

**Washington State Auditor's Office**  
**Financial Statements Audit Report**

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**North Country Emergency Medical  
Services District  
Clark County**

Audit Period  
**January 1, 2007 through December 31, 2008**

**Report No. 1002683**

Issue Date  
**December 21, 2009**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

December 21, 2009

Board of Appointed Representatives  
North Country Emergency Medical Services District  
Yacolt, Washington

***Report on Financial Statements***

Please find attached our report on the North Country Emergency Medical Services District's financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

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# **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards***

**North Country Emergency Medical Services District  
Clark County  
January 1, 2007 through December 31, 2008**

Board of Appointed Representatives  
North Country Emergency Medical Services District  
Yacolt, Washington

We have audited the financial statements of the North Country Emergency Medical Services District, Clark County, Washington, as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated October 27, 2009.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## ***INTERNAL CONTROL OVER FINANCIAL REPORTING***

In planning and performing our audits, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not

identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management and the Board of Appointed Representatives. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", written in a cursive style.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

October 27, 2009

# **Independent Auditor's Report on Financial Statements**

## **North Country Emergency Medical Services District Clark County January 1, 2007 through December 31, 2008**

Board of Appointed Representatives  
North Country Emergency Medical Services District  
Yacolt, Washington

We have audited the accompanying financial statements of the North Country Emergency Medical Services District, Clark County, Washington, for the years ended December 31, 2008 and 2007. 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 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 audits provide a reasonable basis for our opinion.

As described in Note 1c to the financial statements, the District prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, 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 financial position and results of operations of the North Country Emergency Medical Services District, for the years ended December 31, 2008 and 2007, on the basis of accounting described in Note 1c.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an

integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with the first name "Brian" and last name "Sonntag" clearly distinguishable.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

October 27, 2009

# **Financial Section**

**North Country Emergency Medical Services District  
Clark County  
January 1, 2007 through December 31, 2008**

## ***FINANCIAL STATEMENTS***

Fund Resources and Uses Arising from Cash Transaction – 2008  
Fund Resources and Uses Arising from Cash Transaction – 2007  
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**North Country Emergency Medical Service**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 6270 General Fund		Fund Number and Name 6272 Skamania Project	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$ 168,941.84	\$ 160,934.80	\$ 75,620.78	\$ 79,218.58
Revenues and Other Sources					
310	Taxes	\$ 556,554.00	\$ 550,011.38		
320	Licenses and Permits				
330	Intergovernmental	\$ 25,815.00	\$ 28,630.76	\$ 45,000.00	\$ 44,306.82
340	Charges for Goods and Services	\$ 449,046.89	\$ 510,248.24	\$ 15,000.00	\$ 7,254.86
350	Fines and Forfeits				
360	Miscellaneous	\$ 9,500.00	\$ 11,496.48	\$ 6,500.00	\$ 5,713.71
370	Capital Contributions				
390	Other Financing Sources	\$ 538,222.66	\$ 539,449.65		
Total Revenues and Other Sources		\$ 1,579,138.55	\$ 1,639,836.51	\$ 66,500.00	\$ 57,275.39
Total Resources		\$ 1,748,080.39	\$ 1,800,771.31	\$ 142,120.78	\$ 136,493.97
Operating Expenditures:					
510	General Government				
520	Public Safety	\$1,670,333.92	\$1,661,386.02	\$88,560.69	\$69,416.86
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		\$1,670,333.92	\$1,661,386.02	\$88,560.69	\$69,416.86
591-593	Debt Service				
594-595	Capital Outlay				
Total Other Expenditures		\$0.00	\$0.00	\$88,560.69	\$69,416.86
597-599	Other Financing Uses				
Total Expenditures and Other Uses		\$1,670,333.92	\$1,661,386.02	\$88,560.69	\$69,416.86
Excess (Deficit) of Resources Over Uses		\$ 77,746.47	\$ 139,385.29	\$ 53,560.09	\$ 67,077.11
380	Nonrevenues (Except 384 and 388.80)		\$16,754.65		
580	Nonexpenditures (Except 584 and 588.80)				(\$5,929.40)
Ending Net Cash and Investments		\$ 77,746.47	\$ 156,139.94	\$ 53,560.09	\$ 73,006.51

See attached notes for explanation of adjustments of Non-revenues and non-expenditures

