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ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A Component Unit of the Allen Parish Police Jury
Kinder, Louisiana

ANNUAL FINANCIAL REPORT

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 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 08-30-00

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Mires & Company
A Professional Corporation

Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Private Company Practice Section AICPA

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Allen Parish Ambulance Service District No. 1
A Component Unit of the Allen Parish Police Jury
Post Office Box 1319
Kinder, Louisiana 70648

We have audited the accompanying general purpose financial statements of the Allen Parish Ambulance Service District No. 1, a component unit of the Allen 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 Allen Parish Ambulance Service District No. 1, 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 Allen Parish Ambulance Service District No. 1, a component unit of the Allen Parish Police Jury, 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 26, 2000, on our consideration of the Allen Parish Ambulance Service District No. 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial

Board of Commissioners
Allen Parish Ambulance Service District No. 1
Page 2

statements of the Allen Parish Ambulance Service District No. 1. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC
June 26, 2000

M & Co.

GENERAL PURPOSE FINANCIAL STATEMENTS

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
COMBINED BALANCE SHEET - FUND TYPE AND ACCOUNT GROUP
December 31, 1999

	GOVERNMENTAL		TOTALS	
	<u>FUND TYPE</u>	<u>ACCOUNT GROUP</u>	<u>(MEMORANDUM ONLY)</u>	
	General	General	1999	1998
	Fund	Fixed		
		Assets		
ASSETS				
Cash	\$ 100,137	\$ -	\$ 100,137	\$ 91,426
Accounts receivable (net) .	379,172	-	379,172	235,432
Ad valorem tax				
receivable (net)	292,226	-	292,226	271,600
Interest receivable	1,515	-	1,515	181
Prepaid insurance	5,975	-	5,975	6,058
Fixed assets	-	161,434	161,434	159,842
TOTAL ASSETS	\$ 779,025	\$ 161,434	\$ 940,459	\$ 764,539
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts payable	\$ 6,713	\$ -	\$ 6,713	\$ 2,614
Accrued liabilities	13,592	-	13,592	10,302
TOTAL LIABILITIES	20,305	-	20,305	12,916
FUND EQUITY				
Investment in general				
fixed assets	-	161,434	161,434	159,842
Fund balance:				
Unreserved	758,720	-	758,720	591,781
TOTAL FUND EQUITY	758,720	161,434	920,154	751,623
FUND EQUITY	\$ 779,025	\$ 161,434	\$ 940,459	\$ 764,539

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TYPE
Year Ended December 31, 1999

	<u>1999</u>	<u>1998</u>
REVENUES:		
Ad valorem taxes (net)	\$ 302,644	\$ 281,032
Service charges (net)	184,872	152,682
Interest	9,579	11,066
Miscellaneous	<u>1,149</u>	<u>103</u>
TOTAL REVENUES	<u>498,244</u>	<u>444,883</u>
EXPENDITURES:		
General government:		
Advertising	609	1,090
Audit	3,600	3,500
Dues	222	464
Fuel and oil	4,563	5,346
Insurance - general	34,049	34,715
Medical director	2,400	2,400
Medical supplies	13,666	17,980
Miscellaneous	1,471	2,863
Office supplies	4,709	2,960
Per diem	1,300	1,175
Postage	1,553	3,887
Professional fees	15,175	-
Repairs	23,397	14,264
Relief help	1,734	834
Retirement	18,401	17,195
Salaries	299,788	302,391
Taxes	10,947	12,888
Telephone	7,435	6,905
Uniforms and linens	4,307	2,829
Utilities	6,207	5,137
Capital outlay	<u>1,592</u>	<u>651</u>
TOTAL EXPENDITURES	<u>457,125</u>	<u>439,474</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>41,119</u>	<u>5,409</u>
FUND BALANCE - BEGINNING	591,781	586,372
PRIOR PERIOD ADJUSTMENT	<u>125,820</u>	<u>-</u>
FUND BALANCE - BEGINNING, RESTATED	<u>717,601</u>	<u>586,372</u>
FUND BALANCE - ENDING	<u>\$ 758,720</u>	<u>\$ 591,781</u>

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
Year Ended December 31, 1999

