

TREASURER'S ANNUAL REPORT
INCOME & EXPENDITURES
IVESDALE FIRE PROTECTION DISTRICT PENSION FUND
FISCAL YEAR JUNE 1, 2005 TO MAY 31, 2006

FILED

OCT 20 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

Balance on hand as of June 1, 2005 **\$20,607.04**

RECEIPTS:

Champaign County Collector	\$3,980.93
Piatt County Collector	\$222.38
Firefighter Contributions	\$2,628.72
First National Bank of Ivesdale (Interest)	<u>\$104.58</u>

TOTAL RECEIPTS **\$6,936.61**

EXPENDITURES:

ADMINISTRATIVE:

Payroll Taxes	\$0.00
Total Administrative	\$0.00

WAGES:

Treasurer	\$0.00
Pension Payments	\$0.00
Total Wages	\$0.00

TOTAL EXPENDITURES **\$0.00**

RECAPITULATION:

Balance on hand as of June 1, 2005	\$20,607.04
Receipts	\$6,936.61
Expenditures	\$0

Balance on hand as of May 31, 2006 **\$27,543.65**

STATE OF ILLINOIS)
)
COUNTY OF CHAMPAIGN) SS

I, John C. Flavin, Treasurer of the Ivesdale Fire Protection District, being duly sworn, do depose and say that the foregoing is a true and correct statement of the amount of money on hand at the beginning of the above fiscal year, the amount of money received and the sources from which received and expended and the purposes for which expended.

John C. Flavin
Treasurer
Ivesdale Fire Protection District

Subscribed and sworn to before
me this 8th day of JUNE, 2006.

Jacqueline M. Ard
Notary Public



Treasurer's Annual Report of Income & Expenditures of the
Ivesdale Fire Protection District for the Fiscal year:
June 1, 2005 thru May 31, 2006

FILED

OCT 20 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

Beginning balance as of June 1, 2005 \$16,811.28

Receipts

Champaign Co. Collector	\$70,641.41
Piatt Co. Collector	\$3,700.92
Illinois Comptroller (replacement taxes)	\$417.65
First National Bank of Ivesdale (interest)	\$185.61
State of Illinois refund for overpayment of taxes	\$715.15
Reimbursement for 1/2 of auto insurance	\$564.50
Village of Ivesdale (per Intergovernmental Agreement for EMT Salary)	\$27,000.00
Donation	\$214.69
Cashed Certificate of Deposit	\$5,045.86
Loan from First National bank of Ivesdale	\$5,000.00
Illinois Municiple League	\$61.70
Insurance claim	\$973.50
Total Receipts	\$114,520.99

Disbursements

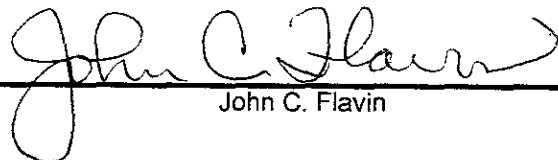
Gas/elec.	\$2,831.97
Tele.	\$1,691.59
Truck fuel & oil	\$354.00
Supplies & maint. Of fire trucks	\$2,520.14
Fire Equipment & supplies	\$13,846.40
Supplies for Firehouse	\$1,832.27
Membership dues & meetings	\$300.00
Office supplies	\$222.98
Auditor	\$1,500.00
Attorney fees	\$621.16
Fireman & Directors	\$10,277.49
Workers Compensation insurance	\$4,562.00
Insurance	\$15,017.01
Fed. & State taxes	\$4,338.34
Illinois Department of Employment Security	\$320.15
Pension Fund	\$6,612.03
New Firetruck	\$13,435.72
Bank charges & box rent	\$0.00
Misc. expenses	\$8,498.53
Fulltime EMT salary	\$27,000.00
Total Disbursements	\$115,781.78

Recapitulation

Beginning balance as of June 1, 2005	\$16,811.28
Receipts	\$114,520.99
Total Receipts	<u>\$131,332.27</u>
Total Disbursements	\$115,781.78
Balance on hand as of Midnight, May 31, 2006	<u><u>\$15,529.42</u></u>


STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

I, John C. Flavin, Treasurer of the Ivesdale Fire Protection District, being duly sworn, do depose and say that the foregoing is a true and correct statement of the amount of money on hand at the beginning of the above fiscal year, the amount of money received and the sources from which received and the amount expended and the purposes for which expended.

