

176014

RECEIVED
LEGISLATIVE AUDITOR
2003 JUN 30 PM 1:23

OFFICIAL
FILE COPY
DO NOT SEND OUT
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

**Bossier Parish Emergency Medical Service District
Benton, Louisiana
Financial Statements With Auditors' Report
As of and for the Year Ended December 31, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and is for the use of the public. The report is available for review at the Benton Room of the Louisiana State Library, or at the appropriate office of the parish clerk of court.

Release Date 08-02-00

Bossier Parish Emergency Medical Service District

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
General Purpose Financial Statements	
Combined Balance Sheet – General Fund and Account Groups	2
Statement of Revenues, Expenditures, and Changes in Fund Balance	3
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Cash Basis) and Actual – General Fund	4
Notes to Financial Statements	5 – 12
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	13 – 14
Schedule of Prior Year Audit Findings	15
Corrective Action Plan for Current Year Audit Findings	15

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
A. EDWARD BALL, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

RAYEBURN G. COOK (RET.)

VICKIE D. NOBLE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Board of Commissioners
Bossier Parish Emergency
Medical Service District

We have audited the accompanying general purpose financial statements of the Bossier Parish Emergency Medical Service District (the District), a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the 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 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 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 general purpose 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 Bossier Parish Emergency Medical 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 a report dated June 12, 2000 on our consideration of Bossier Parish Emergency Medical Service District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



Cook and Morehart
Certified Public Accountants
June 12, 2000

Bossier Parish Emergency Medical Service District
 Combined Balance Sheet - General Fund and Account Groups
 December 31, 1999

	General Fund	General Fixed Assets Account Group	General Long-Term Debt Account Group	Total (Memorandum Only)
Assets and Other Debits				
Cash	\$ 432,886	\$	\$	\$ 432,886
Accounts Receivable:				
Assessment - user fee	581,076			581,076
Ambulance fees	72,743			72,743
Accrued Interest	3,279			3,279
Investment in fixed assets		701,570		701,570
Amount to be provided for retirement of general long-term debt - capital leases			193,333	193,333
Total assets	\$ 1,089,984	\$ 701,570	\$ 193,333	\$ 1,984,887
Liabilities, Fund Equity and Other Credit				
Liabilities:				
Accounts payable	\$ 29,460	\$	\$	\$ 29,460
Capital lease obligations			193,333	193,333
Total liabilities	29,460		193,333	222,793
Fund equity:				
Investment in general fixed assets		701,570		701,570
Fund balances:				
Unreserved, undesignated	1,060,524			1,060,524
Total fund equity	1,060,524	701,570		1,762,094
Total liabilities, fund equity and other credit	\$ 1,089,984	\$ 701,570	\$ 193,333	\$ 1,984,887

The accompanying notes are an integral part of this statement.

Bossier Parish Emergency Medical Service District
 General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 1999

Revenues:	
Assessment - user fee	\$ 570,632
Charges for services - ambulance fees	601,900
Bossier Parish Police Jury - appropriation	2,178
Interest	22,491
Miscellaneous	40,698
	1,237,899
Expenditures:	
Current - public safety:	
Personal services and related benefits	690,265
Operating services	221,560
Debt service:	
Principal	46,750
Interest and other charges	6,105
Capital outlay	215,992
	1,180,672
Excess of revenues over expenditures	57,227
Other financing sources:	
Proceeds capital lease	160,829
	160,829
Excess of revenues and other sources over expenditures	218,056
Fund balance at beginning of year	842,468
	842,468
Fund balance at end of year	\$ 1,060,524

The accompanying notes are an integral part of this statement.

