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**JACKSON PARISH AMBULANCE SERVICE DISTRICT
GENERAL PURPOSE FINANCIAL STATEMENTS
AS OF AND
FOR THE YEAR ENDED DECEMBER 31, 1999
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 09/20/00

KENNETH D. FOLDEN & CO.

CERTIFIED PUBLIC ACCOUNTANTS

302 EIGHTH STREET, JONESBORO, LA 71251
(318) 259-7316
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JACKSON PARISH AMBULANCE SERVICE DISTRICT
Jonesboro, Louisiana

General Purpose Financial Statements
As of and for the Year Ended December 31, 1999
With Supplemental Information Schedules

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Kenneth D. Folden & Co.

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INDEPENDENT AUDITORS' REPORT

Mr. Joe Vail, Chairman
of the Board of Commissioners
Jackson Parish Ambulance Service District
P. O. Box 672
Jonesboro, LA 71251

We have audited the accompanying general purpose financial statements of the Jackson Parish Ambulance Service District, Jonesboro, Louisiana, as of and for the year ended December 31, 1999. These general purpose financial statements are the responsibility of the Jackson Parish Ambulance Service District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Jackson Parish Ambulance Service District as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 25, 1999, on our consideration of the Jackson Parish Ambulance Service District of Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Kenneth D. Folden, CPA
KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
June 25, 2000

JACKSON PARISH AMBULANCE SERVICE DISTRICT
Jonesboro, Louisiana
BALANCE SHEET - PROPRIETARY FUND - ENTERPRISE FUND TYPE
December 31, 1999

Assets:	
Current assets:	
Cash	\$ 14,262
Accounts receivable	260,471
Total current assets	<u>274,733</u>
Fixed assets:	
Equipment	340,144
Accumulated depreciation	(67,755)
Total fixed assets (net of accumulated depreciation)	<u>272,389</u>
Total assets	<u>\$ 547,122</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 21,082
Payroll taxes and deductions payable	3,993
Loan payable - current	72,000
Total current liabilities	<u>97,075</u>
Non-current liabilities:	
Total non-current liabilities	<u>NONE</u>
Total liabilities	<u>97,075</u>
Equity:	
Contributed capital	459,039
Retained earnings - unreserved	(8,992)
Total retained earnings	<u>450,047</u>
Total liabilities and equity	<u>\$ 547,122</u>

The accompanying notes are an integral part of this statement.

JACKSON PARISH AMBULANCE SERVICE DISTRICT

Statement B

Jonesboro, Louisiana

**STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUND - ENTERPRISE FUND TYPE
For the Year Ended December 31, 1999**

Operating revenues:	
Ambulance services	\$ 292,507
Total operating revenues	<u>292,507</u>
Operating expenses:	
Advertising	2,569
Auto fuel, oil, other fluids	8,600
Billing/envelopes/letterhead	659
Depreciation expense	67,755
Dues, subscriptions, licenses	149
Group insurance	8,631
Insurance and bonding	13,505
Insurance - workmen's compensation	13,038
Interest	1,017
Laundry/uniforms	1,900
Legal and accounting	20,859
Office supplies	210
Outside services	956
Payroll taxes	25,559
Postage	16
Rent - radio tower	1,500
Rent	1,431
Repairs and maintenance	36,120
Salaries and wages	283,004
Statutory deductions	22,763
Supplies - medical	23,099
Supplies - non-medical	3,216
Taxes and licenses	940
Telephone	3,966
Travel/education/updates	<u>4,134</u>
Total operating expenses	<u>545,596</u>
Operating income (loss)	<u>(253,089)</u>
Non-operating revenues (expenses)	
Ad valorem taxes	237,116
State revenue sharing	3,968
Miscellaneous revenue	<u>3,013</u>
Total non-operating revenues (expenses)	<u>244,097</u>
Net income (loss)	(8,992)
Retained earnings at beginning of year	<u>NONE</u>
Retained earnings at end of year	<u>\$ (8,992)</u>

The accompanying notes are an integral part of this statement.

