



**Auditor of State
Betty Montgomery**

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Swiss Valley Joint Ambulance District
Tuscarawas County
154 North Broadway – Box 684
Sugarcreek, Ohio 44681

To the Board of Trustees:

We have audited the accompanying financial statements of the Swiss Valley Joint Ambulance District, Sugarcreek, Ohio, (the District) as of and for the years ended December 31, 2002 and 2001. 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 balances of the District, as of December 31, 2002 and 2001, 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 October 24, 2003 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.

Swiss Valley Joint Ambulance District
Tuscarawas County
Independent Accountants' Report
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This report is intended solely for the information and use of 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

October 24, 2003

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001**

	2002	2001
Cash Receipts:		
Contract Services	\$76,032	\$63,752
Charges for Services	97,631	61,028
Earnings on Investments	2,523	3,686
Donations	4,800	16,000
Miscellaneous	653	415
Total Cash Receipts	181,639	144,881
Cash Disbursements:		
Current:		
Security of Persons and Property	127,971	101,792
Capital Outlay	19,972	29,735
Total Cash Disbursements	147,943	131,527
Excess of Cash Receipts Over Cash Disbursements	33,696	13,354
Other Financing Sources		
Sale of Assets		2,000
Excess of Cash Receipts and Other Financing Sources Over Cash Disbursements	33,696	15,354
Fund Cash Balances, January 1	145,972	130,618
Fund Cash Balances, December 31	\$179,668	\$145,972

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

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**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Swiss Valley Joint Ambulance District, Tuscarawas 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. A six member Board of Trustees, who is appointed from participating townships and villages, directs the District. The District provides EMS services to Auburn Township, Bucks Township, Clark Township, Sugarcreek Township, the Village of Baltic, and the Village of Sugarcreek. The District also serves Walnut Creek Township – Eastern Holmes Fire and EMS District, but they have chosen not to appoint a representative to the Board of Trustees.

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

The District's cash is held in an interest bearing checking account and in certificates of deposit.

D. Fund Accounting

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources of the District.

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 or function 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. Unencumbered appropriations lapse at year end.

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered 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. The District does not reserve (encumber) appropriations as required by Ohio Rev. Code Section 5705.41(D).

A summary of 2002 and 2001 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

The District maintains its funds in an interest bearing checking account and in certificates of deposit. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 follows:

	2002	2001
Demand Deposits	\$39,668	\$45,972
Certificates of Deposit	140,000	100,000
Total Deposits	\$179,668	\$145,972

Deposits are insured by the Federal Depository Insurance Corporation and a pooled pledged collateral account provided by the District's financial institution.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$144,000	\$181,639	\$37,639

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$142,960	\$146,881	\$3,921

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$289,979	\$147,943	\$142,036

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$272,241	\$131,527	\$140,714

4. RETIREMENT SYSTEM

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS 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 2002 and 2001, members of OPERS contributed 13.55% of their gross salaries. The District has paid all contributions required through December 31, 2002.

5. RISK MANAGEMENT

Risk Pool Membership

The District contracted with Special National Insurance Company for casualty, property, and criminal liability.

Casualty Coverage

The District is insured up to \$1,000,000 per claim and \$3,000,000 in the aggregate.

Property Coverage

The District is insured up to \$1,000,000 per claim and \$3,000,000 in the aggregate.

Criminal Liability

The District is insured up to \$50,000 for employee dishonesty, forgery, alteration, theft and destruction. They are insured up to \$25,000 for computer fraud coverage.

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2002 AND 2001
(Continued)**

6. CONTINGENT LIABILITIES

Management believes there are no pending claims or lawsuits.

7. FIRE – LOSS OF DISTRICT RECORDS

On April 4, 2001, a fire occurred at the Clerk's home where District accounting records were stored. The fire destroyed the District's records from January 1, 2000 through March 31, 2001.



Auditor of State Betty Montgomery

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

Swiss Valley Joint Ambulance District
Tuscarawas County
154 North Broadway – Box 684
Sugarcreek, Ohio 44681

To the Board of Trustees:

We have audited the accompanying financial statements of the Swiss Valley Joint Ambulance District, Tuscarawas County, Ohio, (the District) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated October 24, 2003. 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.

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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2002-001.

We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated October 24, 2003.

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 October 24, 2003.

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Swiss Valley Joint Ambulance District
Tuscarawas County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

Betty Montgomery
Auditor of State

October 24, 2003

**SWISS VALLEY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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Noncompliance Citation

FINDING 2002-001

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purposes and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereto.

This section also provides for two "exceptions" to the above requirements:

- A. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Board of Trustees may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.

- B. If the amount involved is less than \$1,000 (which was increased to \$3,000 as of April 7, 2003), the Clerk may authorize payment through a Then and Now Certificate without affirmation of the Board of Trustees, if such expenditures is otherwise valid.

During 2002 and 2001, the Clerk did not make any certifications for District expenditures prior to incurring the commitment. It was also found that neither of the two exceptions above were utilized for the items found to be in non-compliance. As a result, the District could inadvertently overspend certain appropriations. Prior to entering into commitments, the Clerk should certify that funds are available for expenditure. The Clerk should also inform all District employees of the requirements of Ohio Rev. Code Section 5705.41(D).



**Auditor of State
Betty Montgomery**

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SWISS VALLEY 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
DECEMBER 16, 2003**