended December 31, 2007, and 1 report for the 18 months ended June 30, 2007.

The Kinloch Fire Protection District failed to comply with state law and did not file annual reports documenting that annual revenues were less than \$50,000. Based on bank records obtained from the district, approximately \$42,000 was received for the year ended December 31, 2008. No information was provided for the year ended December 31, 2007.

The Northeast Ambulance and Fire Protection District failed to comply with state law and did not submit an audit report to the State Auditor's Office for the years ended June 30, 2009 and 2008. The report for the 18 months ended June 30, 2007, was not submitted timely.

In 2008, 17 districts had fund balance to expenditures ratios greater than one, which indicates the total fund balance was greater than a year's cost of operations (in 2007, 19 districts had ratios greater than one). In addition, although a large number of districts have reserved or designated a portion of the 2008 fund balances for new firehouses, additional equipment, future years' operations, and other uses, two still have unreserved, undesignated fund balances greater than a year's cost of operations (in 2007, six districts had ratios greater than one). During the year ended December 31, 2008, the ratio of unreserved, undesignated fund balance to expenditures increased for 10 of 21 fire districts. In addition, two fire districts have had unreserved/undesignated ratios greater than one for the last several years.

Eleven of 17 districts had increases in Ambulance Fund balances in 2008, resulting in an aggregate increase of approximately 7.3 percent. One district had a voter approved increase in the Ambulance Fund levy. While most Ambulance Fund balances appear reasonable, nine districts have fund balances greater than a year's expenditures.

Additions to the Pension Funds decreased 255 percent in 2008 compared to 2007. The decrease was largely due to losses on investments. Based on the pension plan notes in the audit reports, nine of ten districts with defined benefit plans do not have enough estimated actuarial assets to cover the estimated actuarial liability (pension benefits) in their Pension Fund, resulting in an unfunded liability.



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There are 15 districts that have Capital Projects Funds which are funded with proceeds from bonds, certificates of participation, and/or transfers from other district funds. Each district's Capital Projects Fund is used to account for these financial resources used for the acquisition, construction, and/or renovation of major capital assets. Several districts currently have commitments to purchase or have already purchased fire trucks, ambulances, and other equipment. In addition, several districts have begun to or have plans to renovate old fire houses or construct new or additional fire houses. The balances in these funds should be considered when analyzing the fund status of the district. Seven districts that have total General Fund balance to expenditures ratios greater than one also have Capital Projects Funds with balances of over \$1 million for the year ended December 31, 2008.

Fourteen districts have outstanding bond debt at December 31, 2008. Five districts issued general obligation bonds totaling \$13 million in 2008 and 2007.

Independent auditors made specific recommendations to improve the overall management of the fire districts. In total, 36 recommendations were made to the various districts in 2008. Recommendations included concerns regarding expenditures, accounting records and procedures, revenues, investments, capital assets, budgetary procedures, payroll and employee benefits, pledged securities, and pensions. Of the 97 recommendations made during the 2007 audits, 18 were repeated in the 2008 audits. However, a 2008 audit was not received for the Northeast Ambulance and Fire Protection District to determine how many of the 27 recommendations from the audit for the 18 months ended June 30, 2007, had been implemented. The State Auditor's office issued an audit of Northeast Ambulance and Fire Protection District in November 2009 (see Report No. 2009-131).

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Review of Independent Audits of Fire Protection Districts in St. Louis County

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SUSAN MONTEE, JD, CPA
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Honorable Jeremiah W. (Jay) Nixon, Governor
and
Members of the General Assembly
and
Boards of Directors of Fire Protection
Districts in St. Louis County

Certain fire protection districts are required by Section 321.690, RSMo, to be audited. We have conducted a review of these independent audits of the fire protection districts in St. Louis County. The objectives of this review were to:

1. Evaluate the impact of, and the districts' compliance with, statutory audit requirements and the State Auditor's regulations on the effectiveness of financial reporting and auditing for fire protection districts in St. Louis County.
2. Notify the various fire protection districts and independent auditors of any specifically identifiable reporting deficiencies that should be considered and corrected in future audit reports.
3. Summarize and evaluate the financial data presented for the various fire districts and any comments for improvements made by the independent auditors.

Our review was limited to the specific matters described above and was based on selective procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The State Auditor's office has reviewed fire protection districts' audit reports for several years and noted many improvements. It appears that the fire protection districts, on the whole, are working to improve the quality of their financial reporting. The format of this report includes an executive summary and a scope, methodology, and limitations section describing work performed.



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The following auditors participated in the preparation of this report:

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Review of Independent Audits of Fire Protection Districts in St. Louis County Executive Summary

Section 321.690, RSMo, requires all fire protection districts in St. Louis County with revenues in excess of \$50,000 annually to cause an audit to be performed on a biennial basis. For those districts with annual revenues of less than \$50,000, the State Auditor may exempt the district from the audit requirement, if the appropriate reports are filed.

The Kinloch Fire Protection District failed to comply with state law and did not file annual reports documenting that annual revenues were less than \$50,000. Based on bank records obtained from the district, approximately \$42,000 was received for the year ended December 31, 2008. No information was provided for the year ended December 31, 2007.

The Northeast Ambulance and Fire Protection District failed to comply with state law and did not submit an audit report to the State Auditor's Office for the years ended June 30, 2009 and 2008. An audit report was submitted for the 18 months ended June 30, 2007, in December 2009. The district indicated its name changed from Normandy Fire Protection District to Northeast Ambulance and Fire Protection District and its fiscal year end changed to June 30.

For those districts for which an audit is required, the district must file a copy of the completed audit report and management letter with the State Auditor within 6 months after the close of the fiscal year. The audit reports and management letters are reviewed to determine they are prepared according to guidelines contained within the Code of State Regulations (CSR) (Section 15 CSR 40-4). Any weaknesses noted during the review are communicated to the districts by letter. Should the weaknesses be of a serious enough nature to require the report to be amended, the district is granted a 90-day period from the date of notification by the State Auditor to correct the report. The State Auditor accepted all 21 reports received for the year ended December 31, 2008, all 21 reports received for the year ended December 31, 2007, and 1 report for the 18 months ended June 30, 2007. However, instances of noncompliance including the lack of follow up to previous recommendations and the lack of complete and adequate footnote disclosures were noted. These problems were communicated to the applicable fire protection district auditors. In addition, 11 districts did not submit copies of engagement letters to the State Auditor as required by 15 CSR 40-4.010.

The timeliness of reporting has improved for the last 2 years. Only 1 of 22 reports for 2007, was received after the respective statutory deadline. The Northeast Ambulance and Fire Protection District filed its audit for the 18 months ended June 30, 2007, in December 2009, and has not filed reports for the years ended June 30, 2009 and 2008. The other 21 district reports met the statutory deadlines.



Review of Independent Audits of Fire Protection Districts in St. Louis County Executive Summary

While not only required by statute, timely audits also provide information to the board and district taxpayers on the financial status of the district and ways to improve the management of the districts. Fire district board members should ensure audits are completed by the statutory deadline.

