



Mary Taylor, CPA
Auditor of State

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

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Mary Taylor, CPA
Auditor of State

Tri-Village Joint Ambulance District
Darke County
PO Box 247
New Madison, Ohio 45346

To the Board of Trustees:

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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 8, 2010

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Tri-Village Joint Ambulance District
Darke County
P.O. Box 247
New Madison, Ohio 45346

To the Board of Trustees:

We have audited the accompanying financial statements of Tri-Village Joint Ambulance District, Darke County, (the District) as of and for the years ended December 31, 2009 and 2008. 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.

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, 2009 and 2008 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, 2009 and 2008, 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 fund cash balances of Tri-Village Joint Ambulance District, Darke County, as of December 31, 2009 and 2008, and its 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 July 8, 2010, 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

July 8, 2010

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGE IN GENERAL FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2009**

	General
Cash Receipts:	
Tax Revenue	\$125,366
Intergovernmental	13,758
Miscellaneous	2,489
Rent	5,890
Earnings on Investments	46
Total Cash Receipts	147,549
 Cash Disbursements:	
Contractual Services	80,000
Salaries	44,945
Fringe Benefits	7,907
Other	9,966
Total Cash Disbursements	142,818
Total Receipts Over/(Under) Disbursements	4,731
Fund Cash Balance, January 1	42,609
Fund Cash Balance, December 31	\$47,340

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

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGE IN GENERAL FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General
Cash Receipts:	
Tax Revenue	\$127,414
Integovernmental	21,855
Miscellaneous	3,537
Rent	5,330
Earnings on Investments	134
Total Cash Receipts	158,270
 Cash Disbursements:	
Contractual Services	100,000
Salaries	41,673
Fringe Benefits	6,186
Other	9,202
Total Cash Disbursements	157,061
 Total Receipts Over/(Under) Disbursements	 1,209
 Fund Cash Balance, January 1	 41,400
 Fund Cash Balance, December 31	 \$42,609

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

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

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 Tri-Village Joint Ambulance District, Darke County, (the District) as a body corporate and politic. A eight-member Board of Trustees governs the District. Each political subdivision within the District appoints one member. Those subdivisions are the Townships of Butler, Liberty, Neave, and Harrison, and the Villages of New Madison, Palestine, Hollansburg, and Wayne Lakes. 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. The District values certificates of deposit at cost.

D. Fund Accounting

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

1. General Fund

The General Fund reports 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.

1. Appropriations

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

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2009 and 2008 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 AND INVESTMENTS

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

	2009	2008
Demand deposits	\$26,845	\$22,114
Certificates of deposit	20,495	20,495
Total deposits	\$47,340	\$42,609

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$160,000	\$147,549	(\$12,451)
Total	\$160,000	\$147,549	(\$12,451)

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$203,824	\$142,818	\$61,006
Total	\$203,824	\$142,818	\$61,006

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2008 Budgeted vs. Actual Receipts				
Fund Type		Budgeted Receipts	Actual Receipts	Variance
General		\$150,000	\$158,270	\$8,270
	Total	\$150,000	\$158,270	\$8,270

2008 Budgeted vs. Actual Budgetary Basis Expenditures				
Fund Type		Appropriation Authority	Budgetary Expenditures	Variance
General		\$191,399	\$157,061	\$34,338
	Total	\$191,399	\$157,061	\$34,338

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 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 District.

5. RETIREMENT SYSTEMS

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the plans benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10%, of their gross salaries and the District contributed an amount equaling 14%, of participants' gross salaries. The District has paid all contributions required through December 31, 2009.

6. RISK MANAGEMENT

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Errors and omissions.

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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*

Tri-Village Joint Ambulance District
Darke County
PO Box 247
New Madison, Ohio 45346

To the District Board of Trustees:

We have audited the financial statements of Tri-Village Joint Ambulance District, Darke County, (the District) as of and for the year ended December 31, 2009 and 2008, and have issued our report thereon dated July 8, 2010, wherein we noted the District prepared its financial statements using accounting practices the Auditor of State prescribes or permits 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 the purpose of expressing our opinion on the financial statements, but not for the purpose of opining 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be a material weakness.

MATERIAL NONCOMPLIANCE

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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2009-002 and 2009-003.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated July 8, 2010.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the District's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, Board of Trustees, and others within the District. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

July 8, 2010

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2009 AND 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2009-001

Material Weakness

System Reconciliations and Financial Statement Presentation

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, and document compliance with finance-related legal and contractual requirements and prepare financial statements. District personnel did not assure that the amounts reported on the annual financial reports were complete or accurate and that the ending balance agreed with the amounts reported on their accounting system's general ledger. As a result, 2009 receipts were understated by \$15,958 and disbursements were understated by \$11,042. In 2008, receipts were understated by \$6,334 and disbursements were understated by \$3,892.

During 2009 and 2008, the District erroneously posted intergovernmental receipts and tax receipts to inappropriate line items. The District also erroneously posted real estate tax, personal property exemption, and mobile home settlements at net and not gross. During 2009, \$9,106 of intergovernmental and tax revenue was erroneously posted to disbursements.

The absence of a process to provide that financial statements are complete and accurate and amounts agree with reports generated from the District's accounting system could lead to inaccurate financial reporting. The accompanying financial statements contain the required adjustments to properly present the District's financial activity for 2009 and 2008.

District personnel should institute a process for completing annual financial reports which provide that all amounts are properly posted, which can be done in part by reconciling the ending balance on the annual reports with the ending balance from the accounting system.

Officials Response:

Officials did not respond to this finding.

FINDING NUMBER 2009-002

Real Property and Manufactured Home Rollback - Finding For Recovery - Repaid Under Audit

The Clerk for Tri-Village Joint Ambulance District is also the fiscal officer for Tri-Village Rescue Services. Revenue received for real property rollback and manufactured home rollback in 2009 was erroneously deposited into Tri-Village Rescue Services account.

In accordance with the foregoing facts, and pursuant to **Ohio Revised Code Section 117.28**, a Finding for Recovery for public money collected but unaccounted for is hereby issued against Tri-Village Rescue Services in the amount of \$8,937, and in favor of the Tri-Village Joint Ambulance District's General Fund.

Officials Response:

Upon notification of the error by the Auditor of State's office, the District notified Tri-Village Rescue Services. Tri-Village Rescue Services repaid the District \$8,937 on March 29, 2010 with Check #1755.

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2009 AND 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2009-003

Rent - Finding For Recovery - Repaid Under Audit

The Clerk for Tri-Village Joint Ambulance District is also the fiscal officer for Tri-Village Rescue Services. Payment for rent owed to Liberty Township by Tri-Village Rescue Services was erroneously paid by Tri-Village Joint Ambulance District in 2009 for \$750.

In accordance with the foregoing facts, and pursuant to **Ohio Revised Code Section 117.28**, a Finding for Recovery for public money illegally expended is hereby issued against Tri-Village Rescue Services in the amount of \$750, and in favor of the Tri-Village Joint Ambulance District's General Fund.

Officials Response:

Upon notification of the error by the Auditor of State's office, the District notified Tri-Village Rescue Services. Tri-Village Rescue Services repaid the District \$750 on March 29, 2010 with Check #1755.

**TRI-VILLAGE JOINT AMBULANCE DISTRICT
DARKE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	Ohio Admin Code Section 117-2-02(C) (1) – failure to integrate the budgetary accounts into the financial accounting system	NO	Partially corrected – reported in a separate letter to management of the Ambulance District.



Mary Taylor, CPA
Auditor of State

TRI VILLAGE JOINT AMBULANCE DISTRICT

DARKE 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 19, 2010**