

EXHIBIT B
AMBULANCE REVENUE AND COST REPORT
FIRE DISTRICT and SMALL RURAL COMPANY

Arizona Department of Health Services
Annual Ambulance Financial Report

Sonoita - Elgin Ambulance

Reporting Ambulance Service

Report Fiscal Year

From: 07 101 120121 To: 06 130 120131

Mo. Day Year Mo. Day Year

CERTIFICATION

I hereby verify that I have directed the preparation of the enclosed annual report in accordance with the reporting requirements of the State of Arizona.

I have read this report and hereby verify that the information provided is true and correct to the best of my knowledge.

This report has been prepared using the accrual basis of accounting.

Authorized Signature: *Joseph M. DeWolfe* Date: 12-24-13

Print Name and Title: Joseph M. DeWolfe CEO/Fire Chief

Mail to:

Arizona Department of Health Services
Bureau of Emergency Medical Services
Ambulance and Regional Services
150 North 18th Avenue, Suite 540
Phoenix, AZ 85007
Telephone: (602) 364-3150
Fax: (602) 364-3567

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AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: Sonoita - Elgin Ambulance
 FOR THE PERIOD FROM: 07/01/2012 TO: 06/30/2013

STATISTICAL SUPPORT DATA

Line No.	DESCRIPTION	(1) SUBSCRIPTION SERVICE TRANSPORTS	(2) TRANSPORTS UNDER CONTRACT	(3) TRANSPORTS NOT UNDER CONTRACT	(4) TOTALS
01	Number of ALS Billable Transports:	/	/	235	235
02	Number of BLS Billable Transports :	/	/	0	0
03	Number of Loaded Billable Miles :	/	/	8913,3	8913,3
04	Waiting Time (Hr. & Min.):	/	/	0	0
05	Canceled (Non-Billable) Runs:	/	/	125	125

AMBULANCE SERVICE ROUTINE OPERATING REVENUE

06	ALS Base Rate Revenue.....				\$ 259,784.
07	BLS Base Rate Revenue.....				
08	Mileage Charge Revenue.....				
09	Waiting Charge Revenue.....				135,860.
10	Medical Supplies Charge Revenue.....				
11	Nurses Charge Revenue.....				
12	Standby Charge Revenue (Attach Schedule)				
13	TOTAL AMBULANCE SERVICE ROUTINE OPERATING REVENUE.....				\$ 395,784.

SALARY AND WAGE EXPENSE DETAIL

GROSS WAGES:

		**No. of F.T.E.s
14	Management.....	\$ 24,075.43 1.58
15	Paramedics and IEMTs.....	\$ 10,405.92 1.34
16	Emergency Medical Technician (EMT).....	\$ 4,372 1.34
17	Other Personnel.....	\$
18	Payroll Taxes and Fringe Benefits - All Personnel.....	\$ 8142.10 1.60

*This column reports only those runs where a contracted discount rate was applied.

**Full-time equivalents (F.T.E.) is the sum of all hours for which employees wages were paid during the year divided by 2080.

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AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: Somdita - Elgin Fire District

