



**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2002, 2001 & 2000



**Auditor of State
Betty Montgomery**

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Central Lorain County Joint Ambulance District
Lorain County
10413 Vermilion Road
Oberlin, Ohio 44074

To the Board of Trustees:

We have audited the accompanying financial statements of the Central Lorain County Joint Ambulance District, Lorain County, Ohio, (the District) as of and for the years ended December 31, 2002, December 31, 2001 and December 31, 2000. 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 audits 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 described 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 fund cash balances of the Central Lorain County Joint Ambulance District, Lorain County, Ohio, as of December 31, 2002, December 31, 2001 and December 31, 2000, 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 March 17, 2003 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 the audits 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, Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

March 17, 2003

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361
www.auditor.state.oh.us

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**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
THE GENERAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>General</u>
Cash Receipts:	
Taxes	\$548,602
Intergovernmental	78,927
Investment Income	<u>2,342</u>
Total Cash Receipts	<u>629,871</u>
Cash Disbursements:	
Salaries and Benefits	3,749
Contractual Services	548,661
Legal Fees	30,770
Miscellaneous	<u>1,579</u>
Total Cash Disbursements	<u>584,759</u>
Total Receipts Over Disbursements	<u>45,112</u>
Fund Cash Balances, January 1, 2002	<u>18,203</u>
Fund Cash Balances, December 31, 2002	<u><u>\$63,315</u></u>

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

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
THE GENERAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>General</u>
Cash Receipts:	
Taxes	\$552,835
Intergovernmental	71,043
Investment Income	2,694
Miscellaneous	<u>25,502</u>
Total Cash Receipts	<u>652,074</u>
Cash Disbursements:	
Salaries and Benefits	3,611
Contractual Services	619,293
Legal Fees	15,020
Miscellaneous	<u>5,183</u>
Total Cash Disbursements	<u>643,107</u>
Total Receipts Over Disbursements	<u>8,967</u>
Fund Cash Balances, January 1, 2001	<u>9,236</u>
Fund Cash Balances, December 31, 2001	<u><u>\$18,203</u></u>

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

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
THE GENERAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>General</u>
Cash Receipts:	
Investment Income	<u>\$ 791</u>
Total Cash Receipts	<u>791</u>
Cash Disbursements:	
Legal Fees	19,575
Miscellaneous	<u>1,476</u>
Total Cash Disbursements	<u>21,051</u>
Total Receipts (Under) Disbursements	<u>(20,260)</u>
Other Financing Receipts:	
Loan Proceeds from Member Entities	<u>9,500</u>
Total Other Financing Receipts	<u>9,500</u>
Excess of Cash Receipts and Other Financing Receipts (Under) Cash Disbursements	(10,760)
Fund Cash Balances, January 1, 2000	<u>19,996</u>
Fund Cash Balances, December 31, 2000	<u><u>\$9,236</u></u>

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

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**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Central Lorain County Joint Ambulance District, Lorain County, Ohio (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 District is directed by an appointed six-member Board of Trustees representing the City of Oberlin, Village of Kipton, and the Townships of Camden, Henrietta, New Russia and Pittsfield.

The District contracts with Allen Memorial Hospital, the Oberlin Medical Center, to provide emergency medical services to the residents of the District.

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. Fund Accounting

The District uses fund accounting to report its financial position and results of its operations.

The General Fund is the operating fund of the District and is used to account for all financial resources. The General Fund balance is available to the District for any purpose provided it is expended according to the general laws of Ohio.

D. Budgetary Process

The Ohio Revised Code requires the General fund be budgeted annually.

1. 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. Appropriations lapse at year end.

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.

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002, 2001 AND 2000
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

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. Encumbrances outstanding at year end are canceled and reappropriated in the subsequent year.

A summary of 2002, 2001 and 2000 budgetary activity appears in Note 3.

2. EQUITY IN POOLED CASH

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

	2002	2001	2000
Demand deposits	\$63,315	\$18,203	\$9,236

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002, December 31, 2001 and December 31, 2000 was as follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$636,773	\$629,871	(\$6,902)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$654,976	\$584,759	\$70,217

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$675,967	\$652,074	(\$23,893)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$660,203	\$643,107	\$17,096

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002, 2001 AND 2000
(CONTINUED)**

3. BUDGETARY ACTIVITY (CONTINUED)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$7,270	\$10,291	\$3,021

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$23,500	\$21,051	\$2,449

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority at the legal level of control in the General Fund purchased contracts/other expenses and auditor/treasurer fees accounts by \$11,336 and \$4,293, respectively, for the year ended December 31, 2001.

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 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 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.

Public utilities are also taxed on personal and real property located within the District.

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.

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

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	Principal	Interest Rate
Loan from City of Oberlin	15,000	0.00%
Loan from New Russia Township	5,000	0.00%
Loan from Camden Township	3,000	0.00%
Loan from Henrietta Township	4,000	0.00%
Loan from Village of Kipton	500	0.00%
Loan from Pittsfield Township	2,000	0.00%
Total	\$29,500	

The loans were for the initial share of costs of the District.

**CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002, 2001 AND 2000
(CONTINUED)**

6. RETIREMENT SYSTEMS

The District's employee belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post retirement 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 2002 and 2001 the PERS member contributed 8.5% of his gross salary. The District contributed an amount equal to 13.55% of the participant's gross salary for 2002 and 2001. The District had no payroll for 2000 and has paid all contributions required through December 31, 2002.

7. RISK MANAGEMENT

Risk Pool Membership

The District is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the Central Lorain County Joint Ambulance District's policy. The Pool covers the following risks relating to the District:

- Legal Liability; and
- Wrongful Acts;

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (latest information available):

<u>Casualty Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$19,358,458	\$17,112,129
Liabilities	\$8,827,588	\$7,715,035
Retained Earnings	<u>\$10,530,870</u>	<u>\$9,397,094</u>
<u>Property Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$1,890,323	\$1,575,614
Liabilities	\$469,100	\$281,561
Retained Earnings	<u>\$1,421,223</u>	<u>\$1,294,053</u>



Auditor of State Betty Montgomery

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

Central Lorain County Joint Ambulance District
Lorain County
10413 Vermilion Road
Oberlin, Ohio 44074

To the Board of Trustees:

We have audited the financial statements of the Central Lorain County Joint Ambulance District, Lorain County, Ohio, (the District) as of and for the years ended December 31, 2002, December 31, 2001 and December 31, 2000, and have issued our report thereon dated March 17, 2003. We conducted our audits 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 the 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*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated March 17, 2003.

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 March 17, 2003.

Central Lorain County Joint Ambulance District
Lorain County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
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This report is intended solely for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

March 17, 2003



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CENTRAL LORAIN COUNTY JOINT AMBULANCE DISTRICT

LORAIN 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
APRIL 8, 2003**