Millstadt Ambulance Service
Millstadt, Illinois

FINANCIAL STATEMENTS
Years Ended April 30, 2002 and 2001

AND
INDEPENDENT AUDITOR'S REPORT

Millstadt Ambulance Service
Millstadt, Illinois

FINANCIAL STATEMENTS

Years Ended April 30, 2002 and 2001

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ALLISON KNAPP & SIEKMANN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

ALLISON KNAPP &
SIEKMANN, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

July 3, 2002

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of financial position of the Millstadt Ambulance Service (a nonprofit organization) as of April 30, 2002 and 2001 and the related statements of activities, cash flows and functional expenses for the years then ended. 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 U.S. 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 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, 2002 and 2001, and the changes in net assets, cash flows, and functional expenses, for the years then ended in conformity with U.S. generally accepted accounting principles.

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ASSETS

	2002	2001
CURRENT ASSETS		
Cash and cash equivalents		
Demand deposits	$ 20,628	$ 7,902
Money Market Account	37,412	9,435
	58,040	17,337
Accounts receivable - patient fees (net of allowance for uncollectible accounts of $13,704 and $5,762 respectively)	64,586	36,999
Prepaid insurance and expenses	6,368	7,689
Due from Village of Millstadt	83	-
Total current assets	129,077	62,025
PROPERTY AND EQUIPMENT		
Buildings	77,565	77,565
Equipment and furniture	189,279	162,908
Improvements	25,171	25,171
Accumulated depreciation	(139,654)	(172,319)
Total property and equipment	152,361	93,325
TOTAL ASSETS	$ 281,438	$ 155,350

The accompanying notes are an integral part of these financial statements.

EXHIBIT A

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENTS OF FINANCIAL POSITION

April 30, 2002 and 2001

LIABILITIES AND NET ASSETS

	2002	2001
CURRENT LIABILITIES		
Accounts payable	$ 6,573	$ 1,051
Accrued wages	8,961	7,075
Unremitted payroll taxes	244	198
Notes payable - current portion	13,800	-
Total current liabilities	29,578	8,324
LONG-TERM DEBT		
Notes payable	69,000	-
Less current portion	(13,800)	-
Total long-term debt	55,200	-
Total liabilities	84,778	8,324
NET ASSETS		
Unrestricted	196,660	147,026
Total net assets	196,660	147,026
TOTAL LIABILITIES AND NET ASSETS	$ 281,438	$ 155,350

ALLISON KNAPP & SIEKMANN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS
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EXHIBIT B

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENTS OF ACTIVITIES

Years Ended April 30, 2002 and 2001

	2002	2001
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Patient fees	$ 94,676	$ 77,517
Service fees	134,701	93,037
Gain on sale of fixed assets	6,500	-
Interest earned	867	595
Miscellaneous	589	-
Donations	829	-
Recovery of bad debt	146	389
Total support and revenue	238,308	171,538
EXPENSES		
Program Services		
Ambulance		
Salaries	92,057	85,201
Repairs and maintenance	13,766	13,013
Utilities	3,681	3,573
Bad debt expense	13,850	11,293
Education and training	2,018	390
Total program services	125,372	113,470
Supporting Services		
Management and general	41,216	39,638
Depreciation	22,086	13,423
Total expenses	188,674	166,531
Increase in unrestricted net assets	49,634	5,007

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STATEMENTS OF ACTIVITIES
(continued)
Years Ended April 30, 2002 and 2001

	2002	2001
Prior period adjustment		
To record previous depreciation	-	96,667
Total increase in unrestricted net assets	49,634	101,674
Net assets, beginning of year	147,026	45,352
NET ASSETS, END OF YEAR	$ 196,660	$ 147,026

The accompanying notes are an integral part of these financial statements.

EXHIBIT C

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENTS OF CASH FLOWS

Years Ended April 30, 2002 and 2001

	2002		2001	
CASH FLOWS FROM OPERATING ACTIVITIES				
Increase (decrease) in net assets		$ 49,634		$ 5,007
Adjustments to reconcile increase in net assets to net cash used by operations				
Depreciation	$ 22,086		$ 13,423	
Gain on sale of assets	(6,500)		-	
(Increase) decrease in operating assets				
Accounts receivable				
Patient fees	(27,587)		(11,734)	
Prepaid expenses	1,321		381	
Due from Village of Millstadt	(83)		-	
Increase (decrease) in operating liabilities				
Accounts payable	5,522		305	
Accrued expenses	1,885		1,190	
Payroll taxes payable	46		(98)	
Net cash provided (used) by operations		(3,310)		3,467
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of assets	6,500		-	
Acquisition of property and equipment	(81,121)		(10,082)	
Net cash (used) by investing activities		(74,621)		(10,082)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of long-term debt	69,000		-	
Principal payment on debt	-		(5,149)	
Net cash provided (used) by financing activities		69,000		(5,149)