Bossier Parish Emergency Medical Service District
 General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget (Cash Basis) and Actual
 For the Year Ended December 31, 1999

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Assessment - user fee	\$ 530,000	\$ 520,457	\$ (9,543)
Charges for services - ambulance fees	540,000	601,225	61,225
Bossier Parish Police Jury - appropriation	2,250	2,178	(72)
Interest	9,000	27,134	18,134
Miscellaneous		40,698	40,698
Total revenues	<u>1,081,250</u>	<u>1,191,692</u>	<u>110,442</u>
Expenditures:			
Current - public safety:			
Personal service and related benefits	653,940	688,316	(34,376)
Operating services	219,150	220,594	(1,444)
Debt service:			
Principal and interest	54,500	52,855	1,645
Capital outlay	153,660	59,092	94,568
Total expenditures	<u>1,081,250</u>	<u>1,020,857</u>	<u>60,393</u>
Excess of revenues over expenditures		170,835	170,835
Fund balances at beginning of year	<u>244,929</u>	<u>244,929</u>	
Fund balances at end of year	<u><u>\$ 244,929</u></u>	<u><u>\$ 415,764</u></u>	<u><u>\$ 170,835</u></u>

The accompanying notes are an integral part of this statement.

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999

(1) Summary of Significant Accounting Policies

The Bossier Parish Emergency Medical Service District (the District) was created by the Bossier Parish Policy Jury by Ordinance No. 3266 on August 10, 1993, as provided under the Louisiana Revised Statute 33:9053.1. The District is comprised of all the territory located within the Parish of Bossier excluding the municipality of Bossier City and that portion of the Parish located within the municipality of Shreveport. The District is governed by a Board of Commissioners, who are appointed by the Bossier Parish Police Jury. The Board of Commissioners received no compensation during 1999. The District constitutes a political subdivision of the State of Louisiana and is a component unit of the Bossier Parish Police Jury. The purpose of the District is to provide ambulance service for the transportation of persons which necessitate ambulance care and for providing related services.

A. Basis of Presentation

The accompanying general purpose 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

The District is a component unit of the Bossier Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the district because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

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 funds and account groups 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. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

1. General Fund -- the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.
2. General Fixed Assets Account Group -- is used to account for fixed assets used in governmental fund type operations for control purposes.
3. General Long-Term Debt Account Group -- is used to account for long-term liabilities to be financed from government funds.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The District uses the following practices in recording revenues and expenditures:

Revenues

The assessment -- user fees are recorded in the year the assessment is due and payable. The assessment is made on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls -- assessments are filed with the recorder of mortgages. The assessment -- user fees become delinquent if not paid by December 31st of each year.

The ambulance fees are recorded when susceptible to accrual, i.e., both measurable and available.

Interest income on demand and time deposits are recorded when the interest has been earned and the amount is determinable.

All other revenues are recorded when the District is entitled to the funds.

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Budgets

The District follows these procedures in establishing the budgetary data reflected in these financial statements:

A budget for the ensuing year is prepared prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The proposed budget is prepared on the cash basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners. There were two budget amendments during the year ended December 31, 1999, which are reflected in the budgetary comparisons included in the accompanying financial statements.

The budget comparison statement included in the accompanying financial statements includes the original adopted budgets and all subsequent amendments. The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on page 4 (budget basis) with the amounts shown on page 3 (GAAP basis):

	General Fund 1999
Excess (deficiency) of revenues and other sources over expenditures (budget basis)	\$ 170,835
Adjustments:	
Revenue accruals-net	46,207
Expenditures accruals-net	1,014
Excess (deficiency) of revenues and other sources over expenditures (GAAP basis)	\$ 218,056

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

F. Encumbrances

Encumbrance accounting is employed as an extension of the formal budgetary process. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Any encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. There were no encumbrances outstanding at December 31, 1999.

G. Cash and Cash Equivalents

Cash includes amounts in interest-bearing demand deposits, and time deposits. 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 or any other state of the United States, or under the laws of the United States.

H. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

I. Compensated Absences

Employees of the District earn from five to ten, 24 hour shifts of vacation leave each year, depending on their lengths of service, and five, 24 hour shifts of sick leave. Upon separation of employment, an employee will be paid for accrued, unused vacation leave. Accumulated sick leave is forfeited upon separation of employment.

At December 31, 1999, the amount of accumulated employee leave benefits is not material; therefore, the liability for compensated absences has not been included in the accompanying financial statements. The cost of leave privileges, computed in accordance with the above codification, is recognized as a current-year expenditure when leave is actually taken.

J. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999

K. Total Columns on Combined Statements

Total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

L. Assessment – User Fee

A primary revenue source is the user fee assessed by the District. The District is authorized to levy a user fee not to exceed \$36.00 per year to assess persons owning each residential or commercial structure located wholly or partly within the boundaries of said District.

M. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(2) Cash and Cash Equivalents

At December 31, 1999, the District has cash and cash equivalents (book balances) totaling \$432,886 in interest bearing demand deposits.

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 custodial bank that is mutually acceptable to both parties. At December 31, 1999, the District had \$461,566 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance and \$261,566 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

(3) Changes in General Fixed Assets

The changes in general fixed assets for 1999 are as follows:

	Balance January 1, 1999	Additions	Deductions	Balance December 31, 1999
Vehicles	\$ 292,966	\$ 156,620		\$ 449,586
Building and Office Equipment	115,998	48,089	(579)	163,508
Medical	54,466	9,456		63,922
Training Aids	-	10,974		10,974
Communication Equipment	10,733	2,847		13,580
	<u>\$ 474,163</u>	<u>\$ 227,986</u>	<u>\$ (579)</u>	<u>\$ 701,570</u>

Included in fixed asset additions are expenditures totaling \$11,994 paid by the Bossier Parish Police Jury on a building.

(4) Changes in General Long-Term Debt

The following is a summary of capital lease transactions of the Bossier Parish Emergency Medical Service District for the year ended December 31, 1999:

	Balance December 31, 1998	Additions	Payments	Balance December 31, 1999
Capital Lease – Obligations	<u>\$ 79,254</u>	<u>\$ 160,829</u>	<u>\$ (46,750)</u>	<u>\$ 193,333</u>

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

Capital Lease Obligations at December 31, 1999 are comprised of the following agreements:

Agreement dated December 7, 1999 for the lease-purchase of one ambulance totaling \$85,170; due in 48 monthly payments of \$1,976; effective interest rate of approximately 5.39%	\$ 85,170
Agreement dated March 3, 1999 for the lease-purchase of an ambulance totaling \$71,450; due in 48 monthly payments of \$1,654; effective interest rate of approximately 5.25%	59,168
Agreement dated August 25, 1998 for the lease-purchase of an ambulance totaling \$65,405; due in 48 monthly payments of \$1,529; effective interest rate of approximately 5.75%	45,248
Agreement dated September 13, 1999 for the lease-purchase of a copier totaling \$4,209; due in 36 monthly payments of \$154; effective interest rate of approximately 18.87%	3,747
Total capital lease obligations at December 31, 1999	\$ 193,333

Future minimum lease payments under capital lease obligations outstanding at December 31, 1999, are as follows:

Year Ending December 31,	Principal	Interest	Total
2000	54,262	9,391	63,653
2001	57,222	7,451	64,673
2002	53,892	3,283	57,175
2003	27,957	721	28,678
	\$ 193,333	\$ 20,846	\$ 214,179

(5) Risk Management

The District purchases commercial insurance to provide worker's compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the prior year.

(Continued)

Bossier Parish Emergency Medical Service District
Notes to Financial Statements
December 31, 1999
(Continued)

(6) Pension Plan

Substantially all employees of the Bossier Parish Emergency Medical Service District are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from District funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contributions to the System under Plan A for the year ending December 31, 1999, 1998 and 1997 were \$38,855, \$37,172 and \$41,986, respectively, equal to the required contributions for each year.

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
A. EDWARD BALL, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

RAYEBURN G. COOK (RET.)

VICKIE D. NOBLE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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
Bossier Parish Emergency
Medical Service District

We have audited the financial statements of Bossier Parish Emergency Medical Service District as of and for the year ended December 31, 1999, and have issued our report thereon dated June 12, 2000. 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 Bossier Parish Emergency Medical 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 are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bossier Parish Emergency Medical 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 solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart
Certified Public Accountants
June 12, 2000

Bossier Parish Emergency Medical Service District
Summary Schedule of Audit Findings
December 31, 1999

Corrective Action Plan for Prior Year Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 1998.

Corrective Action Plan for Current Year Audit Findings

There were no findings or management letter comments for the current year audit for the year ended December 31, 1999.