**North Country Emergency Medical Service**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 6271 Excess Levy		Fund Number and Name 6273 Capitol Projects	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$ 1,448,824.07	\$ 1,448,824.07	\$ 1,595,284.40	\$ 1,595,284.40
Revenues and Other Sources					
310	Taxes	\$ 57,000.00	\$ 37,369.26	\$ 77,500.00	\$ 121,053.70
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous	\$ 50,000.00	\$ 44,123.14	\$ 50,000.00	\$ 61,727.28
370	Capital Contributions				
390	Other Financing Sources				
Total Revenues and Other Sources		\$ 107,000.00	\$ 81,492.40	\$ 127,500.00	\$182,780.98
Total Resources		\$ 1,555,824.07	\$ 1,530,316.47	\$1,722,784.40	\$1,778,065.38
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		\$0.00	\$0.00	\$0.00	\$0.00
591-593	Debt Service				
594-595	Capital Outlay			\$50,000.00	\$50,000.00
Total Other Expenditures		\$0.00	\$0.00	\$50,000.00	\$50,000.00
597-599	Other Financing Uses	\$538,222.66	\$538,222.66	\$25,000.00	\$ 1,226.99
Total Expenditures and Other Uses		\$538,222.66	\$538,222.66	\$75,000.00	\$51,226.99
Excess (Deficit) of Resources Over Uses		\$1,017,601.41	\$992,093.81	\$1,647,784.40	\$1,726,838.39
380	Nonrevenues (Except 384 and 388.80)				
580	Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments		\$1,017,601.41	\$992,093.81	\$1,647,784.40	\$1,726,838.39

See attached notes for explanation of adjustments of Non-revenues and non-expenditures

**North Country Emergency Medical Service**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2007

BARS CODE		Fund Number and Name 6270 Current Expense	
		Budget	Actual
Beginning Net Cash and Investments		\$217,417.67	\$ 1,486,024.39
Revenues and Other Sources			
310	Taxes	\$ 524,138.00	\$ 2,827,952.82
320	Licenses and Permits		
330	Intergovernmental	\$ 57,350.00	\$ 66,004.96
340	Charges for Goods and Services	\$ 455,500.00	\$ 475,557.42
350	Fines and Forfeits		
360	Miscellaneous	\$ 10,000.00	\$ 112,455.78
370	Capital Contributions		
390	Other Financing Sources	\$ 608,143.27	\$ 630,144.29
Total Revenues and Other Sources		\$ 1,655,131.27	\$4,112,115.27
Total Resources		\$1,872,548.94	\$5,598,139.66
Operating Expenditures:			
510	General Government		
520	Public Safety	\$2,375,924.35	\$ 1,713,733.52
530	Physical Environment		
540	Transportation		
550	Economic Environment		
560	Mental and Physical Health		
570	Culture and Recreation		
Total Operating Expenditures		\$2,375,924.35	\$1,713,733.52
591-593	Debt Service		
594-595	Capital Outlay		
Total Expenditures		\$2,375,924.35	\$1,713,733.52
597-599	Other Financing Uses		\$600,144.29
Total Expenditures and Other Uses		\$2,375,924.35	\$2,313,877.81
Excess (Deficit) of Resources Over Uses		(\$503,375.41)	\$3,284,261.85
380	Nonrevenues (Except 384 and 388.80)		
580	Nonexpenditures (Except 584 and 588.80)		
Ending Net Cash and Investments		(\$503,375.41)	\$3,284,261.85

*The Accompanying Notes Are An Integral Part Of This Statement.*

## **NORTH COUNTRY EMERGENCY MEDICAL SERVICE NOTES TO THE FINANCIAL STATEMENTS**

### **NOTE I - SUMMARY OF ACCOUNTING POLICIES**

The North Country Emergency Medical Service District was established on January 1, 1987, through an Inter-local Cooperation Act (RCW 39.34) between Cowlitz County Emergency Medical Service District No. 1, Clark County Emergency Medical Service District No. 1, and the Town of Yacolt. The parties agreed to jointly provide emergency medical services and to equip, maintain and operate a joint emergency medical service agency known as the North Country Emergency Medical Service (NCEMS). The District is governed by an ten member administrative board and operates under the applicable laws of the State of Washington. The following is a summary of the more significant policies, including identification of those policies which result in material departures from generally accepted accounting principles.

NCEMS was established to enhance public safety by providing medical care specific to emergency situations. The accounting policies of the district conform to the Budgeting, Accounting, Reporting systems (BARS) manual for Category 2, local governments as prescribed by the State Auditor.

