



**Auditor of State
Betty Montgomery**

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Eastern Emergency Joint Ambulance District
Hamilton County
6904 Murray Avenue
Cincinnati, Ohio 45227

To the Board of Trustees:

We have audited the accompanying financial statements of Eastern Emergency Joint Ambulance District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2003 and 2002. 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 audit.

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 audit 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 audit provides a reasonable basis for our opinion.

As discussed in Note 1, the accompanying financial statements for the period ending December 31, 2003 and 2002 were prepared 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 balance and reserves for encumbrances of the District, as of December 31, 2003 and 2002, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

Pursuant to a January 14, 2003 resolution, the District dissolved, effective January 1, 2004. The District ceased providing services January 1, 2004. Cash transactions subsequent to that date relate to paying remaining obligations and distributing remaining assets to the District's members. See Notes 7 through 9.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2004 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 audit.

This report is intended solely for the information and use of the audit committee, management, the 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". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

October 19, 2004

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE
GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	<u>2003</u>	<u>2002</u>
Cash Receipts:		
Local Taxes	\$463,574	\$465,544
Intergovernmental	46,786	45,942
Earnings on Investments	8,268	3,075
Miscellaneous	<u>1,387</u>	<u>13,351</u>
Total Cash Receipts	<u>520,015</u>	<u>527,912</u>
Cash Disbursements:		
Current:		
Security of Persons and Property	349,929	332,535
General Government	<u>39,961</u>	<u>41,898</u>
Total Disbursements	<u>389,890</u>	<u>374,433</u>
Total Receipts Over Disbursements	<u>130,125</u>	<u>153,479</u>
Fund Cash Balances, January 1	<u>389,782</u>	<u>236,303</u>
Fund Cash Balances, December 31	<u>\$519,907</u>	<u>\$389,782</u>
Reserves for Encumbrances, December 31	<u>\$11,424</u>	<u>\$0</u>

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

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**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Eastern Emergency Joint Ambulance District, Hamilton 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 three-member Board of Trustees. One board member is appointed by each political subdivision within the District. Those subdivisions are the Villages of Fairfax and Mariemont and Columbia Township. The District provides emergency medical services within the District and by contract to areas outside the District.

At dissolution on January 1, 2004, the Eastern Emergency Joint Ambulance District ceased to operate as a separate political entity due to the withdrawal of the Village of Fairfax and Columbia Township pursuant to their January 14, 2003 resolution. Upon the withdrawal of any township or municipal corporation from a joint ambulance district, the county auditor ascertains, apportions, and orders a division of the funds on hand. A division of assets will be carried out by the Hamilton County Auditor. The distribution has been established by the Ohio Department of Taxation. All future reimbursements will be made directly to the Village of Mariemont.

Upon dissolution all funds, inventory, equipment, and vehicles will be transferred to the appropriate members in accordance with Ohio Revised Code Section 505.71. The District's account was maintained for the remaining cash balance of the District to pay remaining obligations and receipt any revenues due to the District until distribution of all funds.

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 Deposits

District funds are deposited in an interest bearing checking account. This account has remained open to pay remaining obligations and receipt any revenues due to the District until Distribution of all funds. Certificates of deposit are valued at cost.

D. Fund Accounting

The District uses fund accounting and has no cash and deposits that are restricted as to use. The District accounts for all financial resources in the General Fund.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Unencumbered 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.

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 2003 and 2002 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.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's basis of accounting.

2. CASH AND DEPOSITS

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

	2003	2002
Demand deposits	\$519,907	\$239,782
Certificates of deposit	0	150,000
Total deposits	\$519,907	\$389,782

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$491,759	\$520,015	\$28,256

2003 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$450,632	\$401,314	\$49,318

2002 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$491,759	\$527,912	\$36,153

2002 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$401,460	\$374,432	\$27,028

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.

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.

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

5. RETIREMENT SYSTEMS

The District's full-time and part-time emergency medical technicians 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 2003 and 2002, members of PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 2003.

6. RISK MANAGEMENT

Commercial Insurance

The Eastern Emergency Joint Ambulance District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The District also provides health insurance coverage to full-time employees through a private carrier. Dental insurance is provided by the District in an amount up to \$750 per employee, per year.