FOR THE PERIOD FROM: 07/01/2012 TO: 06/30/2013

SCHEDULE OF REVENUES AND EXPENSES

Line No.	DESCRIPTION	FROM	
Operating Revenues:			
01	Total Ambulance Service Operating Revenue	Page 2, Line 13	\$ <u>395,784</u>
Settlement Amounts:			
02	AHCCCS		(10,851)
03	Medicare		(126,590)
04	Subscription Service		(0)
05	Contractual		(0)
06	Other		(0)
07	Total (Sum of Lines 02 through 06)		(137,441)
08	Total Operating Revenue (Line 01 minus Line 07)		\$ <u>258,343</u>
Operating Expenses:			
09	Bad Debt		\$ <u>40,844</u>
10	Total Salaries, Wages, and Employee-Related Expenses		<u>46,995</u>
11	Professional Services		<u>19,539</u>
12	Travel and Entertainment		<u>0</u>
13	Other General Administrative		<u>600</u>
14	Depreciation		<u>32,446</u>
15	Rent/Leasing		<u>171</u>
16	Building/Station		<u>7,362</u>
17	Vehicle Expense		<u>825</u>
18	Other Operating Expense		<u>0</u>
19	Cost of Medical Supplies Charged to Patients		<u>0</u>
20	Interest		<u>2,884</u>
21	Subscription Service Sales Expense		<u>0</u>
22	Total Operating Expense (Sum of Lines 09 through 21)		<u>157,666</u>
23	Total Operating Income or Loss (Line 08 minus Line 22)		\$ <u>106,677</u>
24	Subscription Contract Sales		_____
25	Other Operating Revenue		_____
26	Local Supportive Funding		_____
27	Other Non-Operating Income (Attach Schedule)		_____
28	Other Non-Operating Expense (Attach Schedule)		_____
29	NET INCOME/(LOSS) (Line 23 plus Sum of Lines 24 through 28)		\$ <u>106,677</u>

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AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: Sonoita-Elgin Fire District
 FOR THE PERIOD FROM: 07/01/2013 TO: 06/30/2013

BALANCE SHEET

ASSETS

CURRENT ASSETS

01	Cash	\$	_____
02	Accounts Receivable		_____
03	Less: Allowance for Doubtful Accounts		_____
04	Inventory		_____
05	Prepaid Expenses		_____
06	Other Current Assets		_____
07	TOTAL CURRENT ASSETS	\$	_____

PROPERTY & EQUIPMENT

08	Less: Accumulated Depreciation	\$	_____
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09	OTHER NONCURRENT ASSETS	\$	_____
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10	TOTAL ASSETS	\$	_____
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LIABILITIES AND EQUITY

CURRENT LIABILITIES

11	Accounts Payable	\$	_____
12	Current Portion of Notes Payable		_____
13	Current Portion of Long-Term Debt		_____
14	Deferred Subscription Income		_____
15	Accrued Expenses and Other		_____
16	_____		_____
17	_____		_____

18	TOTAL CURRENT LIABILITIES	\$	_____
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19	NOTES PAYABLE		_____
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20	LONG-TERM DEBT OTHER		_____
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21	TOTAL LONG-TERM DEBT	\$	_____
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EQUITY AND OTHER CREDITS

Paid-in Capital:

22	Common Stock	\$	_____
23	Paid-in Capital in Excess of Par Value		_____
24	Contributed Capital		_____
25	Retained Earnings		_____
26	Fund Balances		_____

27	TOTAL EQUITY	\$	_____
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28	TOTAL LIABILITIES & EQUITY	\$	_____
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AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: Sonoita - Elgin Fire District

FOR THE PERIOD FROM: 07/01/2013 TO: 06/30/2013

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES:

01	Net (loss) Income	\$ _____
	Adjustments to reconcile net income to net cash provided by operating activities:	
02	Depreciation Expense	_____
03	Deferred Income Tax	_____
04	Loss (gain) on Disposal of Property Equipment	_____
	(Increase) Decrease In:	
05	Accounts Receivable	_____
06	Inventories	_____
07	Prepaid Expenses	_____
	(Increase) Decrease in:	
08	Accounts Payable	_____
09	Accrued Expenses	_____
10	Deferred Subscription Income	_____
11	Net Cash Provided (Used) by Operating Activities	\$ _____

INVESTING ACTIVITIES:

12	Purchases of Property and Equipment	_____
13	Proceeds from Disposal of Property and Equipment	_____
14	Purchases of Investments	_____
15	Proceeds from Disposal of Investments	_____
16	Loans Made	_____
17	Collections on Loans	_____
18	Other _____	_____
19	Net Cash Provided (Used) by Investing Activities	\$ _____

FINANCING ACTIVITIES:

	New Borrowings:	
20	Long-Term	_____
21	Short-Term	_____
	Debt Reduction:	
22	Long-Term	_____
23	Short-Term	_____
24	Capital Contributions	_____
25	Dividends paid	_____
26	Net Cash Provided (Used) by Financing Activities	\$ _____
27	Net Increase (Decrease) in Cash	\$ _____
28	Cash at Beginning of Year	\$ _____
29	Cash at End of Year	\$ _____