JACKSON PARISH AMBULANCE SERVICE DISTRICT
Jonesboro, Louisiana
STATEMENT OF CASH FLOWS - PROPRIETARY FUND - ENTERPRISE FUND TYPE
For the Year Ended December 31, 1999

Cash flows from operating activities:	
Net income (loss)	<u>\$ (8,992)</u>
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	67,755
(Increase) decrease in accounts receivable	(260,471)
Increase (decrease) in accounts payable	21,082
(Increase) in payroll taxes and deductions payable	<u>3,993</u>
Net cash provided (used) by operating activities	<u>(167,641)</u>
Cash flows from capital activities:	
Purchase of equipment	<u>(1,369)</u>
Net cash provided (used) by capital activities	<u>(1,369)</u>
Cash flows from noncapital financing activities:	
Receipt of contributions from other agency	<u>120,264</u>
Net cash provided (used) by noncapital financing activities	<u>120,264</u>
Cash flows from capital and related financing activities:	
Proceeds from loans	122,000
Repayment of loans	<u>(50,000)</u>
Net cash provided by financing activities	<u>72,000</u>
Net increase (decrease) in unrestricted cash	14,262
Unrestricted cash at beginning of year	<u>NONE</u>
Unrestricted cash at end of year	<u>\$ 14,262</u>
Supplemental disclosures of cash flows information:	
Cash paid during the year for interest	<u>\$ 1,017</u>
Noncash activities:	
Donation of equipment from other agency	<u>\$ 338,775</u>

The accompanying notes are an integral part of this statement.

JACKSON PARISH AMBULANCE SERVICE DISTRICT

Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 1999

INTRODUCTION

As provided by Louisiana Revised Statute 33:9053, the Jackson Parish Ambulance Service District was created by an ordinance of the Jackson Parish Police Jury on May 4, 1998. The District is governed by a Board of Commissioners consisting of five members appointed by the Jackson Parish Police Jury. Commissioners are residents of the parish and serve terms of 3-6 years. The commissioners do not receive any compensation.

The District was created for the purpose to own and operate ambulances for the transportation of persons suffering from illnesses, disabilities or injuries which necessitate ambulance care.

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Jackson Parish Police Jury is the financial reporting entity for Jackson Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standard Board Statement No. 14 established criteria for determining which component units should be considered part of the Jackson Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization, and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

JACKSON PARISH AMBULANCE SERVICE DISTRICT

Jonesboro, Louisiana

Notes to the Financial Statements

B. REPORTING ENTITY (Continued)

Because the police jury approves the organization's governing body, and the ability of the police jury to impose its will on the District, the District was determined to be a component unit of the Jackson Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The District uses one fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Jackson Parish Ambulance Service District, is an enterprise fund type of the proprietary fund category and is used to account for operations that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. BASIS OF ACCOUNTING

The accounting and financial treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The proprietary fund uses the accrual basis of accounting; revenues are recognized when earned, and expenses are recognized at the time the related liabilities are incurred.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days, however, if the original maturities are 90 days or less, they are classified as cash equivalents. Jackson Parish Ambulance Service District has no investments at December 31, 1999.

JACKSON PARISH AMBULANCE SERVICE DISTRICT

Jonesboro, Louisiana

Notes to the Financial Statements

F. COMPENSATED ABSENCES

The following annual and sick leave policies were in effect for the year ended December 31, 1999:

All full-time employees earn sick leave at eight hours per month, with a maximum of 96 hours per year. Sick leave does not accumulate from year to year.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The amount of accumulated sick leave is immaterial to the financial statements and is not accrued.

