

STARK QUAD AMBULANCE DISTRICT

FINANCIAL STATEMENTS

Years Ended December 31, 1999 and 1998

**Laura J. MacDonald, CPA, Inc.
3613 Reserve Commons Drive
Medina, Ohio 44256**



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215
Telephone 614-466-4514
800-282-0370
Facsimile 614-728-7398

Board of Trustees
Stark - Quad Ambulance District

We have reviewed the Independent Auditor's Report of the Stark - Quad Ambulance District, Stark County, prepared by Laura J. MacDonald, CPA, Inc. for the audit period January 1, 1998 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Stark - Quad Ambulance District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

August 15, 2000

**STARK QUAD AMBULANCE DISTRICT
FINANCIAL STATEMENTS
Years Ended December 31, 1999 and 1998**

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LAURA J. MACDONALD, CPA, INC.
3613 RESERVE COMMONS DRIVE
MEDINA, OHIO 44256

(330) 722-1944
FAX (330) 225-8084

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Stark-Quad Ambulance District
Stark County
6930 Minerva Road
Waynesburg, Ohio 44688

I have audited the accompanying financial statements of the Stark-Quad Ambulance District, Stark County, Ohio, (the District) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audits.

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

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the Stark-Quad Ambulance District as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, I have also issued a report dated June 27, 2000, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under Section 117.26 of the Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Laura J. MacDonald, CPA, Inc.
June 27, 2000

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**STARK QUAD AMBULANCE DISTRICT
STATEMENTS OF CASH RECEIPTS, CASH
DISBURSEMENTS AND CHANGES IN FUND
CASH BALANCES - GENERAL FUND
Years Ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
CASH RECEIPTS		
Taxes	\$ 85,333	\$ 84,822
Charges for services	-	1,233
Interest	4,178	2,663
Other receipts	<u>10,916</u>	<u>17,547</u>
	100,427	106,265
CASH DISBURSEMENTS		
General government	11,770	9,963
Public safety	39,331	40,130
Miscellaneous	6,282	5,383
Capital outlay	7,434	11,069
Contract services	6,503	6,554
Supplies and materials	<u>4,138</u>	<u>3,995</u>
	<u>75,458</u>	<u>77,094</u>
EXCESS OF CASH RECEIPTS OVER CASH DISBURSEMENTS	24,969	29,171
FUND CASH BALANCES AT BEGINNING OF YEAR	<u>108,595</u>	<u>79,424</u>
FUND CASH BALANCES AT END OF YEAR	<u>\$ 133,564</u>	<u>\$ 108,595</u>
RESERVES FOR ENCUMBRANCES	<u>\$ 8,479</u>	<u>\$ 1,693</u>

Please refer to accompanying notes.

**STARK-QUAD AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 1999 and 1998**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Stark-Quad Ambulance District (the District) is a body corporate and politic established for the purpose of providing public emergency ambulance services for the residents of the Stark-Quad Ambulance District which includes the Village of Magnolia, the Village of Waynesburg, Sandy Township and Rose Township. The District is directed by a Board of Trustees consisting of four members. One Board member is appointed by each political subdivision within the District.

The District's management believes these financial statements present all activities for which the District is financially accountable.

Accounting Basis

The accompanying financial statements have been prepared on the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when they are paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District uses the following fund:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Budgetary Process

The Ohio Revised Code requires that budgets be prepared annually. Tax budgets are required to be adopted on or before July 15th of each year for the next succeeding fiscal year. Other aspects of the budgetary process are described below.

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**STARK-QUAD AMBULANCE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 December 31, 1999 and 1998**

Budgetary Process (Continued)

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1st. The County Budget Commission must also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made.

A summary of 1999 and 1998 budgetary activity appears in Note 5.

Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements (capital outlays) when paid. These items are not reflected as assets in the accompanying financial statements.

NOTE 2 – EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31, 1999 and 1998 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	<u>\$133,564</u>	<u>\$108,595</u>

As of December 31, 1999, \$100,000 in cash was covered by Federal Depository Insurance and the remaining \$33,564 was collateralized by securities conforming to the requirements of Section 135.18(B) of the Ohio Revised Code.

As of December 31, 1998, \$100,000 in cash was covered by Federal Depository Insurance and the remaining \$8,595 was collateralized by securities conforming to the requirements of Section 135.18(B) of the Ohio Revised Code.

NOTE 3 – DEFINED BENEFIT PENSION PLAN

All District employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost sharing, multiple-employer plan. This plan provides for retirement benefits, including post retirement healthcare and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. Contribution rates are prescribed by the Ohio Revised Code. For 1999 and 1998, District employees contributed 8.5% of their gross salaries to PERS. The District contributed 13.55% of participants' salaries during each of these years.

**STARK-QUAD AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 1999 and 1998**

NOTE 4 – RISK MANAGEMENT

As of December 31, 1999, the District had property insurance coverage of \$221,100, business personal property coverage of \$62,100, and portable ambulance equipment insurance coverage of \$185,454.

NOTE 5 – BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 1999 and 1998 was as follows:

Year Ended December 31, 1999:

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$205,811</u>	<u>\$100,427</u>	<u>\$105,384</u>
	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General	<u>\$205,811</u>	<u>\$ 83,937</u>	<u>\$121,874</u>

Year Ended December 31, 1998:

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$175,180</u>	<u>\$106,265</u>	<u>\$ 68,915</u>
	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General	<u>\$175,180</u>	<u>\$ 78,787</u>	<u>\$96,393</u>

NOTE 6 – PROPERTY TAX

Real property taxes become a lien on January 1st preceding the October 1st date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as “Taxes”. Payments are due to the County by December 31st. If the property owner elects to make semiannual payments, the first half is due December 31st. The second half payment is due the following June 20th.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30th.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

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

To the Board of Trustees
Stark-Quad Ambulance District
Stark County
6930 Minerva Road
Waynesburg, Ohio 44688

I have audited the financial statements of the Stark-Quad Ambulance Service as of and for the years ended December 31, 1999 and 1998, and have issued my report thereon dated June 27, 2000. I conducted my audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Stark-Quad Ambulance District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audits and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audits, I considered the Stark-Quad Ambulance District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the Board of Trustees, management and all funding sources and is not intended to be and should not be used by anyone other than these specified parties.

Laura J. MacDonald, CPA, Inc.
June 27, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

STARK QUAD AMBULANCE DISTRICT

STARK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 19, 2000**