#### **A. Fund Accounting**

The accounts of NCEMS are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate single-entry account that comprises its cash, investments, fund equity and revenues and expenditures as appropriate. NCEMS operates with four general funds which are the primary operating funds of NCEMS. These funds account for all financial resources except those required or elected to be accounted for in another fund.

#### **B. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. NCEMS recognizes revenues only when received in cash, rather than when measurable and available, and the expenditures are recognized when warrants are issued rather than when the expenditure is incurred. This is a departure from generally accepted accounting principles, which require revenue and expenditure recognition on the modified accrual basis in government funds.

#### **C. Budgets and Budgetary Accounting**

Annual Budgets are adopted for NCEMS. Budgetary accounts are integrated in the fund and the financial statements include budgetary comparisons.

#### **D. Assets, Liabilities and Equities**

##### **1. Cash and Investments**

With Clark County acting as fiscal agent for North Country EMS, it is the district's policy to deposit revenue into funds held and facilitated by the County. Surplus cash is managed by the County Investment Board in accordance with all Federal, State, and Local governing statutes. An annual report of Pool Investments may be obtained by contacting the Clark County Treasurer's Office at P.O. Box 5000 Vancouver, WA 98666. At year end North Country EMS had \$2,856,282.47 in investments, and \$27,447.06 in cash held with Clark County. North Country EMS held \$74,141.63 in imprest funds, for a total of \$2,957,871.16 in investments and cash.

## 2. Receivables

The District invoices its customers and a number of insurance providers for services rendered. At December 31, 2008 the District was owed \$121,552.42 for services rendered of which approximately \$44,485.80 was over 90 days past due. The amounts owed the District are not shown in the financial statements. NCEMS works with a private agency to assist in its collection efforts.

### NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations.

### NOTE 3 - PROPERTY TAXES

County Treasurers in both Clark and Cowlitz Counties act as an agent to collect property taxes for the District. Collections are distributed each month and are recognized when cash is collected. Delinquent taxes are considered fully collectable because a lien affixes to the property when taxes are levied.

The District's regular levy during the year 2008 was \$.31303 per \$ 1,000 for Clark County on assessed valuations of \$1,453,423,527. and \$.410512 per \$1,000 for Cowlitz County on the assessed valuations of \$162,627,489. and \$.31303 per \$1,000 for Town of Yacolt assessed valuations of \$99,827,478. The total tax revenue received in 2008 was \$708,434.34 which included tax from the regular ten-year levy, delinquent taxes from prior years and timber advalorem tax.

### NOTE 4 FIXED ASSETS

General fixed assets are long-lived assets of the district as a whole and are recorded as expenditures when purchased. No general fixed assets accounting group is established, which is a departure from generally accepted accounting principles.

### NOTE 5 PENSION PLANS

Substantially some district full-time and qualifying part-time employees participate in the Public Employees Retirement System administered by the Department of Retirement Systems, under cost-sharing multiple-employer public employee retirement systems. Effective 08/2006, due to a legislative change full time fully compensated EMT's were eligible to opt out of PERS and enroll in LEOFF 2. Actuarial information is on a system wide basis and is not considered pertinent to the district's financial statements. Contributions to the system by both employee and employer are based upon gross wages covered by the plan benefits.

#### Contribution rates for PERS 2 & 3 employees

From 09/01/07 until 06/30/08, the District's contribution rate was .0613 for PERS 2 and PERS 3

From 09/01/07 until 06/30/08, the employee rate was .0415.

From 07/01/08 until year end, the District's contribution rate was .0831 for PERS 2 and PERS 3

From 07/01/08 until year end, the employee rate was .0545.

Employees enrolled in PERS 3 have the option of choosing their contribution rate based on guidelines set by the Department of Retirement Systems.

#### Contribution rates for LEOFF 2 employees.

From 09/01/07 until 06/30/08, the District's contribution rate was .0535

From 09/01/07 until 06/30/08, the employee's rate was .0864.

From 07/01/08 until year end, the District's contribution rate was .0546

From 07/01/08 until year end, the employee's rate was .0883

Total contributions for the calendar year ending December 31, 2008 were in the amount of \$126,222.91. This represents its full liability under the systems except that future rates may be adjusted to meet the system needs.