Since property tax is the main source of revenue, and is received at the end of each year, districts need larger fund balances to provide an adequate cash flow. However, 17 districts had fund balance to expenditures ratios greater than one in 2008, which indicates the total fund balance was greater than a year's cost of operations (in 2007, 19 districts had ratios greater than one). In addition, although a large number of districts have reserved or designated a portion of the 2008 fund balances for new firehouses, additional equipment, future years' operations, and other uses, two still have unreserved, undesignated fund balances greater than a year's cost of operations (in 2007, six districts had ratios greater than one). This is reflected in the table below:

Fund Balances to Expenditures Ratio

District	2008		2007		2006	
	Total	Unreserved/ Undesignated	Total	Unreserved/ Undesignated	Total	Unreserved/ Undesignated
Affton	1.55	1.32	1.52	1.14	1.51	1.41
Black Jack	2.08	0.89	1.95	0.74	1.69	.97
Community	1.57	0.79	1.61	0.87	1.28	.74
Creve Coeur	2.55	0.83	2.40	0.77	2.80	.95
Eureka	0.62	0.57	1.03	0.73	.69	.69
Fenton	1.75	1.42	1.52	1.17	1.77	1.56
Florissant Valley	3.21	0.87	2.96	0.38	2.56	.87
Lemay	1.00	0.97	1.35	1.06	1.23	1.23
Maryland Heights	2.54	0.80	1.14	0.57	2.00	.91
Mehlville	1.56	0.52	1.49	1.19	1.70	.59
Metro North	1.07	0.68	0.98	0.75	.77	.77
Metro West	2.20	0.60	1.78	0.21	1.74	.63
Mid-County	1.25	0.83	1.29	0.49	1.36	1.10
Monarch	1.51	0.38	1.43	1.12	1.48	.44
Northeast *	na	na	0.51	0.34	na	na
Pattonville/Bridgeton Terrace	1.23	0.64	1.27	0.71	1.48	.81
Riverview	1.63	0.18	1.73	0.65	1.45	.18
Robertson	1.68	0.87	1.73	0.72	1.80	.94
Spanish Lake	0.69	0.88	0.80	0.88	.96	.96
Valley Park	0.91	0.89	1.54	1.07	1.10	.72
West County EMS	1.40	0.92	1.39	0.56	1.70	1.07
West Overland	1.80	0.42	1.72	0.95	.94	.27

* Presented at June 30, 2007.



Review of Independent Audits of Fire Protection Districts in St. Louis County Executive Summary

During the year ended December 31, 2008, the ratio of unreserved, undesignated fund balance to expenditures increased for 10 of 21 fire districts. In addition, two fire districts have had unreserved/undesignated ratios greater than one for the last several years. As noted in previous reports, the districts should annually re-evaluate the propriety of their tax levies to ensure excess revenues are not received and accumulated.

Eleven of 17 districts had increases in Ambulance Fund balances in 2008 (see Schedule 2), resulting in an aggregate increase of approximately 7.3 percent. One district had a voter approved increase in the Ambulance Fund levy. While most Ambulance Fund balances appear reasonable, nine districts have fund balances greater than a year's expenditures. Fire protection districts should assess the need for large balances.

Thirteen of 21 districts had increases in Dispatching Fund balances in 2008 (see Schedule 3). However, the aggregate increase was less than 6 percent and appears to be caused by timing differences of payments for dispatching services. Six districts had fund balances greater than a year's expenditures. Districts should continue to assess the need for large balances.

Additions to the Pension Funds decreased 255 percent in 2008 compared to 2007 (decreased 17 percent in 2007). The decrease was largely due to losses on investments. Nine of 21 districts show negative additions in 2008 due to investment losses, while three districts presented losses as a deduction (see Schedule 4). The net depreciation in the fair value of investments ranged from approximately \$11,000 to \$6.7 million per district, and totaled approximately \$42,892,000 (net of interest and dividends). The accounting presentation for the Community Fire Protection District and the Robertson Fire Protection District was changed and monies held in trust for employees were not presented along with investment earnings on those funds in 2008 or 2007.

Based on the pension plan notes in the audit reports, nine of ten districts with defined benefit plans do not have enough estimated actuarial assets to cover the estimated actuarial liability (pension benefits) in their Pension Fund, resulting in an unfunded liability. The remaining districts have defined contribution plans, in which no liability typically exists above that of the assets accumulated. The table below focuses on the unfunded liabilities of the district's with defined benefit plans.



Review of Independent Audits of Fire Protection Districts in St. Louis County
Executive Summary

Defined Benefit Funding Progress

District	Estimated Actuarial Value of Assets	Estimated Actuarial Liability	Estimated Unfunded Liability	Projected Funded Ratio
Affton	\$ 3,845,111	8,122,485	(4,277,374)	47.3%
Black Jack	5,011,952	9,717,138	(4,705,186)	51.6%
Creve Coeur	5,548,136	9,622,947	(4,074,811)	57.7%
Eureka	5,482,584	7,039,378	(1,556,794)	77.9%
Fenton	18,752,848	18,752,848	0	100.0%
Florissant Valley	10,805,203	14,886,647	(4,081,444)	72.6%
Mehlville	28,883,331	29,333,216	(449,885)	98.5%
Metro West	24,938,459	31,872,294	(6,933,835)	78.2%
Mid-County	695,704	1,571,819	(876,115)	44.3%
Pattonville/Bridgeton Terrace	**	**	**	**
Valley Park	2,170,771	2,973,126	(802,355)	73.0%

** This information was not presented in the audit.

In 8 of 10 districts, the funded ratio is less than 80 percent. Since only two districts have increased their projected funded ratio in the last 2 years, it appears many of these districts are having problems adequately funding their liabilities, and the sustainability of their pension funds may be in question.

There are 15 districts that have Capital Projects Funds (see Schedule 5) which are funded with proceeds from bonds (see subsequent paragraph), certificates of participation (COPS) (Affton and Mehlville have issuances of COPS), and/or transfers from other district funds. Each district's Capital Projects Fund is used to account for these financial resources used for the acquisition, construction, and/or renovation of major capital assets. Several districts currently have commitments to purchase or have already purchased fire trucks, ambulances, and other equipment. In addition, several districts have begun to or have plans to renovate old fire houses or construct new or additional fire houses. The balances in these funds should be considered when analyzing the fund status of the district. Seven districts that have total General Fund balance to expenditures ratios greater than one also have Capital Projects Funds with balances of over \$1 million for the year ended December 31, 2008.

Fourteen districts have outstanding bond debt at December 31, 2008 (see Schedule 6). Five districts issued general obligation bonds totaling \$13 million in 2008 and 2007. The bond principal and interest payments are funded by a dedicated tax. When districts are setting debt service levies each



Review of Independent Audits of Fire Protection Districts in St. Louis County Executive Summary

year, they should ensure amounts available and to be collected are sufficient only to meet necessary obligations. In addition to the outstanding bond debt, two districts have outstanding COPS.

Districts realized an increase in land and buildings and an overall increase in net Capital Assets Fund balances. Several districts are buying land and building new firehouses.

Independent auditors made specific recommendations to improve the overall management of the fire districts. In total, 36 recommendations were made to the various districts in 2008. Recommendations included concerns regarding expenditures, accounting records and procedures, revenues, investments, capital assets, budgetary procedures, payroll and employee benefits, pledged securities, and pensions. Of the 97 recommendations made during the 2007 audits, 18 were repeated in the 2008 audits. However, a 2008 audit was not received for the Northeast Ambulance and Fire Protection District to determine how many of the 27 recommendations from the audit for the 18 months ended June 30, 2007, had been implemented. Each fire district should review all recommendations and the applicability to their individual district and implement these recommendations in an efficient and timely manner. Also, consideration should be given by individual districts to have their independent auditor review any areas where risk and citizen concern may be evident.

Review of Independent Audits of Fire Protection Districts in St. Louis County Scope, Methodology, and Limitations

Scope

For the 2 years ended December 31, 2008, there were 23 fire protection districts in St. Louis County. Audit reports were received for 21 districts for the years ended December 31, 2008 and 2007, and for the Northeast Ambulance and Fire Protection District for the 18 months ended June 30, 2007. The Northeast Ambulance and Fire Protection District did not submit an audit report to the State Auditor's office for the years ended June 30, 2009 and 2008. The Kinloch Fire Protection District did not file annual reports documenting that annual revenues were less than \$50,000 or submit an audit report for 2008 or 2007. Based on bank records obtained from the district, the district received approximately \$42,000 for the year ended December 31, 2008.