(continued on next page)

EXHIBIT C
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STATEMENTS OF CASH FLOWS
(continued)
Years Ended April 30, 2002 and 2001

	2002	2001
Increase (decrease) in cash and cash equivalents	40,703	(6,757)
Cash and cash equivalents, beginning of year	17,337	24,094
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 58,040	$ 17,337
SUPPLEMENTARY DISCLOSURE		
Cash paid for interest	$ 2,368	$ 142
Cash paid for income taxes	$ -	$ -

The accompanying notes are an integral part of these financial statements.

EXHIBIT D

Millstadt Ambulance Service
Millstadt, Illinois

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended April 30, 2002 and 2001

	Program Services Ambulance Services	Support Services Management and General	Total Program and Supporting Services April 30, 2002
Salaries - Bookkeeper	$ -	$ 8,600	$ 8,600
Salaries - Dispatch	15,347	-	15,347
Salaries - EMT and driver	73,910	-	73,910
Salaries - Maintenance manager	2,800	-	2,800
Payroll taxes	-	8,080	8,080
Office supplies	-	1,806	1,806
Professional and contractual fees	-	4,202	4,202
Insurance	-	14,212	14,212
Miscellaneous	-	728	728
Medical supplies and paramedic assistance	6,430	-	6,430
Repairs and maintenance	3,428	-	3,428
Motor fuel	2,210	-	2,210
Telephone	2,414	-	2,414
Continuing education	2,018	-	2,018
Electricity	1,267	-	1,267
Bad debt expense	13,850	-	13,850
Radio and equipment maintenance	1,698	-	1,698
Meeting and dinners	-	1,220	1,220
Interest expense	-	2,368	2,368
Improvements	-	-	-
TOTALS	$ 125,372	$ 41,216	$ 166,588

EXHIBIT D
Page 2

STATEMENTS OF FUNCTIONAL EXPENSES
(continued)
Years Ended April 30, 2002 and 2001

	Program Services Ambulance Services	Support Services Management and General	Total Program and Supporting Services April 30, 2001
Salaries - Bookkeeper	$ -	$ 7,800	$ 7,800
Salaries - Dispatch	13,796	-	13,796
Salaries - EMT and driver	68,805	-	68,805
Salaries - Maintenance manager	2,600	-	2,600
Payroll taxes	-	7,521	7,521
Office supplies	-	2,135	2,135
Professional and contractual fees	-	3,256	3,256
Insurance	-	17,191	17,191
Miscellaneous	-	175	175
Medical supplies and paramedic assistance	6,381	-	6,381
Repairs and maintenance	2,498	-	2,498
Motor fuel	2,029	-	2,029
Telephone	2,233	-	2,233
Continuing education	390	-	390
Electricity	1,340	-	1,340
Bad debt expense	11,293	-	11,293
Radio and equipment maintenance	2,105	-	2,105
Meeting and dinners	-	1,262	1,262
Interest expense	-	118	118
Improvements	-	180	180
TOTALS	$ 113,470	$ 39,638	$ 153,108

ALLISON KNAPP & SIEKMANN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

Millstadt Ambulance Service
Millstadt, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2002

Note 1: Summary of Significant Accounting Policies

The Millstadt Ambulance Service provides ambulance services to the residents of Millstadt. The Service's support comes from patient fees and service fees.

The Service is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

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. Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Service is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

C. Property, Plant and Equipment

Acquisitions of property and equipment in excess of $500 are capitalized. All property, plant and equipment are valued at historical cost. Donated property, plant and equipment are valued at their estimated fair value on the date donated. As described in Note 5, the Ambulance Service building is recorded at its insured value on the date donated plus legal and surveying fees.

D. Basis of Accounting

The financial statements of the Service have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

(continued on next page)

NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 2002

Note 1: Summary of Significant Accounting Policies (continued)

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 3 months of the date acquired by the Service. Cash equivalents are stated at cost plus compounded interest where applicable.

F. Accounts Receivable - Patient Fees

Accounts receivable patient fees represents outstanding amounts due the Service for patient services provided.

G. Allowance for Uncollectible Accounts

A reserve for uncollectible accounts has been established at 15% and 15% of gross patient fee billing for the years ended April 30, 2002 and 2001, based on historical experience.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond April 30, 2002, are recorded as prepaid items.

I. Accumulated Compensated Absences

During the year ended April 30, 1994, a policy was adopted to establish a vacation for the Service's part-time employee. At April 30, 2002, all vacation days had been used and, therefore, no accrual for compensated absences is presented.

J. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

Note 2: Property and Equipment

Depreciation is reflected on the straight-line basis for the following estimated lives:

Building	20 years
Equipment	5-7 years
Improvements	15 years

(continued on next page)

NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 2002

Note 3: Property Taxes

The accompanying financial statements present service fees remitted by the Village of Millstadt and the Millstadt Rural Fire Protection District to the Service based on the annual budget. These two taxing entities levy property taxes on behalf of the Service and transfer the money once it is collected.

As of April 30, 2002, the service fees requested for the next fiscal year consist of the following:

	Village of Millstadt	Millstadt Rural Fire Protection District	Total
2001 Levy - estimated	$ 59,202	$ 88,860	$ 148,062

Note 4: Note Payable - Bank

Note payable - bank at April 30, 2002 and 2001 consisted of the following:

	2002	2001
Note to bank, interest at 4.85% payable semi-annually beginning April 15, 2002 through October 15, 2006. Principal payments of $13,800 are due annually beginning October 15, 2002 through October 15, 2006, collateralized by 2000 Ford E450 XL Type III Ambulance.	$ 69,000	$ -

Maturities of the note payable are scheduled below:

Year Ending April 30,	
2003	$ 13,800
2004	13,800
2005	13,800
2006	13,800
2007	13,800
	69,000
Current portion	(13,800)
Long-term portion	$ 55,200

(continued on next page)

NOTES TO FINANCIAL STATEMENTS
(continued)
April 30, 2002

Note 5: 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 on the date donated plus legal and surveying fees.

Management feels this valuation method is not a material distortion of its financial position or results of operations due to the fact that the recorded value and the fair market value on the date donated do not significantly differ.

Note 6: Prior Period Adjustment

For the year ended April 30, 2001 a prior period adjustment was made to add the depreciation on property and equipment that had not been previously recorded.

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ALLISON KNAPP &
SIEKMANN, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

July 3, 2002

Board of Directors
Millstadt Ambulance Service
Millstadt, Illinois

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

We have audited the financial statements of the Millstadt Ambulance Service for the year ended April 30, 2002 and 2001, and have issued our report thereon dated July 3, 2002.

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

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SCHEDULE 1

Millstadt Ambulance Service
Millstadt, Illinois

SCHEDULE OF EXPENSES BY FUNCTION
COMPARED TO BUDGET AND PRIOR YEAR ACTUAL

Year Ended April 30, 2002

	2002		2001
	Budget	Actual	Actual
EXPENSES			
Program Services			
Ambulance			
Salaries			
Maintenance manager	$ 3,000	$ 2,800	$ 2,600
Dispatcher	16,000	15,347	13,796
EMT and driver	77,320	73,910	68,805
Total salaries	96,320	92,057	85,201
Repairs and Maintenance			
Medical supplies and paramedic assistance	4,500	6,430	6,381
Repairs and maintenance	2,500	3,428	2,498
Motor fuel	3,000	2,210	2,029
Radio and equipment maintenance	11,500	1,698	2,105
Purchase of equipment	39,500	-	-
Building improvements	3,000	-	-
Total repairs and maintenance	64,000	13,766	13,013
Utilities			
Telephone	2,400	2,414	2,233
Electricity	1,600	1,267	1,340
Total utilities	4,000	3,681	3,573
Bad Debt			
Bad debt expense	3,000	13,850	11,293

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SCHEDULE OF EXPENSES BY FUNCTION
COMPARED TO BUDGET AND PRIOR YEAR ACTUAL
(continued)
Year Ended April 30, 2002

	2002		2001
	Budget	Actual	Actual
EXPENSES (continued)			
Program Services (continued)			
Ambulance (continued)			
Education and Training			
Continuing professional education	1,500	2,018	390
Supporting Services			
Management and General			
Salaries - bookkeeper	9,000	8,600	7,800
Payroll taxes	8,000	8,080	7,521
Office supplies	1,000	1,806	2,135
Professional and contractual fees	3,500	4,202	3,256
Insurance	14,000	14,212	17,191
Miscellaneous	2,375	728	175
Meeting and dinners	-	1,220	1,262
Interest expense	-	2,368	118
Improvements	-	-	180
Total management and general	37,875	41,216	39,638
TOTAL EXPENSES	$ 206,695	$ 166,588	$ 153,108

