



**Auditor of State
Betty Montgomery**

UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Upper Scioto Valley Ambulance District
Hardin County
P.O. Box 83
Alger, Ohio 45812

To the Board of Trustees:

We have audited the accompanying financial statements of the Upper Scioto Valley Ambulance District, Hardin County, (the District), as of and for the years ended December 31, 2003 and December 31, 2002. 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 *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 audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements 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 statements referred to above present fairly, in all material respects, the fund cash balance of the District as of December 31, 2003 and December 31, 2002, 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 June 8, 2004 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Upper Scioto Valley Ambulance District
Hardin County
Independent Accountants' Report
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This report is intended solely for the information and use of the audit committee, management, the Board of Trustees, and other officials authorized to receive this report under Section 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 8, 2004

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003**

Cash Receipts:	
Local Taxes	\$44,190
Intergovernmental	13,850
Charges for Services	8,629
Earnings on Investments	1,080
Refunds and Donations	1,072
	68,821
Total Cash Receipts	68,821
Cash Disbursements:	
Current:	
Capital Outlay	3,588
Salary	4,500
E.M.T. Expense	10,072
Office Expense	1,339
Equipment (purchase/repair)	10,776
Insurance	7,638
Vehicle Fuel	1,935
Vehicle Repair	1,503
PERS/Medicare	675
Licenses/Fees	188
Bureau of Workers' Compensation	618
Medical Supplies	4,288
Auditor Fees	1,329
Rent	5,400
E.M.T. Compensation	7,125
Miscellaneous	3,633
Loan Payments - Principal	12,581
Loan Payments - Interest	455
	77,643
Total Cash Disbursements	77,643
Total Receipts Under Disbursements	(8,822)
Fund Cash Balance, January 1	51,801
Fund Cash Balance, December 31	\$42,979

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

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

Cash Receipts:	
Local Taxes	\$43,209
Intergovernmental	13,409
Charges for Services	16,371
Earnings on Investments	1,208
Refunds and Donations	100
	100
Total Cash Receipts	74,297
 Cash Disbursements:	
Capital Outlay	70,995
Salary	4,483
E.M.T. Expense	5,461
Office Expense	1,110
Equipment (purchase/repair)	9,403
Insurance	6,450
Vehicle Fuel	1,732
Vehicle Repair	1,462
PERS/Medicare	659
Licenses/Fees	113
Bureau of Workers' Compensation	190
Medical Supplies	3,255
Auditor Fees	1,271
State Audit	2,192
Rent	5,400
E.M.T. Compensation	6,026
Miscellaneous	3,115
Loan Payments - Principal	8,108
Loan Payments - Interest	583
	583
Total Cash Disbursements	132,008
Total Receipts Under Disbursements	(57,711)
 Other Financing Receipts:	
Loan Proceeds	25,000
	25,000
Excess of Cash Receipts and Other Financing Receipts Under Cash Disbursements	(32,711)
Fund Cash Balance, January 1	84,512
Fund Cash Balance, December 31	\$51,801

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

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Upper Scioto Valley Ambulance District, Hardin County, (the 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 District is directed by an appointed five-member Board of Trustees. One board member is appointed by each political subdivision within the District. Those subdivisions are Marion Township, McDonald Township, Roundhead Township, the Village of Alger, and the Village of McGuffey. The District provides ambulance services within the District.

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

B. Basis of Accounting

These financial statements follow 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. 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 prescribed or permitted by the Auditor of State.

C. Cash and Investments

Purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District has the following fund type:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

E. Budgetary Process

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

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, 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.

3. Encumbrances

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

A summary of 2003 and 2002 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2003</u>	<u>2002</u>
Demand deposits	\$12,151	\$22,049
Certificates of deposit	30,828	29,752
Total deposits	<u>\$42,979</u>	<u>\$51,801</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and December 31, 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$72,227	\$68,821	(\$3,406)
	\$72,227	\$68,821	(\$3,406)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$124,027	\$77,643	\$46,384
	\$124,027	\$77,643	\$46,384

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$67,590	\$99,297	\$31,707
	\$67,590	\$99,297	\$31,707

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$151,402	\$132,008	\$19,394
	\$151,402	\$132,008	\$19,394

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 statements 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.

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 District.

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

5. DEBT

Debt outstanding at December 31, 2003 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Notes	\$4,321	4.00%

On April 23, 2002, the District entered into a \$25,000 note to help fund the purchase of an ambulance. This note is payable in monthly installments of principal and interest with a final maturity date of April 23, 2004.

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

	<u>General Obligation Notes</u>
Year ending December 31: 2004	\$4,354

6. RETIREMENT SYSTEMS

The District's employees belongs 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 2003 and 2002, the District's member of PERS contributed 8.5% of the gross salary each year. The District contributed an amount equal to 13.55% of the participant's gross salary for 2003 and 2002. The District has paid all contributions required through December 31, 2003.

7. RISK MANAGEMENT

Commercial Insurance

The Upper Scioto Valley Ambulance District has obtained commercial insurance from Volunteer Firemen's Insurance Services through American Alternative Insurance Corporation for the following risks:

- Comprehensive property and general liability; and
- Vehicles



**Auditor of State
Betty Montgomery**

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

Upper Scioto Valley Ambulance District
Hardin County
P.O. Box 83
Alger, Ohio 45812

To the Board of Trustees:

We have audited the financial statements of the Upper Scioto Valley Ambulance District, Hardin County, (the District), as of and for the years ended December 31, 2003 and December 31, 2002, and have issued our report thereon dated June 8, 2004. 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 District's financial statements are 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 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 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 District in a separate letter dated June 8, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 District in a separate letter dated June 8, 2004.

Upper Scioto Valley Ambulance District
Hardin County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management and 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 8, 2004

**UPPER SCIOTO VALLEY AMBULANCE DISTRICT
HARDIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2003 AND 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2001-60233-01	ORC Sec. 5705.41(D) – Certification of expenditures prior to obligation.	No	Partially corrected. Repeated in management letter.

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**Auditor of State
Betty Montgomery**

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UPPER SCIOTO VALLEY AMBULANCE DISTRICT

HARDIN 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
JULY 6, 2004**