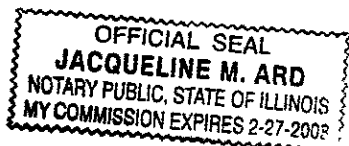


John C. Flavin

Subscribed and sworn to before
me this 9th day of JUNE, 2006



Notary Public





FY 2006

FILED

ANNUAL FINANCIAL REPORT

OCT 20 2006

Special Purpose Long Form

Please return completed form to:
Office of the Comptroller
Local Government Division
100 W. Randolph St., Suite 15-500
Chicago, IL 60601-3252
Tel: (877) 304-3899

Mark S. Hallens

CHAMPAIGN COUNTY CLERK

Unit Name: Ivesdale Fire Protection District

Code: 010/070/06

County: CHAMPAIGN

I attest that, to the best of my knowledge, this report represents a complete and accurate statement of the financial position of Ivesdale Fire Protection District as of the end of this fiscal year.

John C. Flavin _____ Date 10-16-06

Written signature of government official
John Flavin, Treasurer

PLEASE CROSS OUT ALL INCORRECT INFORMATION AND PROVIDE CORRECTIONS

STEP 1: ENTER CONTACT INFORMATION

Is the following information correct and complete? Yes No

If the Chief Executive Officer and the Chief Financial Officer are the same person as the Contact Person, please check this box and skip to Step 2. If not, please do not leave columns B and C blank.

A. CONTACT PERSON (elected or appointed official responsible for filling out this form):	B. CHIEF EXECUTIVE OFFICER (elected or appointed official responsible for the executive administration, i.e. mayor, supervisor, or chairman):	C. CHIEF FINANCIAL OFFICER (elected or appointed official responsible for maintaining the government's financial records):
Name: John Flavin	Jim Hixson	John Flavin
Title: Treasurer	President	Treasurer
Address: P.O. Box 199	263 Co. Rd. 500 N	P. O. Box 199
City: Ivesdale	Ivesdale	Ivesdale
State: IL	IL	IL
Zip: 61851	61851	61851
Phone: (217) 564-2333	217-564-2977	(217) 564-2333
Ext: _____	Ext. _____	Ext _____
Fax: (217) 564-2231	217-564-2231	(217) 564-2231
E-mail: _____	_____	_____

STEP 2: VERIFY FISCAL YEAR END

03/1/2006 **5-31-06**

If the fiscal year end date listed above is incorrect, cross out the incorrect date and provide the correct date. Official documentation of this change must be sent with the report before the fiscal year end date is officially changed.

STEP 3: GASB 34, ACCOUNTING SYSTEM AND DEBT

A. Has your government implemented GASB 34 in FY 2006 or in previous reporting years? Yes, No

If yes:

* Governments who have implemented GASB 34 and are using 'Other Comprehensive Basis of Accounting' (OCBOA) such as 'Cash Basis' and 'Modified Cash Basis' as their accounting system will now be able to select these types as their accounting system.

* Please fill out the Alternative Assets & Liabilities page, located on page F1(b).

B. Which type of accounting system does the government use?

Cash - with no assets (Cash Basis) Modified Accrual/Accrual
 Cash - with assets (Modified Cash Basis) Combination (explain) _____

C. Does your government have debt this reporting fiscal year? Yes No

D. If "Yes", indicate the type(s) of debt.

G.O. Bonds Revenue Bonds
 Alternate Revenue Bonds Contractual
 Other (explain) _____

STEP 4: POPULATION, EAV AND EMPLOYEES

^What is the total POPULATION of Ivesdale Fire Protection District?	550
What is the total EAV of Ivesdale Fire Protection District?	\$ 12,933,264
*How many FULL TIME EMPLOYEES are paid?	1
*How many PART TIME EMPLOYEES are paid?	18
*What is the TOTAL SALARY paid to all employees?	\$ 30,627

^Or provide estimated population

*Do not include contractual employees

STEPS 5 AND 6: COMPONENT UNITS AND APPROPRIATIONS

Provide the appropriation for the primary government units listed in the first row of the table below.

