

GREATER CINCINNATI HAZARDOUS MATERIALS UNIT

FINANCIAL STATEMENTS

For the Year Ended December 31, 2018 and 2017

TABLE OF CONTENTS


	<u>Page</u>
Accountant's Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows.....	4
Notes to the Financial Statements	5 - 8

Thomas A. Lonnemann, CPA, INC.
Certified Public Accountant

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Trustees
Greater Cincinnati Hazardous Materials Unit
1881 E Crescentville Rd
Cincinnati Oh 45246

Management is responsible for the accompanying financial position of Greater Cincinnati Hazardous Materials Unit (a nonprofit organization), as of December 31, 2018 and 2017 and the related activities and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements, nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.



Thomas Lonnemann CPA, Inc

May 23, 2019

GREATER CINCINNATI HAZARDOUS MATERIALS UNIT
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

ASSETS	2017	2017
CASH ON HAND	198,273.86	212,069.96
INVESTMENTS	113,609.02	115,351.28
ACCOUNTS RECEIVABLE	0.00	800.06
TOTAL CURRENT ASSETS	<u>311,882.88</u>	<u>328,221.30</u>
EQUIPMENT	1,408,194.91	1,401,928.51
BUILDING	303,400.00	303,400.00
LESS: ACCUMULATED DEPRECIATION	<u>(1,409,830.97)</u>	<u>(1,377,575.31)</u>
NET EQUIPMENT	301,763.94	327,753.20
OTHER ASSETS		
DEPOSIT - WORKMAN'S COMPENSATION	<u>10.00</u>	<u>10.00</u>
TOTAL ASSETS	<u><u>613,656.82</u></u>	<u><u>655,984.50</u></u>
LIABILITIES AND NET ASSETS		
ACCOUNTS PAYABLE	0.00	0.00
UNEARNED ASSESSMENTS	0.00	0.00
PAYROLL TAXES PAYABLE	<u>0.00</u>	<u>0.00</u>
TOTAL CURRENT LIABILITIES	<u>0.00</u>	<u>0.00</u>
TOTAL LIABILITIES	<u>0.00</u>	<u>0.00</u>
NET ASSETS		
UNRESTRICTED, INCLUDING \$186,000 SET ASIDE BY THE BOARD FOR CAPITAL PURCHASES	<u>613,566.82</u>	<u>655,984.50</u>
TOTAL NET ASSETS	<u>613,566.82</u>	<u>655,984.50</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>613,566.82</u></u>	<u><u>655,984.50</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS REPORT

GREATER CINCINNATI HAZARDOUS MATERIALS UNIT
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31,

	2018	%	2017	%
UNRESTRICTED NET ASSETS				
SUPPORT				
ASSESSMENTS	179,521.67	99.3%	175,847.37	95.4%
CALL FEES	2,831.25	1.6%	1,095.86	0.6%
CONTRIBUTIONS	0.00	0.0%	750.00	0.4%
INVESTMENT INCOME	<u>(1,546.66)</u>	-0.9%	<u>6,638.21</u>	3.6%
TOTAL SUPPORT	180,806.26	100.0%	184,331.44	100.0%
EXPENSES				
PERSONNEL EXPENSE				
WAGES	79,388.18	43.9%	85,630.74	46.5%
RESPONDER FEES	650.00	0.4%	1,430.00	0.8%
EMPLOYEE COSTS	9,296.19	5.1%	7,781.31	4.2%
UNIFORMS	1,477.00	0.8%	1,787.63	1.0%
TRAINING COURSE AND MATERIALS	<u>4,151.98</u>	2.3%	<u>2,087.85</u>	1.1%
TOTAL PERSONNEL EXPENSES	94,963.35	52.5%	98,717.53	53.6%
VEHICLE EXPENSE				
FUEL & MAINTENANCE	<u>20,031.17</u>	11.1%	<u>17,403.84</u>	9.4%
TOTAL VEHICLE EXPENSE	20,031.17	11.1%	17,403.84	9.4%
SAFETY EQUIPMENT EXPENSE	7,989.00	4.4%	9,078.66	4.9%
GENERAL AND ADMINISTRATIVE				
COMMUNICATIONS	10,785.29	6.0%	11,110.08	6.0%
TRAVEL		0.0%		0.0%
PROFESSIONAL FEES	3,394.88	1.9%	6,709.93	3.6%
ADMINISTRATIVE	8,925.43	4.9%	7,567.57	4.1%
CONTRIBUTIONS	1,000.00	0.6%	1,000.00	0.5%
BAD DEBT	800.06	0.4%		0.0%
INSURANCE	23,376.00	12.9%	23,736.00	12.9%
BUILDING MAINTENANCE	9,558.63	5.3%	11,042.22	6.0%
UTILITIES	<u>10,054.47</u>	5.6%	<u>10,053.05</u>	5.5%
TOTAL GENERAL AND ADMINISTRATIVE	67,894.76	37.6%	71,218.85	38.6%
DEPRECIATION	<u>32,255.66</u>	17.8%	<u>31,875.41</u>	17.3%
TOTAL EXPENSES	<u>223,133.94</u>	123.4%	<u>228,294.29</u>	123.8%
GAIN(LOSS) ON SALE OR DISPOSAL OF ASSETS	0.00	0.0%	0.00	0.0%
CHANGE IN UNRESTRICTED NET ASSETS	(42,327.68)	-23.4%	(43,962.85)	-23.8%
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>655,894.50</u>		<u>699,947.35</u>	
UNRESTRICTED NET ASSETS, END OF YEAR	<u><u>613,566.82</u></u>		<u><u>655,984.50</u></u>	