During our review, we considered Section 321.690, RSMo (Appendix A), 15 CSR 40-4 (Appendix B), and audit reports submitted to the State Auditor by the various fire districts for the years ended December 31, 2008 and 2007, and the 18 months ended June 30, 2007.

Methodology

We compiled the following information and schedules to accomplish the objectives of this report:

- The Summary of Findings in the Independent Auditor Reports is a summary of the various comments contained in the independent auditors' reports on compliance and internal control and in the management letters received by the State Auditor. These comments apply to individual fire protection districts unless otherwise noted. These comments extracted from the reports and management letters were not verified by the State Auditor's office.
- Schedule 1 presents revenues, expenditures, and fund balance for the General Funds in a combined format. The General Fund is the general operating fund of the district and is used to account for all resources except those accounted for in other funds.
- Schedule 2 presents revenues, expenditures, and fund balance for the Ambulance Funds in a combined format. This fund is a special revenue fund which is used to account for the proceeds of a special tax levy which is restricted for ambulance operations. In addition, ambulance fees are charged by 17 of the 18 districts which offer ambulance services.
- Schedule 3 presents revenues, expenditures, and fund balance for the Dispatching Funds in a combined format. This fund is a special revenue fund which is used to account for the proceeds of a special tax levy which is restricted to dispatch operations. This is commonly accomplished by means of a contractual agreement with outside entities which provide dispatching services for several districts.



Review of Independent Audits of Fire Protection Districts in St Louis County Scope and Methodology

- Schedule 4 presents additions, deductions, and fund balance for Pension Funds in a combined format. This fund accounts for assets held in trust by the fire district or by an outside agency for the payment of retirement benefits and long-term disability benefits to eligible fire fighters, and/or property taxes received by the district and paid to the pension plan. The funds' primary sources of revenue are property taxes and investment income.
- Schedule 5 presents revenues, expenditures, and fund balance for Capital Project Funds in a combined format. This fund is used to account for the revenues and expenditures needed to finance the acquisition or construction of capital assets and improvements. The primary sources of revenues for this fund are bond proceeds, certificate of participation proceeds, investment income, and transfers from other funds.
- Schedule 6 presents the operations of the Debt Service Funds, the amount of bonds outstanding (principal only), and the debt obligations of the districts for 2009 (principal and interest). This fund is used to account for the accumulation of resources for the payment of general long-term debt principal and interest. The legal debt limit for a fire protection district is 5 percent of the fire protection district's assessed valuation. The reports submitted show that all fire protection districts with outstanding debt were within their statutory limits.
- Schedule 7 presents the capital asset balances of the districts. The schedule represents capital assets acquired or constructed for general governmental purposes that are reported as expenditures in the fund that financed the acquisition or construction and capitalized at historical cost or estimated historical cost if actual historical cost is not available.
- Schedule 8 presents the assessed valuations of the individual fire protection districts as well as combined tax levies for each of the districts' various funds.
- Schedule 9 is a list of total compensation paid to the fire district directors by each district.

The numbers presented in the schedules are from the individual fund financial statements in the audit reports. Interfund and equity transfers are included in the revenue and expenditure numbers on Schedules 1 through 6. Schedules 1, 2, 3, 5 and 6 represent governmental type funds and are presented on the modified accrual basis of accounting. The modified accrual basis recognizes revenues in the period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred. Schedule 4 represents some fiduciary funds



Review of Independent Audits of Fire Protection Districts in St Louis County Scope and Methodology

which are presented on the accrual basis of accounting and some government type funds (Pension Revenue Funds) which are presented on the modified accrual basis of accounting. The accrual basis recognizes revenues when earned and expenses when incurred. In compliance with GASB Statement 34, the district reports also include a Government Wide Statement of Net Assets and a Government Wide Statement of Activities presented using the economic resources measurement focus and the accrual basis of accounting.

Limitations

Data presented in the schedules was compiled from information submitted by the various fire districts and their independent auditors and was not verified by us. In analyzing these schedules, some disparity will result due to the different methods of presenting essentially the same information. Reasons for some disparities in comparison are:

1. The Pension Fund is presented differently by the fire districts. Eight districts offer defined benefit plans and eleven offer defined contribution plans. Two districts offer both types of plans and another offers a defined contribution plan and a supplemental defined benefit plan.

Pension Revenue Funds for Affton, Mehlville, Pattonville/Bridgeton Terrace, and Spanish Lake Fire Protection Districts were not included in Schedule 4. These funds are revenue funds which present the pension levy taxes received and the payments to the fiduciary Pension Fund presented in Schedule 4. In three of these districts (Affton, Mehlville, and Spanish Lake) revenues equaled expenditures and no fund balance was presented for this revenue fund; however, the Pattonville/Bridgeton Terrace Fire Protection District did have a fund balance at year end in this fund. Information pertaining to these fire district funds can be obtained from the applicable fire district.

In addition, seven districts' (Community, Lemay, Metro North, Monarch, Northeast, Robertson, and West County) audit reports do not include monies held in trust for employees in their pension funds.

2. Some districts may have major bond issues or certificate of participation issues to finance capital improvements or major asset purchases. The proceeds from these monies are placed in a Capital Improvement Fund. Other districts save for these expenditures instead of issuing related debt by transferring monies to a Capital Improvement Fund or reserving the monies in the General Fund.
3. Some districts collect user fees and others may not.



Review of Independent Audits of Fire Protection Districts in St Louis County
Scope and Methodology

4. Some districts have significant transfers to and from funds.
5. Some districts have reallocated expenses from the General Fund to the Ambulance Fund in an attempt to more accurately represent the actual use. This has caused increases in General Fund balances and decreases in Ambulance Fund balances.

In addition, the medical self-insurance/benefit funds, internal service funds, of the Eureka, Lemay, and Monarch Fire Protection Districts have not been presented in the schedules noted above. Information pertaining to these fire district funds can be obtained from the applicable fire district.

Review of Independent Audits of Fire Protection Districts in St. Louis County Summary of Findings in the Independent Auditor Reports

This section summarizes the various comments contained in the independent auditor reports on compliance and internal control and in the management letters issued by auditors in connection with the audits for the year ended December 31, 2008.

Expenditures

- In one district, the design of internal control over the cash disbursement process was inadequate.
- A district's receipts relating to charges on credit cards were not always matched to the credit card bill in order to prevent double payment.
- A district did not maintain supporting documentation on file for family support payments.
- A district recorded bank transfers in the accounting system using checks that were subsequently voided.

Accounting Records and Procedures

- In three districts, the design of internal control over non-routine and non-systematic transactions was inadequate.
- A district had not documented its accounting procedures and internal controls.
- In three districts, the design of internal control over fraud risk assessment was inadequate.
- Four districts had significant deficiencies in internal controls over financial reporting.
- A district did not have certain formal policies and procedures in place (i.e. accounting procedures, disaster recovery plan, capitalization and inventory counting procedures, purchasing policy).
- A district did not have controls over external financial reporting. The district prepared internal financial statements; however, it did not include notes, Governmental Accounting Standards Board (GASB) Statement No. 34, adjustments, or management's discussion and analysis required for external financial reporting. Management lacked knowledge regarding U.S. Generally Accepted Accounting Principles.
- A district used outside service providers to process medical fees for its Ambulance Fund and pay medical bills for its employees. None of the service providers had an auditor's report on internal controls.
- The Controller received bank statements and frequently reconciled accounts. The reconciliations were not reviewed by another person.



Review of Independent Audits of Fire Protection Districts in St Louis County
Summary of Management Letter Comments

- A district did not sufficiently segregate duties.
- The district used an outside agency to perform accounting services, including reconciliation of the district's bank accounts. However, the reconciliations were not reviewed by the Treasurer of the Board of Directors.