In the remaining rows, provide the names of all component units along with their appropriation. Indicate if the component units are blended or discretely presented, its fiscal year end date and if the component unit was funded with governmental fund types or enterprise fund types. If the component units are already indicated, that data is based on forms submitted last year. If you have more component units than the rows provided below, please indicate them on an attachment.

If you need assistance with the terms indicated below, refer to the CHART OF ACCOUNTS AND DEFINITIONS and the HOW TO FILL OUT AN AFR documents.

Name of Unit/Component	Appropriation	Type of Component (blended/discretely presented)	Fiscal Year End	Enterprise or Governmental Fund Type
FUNDS SHOULD NOT BE LISTED HERE				
Ivesdale Fire Protection District	\$ 145,586			
	\$			
	\$			
	\$			
Total Appropriations	\$ 145,586			

STEP 7: AUDITS

Provide CPA information if Ivesdale Fire Protection District is required to submit an audit to the Office of the Comptroller.

Firm Name:	
CPA's first name:	
CPA's last name:	
CPA's title:	
Address:	
City:	
State:	
Zip:	
Phone:	
Fax:	
Email:	
State Registration Number	

STEP 8: OTHER GOVERNMENTS

Indicate any payments Ivesdale Fire Protection District made to other governments for services or programs (include programs performed on a reimbursement, cost-sharing basis or federal payroll taxes).

Intergovernmental agreements -- indicate how much was paid:	\$	—
Federal government payroll taxes:	\$	1,943
All other intergovernmental payments:	\$	—

STEP 9: FUND LISTING AND ACCOUNT GROUPS

A. List all funds and how much was spent in FY 2006 for each fund. Also, indicate the Fund Type (fund types are at the top of each column beginning on page F1).

If pre-printed data appears it is based on forms submitted last year. Please make all necessary corrections. If you have more fund names than the rows provided below, please indicate them on an attachment.

Fund Name	Expenditure	Fund Type	FY End
GENERAL FUND	\$ 104,142	GN	03/31
	\$		
	\$		
	\$		
	\$		
Total Expenditures	\$ 104,142		

B. Does this government have assets or liabilities that should be recorded as a part of Account Groups?

If your government's Accounting Method is 'Cash No Assets' or your government has implemented GASB 34, you must select 'No' for Account Groups.

Yes No

STEP 10: GOVERNMENTAL ENTITIES

List the governmental entities that are part of or related to the primary government.
Exclude component units detailed in Steps 5 and 6. Most small governments do not have governmental entities.

Entity Name	Relationship

STEP 11: REPORTING

Check any state or local entity where financial reports are filed.

STATE AGENCIES	
<input type="checkbox"/> Board of Education	<input type="checkbox"/> Board of Higher Education
<input type="checkbox"/> DCCA	<input type="checkbox"/> Department of Insurance
OTHER STATE OR LOCAL OFFICES	
<input checked="" type="checkbox"/> Illinois Comptroller	<input type="checkbox"/> Secretary of State
<input type="checkbox"/> General Assembly – House	<input type="checkbox"/> General Assembly – Senate
<input checked="" type="checkbox"/> County Clerk	<input type="checkbox"/> Circuit Clerk
<input type="checkbox"/> Governor's Office	___ Other

NOTE: This alternative Assets & Liability page should be used by those units of government that have implemented GASB 34. If your unit of government has not implemented GASB 34, please leave this page blank and proceed to page F2.

ASSETS

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
<i>Report in Whole Numbers</i>					
CURRENT ASSETS					
101	Cash and cash equivalent	22586			
102	Investments				
115	Receivables				
109	Inventories				
112	Other Assets (explain)				
NON-CURRENT ASSETS					
116	Capital Assets/Net of Accumulated Depreciation	340725			
117	Other Capital Assets (explain)				
120	TOTAL ASSETS	363311			

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
<i>Report in Whole Numbers</i>					
CURRENT LIABILITIES					
122	All Payables				
132	Deferred Revenue				
128	Other Liabilities (explain)				
NON-CURRENT/LONG-TERM LIABILITIES					
129	Due Within One Year	83395			
130	Due Beyond One Year				
131	Other Non-Current/Long Term Liabilities(explain)				
135	TOTAL LIABILITIES	83395			