Historical trend or other information regarding the PERS and LEOFF plans are presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

#### NOTE 6 - DEFERRED COMPENSATION PLAN

In June 1998 the State of Washington Deferred Compensation Program plan assets were placed into trust for the exclusive benefit of participants and their beneficiaries. Pursuant to Governmental Accounting Standards Board (GASB) Statement 32, since the (employer) is no longer the owner of these assets, as of (employer's year-end), the plan assets and liabilities are no longer reported as an Agency Fund. Total contributions for the calendar year ending December 31, 2008 were in the amount of \$71,954.50.

#### NOTE 7 - CONTRACTS

1. NCEMS has entered into a contract to provide emergency medical service outside its taxing boundaries. The single significant contract is described below:

Agreement between Skamania County and North Country EMS.

Skamania County will reimburse North Country EMS for expenses related to services provided within the Gifford Pinchot National Forest or on its main thoroughfares. Skamania County will reimburse up to \$85,000.

This contract calls for North Country EMS to supply a staffed ambulance and rescue vehicle with trained EMS employees to certain recreational areas during the months June through September.

This contract was in effect January 01, 2008 through December 31, 2008.

Reimbursable expenditures for the contract period was \$65,689.64, and revenue for this period was \$37,642.64. The balance was invoiced, but not received by year end.

2. North Country EMS entered into a contract with Skamania County Hospital District.  
This contract calls NCEMS to provide ambulance service to a designated portion of Skamania County, outside the Gifford Pinchot National Forest.  
Skamania County Hospital District agrees to pay North Country EMS \$12,000 annually for their services.
3. North Country EMS entered into an Agreement for Joint use of Fire Station with Clark County Fire District 13. The agreement has an effective date of December 9, 2008.
4. Speelyai Communications Facility Site Lease Agreement Between Cowlitz County and North Country EMS. The agreement was effective December 1, 2008. An annual use fee will be payable to Cowlitz County 911 Center.

## NORTH COUNTRY EMERGENCY MEDICAL SERVICE NOTES TO THE FINANCIAL STATEMENTS

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The North Country Emergency Medical Service District was established on January 1, 1987, through an Inter-local Cooperation Act (RCW 39.34) between Cowlitz County Emergency Medical Service District No. 1, Clark County Emergency Medical Service District No. 1, and the Town of Yacolt. The parties agreed to jointly provide emergency medical services and to equip, maintain and operate a joint emergency medical service agency known as the North Country Emergency Medical Service (NCEMS). The District is governed by an eleven member administrative board and operates under the applicable laws of the State of Washington. The following is a summary of the more significant policies, including identification of those policies which result in material departures from generally accepted accounting principles.

#### A. Reporting Entity

NCEMS was established to enhance public safety by providing medical care specific to emergency situations. The accounting policies of the district conform to the Budgeting, Accounting, Reporting systems (BARS) manual for Category 2, local governments as prescribed by the State Auditor.

#### B. Fund Accounting

The accounts of NCEMS are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate single-entry account that comprises its cash, investments, fund equity and revenues and expenditures as appropriate. NCEMS operates with three general funds which are the primary operating funds of NCEMS. These funds account for all financial resources except those required or elected to be accounted for in another fund.

#### C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. NCEMS recognizes revenues only when received in cash, rather than when measurable and available, and the expenditures are recognized when warrants are issued rather than when the expenditure is incurred. This is a departure from generally accepted accounting principles, which require revenue and expenditure recognition on the modified accrual basis in government funds.

#### D. Budgets and Budgetary Accounting

Annual Budgets are adopted for NCEMS. Budgetary accounts are integrated in the fund and the financial statements include budgetary comparisons.

#### E. Assets, Liabilities and Equities

##### 1. Cash and Investments

With Clark County acting as fiscal agent for North Country EMS, it is the district's policy to deposit revenue into funds held and facilitated by the County. Surplus cash is managed by the County Investment Board in accordance with all Federal, State, and Local governing statutes. An annual report of Pool Investments may be obtained by contacting the Clark County Treasurer's Office at P.O. Box 5000 Vancouver, WA 98666. At year end North Country EMS had \$3,067,339.81 in investments, and \$149,929.08 in cash held with Clark County. North Country EMS held \$66,992.96 in imprest funds, for a total of \$3,284,261.85 in investments and cash.

