Millstadt Ambulance Service
Millstadt, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended April 30, 1989

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Allison Knapp & Siekmann

CERTIFIED PUBLIC ACCOUNTANTS

July 26, 1989

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying general purpose financial statements of the Millstadt Ambulance Service as of and for the year ended April 30, 1989, as listed in the table of contents. These financial statements are the responsibility of the Service's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Millstadt Ambulance Service as of April 30, 1989, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Allison Knapp & Siekmann

Allison Knapp & Siekmann
CERTIFIED PUBLIC ACCOUNTANTS

July 26, 1989

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

REPORT ON INTERNAL ACCOUNTING CONTROLS BASED SOLELY ON
A STUDY AND EVALUATION MADE AS A PART OF AN AUDIT
OF THE GENERAL PURPOSE FINANCIAL STATEMENTS

We have audited the general purpose financial statements of the Millstadt Ambulance Service for the year ended April 30, 1989, and have issued our report thereon dated July 26, 1989. As part of our audit, we made a study and evaluation of the system of internal accounting control of the Millstadt Ambulance Service, to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. General Accounting Office Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. For the purpose of this report, we have classified the significant internal accounting controls in the following categories:

Financial Statement Captions

- Cash and investments
- Receivables
- Property and equipment
- Payables and accrued liabilities
- Fund balance

Our study included all of the control categories listed above. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the entity's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole or on any of the categories of controls identified above.

The management of the Millstadt Ambulance Service, is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of the Millstadt Ambulance Service, taken as a whole or on any of the categories of controls identified in the first paragraph. However, our study and evaluation disclosed no condition that we believed to be a material weakness.

This report is intended solely for the use of management and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Millstadt Ambulance Service, is a matter of public record.

Allison Knapp + Siekmann

Allison Knapp & Siekmann

CERTIFIED PUBLIC ACCOUNTANTS

July 26, 1989

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STANDARDS FOR AUDIT ISSUED BY THE GAO

We have audited the general purpose financial statements of the Millstadt Ambulance Service for the year ended April 30, 1989, and have issued our report thereon dated July 26, 1989. Our audit was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U. S. General Accounting Office, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The management of the Millstadt Ambulance Service is responsible for the Service's compliance with laws and regulations. In connection with our audit referred to above, we selected and tested transactions and records to determine the Service's compliance with laws and regulations noncompliance with which could have a material effect on the general purpose financial statements of the Service.

The results of our tests indicate that for the items tested, the Millstadt Ambulance Service complied with those provisions of laws and regulations noncompliance with which could have a material effect on the general purpose financial statements. Nothing came to our attention that caused us to believe that for the items not tested, the Millstadt Ambulance Service was not in compliance with laws or regulations noncompliance with which could have a material effect on the Service's general purpose financial statements.

Allison Knapp + Siekmann

EXHIBIT 1

Millstadt Ambulance Service
Millstadt, Illinois

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS

April 30, 1989
(With Comparative Totals for April 30, 1988)

ASSETS	General Fund	General fixed assets group of accounts	Totals (Memorandum Only) 1989	Totals (Memorandum Only) 1988
ASSETS				
Cash and cash equivalents				
Demand deposits	$ 9,335	$ -	$ 9,335	$ 6,598
Money Market Account	27,007	-	27,007	20,598
Accounts receivable - patient fees	9,054	-	9,054	7,844
Unexpired insurance	3,657	-	3,657	3,758
Property taxes receivable				
Distributable from service entities				
Current levy	53,000	-	53,000	43,000
Prior levy	4,416	-	4,416	1,942
Property, plant and equipment	-	196,075	196,075	115,774
TOTAL ASSETS	$106,469	$196,075	$302,544	$199,514
LIABILITIES AND EQUITY				
LIABILITIES				
Accounts payable	$ 4,061	$ -	$ 4,061	$ 4,269
Deferred revenue				
Property tax	57,416	-	57,416	44,942
Accrued wages	350	-	350	-
Payroll taxes payable	223	-	223	-
Total liabilities	62,050	-	62,050	49,211
EQUITY				
Fund balance	44,419	-	44,419	34,529
Investment in general fixed assets	-	196,075	196,075	115,774
Total equity	44,419	196,075	240,494	150,303
TOTAL LIABILITIES AND EQUITY	$106,469	$196,075	$302,544	$199,514

The accompanying notes are an integral part of this financial statement.

EXHIBIT 2

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GENERAL FUND

Year Ended April 30, 1989
(With Comparative Totals for Year Ended April 30, 1988)

	1989	1988
REVENUES		
Patient fees	$ 30,584	$ 32,210
Property taxes	40,519	26,065
Donations and contributions	1,000	305
Recovery of bad debts	351	429
Interest earned	1,209	1,586
Miscellaneous	94	-
Total revenues	73,757	60,595
EXPENDITURES		
General government	14,852	16,851
Health and welfare	45,513	47,533
Capital outlay	3,502	35,448
Total expenditures	63,867	99,832
Excess (deficiency) of revenues over expenditures	9,890	(39,237
Fund balance, beginning of year	34,529	73,766
FUND BALANCE, END OF YEAR	$ 44,419	$ 34,529

The accompanying notes are an integral part of this financial statement.