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
<i>Report in Whole Numbers</i>					
NET ASSETS					
143	Investments in Capital Assets/Net of Related Debt	257330			
148	Net Assets - Restricted	6310			
149	Net Assets - Unrestricted	21276			
146	TOTAL NET ASSETS	279916			
147	TOTAL LIABILITIES & NET ASSETS	363311			

Office of the Comptroller, Daniel W. Hynes

FY 2006 AFR
Special Purpose Long Form

Revenues and Receipts

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Report in Whole Numbers									
Local Taxes									
201	Property Tax	74343							
203	Utilities Tax								
204	Other Taxes								
Intergovernmental Receipts & Grants									
212	State Sales Tax								
213	State Motor Fuel Tax								
214	State Replacement Tax	421							
205	State Gaming Tax(es)								
215	Other State Sources (Explain)								
225	Federal								
226	Other Intergovernmental Sources	27000							
Other Sources									
231	Licenses and Permits								
233	Fines and Forfeitures								
234	Charges for Services								
235	Interest	191							
236	Miscellaneous	2465							
240	TOTAL RECEIPTS AND REVENUE	104419							

Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
<i>Report in Whole Numbers</i>									
251	General Government								
252	Public Safety	83367							
254	Judiciary and Legal								
255	Transportation and Public Works								
256	Social Services								
257	Culture and Recreation								
258	Housing								
275	Environment								
259	Debt	10250							
271	Public Utility Company								
272	Depreciation								
280	Capital Outlay	10525							
260	Other Expenditures or Expenses								
270	TOTAL EXPENDITURES/EXPENSE	104142							

Fund Balances and Other Financing Sources (Uses)

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise Service	Internal Service	Fiduciary	Discretely Presented Component Units
<i>Report in Whole Numbers</i>									
301	Excess of receipts/revenues over (under) expenditures/expenses (C240 - C270)	277							
302	Operating transfers in								
303	Operating transfers out	()	()	()	()	()	()	()	()
304	Bond proceeds								
305	Other - Long term debt(explain)								
306	Net increase (decrease) in fund balance (301 + 302 - 303 + 304 + 305)	277							
307	Previous year fund balance	285,264							
308	Other (Explain) ①	< 262,955 >							
310	CURRENT YEAR ENDING FUND BALANCE (306 + 307 + 308)	225,866							

① To CONVERT BACK TO CASH FUND BASIS
 IN ORDER TO SHOW CAPITAL OUTLAY & DEBT ACTIVITY
 ON Pg F3

Statement of Indebtedness

Debt Instruments for All Funds	Code	Outstanding Beginning of Year	Issued Current		Code	Retired Current Fiscal Year	Code	Outstanding End of Year
			Fiscal Year	Fiscal Year				
<i>Report in Whole Numbers</i>								
General Obligation Bonds	400				412		418	
Revenue Bonds	401				413		419	
Alternate Revenue Bonds	402				414		420	
Contractual commitments	403	93,645			415	10,250	421	83,395
Other (Explain)	404				416		422	
TOTAL DEBT	405	93,645			417	10,250	423	83,395

Explanation or Comments: (Use additional paper if necessary.)

***Capital Outlay**

		These are not funds	
Code	Function	Construction	Land, Structures and Equipment
601	General Government		
602	Law Enforcement		
603	Corrections		
604	Fire		10,525
605	Sewerage		
606	Sanitation and Wastewater		
607	Parks & Recreation		
608	Housing & Community Development		
609	Highways, Roads and Bridges		
610	Parking Facilities		
611	Welfare		
612	Hospital		
613	Water		
614	Nursing Homes		
615	Conservation and Natural Resources		
616	Libraries		
617	Other		

- *This page should only be filled out if you have spent funds for capital projects or development.
- *The Capital outlay page is requested by The U.S. Census Bureau and is considered optional by the State Comptroller
- *If you complete this page you WILL NOT have to complete the Survey of Government Finances from the U.S. Census Bureau.
- *If you do NOT complete this page the Census Bureau will contact you for further information.