ALLISON KNAPP & SIEKMANN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

SCHEDULE 2

Millstadt Ambulance Service
Millstadt, Illinois

SCHEDULE OF FIXED ASSETS

Inception through April 30, 2002

Year Ending April 30,	Description	Building	Building Improve-ments	Ambulance and Equipment	Total
1980	Improvements	$ -	$ 464	$ -	$ 464
1983	Refrigerator, electric range and microwave	-	-	1,302	1,302
	Roof	-	4,530	-	4,530
	Vacuum cleaner	-	499	-	499
	Oak cabinets and drawer	-	1,012	-	1,012
	Furnace	-	887	-	887
	Ceiling	-	2,243	-	2,243
	New doors, windows, wall covering, insulation and lights	-	8,004	-	8,004
1984	Generator	-	-	968	968
	Typewriter	-	-	828	828
	Conference table and chairs	-	-	989	989
1986	Sign	-	595	-	595
1988	1 Stokes basket	-	-	245	245
	Fire alarm	-	1,452	-	1,452
1989	Building	77,565	-	-	77,565
	Parking lot	-	2,457	-	2,457
1990	1 Washing machine	-	-	515	515
	1 Thermo door	-	-	930	930
1991	2 G.E. mobile radios	-	-	2,854	2,854
	Wheelchair ramp	-	-	459	459

(continued on next page)

SCHEDULE 2
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SCHEDULE OF FIXED ASSETS
(continued)
Inception through April 30, 2002

Year Ending April 30,	Description	Building	Building Improve-ments	Ambulance and Equipment	Total
1993	Carpeting	-	1,241	-	1,241
	30 Portable pagers and chargers	-	-	8,760	8,760
	1 Encoder	-	-	376	376
	1 G.E. mobile radio	-	-	777	777
	Various radio equipment and programming	-	-	429	429
1994	2 Truck chair lifts	-	-	304	304
1995	2 Scanners	-	-	410	410
	Computer desk	-	-	175	175
	2 Computer software	-	-	2,879	2,879
	1 Defibrillator	-	-	7,307	7,307
	1 Air conditioner	-	-	1,619	1,619
1996	1995 Ford chassis, 1986 Modular ambulance (refurbished)	-	-	50,097	50,097
	Facsimile machine	-	-	500	500
1997	Panasonic FP - 7113 copier	-	-	1,795	1,795
	Gurney	-	-	2,050	2,050
	Lawn Boy lawnmower	-	-	245	245
1998	Defibrillator	-	-	7,754	7,754
	Air bag "bagbuster"	-	-	515	515
	4 Manikins (2 adults, 1 infant and 1 child)	-	-	735	735
	Office chair	-	-	130	130

(continued on next page)

SCHEDULE OF FIXED ASSETS
(continued)
Inception through April 30, 2002

Year Ending April 30,	Description	Building	Building Improve-ments	Ambulance and Equipment	Total
1999	Television	-	-	150	150
	Software - PC Anywhere	-	-	126	126
	Software - One-Write Plus	-	-	140	140
	Software - Billing	-	-	320	320
2000	Computer system	-	-	1,393	1,393
	Mini park	-	1,607	-	1,607
2001	Base station	-	-	3,240	3,240
	2 Remotes and encoders	-	-	3,530	3,530
	4 Pagers	-	-	1,716	1,716
	1 Encoder	-	-	1,596	1,596
	Improvements	-	180	-	180
2002	15 Pagers	-	-	5,625	5,625
	2000 Ford E 450 Type III Ambulance	-	-	75,496	75,496
		77,565	25,171	189,279	292,015
	Less: accumulated depreciation	(25,209)	(21,163)	(93,282)	(139,654)
		$ 52,356	$ 4,008	$ 95,997	$ 152,361

SCHEDULE 3

REVENUES BY SOURCE

For the Last Ten Years

	April 30, 2002	April 30, 2001	April 30, 2000
Patient fees	$ 94,676	$ 77,517	$ 52,906
Service fees	134,701	93,037	83,442
Donations and contributions	829	-	2,583
Recovery of bad debts	146	389	-
Interest earned	867	595	529
Miscellaneous	589	-	85
Refund of prior year expenditure	-	-	-
Grant revenue	-	-	10,000
Sale of fixed assets	6,500	-	-
TOTALS	$ 238,308	$ 171,538	$ 149,545

Millstadt Ambulance Service
Millstadt, Illinois

REVENUES BY SOURCE

For the Last Ten Years

April 30, 1999	April 30, 1998	April 30, 1997	April 30, 1996	April 30, 1995	April 30, 1994	April 30, 1993
$ 51,665	$ 51,516	$ 37,631	$ 31,461	$ 34,424	$ 35,806	$ 27,670
74,438	69,944	70,051	61,807	52,679	52,822	52,960
1,125	4,400	375	-	125	100	845
128	190	344	657	-	-	-
466	178	145	124	111	144	489
618	807	-	465	1,015	609	85
-	-	4,848	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 128,440	$ 127,035	$ 113,394	$ 94,514	$ 88,354	$ 89,481	$ 82,049

ALLISON KNAPP &
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