Revenues

- In two districts, the design of internal control over the ambulance billing process was inadequate.
- A district was incorrectly calculating the amount owed for permits, resulting in less revenue collected.
- The office manager did not retain a copy of the building permit application.

Investments

- A district did not adopt Section 30.950, RSMo, investment policy.
- A district violated its investment policy by investing in greater than 25 percent of commercial paper with one single issuer and by investing in a commercial paper issuer that had less than \$500 million in assets.

Capital Assets

- In one district, some assets had not been entered into the depreciation system.
- A district had not performed a physical inventory of capital assets and reconciled it to the general ledger.
- A district did not use salvage values for capital assets which do not depreciate to zero.

Budgetary Procedures

- Expenditures exceeded the budgetary appropriations in various funds in one district.

Payroll and Employee Benefits

- A district did not compute sick pay liability.
- In one district, the design of internal control over the payroll process was inadequate.

Pledged Securities

- Policies and procedures for reviewing the adequacy of securities pledges to collateralize its deposits were not properly designed in two districts.



Review of Independent Audits of Fire Protection Districts in St Louis County
Summary of Management Letter Comments

Pensions

- A district did not account for the retired employees benefits as a liability on the district financial statements which was not in compliance with 2008 GASB Statement No. 45.

Schedule 1

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Revenues, Expenditures, and Fund Balance -
 General Funds

Year Ended December 31,										
District	2007					2008				
	Beginning Fund Balance	Adjustments*	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance	
Affton	\$ 4,867,688	0	3,734,127	3,419,957	5,181,858	0	3,634,408	3,459,962	5,356,304	
Black Jack	7,467,730	0	5,872,769	4,518,507	8,821,992	0	5,937,614	4,790,061	9,969,545	
Community	7,057,174	0	5,131,175	4,666,392	7,521,957	0	5,713,124	5,148,978	8,086,103	
Creve Coeur	19,156,431	0	7,639,457	7,871,455	18,924,433	0	8,795,976	7,812,678	19,907,731	
Eureka	1,645,053	0	2,448,338	2,019,343	2,074,048	0	2,581,893	2,871,986	1,783,955	
Fenton	7,881,979	0	5,093,006	5,148,782	7,826,203	0	5,560,374	4,876,472	8,510,105	
Florissant Valley	10,041,876	0	5,642,923	3,957,038	11,727,761	0	5,854,378	4,181,030	13,401,109	
Lemay	1,802,845	0	1,670,721	1,476,607	1,996,959	(6,000)	1,724,768	1,859,163	1,856,564	
Maryland Heights	9,257,868	0	4,877,749	6,615,924	7,519,693	0	5,918,149	5,286,462	8,151,380	
Mehlville	16,952,629	0	11,521,786	11,424,544	17,049,871	0	12,093,818	11,390,367	17,753,322	
Metro North	1,349,891	0	2,251,937	1,816,301	1,785,527	0	2,324,553	1,984,230	2,125,850	
Metro West	11,593,938	0	8,933,484	7,390,766	13,136,656	0	9,215,358	6,979,163	15,372,851	
Mid-County	2,600,833	0	2,574,075	2,257,725	2,917,183	0	2,798,729	2,542,364	3,173,548	
Monarch	12,750,963	0	9,783,231	9,279,546	13,254,648	0	11,993,989	10,042,338	15,206,299	
Northeast **	2,002,685	0	4,304,148	4,185,402	2,121,431	**	**	**	**	
Pattonville/Bridgeton Terrace	11,032,621	198,660	8,541,046	8,694,794	11,077,533	0	10,038,190	9,477,548	11,638,175	
Riverview	3,050,422	0	2,032,767	1,861,442	3,221,747	0	2,251,202	2,084,751	3,388,198	
Robertson	5,671,492	0	3,094,893	3,207,740	5,558,645	0	3,535,828	3,397,532	5,696,941	
Spanish Lake	2,097,329	0	2,110,927	2,335,796	1,872,460	0	2,152,633	2,383,073	1,642,020	
Valley Park	2,167,276	0	1,923,274	1,608,555	2,481,995	0	2,106,444	2,402,141	2,186,298	
West County EMS	8,882,739	511,182	5,689,787	6,321,934	8,761,774	0	5,833,113	6,081,152	8,513,735	
West Overland	1,787,977	0	1,155,093	1,083,978	1,859,092	0	1,563,459	1,223,633	2,198,918	
Total	\$ 151,119,439	709,842	106,026,713	101,162,528	156,693,466	(6,000)	111,628,000	100,275,084	165,918,951	

* Prior period adjustments made by the CPA firms.

** Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

Schedule 2

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Revenues, Expenditures, and Fund Balance
 Special Revenue Funds - Ambulance Funds

District	Year Ended December 31,								
	2007					2008			
	Beginning Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 2,168,421	0	1,441,400	1,589,557	2,020,264	0	1,458,385	1,424,210	2,054,439
Black Jack	0	0	0	0	0	0	0	0	0
Community	2,795,083	0	2,803,994	2,577,259	3,021,818	0	3,125,797	2,650,519	3,497,096
Creve Coeur	0	0	4,733,837	4,733,837	0	0	4,941,170	4,941,170	0
Eureka	837,639	0	1,421,577	1,310,468	948,748	0	1,605,223	1,610,287	943,684
Fenton	3,887,942	0	2,917,860	2,750,018	4,055,784	0	3,536,645	2,969,326	4,623,103
Florissant Valley	1,312,675	0	4,846,812	4,152,993	2,006,494	0	4,890,757	4,362,158	2,535,093
Lemay	389,214	0	779,741	839,116	329,839	68,367	801,497	877,976	321,727
Maryland Heights	1,775,424	0	4,944,501	2,677,755	4,042,170	0	2,788,149	2,177,202	4,653,117
Mehlville	6,879,502	0	4,862,116	5,493,890	6,247,728	0	4,957,440	5,315,096	5,890,072
Metro North	0	0	0	0	0	0	0	0	0
Metro West	4,187,398	0	5,371,226	5,683,478	3,875,146	0	5,602,620	6,123,334	3,354,432
Mid-County	0	0	204,190	204,190	0	0	219,087	215,000	4,087
Monarch	7,110,439	0	5,686,046	5,874,647	6,921,838	0	7,138,420	6,535,056	7,525,202
Northeast **	1,645,934	0	1,372,183	1,572,572	1,445,545	**	**	**	**
Pattonville/Bridgeton Terrace	3,334,009	0	2,051,879	2,191,458	3,194,430	0	2,620,257	2,169,342	3,645,345
Riverview	0	0	0	0	0	0	0	0	0
Robertson	1,084,969	0	1,790,642	1,667,783	1,207,828	0	2,709,929	2,040,228	1,877,529
Spanish Lake	0	0	0	0	0	0	0	0	0
Valley Park	753,962	0	643,545	612,526	784,981	0	777,483	672,493	889,971
West County EMS	3,187,731	217,703	2,815,457	2,696,035	3,524,856	0	2,908,300	2,759,671	3,673,485
West Overland	748,336	0	1,146,532	1,354,626	540,242	0	1,407,614	1,464,657	483,199
Total	\$ 42,098,678	217,703	49,833,538	47,982,208	44,167,711	68,367	51,488,773	48,307,725	45,971,581

* Prior period adjustments made by the CPA firms.

** Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

Schedule 3

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Revenues, Expenditures, and Fund Balance -
 Special Revenue Funds - Dispatching Funds

District	Year Ended December 31,									
	2007					2008				
	Beginning Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance	
Affton	\$ 71,694	0	120,664	130,636	61,722	0	124,777	130,004	56,495	
Black Jack	0	0	282,444	218,487	63,957	0	282,406	278,288	68,075	
Community	10,892	0	129,871	81,703	59,060	0	202,804	224,892	36,972	
Creve Coeur	48,506	0	521,609	521,609	48,506	0	617,806	617,806	48,506	
Eureka	56,760	0	88,838	79,677	65,921	0	97,218	63,968	99,171	
Fenton	745,898	0	426,768	354,166	818,500	0	525,249	360,779	982,970	
Florissant Valley	523,537	0	375,268	351,720	547,085	0	399,572	384,823	561,834	
Lemay	120,005	0	70,136	49,538	140,603	(646)	82,441	56,284	166,114	
Maryland Heights	32,701	0	285,540	347,478	(29,237)	0	337,543	244,072	64,234	
Mehlville	891,372	0	605,969	617,066	880,275	0	655,798	647,089	888,984	
Metro North	9,703	0	52,457	57,160	5,000	0	58,126	50,419	12,707	
Metro West	274,226	0	701,602	708,660	267,168	0	751,310	669,863	348,615	
Mid-County	13,447	0	52,740	52,057	14,130	0	58,843	54,176	18,797	
Monarch	808,911	0	820,833	1,137,914	491,830	0	1,078,037	1,185,694	384,173	
Northeast **	56,991	0	170,729	170,729	56,991	**	**	**	**	
Pattonville/Bridgeton Terrace	119,461	0	275,897	290,297	105,061	0	392,402	439,271	58,192	
Riverview	0	0	54,755	54,755	0	0	58,607	58,607	0	
Robertson	46,261	0	150,187	144,009	52,439	0	189,221	161,759	79,901	
Spanish Lake	43,825	0	81,169	117,912	7,082	0	80,448	84,761	2,769	
Valley Park	52,750	13,441	61,546	55,972	71,765	0	66,126	57,661	80,230	
West County EMS	354,787	(235,030)	317,755	303,280	134,232	0	339,773	348,978	125,027	
West Overland	103,616	0	74,196	112,548	65,264	0	95,289	82,017	78,536	
Total	\$ 4,385,343	(221,589)	5,720,973	5,957,373	3,927,354	(646)	6,493,796	6,201,211	4,162,302	

* Prior period adjustments made by the CPA firms.

** Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

Schedule 4

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Additions, Deductions, and Fund Balance -
 Pension Funds

District	Year Ended December 31,								
	2007					2008			
	Beginning Fund Balance	Adjustments*	Additions	Deductions	Ending Fund Balance	Adjustments *	Additions	Deductions	Ending Fund Balance
Affton (1)	\$ 4,310,899	0	693,497	216,493	4,787,903	0	(640,305)	290,388	3,857,210
Black Jack	6,115,839	0	878,017	347,302	6,646,554	0	(1,800,718)	304,879	4,540,957
Community (2)	109,324	0	433,486	550,695	(7,885)	0	552,310	626,955	(82,530)
Creve Coeur	26,543,803	0	3,878,544	1,295,986	29,126,361	0	(5,054,276)	2,891,429	21,180,656
Eureka	6,258,940	0	661,931	108,547	6,812,324	0	(1,844,024)	131,428	4,836,872
Fenton	19,863,446	0	1,864,057	323,612	21,403,891	0	1,119,066	5,986,372	16,536,585
Florissant Valley	10,591,795	0	1,831,999	61,418	12,362,376	0	1,518,426	2,210,250	11,670,552
Lemay (2)	134,017	0	140,869	139,300	135,586	(1,303)	161,305	144,872	150,716
Maryland Heights	15,118,294	0	1,773,381	66,556	16,825,119	0	(4,161,759)	24,592	12,638,768
Mehlville (1)	40,086,458	0	4,216,750	7,653,664	36,649,544	0	1,660,467	6,148,023	32,161,988
Metro North (2)	227,973	0	304,357	309,714	222,616	0	299,236	300,000	221,852
Metro West	27,190,848	0	3,650,123	1,151,306	29,689,665	0	(3,526,383)	1,250,909	24,912,373
Mid-County	1,410,481	0	454,124	12,560	1,852,045	0	368,907	380,582	1,840,370
Monarch (2)	0	0	1,907,795	1,907,795	0	0	2,323,812	2,323,812	0
Northeast (1) (3)	3,330,494	0	1,295,810	145,257	4,481,047	(3)	(3)	(3)	(3)
Pattonville/Bridgeton Terrace (1)	18,887,266	0	1,509,687	914,832	19,482,121	0	1,887,161	8,317,862	13,051,420
Riverview	3,764,328	0	516,386	21,287	4,259,427	0	(1,013,890)	319,260	2,926,277
Robertson (2)	935,017	0	611,202	700,563	845,656	0	756,698	611,528	990,826
Spanish Lake (1)	5,179,143	0	396,716	52,229	5,523,630	0	(1,463,971)	20,035	4,039,624
Valley Park	2,704,946	0	294,310	17,100	2,982,156	0	219,288	800,228	2,401,216
West County EMS (2)	515,053	96,222	971,585	953,958	628,902	0	1,074,819	1,011,010	692,711
West Overland	7,025,429	0	758,044	226,259	7,557,214	0	(1,174,962)	915,129	5,467,123
Total	\$ 200,303,793	96,222	29,042,670	17,176,433	212,266,252	(1,303)	(8,738,793)	35,009,543	164,035,566

* Prior period adjustments made by the CPA firms.

(1) Districts have a Pension Revenue Fund that is not included on this schedule.

(2) Monies held for employees are not included in the financial statements.

(3) Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

(4) Several fire districts had significant losses on pension investments in 2008. Some losses were reflected as negative additions and some as deductions.

Schedule 5

Review of Independent Audits of Fire Protection Districts on St. Louis County
 Comparative Schedule of Revenues, Expenses, and Fund Balance -
 Capital Project Funds

District	Year Ended December 31,						
	2007				2008		
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 811,282	29,538	129,708	711,112	8,513	26,268	693,357
Black Jack	3,967,225	1,160,679	1,566,544	3,561,360	123,453	191,512	3,493,301
Community	5,449,308	1,274,767	2,839,744	3,884,331	70,301	2,713,365	1,241,267
Creve Coeur	0	0	0	0	0	0	0
Eureka	189,981	89,636	178,518	101,099	453,856	54,290	500,665
Fenton	0	0	0	0	0	0	0
Florissant Valley	10,613,574	525,259	820,663	10,318,170	319,177	2,222,857	8,414,490
Lemay	0	0	0	0	0	0	0
Maryland Heights	0	0	0	0	0	0	0
Mehlville	0	0	0	0	0	0	0
Metro North	(17,177)	3,185,032	458,220	2,709,635	2,058,694	516,734	4,251,595
Metro West	4,359,861	223,044	1,344,346	3,238,559	105,047	985,418	2,358,188
Mid-County	589,788	23,880	138,178	475,490	15,363	144,605	346,248
Monarch	1,735,904	275,290	253,209	1,757,985	607,055	430,240	1,934,800
Northeast **	0	0	0	0	**	**	**
Pattonville/Bridgeton Terrace	0	0	0	0	5,015,202	2,191,467	2,823,735
Riverview	108,333	3,708	41,768	70,273	815	11,496	59,592
Robertson	401,647	12,280	77,211	336,716	4,035,199	614,864	3,757,051
Spanish Lake	203,577	434	56,829	147,182	196	16,199	131,179
Valley Park	0	0	0	0	0	0	0
West County EMS	2,448,630	74,995	2,523,625	0	0	46,969	(46,969)
West Overland	161,076	54,348	156,714	58,710	51,934	11,212	99,432
Total	\$ 31,023,009	6,932,890	10,585,277	27,370,622	12,864,805	10,177,496	30,057,931

** Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

Schedule 6

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Revenues, Expenditures, Fund Balance, and Bond Obligations -
 Debt Service Funds

