



STATE OF INDIANA
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October 17, 2011

Board of Directors
Tri-Creek Ambulance Service Agency
11003 W. 181st Ave., P.O. Box 36
Lowell, IN 46356-0036

We have reviewed the audit report prepared by Gibson & Brown, CPA, Inc., Independent Public Accountants, for the period January 1, 2007 to December 31, 2008. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Tri-Creek Ambulance Service Agency, as of December 31, 2007 and 2008, and the results of its operations for the periods then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

AUDIT REPORT
OF
TRI-CREEK AMBULANCE SERVICE AGENCY
JANUARY 1, 2007 TO DECEMBER 31, 2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Entity Officials	1
Governmental Funding Agencies	2
Auditor's Report	3
Combined Statement of Receipts, Disbursements and Balances	4
Detailed Schedule of Receipts	5
Detailed Schedule of Disbursements	6-7
Notes to Financial Statements	8-10
Audit Results and comments	11
Exit Conference	12

TRI-CREEK AMBULANCE SERVICE AGENCY
SCHEDULE OF OFFICIALS
2007 and 2008

Rick Niemeyer – West Creek Township Trustee - Treasurer
11003 W. 181st Avenue, Lowell, IN 46356

James Morrow – Eagle Creek Township Trustee
8305 E. 173rd Road, Hebron, IN 46341

Alice Dahl – Cedar Creek Township Trustee
151 N. Fremont Street, Lowell, IN 46356

Michael McIntire – President
21402 Chestnut, Lowell, IN 46356

Randall Wietbrock – Vice President
3002 W. 181st Avenue, Lowell, IN 46356

Patricia Kopas– Board Member
15614 Cline Avenue, Lowell, IN 46356

Harold Museman – Board Member
11821 W. 185th Avenue, Lowell, IN 46356

Dorothy Maas– Board Member
351 Joe Martin Road, Lowell, IN 46356

David Gard– Board Member
669 Eastwood Drive, Lowell, IN 46356

John Jurs – Board Member
4103 E. 217th Avenue, Hebron, IN 46341

Wilbert Fitch – Board Member
16800 County Line Road, Hebron, IN 46341

Bruce McNeil – Board Member
18810 Union Street, Hebron, IN 46341

Gary Beier– Board Member
PO Box, Schneider, IN 46376

GOVERNMENTAL FUNDING AGENCIES

West Creek Township Trustee, Rick Niemeyer, Trustee
11003 W. 181st Avenue, Lowell, IN 46356

Eagle Creek Township Trustee, James Morrow, Trustee
8305 E. 173rd Road, Hebron, IN 46341

Cedar Creek Township Trustee, Alice Dahl, Trustee
151 N. Freemont, Lowell, IN 46356

Cedar Creek Township Secretary, Marcia Quale
691 Ironwood Dr., Lowell, IN 46356

AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TRI-CREEK AMBULANCE SERVICE AGENCY

We have audited the accompanying statements of receipts, disbursements, and balances of the Tri-Creek Ambulance Service Agency, Lake County, Indiana, for the years ended December 31, 2007 and 2008, as listed in the table of contents. These financial statements are the responsibility of the service agencies management. Our responsibility is to express an opinion of 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.

As described in Note 1, the service agency's policy is to prepare its financial statements on the cash receipts and disbursements method; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when liability is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above, present fairly the cash balances of the Tri-Creek Ambulance Service Agency, Lake County, Indiana, at December 31, 2007 and 2008, its receipts collected and disbursements paid during the years then ended, on the basis of accounting as referred to in the preceding paragraph, which has been applied in a manner consistent with that of preceding years.



Gibson & Brown CPA, Inc.

September 29, 2009

**TRI-CREEK AMBULANCE SERVICE AGENCY
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND BALANCES
 JANUARY 1, 2007 TO DECEMBER 31, 2008**

Fund	BALANCE 01/01/07	RECEIPTS	DISBURSEMENTS	BALANCE 12/31/2007
Operating:				
DeMotte State Bank	\$ 24,112	\$ 1,132,338	\$ 1,084,975	\$ 71,475
Capital Improvement:				
Chase	24,583	25,354	5,614	44,323
Payroll Account				
Chase	22,456	597,482	614,967	4,971
Total	<u>\$ 71,151</u>	<u>\$ 1,755,173</u>	<u>\$ 1,090,589</u>	<u>\$ 120,770</u>

Fund	BALANCE 01/01/08	RECEIPTS	DISBURSEMENTS	BALANCE 12/31/08
Operating:				
DeMotte State Bank	\$ 71,475	\$ 895,467	\$ 880,744	\$ 86,198
Capital Improvement:				
Chase	44,323	29,998	45,402	28,919
Payroll Account				
Chase	4,971	598,696	591,046	12,621
Total	<u>\$ 120,770</u>	<u>\$ 1,524,161</u>	<u>\$ 1,517,192</u>	<u>\$ 127,739</u>

