



Mary Taylor, CPA
Auditor of State

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances All Governmental Fund Types For the Year Ended December 31, 2008	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances All Governmental Fund Types For the Year Ended December 31, 2007	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11
Schedule of Prior Audit Findings.....	13

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Mary Taylor, CPA
Auditor of State

Mineral Sandy Joint Ambulance District
Tuscarawas County
P.O. Box 454
Mineral City, Ohio 44656

To the Board of Directors:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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Mary Taylor, CPA
Auditor of State

August 31, 2009

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Mineral Sandy Joint Ambulance District
Tuscarawas County
P.O. Box 454
Mineral City, Ohio 44656

To the Board of Directors:

We have audited the accompanying financial statements of the Mineral Sandy Joint Ambulance District, Tuscarawas County, Ohio, (the District) as of and 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 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2008 and 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Mineral Sandy Joint Ambulance District, Tuscarawas County, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 31, 2009

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	All Fund Types		Totals (Memorandum Only)
	General	Debt Service	
Cash Receipts:			
Property and Other Local Taxes	\$18,475	\$10,310	\$28,785
Charges for Services	6,616		6,616
Intergovernmental	10,474		10,474
Earnings on Investments	81		81
Miscellaneous	606		606
Total Cash Receipts	36,252	10,310	46,562
Cash Disbursements:			
Current Disbursements:			
Security of Persons and Property:			
Salaries	5,095		5,095
Materials and Supplies	7,837		7,837
Equipment	4,110		4,110
Medic Billing Expenses	3,410		3,410
Utilities	2,935		2,935
State/County Auditor Fees	1,247		1,247
Insurance/Bond	7,089		7,089
Other	150		150
Debt Service:			
Principal and Interest		10,310	10,310
Total Cash Disbursements	31,873	10,310	42,183
Total Cash Receipts Over Cash Disbursements	4,379	0	4,379
Fund Cash Balances, January 1	81,574	0	81,574
Fund Cash Balances, December 31	\$85,953	\$0	\$85,953
Reserve for Encumbrances, December 31	\$2,199	\$0	\$2,199

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

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>All Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Debt Service</u>	
Cash Receipts:			
Property and Other Local Taxes	\$20,259	\$10,310	\$30,569
Charges for Services	5,742		5,742
Intergovernmental	5,841		5,841
Earnings on Investments	197		197
Miscellaneous	250		250
	<hr/>		
Total Cash Receipts	32,289	10,310	42,599
Cash Disbursements:			
Current Disbursements:			
Security of Persons and Property:			
Salaries	5,531		5,531
Materials and Supplies	3,366		3,366
Equipment	1,920		1,920
Medic Billing Expenses	3,610		3,610
Utilities	2,376		2,376
State/County Auditor Fees	4,090		4,090
Insurance/Bond	7,273		7,273
Other	150		150
Debt Service:			
Principal and Interest		10,310	10,310
	<hr/>		
Total Cash Disbursements	28,316	10,310	38,626
	<hr/>		
Total Cash Receipts Over Cash Disbursements	3,973	0	3,973
	<hr/>		
Fund Cash Balances, January 1	77,601		77,601
	<hr/>		
Fund Cash Balances, December 31	\$81,574	\$0	\$81,574
	<hr/>		
Reserve for Encumbrances, December 31	\$1,613	\$0	\$1,613
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The notes to the financial statements are an integral part of this statement.

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Mineral Sandy Joint Ambulance District, Tuscarawas County, Ohio (the District) as a body corporate and politic. A two-member Board of Directors governs the District. Each political subdivision within the District appoints one member. Those subdivisions are the Village of Mineral City and Sandy Township. The District provides rescue services within the District and by contract to areas outside the District.

The District's management believes these financial statements present all activities for which the District is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

There were no investments held during the audit period.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for the payment of debt principle and interest related to the purchase of an ambulance.

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function level of control, and appropriations may not exceed estimated resources. The Board of Directors 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.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. Equity in Pooled Cash

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

	<u>2008</u>	<u>2007</u>
Demand Deposits	<u>\$85,953</u>	<u>\$81,574</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

3. Budgetary Activity

Budgetary activity for the years ended December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$36,030	\$36,252	\$222
Debt Service	10,310	10,310	0
Total	\$46,340	\$46,562	\$222

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$42,851	\$34,072	\$8,779
Debt Service	10,310	10,310	0
Total	\$53,161	\$44,382	\$8,779

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,310	\$32,289	\$5,979
Debt Service	10,310	10,310	0
Total	\$36,620	\$42,599	\$5,979

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$40,982	\$29,929	\$11,053
Debt Service	10,310	10,310	0
Total	\$51,292	\$40,239	\$11,053

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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 Township.

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

4. Property Tax (Continued)

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 Township.

5. Debt

Debt outstanding at December 31, 2008 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ambulance Loan	<u>\$4,109</u>	4.50%

The District took out a loan to finance the purchase of a new ambulance. The pledged collateral for the security of the debt is the vehicle purchased.

Amortization of the above debt, including interest, is scheduled for payment in 2009, in the amount of \$5,155.

6. Retirement Systems

All employees belong to the Ohio Public Employees Retirement System (OPERS). The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OPERS members contributed 10.00% and 9.50%, respectively, of their gross salaries and the District contributed an amount equaling 14.00% and 13.85%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2008.

7. Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Mineral Sandy Joint Ambulance District
Tuscarawas County
P.O. Box 454
Mineral City, Ohio 44656

To the Board of Directors:

We have audited the financial statements of the Mineral City Joint Ambulance District, Tuscarawas County, Ohio, (the District) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated August 31, 2009, wherein we noted the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined 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 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 its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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 internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated August 31, 2009.

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Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We noted certain noncompliance or other matters that we reported to the District's management in a separate letter dated August 31, 2009.

We intend this report solely for the information and use of management and the Board of Directors. We intend it for no one other than these specified parties.

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Mary Taylor, CPA
Auditor of State

August 31, 2009

**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Ambulance Runs – There were discrepancies in the patient billings which resulted in patients being under-billed.	Yes	Finding no longer valid
2006-002	Ohio Rev. Code Section 5705.41(B) - expenditures exceeded appropriations in the Debt Service Fund by \$10,310.	Yes	Finding no longer valid



Mary Taylor, CPA
Auditor of State

MINERAL SANDY JOINT AMBULANCE DISTRICT

TUSCARAWAS 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
OCTOBER 13, 2009**