FILED

OCT 20 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

Ivesdale
Fire Protection District
Ivesdale, Illinois

ANNUAL FINANCIAL REPORT

For the Year Ended

May 31, 2005

Stan Feller, CPA
806 Parkland CT Suite 1
Champaign, IL 61821
217-351-3192

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STAN FELLER, CPA

Accountant - Tax Consultant

806 Parkland Ct. - Champaign, Illinois 61821-2477
(217) 351-3192 (fax 351-4135) (stan@stanfellercpa.com)

COMPILATION REPORT

Board of Trustees
Ivesdale Fire Protection District

I have compiled the accompanying financial statements of the governmental activities of the Ivesdale Fire Protection District, State of Illinois, as of the year ended May 31, 2006, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the District's management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

As described in Note 1, the District prepares its financial statements on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Ivesdale Fire Protection District has not presented The Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.



Champaign, Illinois
September 29, 2006

IVESDALE FIRE PROTECTION DISTRICT
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
May 31, 2006

<u>Assets</u>	<u>Governmental Activities</u>	<u>Totals</u>
Current Assets - Cash	\$22,586	\$22,586
Other Assets - Pension Plan	27,544	27,544
Capital assets net of accumulated depreciation	<u>340,725</u>	<u>340,725</u>
Total Assets	<u>390,855</u>	<u>390,855</u>
<u>Liabilities</u>		
Pension Plan Obligations	27,544	27,544
Loan-First National Bank of Ivesdale-New Truck	78,395	78,395
Loan-First National Bank of Ivesdale	5,000	5,000
	<u>110,939</u>	<u>110,939</u>
Total Liabilities	<u>110,939</u>	<u>110,939</u>
<u>Net assets</u>		
Investment in general fixed assets	257,330	257,330
Restricted	1,310	1,310
Unrestricted	21,276	21,276
	<u>\$279,916</u>	<u>\$279,916</u>
Total net assets	<u>\$279,916</u>	<u>\$279,916</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

IVESDALE FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES - Modified Cash Basis
For the Twelve Months Ended May 31, 2006

	<u>General Fund</u>
<u>Revenues</u>	
Property taxes	\$74,342
Personal Property Replacement tax	421
Interest	190
Grant Village of Ivesdale	27,000
IL Municipal League	62
Miscellaneous	<u>2,404</u>
 Total Revenues Received	 <u>104,419</u>
<u>Expenditures</u>	
Administration	
Wages, trustees, firemen, P/R Taxes	35,284
Legal Services/Audit	2,121
Dues	300
Telephone	3,114
Office Supplies	399
Misc.	135
Pension	6,612
Insurance	
Workmen's Comp/Property	13,669
Health Insurance	5,910
Maintenance Buildings & Equipment	
Truck Fuel and Oil	354
Fire Equipment/Supplies	7,674
Bldg Repair	492
Utilities	2,832
Interest expense	4,471
Depreciation	<u>26,400</u>
 Total Expenditures Disbursed	 <u>109,767</u>
 Change in net assets	 (5,348)
 Net assets - beginning	 <u>285,264</u>
 Net assets - ending	 <u><u>\$279,916</u></u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

IVESDALE FIRE PROTECTION DISTRICT
BALANCE SHEET - MODIFIED CASH BASIS
May 31, 2006

	Governmental Activities	Totals
<u>Assets</u>		
Current Assets - Cash	\$22,586	\$22,586
Other Assets - Pension Plan	27,544	\$27,544
Total Assets	<u>50,130</u>	<u>50,130</u>
 <u>Liabilities</u>		
Pension Plan Obligations	27,544	27,544
Total Liabilities	<u>27,544</u>	<u>27,544</u>
 <u>Fund Balance</u>		
Restricted	1,310	1,310
Unrestricted	21,276	21,276
Total net assets	<u>\$22,586</u>	22,586
 Reconciliation to Statement of Net Assets:		
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		340,725
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and therefore are not reported in the funds.		(83,395)
Net Assets of governmental activities		<u>\$279,916</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

IVESDALE FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis
Budgetary Comparison Schedule
For the Twelve Months Ended May 31, 2006

