



**SCIOTO AMBULATORY DISTRICT
SCIOTO COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**SCIOTO AMBULATORY DISTRICT
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REPORT OF INDEPENDENT ACCOUNTANTS

Scioto Ambulatory District
Scioto County
P.O. Box 137
McDermott, Ohio 45652

To the Board of Trustees:

We have audited the accompanying financial statements of the Scioto Ambulatory District, Scioto County, Ohio, (the Ambulatory District) as of and for the years ended December 31, 1999 and 1998. The financial statement is the responsibility of the Ambulatory District's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 discussed in Note 1, the Ambulatory District prepares its financial statement on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balance of the Scioto Ambulatory District, Scioto County, as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2000 on our consideration of the Ambulatory District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

August 7, 2000

**SCIOTO AMBULATORY DISTRICT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN CASH BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
Cash Receipts:		
Local Taxes	\$128,944	\$126,522
Intergovernmental	16,986	16,992
Earnings on Investments	1,866	1,923
Other Revenue	662	2,216
	<hr/>	<hr/>
Total Cash Receipts	148,458	147,653
	<hr/>	<hr/>
Cash Disbursements:		
Current:		
General Government	51,371	
Public Safety	98,203	132,606
	<hr/>	<hr/>
Total Cash Disbursements	149,574	132,606
	<hr/>	<hr/>
Excess of Cash Receipts Over/(Under) Cash Disbursements	(1,116)	15,047
	<hr/>	<hr/>
Cash Balance, January 1	121,878	106,831
	<hr/>	<hr/>
Cash Balance, December 31	<u><u>\$120,762</u></u>	<u><u>\$121,878</u></u>

The notes to the financial statement are an integral part of this statement.

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**SCIOTO AMBULATORY DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Scioto Ambulatory District, Scioto County, (the Ambulatory District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Ambulatory District is directed by a publicly-elected four-member Board of Trustees. The Ambulatory District provides general governmental services, including emergency medical services.

The Ambulatory District's management believes the financial statement presents all activities for which the Ambulatory District is financially accountable.

B. Basis of Accounting

The financial statement follows the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

The statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Ambulatory District has one bank account and had no investments during our audit period.

D. Budgetary Process

The Ohio Revised Code requires the Ambulatory District to prepare an annual budget.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

**SCIOTO AMBULATORY DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

3. Encumbrances

The Ohio Revised Code requires the Ambulatory District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statement.

F. Unpaid Vacation

Employees are entitled to cash payments for unused vacation in certain circumstances, such as upon leaving employment. Unpaid vacation is not reflected as a liability under the basis of accounting used by the Ambulatory District.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ambulatory District maintains a cash and investments pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	<u>\$120,762</u>	<u>\$121,878</u>

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

**SCIOTO AMBULATORY DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

1999 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$158,000	\$148,458	(\$9,542)

1999 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$279,684	\$149,574	\$130,110

1998 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$144,000	\$147,653	\$3,653

1998 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$250,831	\$132,606	\$118,225

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statement as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Ambulatory District.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Ambulatory District.

**SCIOTO AMBULATORY DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999 AND 1998
(Continued)**

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Lease - Purchase	\$55,597	5%

The lease purchase agreement was issued to finance the purchase of two new ambulances to be used by the Ambulatory District. The lease is collateralized solely by the Ambulatory District's taxing authority. The lease originated in September, 1997 with monthly payments of \$1,949 for 60 months.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	Lease
2000	\$23,388
2001	23,388
2002	13,643
Total	\$60,419

6. RETIREMENT SYSTEMS

The Ambulatory District's employees, as well as the Clerk and Trustees, belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Ambulatory District contributed an amount equal to 13.55% of participants' gross salaries. The Ambulatory District has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Ambulatory District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Scioto Ambulatory District
Scioto County
P.O. Box 137
McDermott, Ohio 45652

To the Board of Trustees:

We have audited the accompanying financial statement of the Scioto Ambulatory District, Scioto County, Ohio, (the Ambulatory District) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Ambulatory District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Ambulatory District in a separate letter dated August 7, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Ambulatory District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Ambulatory District in a separate letter dated August 7, 2000.

This report is intended for the information and use of the management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

August 7, 2000



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SCIOTO AMBULATORY DISTRICT

SCIOTO COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 29, 2000**