EXHIBIT 3

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

Year Ended April 30, 1989

	Budget	Actual
REVENUES		
Patient fees	$ 25,000	$ 30,584
Property taxes	43,000	40,519
Donations and contributions	-	1,000
Recovery of bad debts	-	351
Interest earned	-	1,209
Miscellaneous	-	94
Total revenues	68,000	73,757
EXPENDITURES		
General government	18,380	14,852
Health and welfare	54,257	45,513
Capital outlay	25,000	3,502
Total expenditures	97,637	63,867
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$(29,637)	$ 9,890

The accompanying notes are an integral part of this financial statement.

Millstadt Ambulance Service
Millstadt, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 1989

Note 1: Summary of Significant Accounting Policies

The financial statements of the Millstadt Ambulance Service have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The Service was organized by an intergovernmental cooperation agreement between the Village of Millstadt and the Millstadt Rural Fire Protection District. According to the agreement, the Service will operate independently of the organizing entities. The Service will receive funding from these entities by a property tax levied on the real property within their respective areas (see Note 3).

B. Fund Accounting

The Service utilizes fund accounting principles similar to municipalities. The Service consists of:

General Fund - The General Fund accounts for financial resources in use for operations.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

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NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 1989

Note 1: Summary of Significant Accounting Policies (continued)

D. Budgets and Budgetary Accounting

The Service follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the Service issues a tentative operating budget prepared for the year commencing the following May 1. The operating budget includes proposed expenditures and means of financing them.

2. The Board of Director approves the budget.

3. Unused appropriations for all of the above annually budgeted funds lapse at the end of the year.

4. The budgeted amounts shown in these financial statements are the final authorized amounts.

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposit accounts as well as short-term investments with a maturity date within 1 year of the date acquired by the Service. Cash equivalents are stated at cost plus compounded interest where applicable.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond April 30, 1989 are recorded as prepaid items.

G. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, result of operations, and changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

H. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

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NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 1989

Note 2: Deposits and Investments

The Millstadt Ambulance Service's cash and cash equivalent accounts have been categorized by the level of risk using the criteria set forth in GASB Statement 3, as described below:

Cash

At April 30, 1989, the carrying amount of the Service's deposits totaled $36,342. The bank balances of these deposits totaled $34,169 and have been categorized as follows:

	Bank balances
Category 1 Deposits which are insured or collateralized with securities held by the Service or its agent in the Service's name.	$34,169
Category 2 Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Service's name.	-
Category 3 Deposits which are uninsured or uncollateralized or for which the collateral is held by the pledging financial institution's trust department or agent but not in the Service's name.	-
Total deposits	$34,169

Note 3: General Fixed Assets and Changes in Fixed Assets

General fixed assets are recorded at cost, for valuation purposes only, with no provision for depreciation. The investment in fixed assets represents the Service's basis in the equity of general fixed assets.

Changes in General Fixed Assets

	Balance 4/30/88	Additions	Deletions	Balance 4/30/89
Property, plant and equipment	$115,774	$80,301	$ -0-	$196,075

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NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 1989

Note 4: Property Taxes

The accompanying financial statements present an estimate of the current tax levies requested by the Village of Millstadt and the Millstadt Rural Fire Protection District based on prior assessed valuations and certain adjustments. They are recorded as deferred revenue by the Service until the taxing bodies actually remit the collections. The taxing entities are a conduit for the levy and collection of the tax, which is transferred to the Service.

As of April 30, 1989, the property tax receivable balances consist of the following:

	Village of Millstadt	Millstadt Rural Fire Protection District	Total
1987 Levy - final due (includes uncollectible balances)	$ 1,790	$ 2,626	$ 4,416
1988 Levy - estimated	21,200	31,800	53,000
TOTALS	$22,990	$34,426	$57,416

Note 5: Long-Term Debt

The Service has no outstanding long-term debt.

Note 6: Donated Property

During the fiscal year ended April 30, 1989, the Service purchased the building used to house the Service's operations from the Union Fire Company for one dollar. For valuation purposes, the building has been recorded at $77,565 which includes the property's insured value plus legal and surveying fees.

Allison Knapp & Siekmann

CERTIFIED PUBLIC ACCOUNTANTS

July 26, 1989

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

We have audited the general purpose financial statements of the Millstadt Ambulance Service for the year ended April 30, 1989, and have issued our report thereon dated July 26, 1989. Our audit of such general purpose financial statements was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Millstadt Ambulance Service. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Allison Knapp & Siekmann