7. STATUS OF RECEIVABLES ON THE DATE OF DISSOLUTION, JANUARY 1, 2004

Listed below are items received after the date of dissolution that related to operations of the District.

Receipt Type	Amount	Reason
10k Personal Property Exempt	\$9,588	Received 01/23/04 & 09/16/04 from the State.
Mariemont Insurance	102	On 01/15/04, Mariemont Insurance prorated and refunded \$102 for premiums paid on the cancelled policy.
Interest	2,923	Provident Bank monthly checking interest earned.
Worker's Comp	9	Refund
Bound Tree Medical	47	Reimbursement
Outstanding Checks	<u>524</u>	Old Outstanding checks repaid to account
Total	<u>\$13,193</u>	

**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

8. STATUS OF PAYABLES ON THE DATE OF DISSOLUTION, JANUARY 1, 2004

Listed below are items paid after the date of dissolution that related to operations of the District. The following is a list of payable as of December 31, 2003.

Medtronic Physio Control	\$ 1,499
Public Employees Retirement System	2,479
Paycor, Inc.	660
Verizon Wireless	231
Bureau of Worker's Compensation	2,566
Dinsmore & Shohl	120
Audit Costs	<u>3,869</u>
Total	<u>\$11,424</u>

9. SUBSEQUENT EVENTS

Distribution of Monies

The remaining balance in the District's checking account will be divided among the Villages of Fairfax and Mariemont and Columbia Township. Ohio Revised Code § 505.71 provides that upon withdrawal of any township or municipal corporation from a joint ambulance district, "the county auditor shall ascertain, apportion, and order a division of the funds on hand, moneys and taxes in the process of collections ... credits, and real and personal property ... on the basis of the valuation of the respective tax duplicates of the withdrawing municipal corporation or township or township and the remaining territory of the district." The District will distribute the monies as follows:

December 31, 2003 balance	\$519,907
Plus subsequent receipt from Note 7	13,193
Less subsequent expenditures per Note 8	<u>11,424</u>
Balance to be distributed	<u>\$521,676</u>
 Inventory to be distributed	 30,774
Total to be divided	<u>\$552,450</u>

<u>District</u>	<u>Distribution of Assets</u>	<u>Distribution Percentage for Future Assets</u>
Village of Mariemont	\$246,475	44.6%
Village of Fairfax	166,330	30.1%
Little Miami Fire District	68,387	12.4%
Kenwood Fire District	17,815	3.2%
Madison Place Fire District	49,997	9.1%
Columbia Township	<u>3,446</u>	<u>.6%</u>
Total to be divided	<u>\$552,450</u>	<u>100%</u>

On October 19, 2004, the Hamilton County auditor approved the distribution of these funds. The District will distribute these funds in January 2005. Any unknown receipts or expenditures that may come about will also be divided between the above entities based on percentages mentioned above.

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Auditor of State Betty Montgomery

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

Eastern Emergency Joint Ambulance District
Hamilton County
6904 Murray Avenue
Cincinnati, Ohio 45227

To the Board of Trustees:

We have audited the financial statements of Eastern Emergency Joint Ambulance District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated October 19, 2004, wherein we noted the District ceased to operate as of January 1, 2004. 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 the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit 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 audit, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings as item 2003-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

This report is intended solely for the information and use of the audit committee, 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

October 19, 2004

**EASTERN EMERGENCY JOINT AMBULANCE
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2003 AND 2002**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2003-001

Reportable Condition

At December 31, 2002, the District's bank balance was not reconciled to the book balance. The difference of \$2,388 was an overage in the bank that could not be determined. Although monthly reconciliations are being performed, errors in the reconciliations varied from month to month and documentation for the reconciling items was not complete. These conditions could result in errors and other irregularities in the financial statements which may not be detected in a timely manner. The Clerk should have reconciled the bank balance to the book balance monthly and documented all reconciling items and errors.

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**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2003 and 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2001-30431-001	The District's cash records were not reconciled to the bank balances.	No	



**Auditor of State
Betty Montgomery**

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**EASTERN EMERGENCY JOINT AMBULANCE DISTRICT
HAMILTON 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
FEBRUARY 10, 2005**