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT

GREATER CINCINNATI HAZARDOUS MATERIALS UNIT
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	2017	2017
CASH FLOWS FROM		
CHANGE IN NET ASSETS	(42,327.68)	(43,962.85)
ADJ. TO RECONCILE INCREASE(DECREASE)IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
DEPRECIATION	32,255.66	31,875.41
UNREALIZED GAIN ON INVESTMENTS		
(INCREASE)DECREASE IN OPERATING ASSETS:		
ACCOUNTS RECEIVABLE	800.06	0.00
INCREASE(DECREASE)IN OPERATING LIABILITIES:		
ACCOUNTS PAYABLE	0.00	0.00
PAYROLL TAXES	0.00	0.00
UNEARNED ASSESMENTS	0.00	0.00
	(9,271.96)	(12,087.44)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
INVESTING ACTIVITIES		
SHORT TERM INVESTMENTS	1,742.26	(5,366.91)
ACQUISITIONS OF PROPERTY AND EQUIPMENT	(6,266.40)	(12,999.50)
	(4,524.14)	(18,366.41)
NET CASH USED BY INVESTING ACTIVITIES		
NET INCREASE(DECREASE) IN CASH	(13,796.10)	(30,453.85)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	212,069.96	242,523.81
CASH AND CASH EQUIVALENTS AT END OF YEAR	198,273.86	212,069.96

SEE ACCOMPANYING NOTES AND ACCOUNTANTS REPORT

Greater Cincinnati Hazardous Materials Unit

Notes to the Financial Statements

For the Years Ended December 31, 2018 and 2017

Note 1 - Nature of Activities and Significant Accounting Policies

Nature of operations

Greater Cincinnati Hazardous Materials Unit is a non-profit corporation committed to providing training, preparedness and response to minimize the damage to life, property and the environment by controlling releases of hazardous materials throughout Ohio, Kentucky, and Indiana.

Sources of Revenue

Revenue is derived from four main sources. These are county and city population assessment, clean up fees charged to specific runs, cash donations, and donations and grants of equipment. Assessments make up 99.3% of all revenue collected. Contributions and grants received with donor-imposed restrictions that are met in the same year in which the contributions and/or grants are received are classified as unrestricted contributions.

Valuation of Contributed Equipment

Equipment that is donated is valued at the fair market value of such item at the time it is contributed.

Use of Estimates

The preparation of Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Equipment

The organization capitalizes all equipment acquisitions in excess of \$1,000. Purchased equipment is capitalized at cost. Equipment is depreciated using the straight-line method over their estimated useful lives.

Classes of Net Assets

The accompanying financial statements have been prepared in conformity with the requirements of the Financial Accounting Standards Board (FASB) as set forth in Statement of Financial Accounting Standards (SFAS) No. 117 "Financial Statements of Not-for-Profit Organizations". Accordingly, the assets of the Organization are reported in only one of three classes as all assets are unrestricted.

Income Tax Status

The organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) of the Internal Revenue Code.

Cash and cash equivalents

Cash includes cash in checking and money market accounts.

Investments

At December 31, 2018 short term investments consists of a \$113,609.02. This consists of:

<u>Name</u>	<u>Type</u>	<u>Maturity</u>	<u>Amount</u>
Chase Bank	Mutual Fund	None	<u>113,609.02</u>
Total			\$113,609.02

Reclassifications

Certain amounts in prior year financial statements may have been reclassified for comparative purposes to conform with the presentation of the current year financial statements.

Note 2 - Cash Flow Information

At various times throughout the year, the Unit may have cash in financial institutions in excess of insured limits. The Federal Deposit Insurance Corporation (FDIC) insures account balances up to \$250,000 for each business depositor. Using this criteria, the Unit had no cash in excess of insured limits at both December 31, 2018 and 2017. \$113,609.02 that was deposited in Chase Bank Mutual Fund Account is an investment account and therefore is not insured by the FDIC.

Note 3 - Equipment

Equipment	Cost	Accumulated Depreciation	Est. Useful Life
Decon Truck	45,000	45,000	10
Ford Truck	33,415	33,415	7
2002 Chevy Tahoe	10,545	6,277	7
2006 Ford F250	47,110	47,110	7
2008 Chevrolet Truck (with equipment)	90,641	90,641	7
2004 Ford Truck	18,000	18,000	7
2005 Chevy Tahoe	17,995	9,212	7
2010 Chevrolet Truck	31,234	31,234	7
Rockport Truck – ARU	49,506	23,574	7
Building (Sharonville OH)	297,000	90,090	25
Furnace/Air Conditioner	14,690	4,052	10
Furniture	7,262	2,178	7
Equipment	1,049,197	1,009,048	5-7 years
Total	\$1,711,595	\$1,409,831	

Note 4 - Donated Services, Materials, and Facilities

The organization receives donated space and minor equipment. These amounts are not included in the financial statements as they are deemed immaterial.

Note 5 - Net Assets set aside for Capital Purchases

This category is monies being accrued to properly maintain and update equipment as needed to adequately attain the goals and objectives of the Greater Cincinnati Hazardous Materials Unit.

Note 6 - Concentration of Risk

Concentration of risk with respect to Revenue. For the year end December 31, 2018 revenue from assessments was \$179,521.67. Of this amount \$102,303 or 57% is received from one county.

Note 7 - Subsequent Events

The date to which events occurring after December 31, 2018, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is May 23, 2019 which is the date on which the financial statements were available to be issued.