	General Fund			Variance Favorable (Unfavorable)
	Budget Amounts		Actual Amounts	
	Original	Final		
Revenues				
Property taxes	72,775	72,775	74,342	(1,567)
Personal Property Replacement tax	275	275	421	(146)
Interest	300	300	191	109
Grant Village of Ivesdale	26,000	26,000	27,000	(1,000)
Loan Proceeds	10,000	10,000	5,000	5,000
IL Municipal League	0	0	62	
Miscellaneous	600	600	2,403	(1,803)
Total Revenues Received	109,950	109,950	109,419	
Expenditures				
Administration				
Wages, trustees firemen, P/R Taxes	41,900	41,900	35,284	6,616
Legal Services/Audit	4,000	4,000	2,121	1,879
Dues	1,000	1,000	300	700
Telephone	3,500	3,500	3,114	386
Office Supplies	1,350	1,350	399	951
Misc.	2,000	2,000	135	1,865
Pension	4,200	4,200	6,612	(2,412)
Insurance				
Workmen's Comp/Property	15,000	15,000	13,669	1,331
Health Insurance	6,000	6,000	5,910	90
Maintenance Buildings & Equipment				
Truck Fuel and Oil	1,000	1,000	354	646
Fire Equipment/Supplies	5,000	5,000	7,674	(2,674)
Bldg Repairs	4,000	4,000	492	3,508
Utilities	4,000	4,000	2,832	1,168
Interest expense	4,436	4,436	4,471	(35)
Loan Principal Payment	15,000	15,000	15,250	(250)
Capital Expenditures	9,000	9,000	10,525	(1,525)
Total Expenditures Disbursed	121,386	121,386	109,142	12,244
Excess (deficiency) of revenues over expenditures			277	
Fund balance, June 1, 2005			115,955	
Fund balance, May 31, 2006			116,232	

Reconciliation to the Statement of Activities:

Net change in fund balances - total governmental funds 277

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

Loan principle activity is removed	10,250
Capital asset purchases are capitalized	10,525
Depreciation expense is included	(26,400)

Change in Net Assets of Governmental Activities **(\$5,348)**

Notes to Budgetary Comparison Schedule

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statement.

These financial statements should be read only in connection
with the accompanying notes to financial statements

IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
May 31, 2006

NOTE 1. Summary of Significant Accounting Policies

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

1. A. Financial Reporting Entity

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

The Ivesdale Fire Protection District operates as a non-home rule unit and provides for the administration of the fire protection district.

The District, for financial purposes, includes all of the funds and account groups relevant to the operations of the District. The financial statements presented do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the District.

No separately administered organizations are included in the financial statements of the District. Control or dependence is determined on the basis of budget-adoption, taxing authority, funding and appointment of the respective governing board.

There are no blended component units.

1. B. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and Statement of Revenues, Expenditures, and Changes in Fund Balance display information about the reporting government as a whole. They include all funds of the reporting entity.

The funds of the financial reporting entity are described below:

Governmental Funds

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

Special Revenue Funds: There are no special revenue funds.

Capital Project Funds: There are no capital project funds.

IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
May 31, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

1. C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

MEASUREMENT FOCUS

In the Statement of Net Assets and the Statement of Revenues, Expenditures, and Changes in Fund Balance the activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objective of this measurement focus is the determination of income, changes in net assets (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported.

BASIS OF ACCOUNTING

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

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

If the District utilized the basis of accounting recognized as generally accepted, the financial statements would be presented on the accrual basis of accounting.

1. D. ASSETS, LIABILITIES, AND EQUITY

CASH AND CASH EQUIVALENTS

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

INVESTMENTS

Investments classified in the financial statements consist entirely of certificates of deposit whose original maturity term exceeds three months. Investments are carried at cost, which approximates fair value.

IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
May 31, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

1. E. REVENUES, EXPENDITURES, AND EXPENSES

PROGRAM REVENUES

In the Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis, modified cash basis revenues that are derived directly from each activity or from parties outside the District’s taxpayers are reported as program revenues.

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

The Fire District fiscal year end is May 31; consequently, the District receives two different tax levies. Property taxes are levied by the County in December and attach as an enforceable lien on property as of the preceding January 1. The dates the levies were adopted by the District for the taxes received this year were December 10, 2004 and November 15, 2005. The County collects the District’s property taxes in two installments. The bills were sent in May 2005 and May 2006. The County collected the taxes and mailed to the District their money in twelve installments, the final payment was in December 2005.

UNPAID VACATION AND SICK PAY

There was no accumulated unpaid vacation or sick pay.