TRI-CREEK AMBULANCE SERVICE AGENCY
DETAILED SCHEDULE OF RECEIPTS
January 1, 2007 to December 31, 2008

FUND AND SERVICES

OPERATING ACCOUNT:

TOWNSHIP ASSESSMENTS:

	<u>2007</u>	<u>2008</u>
Cedar Creek-2008 Contract	\$ 0	\$ 140,000
Cedar Creek-2007 Contract	290,000	75,000
Cedar Creek-2006 Contract	140,000	0
Eagle Creek	71,929	75,000
West Creek-2008 Contract	0	120,000
West Creek-2007 Contract	107,000	64,000
West Creek-2006 Contract	86,000	0
AMBULANCE CALLS	285,252	347,214

INTEREST	602	147
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MISCELLANEOUS:

Loan from West Creek Township	0	9,000
Loan from Demotte State Bank	150,000	60,000
Miscellaneous	1,555	5,107

<u>Total Receipts</u>	<u>\$ 1,132,338</u>	<u>\$ 895,468</u>
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CAPITAL IMPROVEMENT ACCOUNT:

Donations	\$ 25,136	\$ 29,946
Interest on Account	218	52

<u>Total Receipts</u>	<u>\$ 25,354</u>	<u>\$ 29,998</u>
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PAYROLL ACCOUNT:

Transfer from Capital Improvement Fund	\$ 0	\$ 42,000
Transfer from General Fund	597,482	556,696

<u>Total Receipts</u>	<u>\$ 597,482</u>	<u>\$ 598,696</u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**TRI-CREEK AMBULANCE SERVICE AGENCY
 DETAILED SCHEDULE OF DISBURSEMENTS
 January 1, 2007 to December 31, 2008**

FUND AND PURPOSE

OPERATING ACCOUNT:

Service & Personnel:

	<u>2007</u>	<u>2008</u>
Net wages to employees (See note 3)	\$ 0	\$ 0
Taxes deposited that were withheld from employees	0	0
PERF retirement withheld from employees	14,074	14,189
Insurance withheld from employees-125 Plan	18,825	13,915
Subtotal	32,899	28,104

SERIES 200 ACCOUNTS:

Travel & Education	347	3,735
Postage	1,160	1,745
Telephone	3,581	4,330
Legal Fees	138	1,343
Accounting Fees	1,325	2,000
Subtotal	6,551	13,153

SERIES 300 ACCOUNTS:

Vehicle Operations	9,297	13,186
Misc. Supplies	336	412
Uniforms	3,369	3,430
Repairs/Service	9,451	5,175
Office Supplies	2,703	1,652
Subtotal	25,156	23,855

SERIES 500 ACCOUNTS:

Operating and Workman's Compensation Insurance	44,943	41,586
Employees' medical insurance (Gross paid less withheld)	103,944	80,290
Medical Insurance paid to employees	3,692	2,293
Employer's unemployment taxes	0	2,592
Employer's pension cost PERF	24,371	31,540
Rent to town of Lowell	4,400	4,400
Subtotal	181,350	162,701

SERIES 700 ACCOUNTS:

Radio Equipment	3,024	778
Medical Equipment & Supplies	2,401	4,249
Subtotal	5,425	5,027

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

TRI-CREEK AMBULANCE SERVICE AGENCY
DETAILED SCHEDULE OF DISBURSEMENTS (CONTINUED)
January 1, 2007 to December 31, 2008

	<u>2007</u>	<u>2008</u>
MISCELLANEOUS		
Demotte State Bank Principal	225,000	84,000
Demotte State Bank Interest	5,672	2,183
Bank fees	46	49
Refunds	1,195	1,224
Transfer to payroll account	597,482	556,696
Misc	4,199	3,752
Subtotal	<u>833,594</u>	<u>647,904</u>
 Total Disbursements	 <u>\$ 1,084,975</u>	 <u>\$ 880,744</u>
 CAPITAL IMPROVEMENT ACCOUNT:		
Transfer to Payroll Account	\$ 0	\$ 42,000
Transfer to Operating Account	3,228	0
Raffle prize payouts	0	300
Bank fees	0	35
Miscellaneous	2,386	3,067
Subtotal	<u>5,614</u>	<u>45,402</u>
 Total Disbursements	 <u>\$ 5,614</u>	 <u>\$ 45,402</u>
 PAYROLL ACCOUNT:		
Net wages to employees (See note 3)	\$ 434,486	\$ 410,589
Taxes deposited that were withheld from employees	130,689	102,512
Employer's matching social security	45,563	43,442
Employer's unemployment taxes	4,108	3,412
Bank fees	121	0
Garnishments	0	26,891
AFLAC Insurance withheld from employees	0	4,200
Subtotal	<u>614,967</u>	<u>591,046</u>
 Total Disbursements	 <u>\$ 614,967</u>	 <u>\$ 591,046</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

TRI-CREEK AMBULANCE SERVICE AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007 AND 2008

Note 1. Basis of Presentation and Significant Accounting Policies

- A. This report of the Tri-Creek Ambulance Service Agency includes all funds of the Tri-Creek Ambulance Service Agency. The following funds were used:

Operating – The Operation Funds consists of one checking (interest bearing) account with DeMotte State Bank.