District	Year Ended December 31,							Outstanding	
	2007			2008			2009	December 31,	
	Beginning	Revenues	Expenditures	Ending	Revenues	Expenditures			Ending
Fund Balance	Fund Balance			Fund Balance			Obligations	2008	
Affton*	\$ 0	0	0	0	0	0	0	0	0
Black Jack	1,767,459	821,216	839,162	1,749,513	1,198,911	999,531	1,948,893	837,431	9,525,000
Community	2,875,418	637,002	1,060,569	2,451,851	926,230	1,242,256	2,135,825	1,058,794	10,775,000
Creve Coeur	0	0	0	0	0	0	0	0	0
Eureka	666,075	516,324	726,027	456,372	619,791	527,858	548,305	269,072	1,195,000
Fenton	0	0	0	0	0	0	0	0	0
Florissant Valley	1,862,011	1,634,404	1,288,437	2,207,978	1,285,831	1,252,313	2,241,496	1,287,287	12,150,000
Lemay	44,494	827	2,421	42,900	1,130	44,030	0	0	0
Maryland Heights	0	0	0	0	0	0	0	0	0
Mehlville*	0	0	0	0	0	0	0	0	0
Metro North	124,182	430,342	64,461	490,063	406,639	278,397	618,305	64,200	5,175,000
Metro West	1,898,982	1,211,594	1,055,450	2,055,126	1,352,977	1,399,694	2,008,409	1,129,890	5,970,000
Mid-County	663,575	440,145	350,170	753,550	375,649	344,420	784,779	349,086	3,875,000
Monarch	827,151	597,267	630,118	794,300	750,129	613,715	930,714	629,331	2,350,000
Northeast **	11,721	788	793	11,716	**	**	**	**	**
Pattonville/Bridgeton Terrace	180,727	163,659	68,194	276,192	525,958	165,194	636,956	67,844	5,570,000
Riverview	258,983	106,138	125,963	239,158	120,084	121,063	238,179	125,413	360,000
Robertson	787,428	334,570	351,096	770,902	703,040	340,153	1,133,789	350,625	6,050,000
Spanish Lake	371,976	278,628	280,449	370,155	361,001	278,725	452,431	279,348	1,500,000
Valley Park	84,524	1,111	85,635	0	0	0	0	77,175	0
West County EMS	1,337,553	1,169,029	846,885	1,659,697	879,688	854,398	1,684,987	845,565	9,225,000
West Overland	725,594	247,345	334,362	638,577	300,311	346,010	592,878	333,814	1,645,000
Total	\$ 14,487,853	8,590,389	8,110,192	14,968,050	9,807,369	8,807,757	15,955,946	7,704,875	75,365,000

* The Affton and Mehlville Fire Protection Districts have issued certificates of participation (COPS). As of December 31, 2008, Affton's outstanding COPS balance was \$5,460,000, with a 2009 obligation of \$475,839. Mehlville's outstanding COPS balance and 2009 obligation was \$2,790,000 and \$292,738, respectively.

** Northeast Ambulance and Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2009 or 2008.

Schedule 7

Review of Independent Audits of Fire Protection Districts in St. Louis County
Comparative Schedule of Capital Assets

District	December 31, 2008				December 31, 2007			
	Land and Building	Furniture and Equipment	Less Accumulated Depreciation	Total	Land and Building	Furniture and Equipment	Less Accumulated Depreciation	Total
Affton	\$ 5,591,520	1,990,095	1,738,652	5,842,963	5,591,520	2,078,857	1,593,598	6,076,779
Black Jack	6,862,114	2,914,137	1,783,835	7,992,416	6,675,531	3,017,936	1,520,364	8,173,103
Community	10,145,819	3,860,377	2,655,705	11,350,491	7,979,880	3,644,618	2,108,280	9,516,218
Creve Coeur	9,878,325	3,336,802	3,837,241	9,377,886	9,878,325	3,713,218	3,861,873	9,729,670
Eureka	2,756,973	3,072,781	3,757,989	2,071,765	2,756,973	3,016,837	3,490,477	2,283,333
Fenton	4,031,817	3,644,821	3,976,798	3,699,840	3,965,835	3,619,098	3,699,843	3,885,090
Florissant Valley	5,689,150	2,768,144	1,874,454	6,582,840	3,599,114	2,732,199	1,598,668	4,732,645
Lemay	1,812,395	1,226,200	1,395,902	1,642,693	1,809,195	1,115,671	1,288,537	1,636,329
Maryland Heights	4,318,581	3,332,335	3,820,049	3,830,867	4,114,609	2,963,637	3,571,159	3,507,087
Mehlville	10,973,565	7,353,966	7,545,786	10,781,745	9,798,403	7,233,003	7,006,161	10,025,245
Metro North	1,017,913	760,228	624,606	1,153,535	531,824	760,228	576,115	715,937
Metro West	11,100,551	7,204,825	6,218,793	12,086,583	11,073,038	6,783,551	5,769,252	12,087,337
Mid-County	3,356,713	1,237,692	1,044,535	3,549,870	3,350,923	1,171,769	838,111	3,684,581
Monarch	14,158,838	6,745,949	9,985,753	10,919,034	13,959,879	6,619,182	9,229,944	11,349,117
Northeast	*	*	*	*	767,546	1,772,224	1,435,195	1,104,575
Pattonville/Bridgeton Terrace	3,397,134	4,065,164	3,042,711	4,419,587	3,397,134	3,177,865	2,869,613	3,705,386
Riverview	1,266,863	1,551,189	2,056,731	761,321	1,264,880	1,482,197	1,940,368	806,709
Robertson	4,891,069	2,871,026	2,521,109	5,240,986	4,861,799	2,394,051	2,230,223	5,025,627
Spanish Lake	2,257,184	1,558,908	1,543,768	2,272,324	2,257,184	1,554,154	1,357,773	2,453,565
Valley Park	2,160,784	1,652,514	1,668,944	2,144,354	1,461,608	1,681,973	1,570,550	1,573,031
West County EMS	9,010,707	4,411,470	3,541,948	9,880,229	8,920,156	4,368,109	3,075,000	10,213,265
West Overland	2,047,809	1,482,986	1,282,912	2,247,883	2,047,809	1,371,662	1,111,689	2,307,782
Total	\$ 116,725,824	67,041,609	65,918,221	117,849,212	110,063,165	66,272,039	61,742,793	114,592,411

* Northeast Ambulance Fire Protection District's report was for the 18 months ended June 30, 2007. A report was not submitted for the years ended June 30, 2008.

Schedule 8

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Assessed Valuation and Combined Tax Levies