SCHEDULE 1

Millstadt Ambulance Service
Millstadt, Illinois

COMPARATIVE SCHEDULE OF EXPENDITURES BY FUNCTION
GENERAL FUND

Years Ended April 30, 1989 and 1988

	1989	1988
EXPENDITURES		
General Government		
Salaries	$ 4,514	$ 5,428
FICA tax expense	350	435
Unemployment tax expense	24	16
Office supplies	918	650
Accounting and legal fees	900	840
Penalty on early withdrawal	-	481
Insurance	8,019	8,919
Miscellaneous	127	82
Total general government	14,852	16,851
Health and Welfare		
Medical supplies	1,637	1,589
Repairs	3,006	1,127
Motor fuel	1,108	1,246
Telephone	1,810	1,848
Education and training	722	972
Uniforms	-	51
Utilities	1,059	979
Dispatch fees	6,730	6,878
Credits allowed	-	3,876
Bad debts	4,580	1,310
Personnel - contractual	20,923	23,829
Radio maintenance	1,819	2,250
Publication	-	50
Meetings and dinners	709	648
Maintenance manager	720	480
Outside ambulance service	100	400
Temporary personnel	590	-
Total health and welfare	45,513	47,533
Capital Outlay		
Purchase of property, plant and equipment	3,502	35,447
Acquisition of lease	-	1
Total capital outlay	3,502	35,448
TOTAL EXPENDITURES	$ 63,867	$ 99,832

SCHEDULE 2

Millstadt Ambulance Service
Millstadt, Illinois

SCHEDULE OF EXPENDITURES- BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

Year Ended April 30, 1989

	Budget	Actual
EXPENDITURES		
General Government		
Salaries	$ 6,000	$ 4,514
FICA tax expense	450	350
Unemployment tax expense	30	24
Office supplies	1,000	918
Accounting and legal fees	900	900
Insurance	10,000	8,019
Miscellaneous	-	127
Total general government	18,380	14,852
Health and Welfare		
Medical supplies	3,000	1,637
Repairs	6,000	3,006
Motor fuel	1,400	1,108
Telephone	2,000	1,810
Education and training	3,000	722
Uniforms	150	-
Utilities	1,200	1,059
Dispatcher fees	7,000	6,730
Bad debts	-	4,580
Personnel - contractual	25,000	20,923
Radio maintenance	3,000	1,819
Publication	50	-
Meetings and dinners	-	709
Maintenance manager	720	720
Outside ambulance service	-	100
Temporary personnel	1,000	590
Contingency fund	737	-
Total health and welfare	54,257	45,513
Capital Outlay		
Purchase of property, plant and equipment	25,000	3,502
TOTAL EXPENDITURES	$ 97,637	$ 63,867

TABLE 1

Millstadt Ambulance Service
Millstadt, Illinois

SCHEDULE OF FIXED ASSETS

Inception through April 30, 1989

EQUIPMENT - FISCAL YEAR 1980			
1 - G.E. mobile radio	$ 1,760		
6 - Pagers	1,794		
1 - G.E. mobile radio with dual head control	2,260		
6 - Pagers	1,794		
1 - Base radio and encoder	2,322		
Various under $500	1,299	$11,229	
IMPROVEMENTS		464	
Total fiscal year 1980			$ 11,693
EQUIPMENT - FISCAL YEAR 1981			
20 - G.E. pagers	5,980		
Various under $500	1,449		
Total fiscal year 1981			7,429
EQUIPMENT - FISCAL YEAR 1982			
8 - Pagers	2,260		
1 - G.E. controller and encoder	1,257		
1 - 1981 Ford ambulance (include trade-in)	28,754		
Various under $500	794		
Total fiscal year 1982			33,065
EQUIPMENT - FISCAL YEAR 1983			
Refrigerator, electric range and microwave oven	1,302		
Pagers	1,466		
Various under $500	747	3,515	
IMPROVEMENTS			
Roof	4,530		
Vacuum	499		
Oak cabinets and drawer	1,012		
Furnace	887		
Ceiling	2,243		
Carpeting	883		
New doors, windows, wall coverings, insulation and lights	8,004	18,058	
Total fiscal year 1983			21,573

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SCHEDULE OF FIXED ASSETS
(continued)
Inception through April 30, 1989

EQUIPMENT - FISCAL YEAR 1984			
Copy machine	1,376		
Generator	968		
Typewriter	828		
Conference table and chairs	989		
Total fiscal year 1984			4,161
IMPROVEMENTS - FISCAL YEAR 1986			
Sign	595		
Total fiscal year 1986			595
EQUIPMENT - FISCAL YEAR 1987			
2 Encoders	500		
Various under $500	527		
Total fiscal year 1987			1,027
EQUIPMENT - FISCAL YEAR 1988			
1 - 1987 Modular ambulance, 1986 Ford chassis (include trade-in)	33,750		
1 - Stokes basket	245		
Various under $500	784	34,779	
IMPROVEMENTS - FISCAL YEAR 1988			
Fire alarm		1,452	
Total fiscal year 1988			36,231
BUILDING - FISCAL YEAR 1989		77,565	
EQUIPMENT - FISCAL YEAR 1989			
1 - Adult resuscitator	204		
Various under $500	75	279	
IMPROVEMENTS - FISCAL YEAR 1989			
Parking lot		2,457	
Total fiscal year 1989			80,301
TOTAL FIXED ASSETS			$196,075