1. F. USE OF ESTIMATES

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the District is subject to various federal, state, and local laws and contractual regulations.

2. A. UNINSURED AND UNCOLLATERALIZED DEPOSITS

In accordance with State law, all uninsured deposits of municipal funds, in financial institutions must be secured with acceptable collateral. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State or political subdivision debt obligations, surety bonds, or certain letters of credit. At May 31, 2006, the District did not have any uninsured deposits that were not collateralized

2. B. BUDGETARY COMPLIANCE

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

**IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
May 31, 2006**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - continued

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, debt service. Expenditures may not exceed appropriations at this level. The District follows these procedures in establishing data reflected in the financial statements: 1.) The Treasurer prepares a preliminary budget based on input from District officers and from historical data. 2.) The preliminary budget is then presented to the full District Board for approval. 3.) After the preliminary budget has been made available to the public for the required amount of time, the District Board formally adopts the final budget accordance with Chapter 24, para. 8-2-9 of the Illinois Revised Statutes. All budgeted funds are budgeted on the cash basis of accounting. The budget was approved at the June 2005 board meeting. The appropriation budget lapses at the end of each fiscal year.

The District does not use encumbrances.

For the year ended May 31, 2006, the District spent more money than was appropriated for several line categories.

NOTE 3. DETAIL NOTES – TRANSACTIONS CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

3. A. CASH AND INVESTMENTS

CUSTODIAL CREDIT RISK-DEPOSITS

The table presented below is designed to disclose the level of custodial credit risk assumed by the District based upon how its deposits were insured or secured with collateral at May 31, 2006.

As of May 31, 2005, the carrying amounts of the deposits and certificates of deposits totaled \$22,586 and the bank balances were \$23,005. There were no other investments.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category 1 - Deposits covered by depository insurance or collateral held by the District in the District's name	\$ 22,586	\$ 23,005
Category 2 - Deposits covered by the collateral held by the financial institution's agent in the District's name	-0-	-0-
Category 3 - Uninsured, uncollateralized deposits	<u>-0-</u>	<u>-0-</u>
Total deposits	<u>\$ 22,586</u>	<u>\$ 23,005</u>

IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
 May 31, 2006

3. B. RESTRICTED ASSETS

The \$1,310 of restricted assets represents the excess of social security real estate taxes over the expense.

3. C. CAPITAL ASSETS

Capital asset activity, resulting from modified cash basis transactions, for the fiscal year ended May 31, 2006, was as follows:

	Balance at June 1, 2005	Additions	Deductions	Balance at May 31, 2006
Government activities:				
Capital assets not being depreciated:				
Land	5,000.00	0.00	0.00	5,000.00
Construction-in-progress	0.00			0.00
Total capital assets not being depreciated:	<u>5,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,000.00</u>
Other capital assets:				
Buildings	75,000.00			75,000.00
Other improvements				
Machinery and equipment	508,000.00	10,525.00		518,525.00
Infrastructure				
Total other capital assets at historical cost	<u>583,000.00</u>	<u>10,525.00</u>	<u>0.00</u>	<u>593,525.00</u>
Less accumulated depreciation for:				
Buildings	21,000.00	1,000.00		22,000.00
Other improvements				
Machinery and equipment	210,400.00	25,400.00		235,800.00
Infrastructure				
Total accumulated depreciation	<u>231,400.00</u>	<u>26,400.00</u>	<u>0.00</u>	<u>257,800.00</u>
Other capital assets, net	<u>351,600.00</u>			<u>335,725.00</u>
Governmental activities capital assets, net	<u>356,600.00</u>			<u>340,725.00</u>

3. D. LONG-TERM DEBT

The debt is held at the First National Bank of Ivesdale and is considered a current liability.

NOTE 4. OTHER NOTES

4. A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The Fire District has started an employee pension plan for its one full time employee. It is funded by district contributions. At December 31, 2005, it was determined the plan had an unfunded liability of \$15,795.

IVESDALE FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
May 31, 2006

4. B. RISK MANAGMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During the current fiscal year there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

4.C. COMMITMENTS AND CONTINGENCIES

COMMITMENTS

The District does not have any commitments to report.

CONTINGENCIES

The District is not aware of any litigation or other contingencies, which might have a material adverse affect on the District's financial position.