SUPPLEMENTAL DISCLOSURES:

	Non-cash Investing and Financing Transactions:	
31	_____	\$ _____
32	_____	_____
33	Interest Paid (Net of Amounts Capitalized)	_____
34	Income Taxes Paid	_____

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Sonoita-Elgin Fire District
Statement of Cash Receipts,
Disbursements and Changes in Cash
and Investment Balances –
Governmental Fund

Year ended June 30, 2013

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Statement of Cash Receipts, Disbursements and Changes in Cash and Investment Balances – Governmental Fund	3
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Walker & Armstrong LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Phoenix, Arizona 85012
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602.230.1065 (Fax)

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Independent Auditor's Report

To the Governing Board and Management
of the Sonoita-Elgin Fire District
Sonoita-Elgin, Arizona

We have audited the accompanying statement of cash receipts, disbursements, and changes in cash and investment balances of Sonoita-Elgin Fire District, as of and for the year ended June 30, 2013, and the related notes to the financial statement, which collectively comprise the District's basic financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts, disbursements and changes in cash and investment balances of Sonoita-Elgin Fire District as of and for the year ended June 30, 2013, in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matter - Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2013 on our consideration of Sonoita-Elgin Fire 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sonoita-Elgin Fire District's internal control over financial reporting and compliance.

Walter & Armstrong LLP

Phoenix, Arizona
October 9, 2013

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RESULTS-OPERATIVES

**Sonoita-Elgin Fire District
Statement of Cash Receipts, Disbursements,
and Changes in Cash and Investment Balances - Governmental Fund
Year Ended June 30, 2013**

	General Fund
Cash Receipts:	
Taxes:	
Property taxes	\$ 695,005
Fire district assistance tax	50,575
Charges for services	293,945
Intergovernmental	142,722
Contributions	12,339
Interest income	1,007
Other	410
Total cash receipts	1,196,003
 Cash disbursements:	
<i>Public safety-fire protection and emergency medical services:</i>	
Current:	
Salaries and wages	603,079
Employee benefits	119,955
Fuels treatment	99,872
Repairs and maintenance	76,173
Utilities and communications	35,524
Training and related	47,592
Insurance	22,135
Other	54,569
Professional services	7,250
Capital outlay	40,435
Debt service:	
Principal	31,037
Interest	2,884
Total cash disbursements	1,140,505
Excess of cash receipts over disbursements	55,498
Cash and investments, beginning of year	349,756
Cash and investments, end of year	\$ 405,254

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

Sonoita-Elgin Fire District
Notes to Financial Statement
Year ended June 30, 2013

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Sonoita-Elgin Fire District (the "District"), was established pursuant to Arizona Revised Statute Title 48 and is a special-purpose government governed by a separately elected governing body and is legally separate and fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, nor is the District combined with another reporting entity.

Basis of Presentation

The accounts of the District are organized on the basis of fund accounting, each of which is considered a separate reporting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent. The *general fund* is the District's primary operating fund which accounts for all financial resources except those required to be accounted for in another fund. The District reports the general fund as its only major governmental fund.

As required under Arizona Revised Statutes, Title 48 § 251.A(1), the District has prepared this financial statement in a manner sufficient to report beginning and ending fund balance, presented on a modified cash basis.

The financial statement is presented on the modified cash basis of accounting, which is an other comprehensive basis of accounting. Under the modified cash basis, revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. In addition, all items including the acquisition of capital assets are expensed as paid and receivables, prepaids, payables and accrued expenses are not reported. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with U.S. generally accepted accounting principles.

Furthermore, this financial statement does not include government-wide financial statements which are required by accounting principles generally accepted in the United States. Additionally, the District has elected not to present management's discussion and analysis or the budgetary comparison schedule of the general fund that accounting principles generally accepted in the United States have determined are necessary to supplement, although not required to be part of, the basic financial statements.