G. FIXED ASSETS AND LONG-TERM OBLIGATIONS

The fixed assets of the Jackson Parish Ambulance Service District enterprise fund are included on the balance sheet of the fund, net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by the enterprise fund operations are charged as an expense against operations. Depreciation has been computed using the straight-line method. Estimated useful lives are as follows:

Equipment 5 years

2. LEVIED TAXES

The following is a summary of authorized and levied taxes:

	Authorized Millage	Levied Millage	Expires
District taxes:			
Maintenance and operation tax	2.00	2.00	2008
Maintenance and operation tax	2.89	2.89	2008
Total	<u>4.89</u>	<u>4.89</u>	

3. CASH AND CASH EQUIVALENTS

At December 31, 1999, the District has cash and cash equivalents (book balances) totaling \$14,262, as follows:

Demand deposits, unrestricted \$ 14,262

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the District has \$16,130 in deposits (collected bank balances). These deposits are secured from risk by \$16,130 of federal deposit insurance.

JACKSON PARISH AMBULANCE SERVICE DISTRICT

Jonesboro, Louisiana

Notes to the Financial Statements

4. ACCOUNTS RECEIVABLE

At year-end the District has \$260,471 in accounts receivable as follows:

Ad valorem taxes	\$	214,638
Medicaid		9,603
Medicare		33,328
Patient self-pay		256
State revenue sharing		2,646
Total	\$	<u>260,471</u>

5. CHANGES IN FIXED ASSETS

The following is a summary of changes in equipment:

	Equipment	Accumulated Depreciation	Total
Balance, December 31, 1998	NONE	NONE	NONE
Additions	338,775	(67,755)	271,020
Balance, December 31, 1999	<u>\$ 338,775</u>	<u>\$ (67,755)</u>	<u>\$ 271,020</u>

6. PENSION PLAN

The District contributes to the Social Security System for its employees. The District does not participate in any other pension or retirement plans.

7. LITIGATION

The District has advised that there is no pending or threatened litigation in which the District is involved.

**JACKSON PARISH AMBULANCE SERVICE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1999**

SUMMARY OF AUDIT RESULTS

A. SUMMARY OF AUDIT RESULTS

- 1. The auditors' report expresses an unqualified opinion on the component unit financial statements of the Jackson Parish Ambulance Service District.**
- 2. No reportable conditions relating to the audit of the financial statement are reported in the REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.**
- 3. No instance of noncompliance material to the financial statements of the Jackson Parish Ambulance Service District was disclosed during the audit.**
- 4. The District had no federal award programs.**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

The District had no major federal award programs.

Kenneth D. Folden & Co.

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the
Board of Commissioners
Jackson Parish Ambulance Service District
Jonesboro, LA

We have audited the general purpose financial statements of the Jackson Parish Ambulance Service District, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 25, 2000. We conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

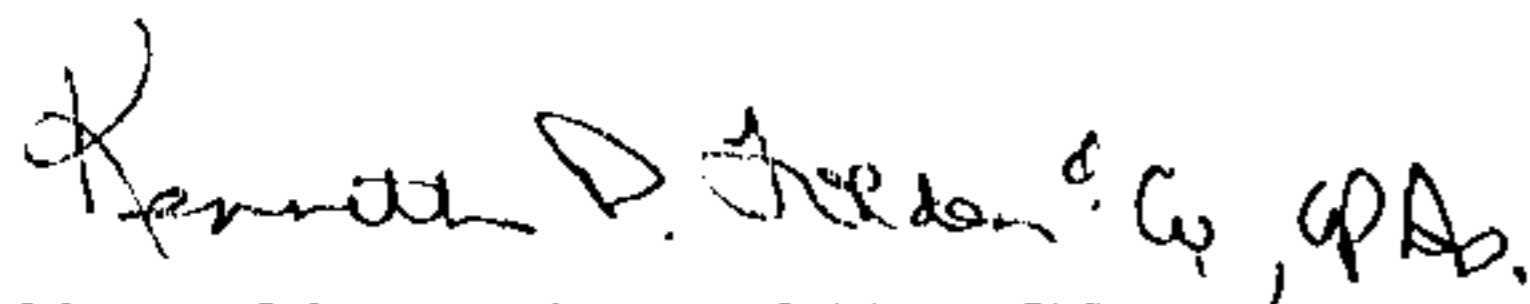
Compliance

As part of obtaining reasonable assurance about whether the Jackson Parish Ambulance Service 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 is required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Jackson Parish Ambulance Service District in a separate letter dated June 25, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jackson Parish Ambulance Service 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.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
June 25, 2000

Kenneth D. Folden & Co.