Capital Improvement – The Capital Improvement Funds consists of one savings (interest bearing) account with Chase.

Payroll – The Payroll Funds consists of one checking (non-interest bearing) account with Chase.

- B. The Tri-Creek Ambulance Service Agency's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received and certain expenses are recognized when paid.

Generally accepted accounting principles require the use of accrual basis of accounting. The accrual basis of accounting require that revenues be recognized in the accounting period when earned and become measurable and expenses are recognized in the period incurred, if measurable.

Since the Tri-Creek Ambulance Service Agency's policy is to prepare its financial statement on the basis of cash receipts and disbursements, the financial statements presented herein are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Note 2. Basis of Organization

The Tri-Creek Ambulance Service Agency was created by a joint civil township agreement to provide ambulance service pursuant to Public Law 137 Acts of 1972, Chapter 265 of the Acts of 1969 and all other statues of the State of Indiana pertaining to fire fighting services on March 6, 1974. This agency does not file any Non-for-Profit annual Secretary of State Reports. The Tri-Creek Ambulance Service Agency Incorporated January 14, 2005.

Note 3. Net Wages

This audit is based on cash disbursements and receipts. Some taxes and pension payments are due the month after the end of the calendar quarter.

	<u>2007</u>	<u>2008</u>
Gross Wages	\$ 595,591.57	\$ 585,748.14
Taxable Wages	\$ 595,591.57	\$ 554,309.12
Tax exempt medical insurance	0.00	17,362.74
Tax deferred retirement	0.00	14,076.28
	<u>\$ 595,591.57</u>	<u>\$ 585,748.14</u>

Note 4. Pensions

The Tri-Creek Ambulance Service Agency has as of June 8, 1992 adopted a resolution authorizing it to join the Indiana Public Employees Retirement Fund (PERF) and to cover seven classified full time employees. This resolution was accepted by the Board of Trustees of the P.E.R.F. and assigned account #1594. Reports and payment are due quarterly, with the first report to cover the period 7/1/92 through 9/30/92.

The employee P.E.R.F. deduction shall be 3.0%. The Tri-Creek Ambulance Service agency's contribution is arrived at by actuarial valuation submitted to the Public Employees Retirement Fund. The 2007 employer contribution rate was 5.5%. The 2008 rate was 7.25%.

Note 5. Direct Benefits From Governmental Units

The township assessments are based upon the current assessed values of each township according to the Lake County Assessors Office. The assessment is done annually.

The following amounts were received by the Tri-Creek Ambulance Service Agency during the period of this audit.

	<u>2007</u>	<u>2008</u>
Cedar Creek	\$ 430,000	\$ 215,000
Eagle Creek	\$ 71,929	\$ 75,000
West Creek	\$ 193,000	\$ 184,000

Note 6. Delinquent Accounts Policy

On February 28, 1994, Tri-Creek Ambulance Service Agency entered into a collection agreement with Transworld Systems, Inc. to collect delinquent accounts.

Note 7. Overtime Policy

As of January 1, 1995, due to lawsuits regarding overtime pay against fire departments and ambulance / paramedics, to meet federal guidelines against municipalities, this agency will no longer allow employees to "bank" hours, so as not to incur excess hours over 40 hours per week. If anyone in the future exceeds 40 hours per week, they will be paid overtime (time and one half) for these excess hours.

Note 8. Miscellaneous under cash receipts.

	<u>2007</u>	<u>2008</u>
Transfer from Capital Improvement Fund	\$ 0	\$ 3,283
Refund from US Treasury	1,359	0
Refund of supplies expense	195	0
Totals	<u>\$ 1,554</u>	<u>\$ 3,283</u>

TRI-CREEK AMBULANCE SERVICE AGENCY

AUDIT RESULTS AND COMMENTS

JANUARY 1, 2007 TO DECEMBER 31, 2008

The following audit findings were discussed with Mr. Rick Niemeyer, Treasurer of Tri-Creek Ambulance Service Agency, during the course of the audit and at the exit conference held October 07, 2009.

1. Finding:

TRI-CREEK AMBULANCE SERVICE AGENCY

EXIT CONFERENCE

JANUARY 1, 2007 TO DECEMBER 31, 2008

On October 07, 2009, an exit conference was conducted with Mr. Rick Niemeyer, Treasurer of Tri-Creek Ambulance Service Agency. Mr. Niemeyer concurred with the audit results.