## 2. Receivables

The District invoices its customers and a number of insurance providers for services rendered. At December 31, 2007 the District was owed \$98,784.14 for services rendered of which approximately \$40,631.66 were over 90 days past due. The amounts owed the District are not shown in the financial statements. NCEMS works with a private agency to assist in its collection efforts. In 1999 NCEMS funded a \$100,000 loan to the Town of Yacolt for a property purchase that is adjacent to currently owned Yacolt Fire Department Station 1 property. The loan was satisfied in 2007.

## NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations.

## NOTE 3 - PROPERTY TAXES

County Treasurers in both Clark and Cowlitz Counties act as an agent to collect property taxes for the District. Collections are distributed each month and are recognized when cash is collected. Delinquent taxes are considered fully collectable because a lien affixes to the property when taxes are levied.

The District's regular levy during the year 2007 was \$.33520 per \$1,000 for Clark County on assessed valuations of \$1,405,523,369. and \$.435618 per \$1,000 for Cowlitz County on the assessed valuations of \$146,706,589. and \$.33520 per \$1,000 for Town of Yacolt assessed valuations of \$85,596,268. The total tax revenue received in 2007 was \$1,038,535.73 which included tax from the regular ten-year levy, delinquent taxes from prior years and timber advalorem tax.

The District also collected tax revenue for a Special Excess Levy which was levied in 2006 for 2007. This excess levy was a three year levy collected at the rate of \$.50 per \$1,000 assessed valuations in each of the three taxing districts. Revenue for special levies is collected in the first year for the entirety of the levy. \$1,789,417.09 was collected in 2007.

## NOTE 4 FIXED ASSETS

General fixed assets are long-lived assets of the district as a whole and are recorded as expenditures when purchased. No general fixed assets accounting group is established, which is a departure from generally accepted accounting principles.

## NOTE 5 PENSION PLANS

Substantially some district full-time and qualifying part-time employees participate in the Public Employees Retirement System administered by the Department of Retirement Systems, under cost-sharing multiple-employer public employee retirement systems. Effective 08/2006, due to a legislative change full time fully compensated EMT's were eligible to opt out of PERS and enroll in LEOFF 2. Actuarial information is on a system wide basis and is not considered pertinent to the district's financial statements. Contributions to the system by both employee and employer are based upon gross wages covered by the plan benefits.

### Contribution rates for PERS 2 & 3 employees

Beginning 01/01/07 until 06/30/07, the District's contribution rate was .0546 for both PERS 2 and PERS 3 and the employee's rate was .035.

From 07/01/07 until 08/31/07 the District's contribution rate was .0612 for both PERS 2 and PERS 3 and the employee rate was .0415.

From 09/01/07 until year end the District's contribution rate was .0613 for both PERS2 and PERS 3 and the employee rate was .0415.



Employees enrolled in PERS 3 have the option of choosing their contribution rate based on guidelines set by the Department of Retirement Systems.

Contribution rates for LEOFF 2 employees.

From 09/01/06 until 06/30/07 the District's contribution rate was .0490 and the employee's rate was .0785.

From 07/01/07 until 08/31/07 the District's contribution rate was .0535 and the employee's rate was .0860

From 09/01/07 until year end the District's contribution rate was .0535 and the employee's rate was .0864.

**Total contributions** for the calendar year ending December 31, 2007 were in the amount of \$104,510.52. This represents its full liability under the systems except that future rates may be adjusted to meet the system needs.

Historical trend information showing the system's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Washington's June 30, 2007 comprehensive annual financial report. Please refer to said report for detailed information.

State of Washington  
Office of Financial Management  
300 Insurance Building AQ-44  
Olympia, WA 98504-0201

NOTE 6 - DEFERRED COMPENSATION PLAN

In June 1998 the State of Washington Deferred Compensation Program plan assets were placed into trust for the exclusive benefit of participants and their beneficiaries. Pursuant to Governmental Accounting Standards Board (GASB) Statement 32, since the (employer) is no longer the owner of these assets, as of (employer's year-end), the plan assets and liabilities are no longer reported as an Agency Fund. Total contributions for the calendar year ending December 31, 2007 were in the amount of \$56,992.00.

NOTE 7 - CONTRACTS

NCEMS has entered into a contract to provide emergency medical service outside its taxing boundaries. The single significant contract is described below:

Agreement between Skamania County and North Country EMS.

This contract is called to staff an ambulance and rescue vehicle staffed with trained EMS employees to certain recreational areas during the months June through September.

This contract was in effect January 01, 2007 through December 31, 2007

Contract revenue for this period was \$35,000.



## **ABOUT THE STATE AUDITOR'S OFFICE**

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The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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