District	Combined Tax Levy per \$100 of Assessed Valuation									
	Assessed Valuation		Residential		Agricultural		Commercial		Personal Property	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Affton	\$ 558,724,505	556,605,716	0.8070	0.8090	0.8940	0.8940	0.9440	0.9220	1.0670	1.0670
Black Jack	646,653,431	681,002,040	1.0520	0.9930	1.1660	1.0910	1.3130	1.2330	1.3270	1.2690
Community	646,653,431	643,529,161	1.4040	1.3200	0.1410	0.0560	1.6250	1.5340	1.7710	1.6860
Creve Coeur	1,463,261,798	1,430,704,479	0.8080	0.8130	0.4460	0.4460	0.8740	0.8610	1.0480	1.0480
Eureka	392,218,678	380,481,195	1.0783	1.0783	1.0783	1.0783	1.0783	1.0783	1.0783	1.0783
Fenton	1,124,241,799	1,074,226,064	0.6050	0.6200	1.1000	1.0630	0.8780	0.8620	0.9640	0.9640
Florissant Valley	878,004,576	876,728,706	1.0560	1.1170	1.4660	1.5290	1.3260	1.3800	1.4330	1.4960
Lemay	208,040,469	207,318,613	0.9920	0.9910	1.2900	1.2900	1.1480	1.1030	1.3900	1.3900
Maryland Heights	724,025,797	634,517,324	1.0980	1.0880	1.1990	1.1990	1.2480	1.2260	1.3480	1.3480
Mehlville	2,530,314,530	2,502,824,918	0.5110	0.5590	1.0250	1.0700	0.6250	0.6690	0.7420	0.7870
Metro North	138,043,767	138,006,047	2.1348	2.2388	0.2940	0.3980	2.0729	2.1769	2.3140	2.4180
Metro West	1,916,197,321	1,898,532,541	0.8210	0.8360	1.1630	1.1770	0.9220	0.9180	1.0600	1.0740
Mid-County	147,306,057	149,811,382	2.1355	2.1250	0.2110	0.2970	2.2413	2.2299	2.4910	2.5770
Monarch	2,376,796,696	2,321,424,000	0.7880	0.7980	1.2100	1.1900	1.0000	0.9230	1.0590	1.0390
Northeast	218,599,367	229,369,528	1.9500	1.7290	1.9360	1.7874	1.9500	1.9500	1.9500	1.9500
Pattonville/Bridgeton Terrace	832,461,804	829,568,348	1.2270	1.1800	1.4990	1.4390	1.3940	1.3340	1.5060	1.4460
Riverview	158,694,494	158,510,130	1.5347	1.5234	1.8152	1.8252	1.7852	1.7762	1.8274	1.8184
Robertson	357,863,994	338,389,275	2.0120	1.6470	2.0490	1.7230	2.0470	1.7190	2.0490	1.7230
Spanish Lake	205,752,310	213,981,734	1.4289	1.3070	1.6392	1.5901	1.4741	1.3258	1.6490	1.6000
Valley Park	271,696,951	265,987,111	1.0130	1.0040	0.9800	0.9800	1.0680	1.0040	1.3100	1.3100
West County EMS	794,153,455	792,715,278	0.7260	0.7730	0.7830	0.8250	0.7300	0.7640	0.8960	0.9280
West Overland	191,714,658	192,230,047	1.4560	1.4520	0.1400	0.1400	1.5090	1.4880	1.7000	1.7000

Schedule 9

Review of Independent Audits of Fire Protection Districts in St. Louis County
 Comparative Schedule of Director Compensation by District

District	2008	2007
Affton	\$ 14,000	11,567
Black Jack	32,000	31,400
Community	32,000	29,334
Creve Coeur	16,041	16,041
Eureka	6,300	7,200
Fenton	15,200	15,600
Florissant Valley	31,800	31,400
Lemay	25,800	22,599
Maryland Heights	32,039	31,983
Mehlville	6,908	5,680
Metro North	32,000	32,000
Metro West	24,150	25,500
Mid-County	31,600	32,041
Monarch	30,660	31,450
Northeast	*	*
Pattonville/Bridgeton Terrace	32,000	31,400
Riverview	31,833	31,000
Robertson	32,000	32,000
Spanish Lake	30,800	30,800
Valley Park	16,200	17,050
West County EMS	23,950	24,917
West Overland	31,990	32,000

* This information was not presented in the report for the 18 months ended June 30, 2007, and the Northeast Ambulance Fire Protection District did not file a report for the years ended June 30, 2009 and 2008.

Missouri Revised Statutes

Chapter 321 Fire Protection Districts Section 321.690

Audits to be performed, when--rules established by state auditor (Christian County fire protection districts exempt from audits).

321.690. 1. In counties of the first classification having a charter form of government and having more than nine hundred thousand inhabitants and in counties of the first classification which contain a city with a population of one hundred thousand or more inhabitants which adjoins no other county of the first classification, the governing body of each fire protection district shall cause an audit to be performed consistent with rules and regulations promulgated by the state auditor.

2. (1) All such districts shall cause an audit to be performed biennially. Each such audit shall cover the period of the two previous fiscal years.

(2) Any fire protection district with less than fifty thousand dollars in annual revenues may, with the approval of the state auditor, be exempted from the audit requirement of this section if it files appropriate reports on its affairs with the state auditor within five months after the close of each fiscal year and if these reports comply with the provisions of section 105.145, RSMo. These reports shall be reviewed, approved and signed by a majority of the members of the governing body of the fire protection district seeking exemption.

3. Copies of each audit report must be completed and submitted to the fire protection district and the state auditor within six months after the close of the audit period. One copy of the audit report and accompanying comments shall be maintained by the governing body of the fire protection district for public inspection at reasonable times in the principal office of the district. The state auditor shall also maintain a copy of the audit report and comment. If any audit report fails to comply with the rules promulgated by the state auditor, that official shall notify the fire protection district and specify the defects. If the defects specified are not corrected within ninety days from the date of the state auditor's notice to the district, or if a copy of the required audit report and accompanying comments have not been received by the state auditor within six months after the end of the audit period, the state auditor shall make, or cause to be made, the required audit at the expense of the fire protection district.

4. The provisions of this section shall not apply to any fire protection district based and substantially located in a county of the third classification with a population of at least thirty-one thousand five hundred but not greater than thirty-three thousand.

**Rules of
Elected Officials
Division 40—State Auditor
Chapter 4—Audits of Fire Protection Districts
in St. Louis and Greene Counties**

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Title 15—ELECTED OFFICIALS
Division 40—State Auditor
Chapter 4—Audits of Fire Protection
Districts in St. Louis and Greene
Counties

15 CSR 40-4.010 Requirements for Dis-
tricts

PURPOSE: The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth requirements to be met directly by the district.

(1) The district is responsible for preparing and providing financial information to be included in the audit report. The district shall maintain adequate accounting records for that purpose. These records may be maintained on the bases of accounting deemed appropriate by the district but the records shall provide adequate information to allow the district to report in accordance with generally accepted accounting principles.

(2) The district shall engage an independent auditor to conduct the audit. The state auditor does not recommend, select or approve the district's auditor or the auditor's fee, except as provided in 15 CSR 40-4.010(4). The district is responsible for fulfilling all contractual obligations with the auditor, including payment of all earned fees.

(3) The district shall require from the independent auditor an engagement letter which sets out all essential particulars. A copy of the engagement letter shall be submitted to the state auditor for his/her review before commencement of audit fieldwork. The purpose of this review is to provide reasonable assurance that the district has contractually committed an auditor to provide services to satisfy requirements of 15 CSR 40-4. The contents of this letter should include, but are not limited to:

(A) Period for which the financial statements are audited;

(B) Purpose of the audit;

(C) Scope of the audit, including consideration of the internal control structure and tests of compliance with applicable laws and regulations;

(D) Provisions that the auditor will communicate, in writing, to the district material weaknesses or reportable conditions in the internal control structure, instances of non-compliance with applicable laws and regulations and other areas of possible improvement;

(E) Provision that all workpapers, etc., will be made available to the state auditor for his/her review upon his/her request;

(F) Provision that the auditor will comply with applicable rules issued by the state auditor under 15 CSR 40;

(G) Provision that the auditor will discuss with the district any factors s/he may discover which would prevent him/her from issuing an unqualified opinion on the financial statements and allow the district and the auditor the opportunity to arrive at a resolution acceptable to both;

(H) Statement of the auditor's responsibility for detection of errors, irregularities and illegal acts; and

(I) The estimated cost of the audit and the rates which are the basis for that estimate.

(4) The district must file a copy of the completed audit report with the state auditor within six (6) months after the close of the audit period. If any audit report fails to comply with promulgated rules, the state auditor will notify the district and specify the defects. If the specified defects are not corrected within ninety (90) days from the date of the state auditor's notice to the district, or if a copy of the required audit report has not been received by the state auditor within the specified time, the state auditor will make, or cause to be made, the required audit at the expense of the district.