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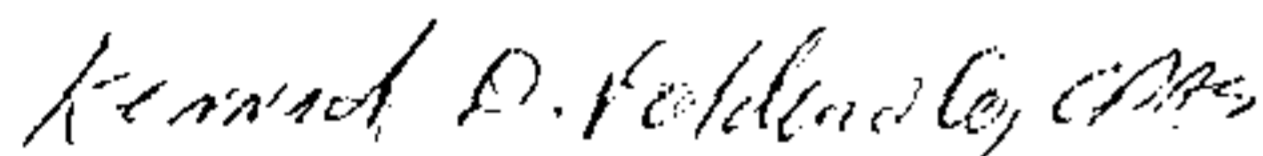
The Members of the
Board of Commissioners
Jackson parish Ambulance Service District
Jonesboro, LA

In planning and performing our audit of the general purpose financial statements of the Jackson Parish Ambulance Service District, as of and for the year ended December 31, 1999, and to obtain reasonable assurance about whether the financial statements are free of material misstatements, we considered the following:

- (1) The internal control structure 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 structure; and,
- (2) As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Jackson Parish Ambulance Service District's compliance with certain provisions of laws, regulations and contracts. The objective of our audit was not to provide an opinion on overall compliance with such provisions. Accordingly, we did not express such an opinion.

During our audit, we became aware of certain matters involving immaterial noncompliance with laws and matters disclosed in the audit report, as of and for the year ended December 31, 1999, involving the internal control structure that were opportunities for strengthening internal controls and compliance requirements. The memorandum that accompanies this letter summarizes our comments regarding those matters. (We previously reported on the Jackson Parish Ambulance Service District's internal control structure in our report dated June 25, 2000.) This letter does not affect our report dated June 25, 2000, on the general purpose financial statements of the Jackson Parish Ambulance Service District.

Sincerely,



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
June 25, 2000

Current Year:

- (1) **State Bond Commission Approval** - For the year ended December 31, 1999, the Jackson Parish Ambulance Service District failed to obtain prior approval of the State Bond Commission before entering into debt exceeding ninety (90) days. Article VII, Section 8 of the 1974 Louisiana Constitution and Article VI, Section 33 of the 1974 Louisiana Constitution requires that any indebtedness in excess of 90 days must have approval of the State Bond Commission.

We recommend that the Jackson Parish Ambulance Service District comply with the 1974 Louisiana Constitution for any future indebtedness exceeding 90 days.

In a letter dated June 26, 2000, the Jackson Parish Ambulance Service District responded by stating that they agreed with the finding. Management stated that they were unaware of the requirement due to the recent creation of the District. The cited debt has been paid off. Management stated that any future indebtedness will comply with the 1974 Constitution.

Prior Year's Findings

None.

June 26, 2000

Dr. Daniel Kyle, Secretary
Legislative Audit Advisory Council
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Below is our response to the management letter dated June 26, 2000, by Kenneth D. Folden & Co., CPAs regarding the Jackson Parish Ambulance Service District.

Finding - For the year ending December 31, 1999, the Jackson Parish Ambulance Service District did not adequately obtain prior approval from the State Bond Commission for debt exceeding 90 days.

Response - We agree with the finding; this was an oversight on our part. We are a new entity & were unaware of the requirement. We have already paid the debt of and in the future, we will obtain State Bond Commission approval when needed..

Should you need any additional information, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Joe Paul".

Jackson Parish Ambulance Service District