



**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

FREDERICKTOWN COMMUNITY JOINT AMBULANCE DISTRICT
KNOX COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance- For the Years Ended December 31, 2000 and December 31, 1999	3
Notes to the Financial Statements	5
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors
Fredericktown Community Joint Emergency Ambulance District
Knox County
18405 Roberts Road
Fredericktown, Ohio 43019

To the Board of Directors:

We have audited the accompanying financial statements of the Fredericktown Community Joint Emergency Ambulance District, Knox County, Ohio, (the District) as of and for the years ended December 31, 2000 and December 31, 1999. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we 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. We believe that our audits provide a reasonable basis for our 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 our opinion, the financial statements referred to above present fairly, in all material respects, the cash balance and reserve for encumbrances of Fredericktown Community Joint Emergency Ambulance District, Knox County, Ohio, as of December 31, 2000 and December 31, 1999, 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*, we have also issued our report dated June 22, 2001 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

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

JIM PETRO
Auditor of State

June 22, 2001

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**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2000 AND DECEMBER 31, 1999

	2000	1999
Cash Receipts:		
Taxes	\$72,166	\$69,624
Intergovernmental	9,327	9,234
Contract Services	300	300
Earnings on Investments	5,895	2,519
Miscellaneous	35	357
	87,723	82,034
Cash Disbursements:		
Current:		
Public Safety	53,778	45,199
	33,945	36,835
Total Cash Receipts Over Cash Disbursements	33,945	36,835
Cash Balances, Beginning	90,833	53,998
Cash Balances, Ending	\$124,778	\$90,833
Reserve for Encumbrances	\$6,000	\$0

The notes to the financial statements are an integral part of this statement.

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**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Fredericktown Community Joint Emergency Ambulance District, Knox County, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The governing body is a Board of Directors, which includes one representative appointed by each board of township trustees and one representative appointed by the legislative authority of each municipal corporation in the District. The District provides emergency medical services under Section 505.71 and 505.73 of the Ohio Revised Code.

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

B. Basis of Accounting

These financial statements follow 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 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.

C. Cash and Investments

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

E. Budgetary Process

The Ohio Revised Code requires that the District budget annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function and object level of control, and appropriations may not exceed estimated resources. The Board of Directors 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.

**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgetary Process (continued)

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

2. EQUITY IN CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$ 31,570	\$ 10,136
Certificates of deposit	<u>20,379</u>	<u>80,697</u>
Total deposits	51,949	90,833
STAR Ohio	<u>72,829</u>	<u>0</u>
Total deposits and investments	<u>\$ 124,778</u>	<u>\$ 90,833</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND DECEMBER 31, 1999**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Receipts			
	Budgeted Receipts	Actual Receipts	Variance
	<u>\$ 83,100</u>	<u>\$ 87,723</u>	<u>\$ 4,623</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation Authority	Budgetary Expenditures	Variance
	<u>\$ 95,150</u>	<u>\$ 59,778</u>	<u>\$ 35,372</u>

1999 Budgeted vs. Actual Receipts			
	Budgeted Receipts	Actual Receipts	Variance
	<u>\$ 77,900</u>	<u>\$ 82,034</u>	<u>\$ 4,134</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation Authority	Budgetary Expenditures	Variance
	<u>\$ 85,000</u>	<u>\$ 45,199</u>	<u>\$ 39,801</u>

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Directors. 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 Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

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

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

**FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND DECEMBER 31, 1999**

5. RETIREMENT SYSTEMS

All employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. In 1999, the District contributed an amount equal to 13.55% of participants' gross salaries. In 2000, the average employers' contribution rate was 10.84% of participants' gross salaries. The District has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Accidents and Sickness
- Comprehensive property and general liability
- Vehicles
- Errors and omissions



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED
BY GOVERNMENT AUDITING STANDARDS**

Board of Directors
Fredericktown Community Joint Emergency Ambulance District
Knox County
18405 Roberts Road
Fredericktown, Ohio 43019

To the Board of Directors:

We have audited the accompanying financial statements of the Fredericktown Community Joint Emergency Ambulance District, Knox County, Ohio (the District), as of and for the years ended December 31, 2000 and December 31, 1999 and have issued our report thereon dated June 22, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated June 22, 2001.

Fredericktown Community Joint Emergency Ambulance District
Knox County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

JIM PETRO
Auditor of State

June 22, 2001



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FREDERICKTOWN COMMUNITY JOINT EMERGENCY AMBULANCE DISTRICT

KNOX 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
JULY 17, 2001**