AUTHORITY: section 321.690, RSMo Supp. 1993. Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority: 321.690, RSMo 1977, amended 1981, 1986, 1991, 1993.*

15 CSR 40-4.020 Standards for Auditing
and Financial Reporting

PURPOSE: The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth standards for the auditing and financial reporting of the district.

(1) The independent auditor shall meet all requirements of Chapter 326, RSMo. The auditor must be able to demonstrate that s/he meets the independence criteria contained in the code of professional ethics and rules of conduct promulgated by the Missouri State Board of Accountancy.

(2) The independent auditor shall provide to the state auditor reasonable notification of any entrance or exit conferences held with the district. This notification shall be sufficiently in advance to allow the state auditor to attend the entrance or exit conference at his/her discretion. Upon request, the independent auditor shall provide a draft copy of the audit report and management letter to the state auditor prior to the exit conference.

(3) The audit shall conform to the standards for auditing of governmental organizations, programs, activities and functions as established by the comptroller general of the United States.

(4) The financial statements, supplementary data and accompanying notes shall be presented in conformity with generally accepted accounting principles.

AUTHORITY: section 321.690, RSMo Supp. 1993. Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority: 321.690, RSMo 1977, amended 1981, 1986, 1991, 1993.*

15 CSR 40-4.030 Contents of Audit Re-
ports

PURPOSE: The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule describes required and suggested information to be included in the audit reports.

(1) Standards for auditing and financial reporting of fire protection districts are given in 15 CSR 40-4.020.

(2) All audit reports shall contain:

(A) A table of contents;

(B) A report on the financial statements;

(C) Combined financial statements and appropriate note disclosures;

(D) Other financial information which includes, but is not limited to, the following:

1. Supplemental schedule of expenditures/expenses by object, if not included in the financial statements;

2. Tax rates and assessed valuation;

3. Schedule of insurance in force which shall include, in addition to other information, the agent for each policy; and

4. Principal officeholders who held office during the period under audit, compensation received by each official in performance of his/her duty and all other compensation or reimbursement of expenses made by the district to each officeholder; and

(E) A report on the consideration of the internal control structure, a report on the tests of compliance with applicable laws and regulations and a management letter communicating areas of possible improvement not otherwise reported. The required scope of audit for the reports and management letter is set forth in 15 CSR 40-4.040(3). The reports and management letter shall include the findings and recommendations, if any, which the auditor developed during his/her audit and the district's responses to those findings and recommendations. The reports and management letter shall also indicate the nature of previous recommendations and the extent to which the district has implemented those recommendations.

(3) If the district or the auditor deems it appropriate, audit reports may contain or utilize the following:

- (A) A history and organization section prepared by the district (unaudited);
- (B) Comparative financial data for one (1) or more years; and
- (C) Other statements, exhibits, schedules or analyses as deemed necessary or appropriate by the district or the auditor.

AUTHORITY: section 321.690, RSMo Supp. 1993. Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority: 321.690, RSMo 1977, amended 1981, 1986, 1991, 1993.*

15 CSR 40-4.040 Scope of Audit

PURPOSE: The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth the scope of the audit.

(1) Nothing in the rules promulgated for audits of fire protection districts shall be construed as restricting, limiting or relieving the independent auditor of his/her professional judgment or responsibility.

(2) The audit shall include those tests of the accounting records and other auditing procedures which the independent auditor considers necessary in the circumstances to con-

form to the standards for auditing of governmental organizations, programs, activities and functions as established by the comptroller general of the United States.

(3) As part of the audit described in section (2), the auditor will obtain an understanding of the internal control structure, assess control risk and report any material weaknesses or reportable conditions. The auditor will also test compliance with applicable laws and regulations and report all material instances of noncompliance. As a part of, or in addition to, audit tests or procedures which may be necessary for the audit, the auditor shall—

(A) Review systems, procedures and management practices, including:

- 1. Review cash management practices to the extent necessary to determine whether significant improvements appear practicable and economically justifiable;
- 2. Evaluate the purchasing function to the extent necessary to determine that the district generally receives fair value, for example, bidding of significant purchases; that purchases generally represent items consistent with the function of the district; and that there is not significant likelihood of misuse or misappropriation of the district's resources through the purchasing process;
- 3. Review fixed asset records and procedures to the extent necessary to determine that fixed assets are properly recorded, physically controlled and in the possession of the district;
- 4. Review fidelity bond coverages to determine that all persons with access to assets of the district appear covered in sufficient amounts;
- 5. Evaluate the budgeting practices to the extent necessary to determine whether significant improvements appear practicable and economically justifiable;
- 6. Review related party transactions;
- 7. Review evaluate other areas as required by the district; and
- 8. Review significant areas or matters which come to the attention of the auditor;

(B) The auditor will note areas of possible improvement in the district's systems, procedures and management practices. In evaluating district systems, procedures and management practices, the auditor should consider whether improvements appear practicable and economically justifiable.

(C) Test compliance with applicable laws and regulations, including:

- 1. Design the audit to provide reasonable assurance of detecting errors, irregularities and illegal acts that could have a direct and material effect on the financial statements;

(D) Legal provisions which the auditor should consider in his/her audit include, but are not limited to, the following:

- 1. Article III, Sections 38(a) and 39(3) and Article VI, Section 25, *Constitution of Missouri* limitations on use of funds and credit;
- 2. Article VI, Section 26, *Constitution of Missouri* limitations on indebtedness without popular vote;
- 3. Article VI, Section 29, *Constitution of Missouri* application of funds derived from public debts;
- 4. Article VII, Section 6, *Constitution of Missouri* penalty for nepotism;
- 5. Chapter 67, RSMo budgetary requirements;
- 6. Sections 70.210 to 70.230 and Section 432.070, RSMo contracts;
- 7. Section 105.145, RSMo annual report;
- 8. Chapter 105, RSMo conflict of interest;
- 9. Chapter 108, RSMo bond issues;
- 10. Chapter 321, RSMo fire protection districts;
- 11. Other applicable portions of the *Constitution of Missouri* and the *Missouri Revised Statutes*;
- 12. Applicable sections of *Code of State Regulations*; and
- 13. Other applicable legal provisions.

2. Be aware of the possibility of illegal acts that could have an indirect and material effect on the financial statements; and

3. Test compliance with other legal provisions as s/he deems necessary or appropriate in the circumstances.

(D) Legal provisions which the auditor should consider in his/her audit include, but are not limited to, the following:

- 1. Article III, Sections 38(a) and 39(3) and Article VI, Section 25, *Constitution of Missouri* limitations on use of funds and credit;
- 2. Article VI, Section 26, *Constitution of Missouri* limitations on indebtedness without popular vote;
- 3. Article VI, Section 29, *Constitution of Missouri* application of funds derived from public debts;
- 4. Article VII, Section 6, *Constitution of Missouri* penalty for nepotism;
- 5. Chapter 67, RSMo budgetary requirements;
- 6. Sections 70.210 to 70.230 and Section 432.070, RSMo contracts;
- 7. Section 105.145, RSMo annual report;
- 8. Chapter 105, RSMo conflict of interest;
- 9. Chapter 108, RSMo bond issues;
- 10. Chapter 321, RSMo fire protection districts;
- 11. Other applicable portions of the *Constitution of Missouri* and the *Missouri Revised Statutes*;
- 12. Applicable sections of *Code of State Regulations*; and
- 13. Other applicable legal provisions.

(4) The auditor shall report on the reviews and examinations required by this rule in a management letter as set forth in 15 CSR 40-4.030 (2)(E).

AUTHORITY: section 321.690, RSMo Supp. 1993. Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority: 321.690, RSMo 1977, amended 1981, 1986, 1991, 1993.*