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Notes to Financial Statement - Continued

Note 1 – Summary of Significant Accounting Policies - Continued

Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with an original maturity date within three months of the acquisition date. Investments are carried at fair value. Changes in fair value and amortization of premiums/discounts relating to investments held by the District are reported as changes in investment balances.

Budgetary accounting

The District is required, under Arizona Revised Statutes, to adopt a budget each fiscal year and to submit it to the Santa Cruz, Arizona County Board of Supervisors no later than the first day of August each year. The adopted budget is on the modified cash basis of accounting, which is a legally acceptable basis for budgetary purposes. All annual appropriations lapse at fiscal year end. The District is subject to expenditure limitations under Arizona Revised Statutes which does not permit the District to incur unsecured debt in excess of property taxes levied and to be collected plus available and unencumbered cash.

Estimates

The preparation of the basic financial statement in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the tax calendar reporting period. Actual results may differ from those estimates.

Note 2 – Cash and Investments

The District's cash and cash equivalents includes cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Arizona Revised Statutes authorize special districts to invest public monies in the Arizona State Treasurer's local government investment pool, interest bearing savings accounts, certificates of deposit and in accounts of any savings and loan associations insured by an agency of the government of the United States, up to the amount of such insurance or pledged collateral. All investments are stated at fair value based on market prices. The District does not have its own formal investment policy with respect to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for investments.

Cash on Hand and Deposits – At June 30, 2013, total cash on hand was \$200. The carrying amount of the total cash in bank was \$390,951 and the bank balance was \$409,371. All of the bank balance was covered by federal depository insurance.

Notes to Financial Statement - Continued

Note 2 – Cash and Investments - Continued

Investments

As of June 30, 2013, the District's investments consisted of amounts held with the Santa Cruz County Treasurer's Local Government Investment Pool totaling \$12,886 and amounts held with the Pima County Treasurer's Local Government Investment Pool was \$1,217.

Santa Cruz and Pima County Treasurers' investment pools are not registered with the Securities and Exchange Commission and there is no regulatory oversight of their operations. The pools' structure does not provide for shares, and the counties have not provided or obtained any legally binding guarantees to support the value of the participants' investments.

Credit risk - At June 30, 2013, all of the District's investments were invested in the Santa Cruz and Pima County investment pools which are not rated by rating agencies.

Custodial credit risk - For all investments, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. External investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Interest rate risk - At June 30, 2013, the District's investments can be withdrawn from the pools at will and therefore, are not subject to a significant amount of interest rate risk.

Foreign currency risk - The District does not have a formal investment policy with respect to foreign currency risk because State statutes do not allow foreign investments.

Note 3 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 4 – Retirement Plans

The District contributes to two retirement plans as described below. The plans are component units of the State of Arizona and benefits are established by state statute. The plans generally provide retirement, long-term disability, and health insurance premium benefit, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation.

Notes to Financial Statement - Continued

Note 4 – Retirement Plans - Continued

Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. The health insurance premium benefit is paid as a fixed dollar amount per month toward the retiree's healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

Retirement Plan – Arizona State Retirement System

Plan Description – The *Arizona State Retirement System (ASRS)* administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit plan and a cost sharing multiple-employer defined benefit long-term disability plan that covers general employees of the District. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of ARS Title 38, Chapter 5, Article 2.

Funding Policy – For the year ended June 30, 2013, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.9 percent retirement and 0.24 percent long-term disability) of the members' annual covered payroll. The District's contributions to ASRS for the years ended June 30, 2013, 2012, and 2011 were \$4,819, \$5,331 and \$3,187, respectively, which were equal to the required contributions for the year.

The plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report is available on their website at www.azasrs.gov or may be obtained by writing or calling: Arizona State Retirement System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910, (602) 240-2000 or 1-800-621-3778.

Retirement Plan – Public Safety Personnel Retirement System (PSPRS)

Plan Description – The *Public Safety Personnel Retirement System (PSPRS)* administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona and participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a seven-member board, known as The Board of Trustees, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

Benefits are established by state statute and provide retirement, death, long-term disability, survivor and health insurance premium benefits.

The plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report is available on their website at www.psprs.com or may be obtained by writing the plan at 3010 East Camelback Road, Suite 200, Phoenix, AZ 85016-4416 or by calling (602) 255-5575.

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Notes to Financial Statement - Continued

Note 4 – Retirement Plans - Continued

Funding Policy – The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates.

For the year ended June 30, 2013, active PSPRS members were required by statute to contribute 9.55 percent of the members' annual covered payroll, and the District was required to contribute 14.29 percent, the aggregate of which is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at 1.42 percent of covered payroll.

Actuarial methods and assumptions – The contribution requirements for the year ended June 30, 2013, were established by the June 30, 2011 actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectation and new estimates are made. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that show whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on 1) the plans as understood by the District and plans' members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the District and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used to establish the fiscal year 2013 contribution requirements, are as follows:

Actuarial valuation date	June 30, 2011
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	25 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.25%
Projected salary increases	5% - 8%
Inflation rate	5%

Notes to Financial Statements - Continued

Note 4 – Retirement Plans - Continued

Annual Pension Cost – The District’s pension and other post employment benefit (OPEB) cost pursuant to the PSPRS plan for the year ended June 30, 2013, and related information follows:

	<u>Pension/OPEB</u>
Annual pension/ OPEB cost	\$ 65,763
Contributions made	\$ 65,763

The District's actuarial assumptions for the pension fire personnel for the year ended June 30, 2012, the most recent available actuarial valuation, and related information follow.

Actuarial valuation date	June 30, 2012
Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	24 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7 year smoothed market value (80%/120% market)
Actuarial assumptions:	
Investment rate of return	8%
Projected salary increases	5% - 9%
Inflation rate	5%

Trend Information – Annual pension and OPEB cost information for the current and two preceding years follows for the agent plan:

<u>Year ended, June 30</u>	<u>Annual Pension/OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net Pension/OPEB Obligation</u>
2013	\$ 65,763	100%	\$ -
2012	\$ 63,024	100%	\$ -
2011	\$ 39,855	100%	\$ -

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Notes to Financial Statements - Continued

Note 4 – Retirement Plans - Continued

Funding Status (excluding health insurance subsidy) - The information for the analysis of funding progress was obtained from the three most recent actuarial valuations.

Valuation date June 30,	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Funding Liability (Excess)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
2012	\$486,979	\$541,299	\$54,320	90%	\$385,645	14%
2011	325,303	359,769	34,466	90%	485,909	7%
2010	190,548	231,532	40,984	82%	321,389	13%

Funding Status (post-retirement health insurance subsidy only) - The information for the analysis of funding progress was obtained from the three most recent actuarial valuations.

Valuation date June 30,	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Funding Liability (Excess)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
2012	\$ -	\$11,569	\$11,569	- %	\$385,645	3%
2011	-	16,566	16,566	- %	485,909	3%
2010	-	9,239	9,239	- %	321,389	3%

In accordance with GASB 45, assets within the PSPRS plan are not segregated to fund the post-retirement health insurance subsidy. Accordingly, these benefits may not be considered pre-funded. These liabilities are based on the same assumptions and actuarial costs methods as indicated for the plan. The District did not report a health insurance subsidy payment for the fiscal year ending June 30, 2013.

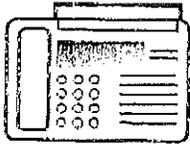
Note 5 – Subsequent Event

In July 2013, the District made a final scheduled payment on a capital lease obligation used to finance emergency service vehicles. The final payment consisted of principal of \$32,446 and interest of \$1,474.

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Sonoita-Elgin Fire District
P.O. Box 322
Sonoita, AZ 85637-0322



To: AZ DHS BEMS *Ambulance Regional Service*
Fax number: *(602) 364-3567*

From: *Kati*
Fax number: 520-455-5361

Date: 2/1/2013

Regarding: *Report*

Phone number for follow-up:
520-455-5854

Comments:

Here is our Report -

Original to follow by Mail.

Kati Goodwin
Admin

DEC 24 2013

01/18/2013