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
REVENUES:				
Ad valorem taxes (net)	\$ 268,000	\$ 302,644	\$ 34,644	\$ 281,032
Service charges (net)	200,000	184,872	(15,128)	152,682
Interest	1,200	9,579	8,379	11,066
Miscellaneous	-	1,149	1,149	103
TOTAL REVENUES	469,200	498,244	29,044	444,883
EXPENDITURES:				
General government:				
Advertising	400	609	(209)	1,090
Audit	3,600	3,600	-	3,500
Dues	-	222	(222)	464
Fuel and oil	4,850	4,563	287	5,346
Insurance - general	31,914	34,049	(2,135)	34,715
Medical director	2,400	2,400	-	2,400
Medical supplies	16,500	13,666	2,834	17,980
Miscellaneous	5,220	1,471	3,749	2,863
Office supplies	4,200	4,709	(509)	2,960
Per diem	1,400	1,300	100	1,175
Postage	1,500	1,553	(53)	3,887
Professional fees	16,000	15,175	825	-
Repairs	26,880	23,397	3,483	14,264
Relief help	-	1,734	(1,734)	834
Retirement	21,011	18,401	2,610	17,195
Salaries	294,400	299,788	(5,388)	302,391
Taxes	26,469	10,947	15,522	12,888
Telephone	8,006	7,435	571	6,905
Uniforms and linens	500	4,307	(3,807)	2,829
Utilities	6,000	6,207	(207)	5,137
Capital Outlay	-	1,592	(1,592)	651
TOTAL EXPENDITURES	471,250	457,125	14,125	439,474
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,050)	41,119	43,169	5,409
FUND BALANCE - BEGINNING	591,781	591,781	-	586,372
PRIOR PERIOD ADJUSTMENT	-	125,820	125,820	-
FUND BALANCE - BEGINNING, RESTATED	591,781	717,601	125,820	586,372
FUND BALANCE - ENDING	\$ 589,731	\$ 758,720	\$ 168,989	\$ 591,781

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
December 31, 1999

INTRODUCTION

The Allen Parish Ambulance Service District No. 1 consists of five compensated commissioners appointed by the Allen Parish Police Jury. The District is authorized to own and operate ambulances for the transportation of persons suffering from illnesses or disabilities which necessitate ambulance care.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying general purpose financial statements of the Allen Parish Ambulance Service District No. 1 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 Allen Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints 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.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental fund. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, service charges and interest.

E. Budgets

A budget is adopted on a basis consistent with generally accounting principles for the General Fund. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the District's Board of Commissioners for review. The board may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. 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, 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.

G. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. Prepaid Items

Prepaid items consist of expenditures of the current period that benefit future periods.

I. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are 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.

J. Compensated Absences

The District's leave policy does not provide for the accumulation of leave that would be payable in future periods.

K. Total Columns on 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 or results of operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
 NOTES TO FINANCIAL STATEMENTS
 December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 1999, the District has cash and cash equivalents (book balances) totaling \$100,137 as follows:

Demand deposits	\$ 13,787
Interest-bearing demand deposits	11,350
Time deposits	75,000
Other	
Total	<u>\$ 100,137</u>

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 \$103,407 in deposits (collected bank balances). These deposits are fully insured by federal deposit insurance.

NOTE 3 - RECEIVABLES

Uncollectible amounts due for service charges are recognized as bad debts using the allowance method. The allowance for bad debt at December 31, 1999 was \$148,188.

The following is a summary of receivables at December 31, 1999:

<u>Class of</u> <u>Receivable</u>	<u>General</u> <u>Fund</u>
Ad valorem taxes	\$ 292,226
Accounts	379,172
Other	<u>1,515</u>
Total	<u>\$ 672,913</u>

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
 NOTES TO FINANCIAL STATEMENTS
 December 31, 1999

NOTE 4 - AD VALOREM TAXES

For the year ended December 31, 1999 taxes of 10.00 mills were levied on property with assessed valuations totaling \$31,198,259, and were dedicated as follows:

General corporate purposes 10.00 mills

Total taxes levied were \$311,981.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 1999	(Deletions) Additions	Balance December 31, 1999
Ambulances	\$ 111,038	\$ -	\$ 111,038
Equipment	28,970	1,592	30,562
Buildings and leasehold improvements	19,834	-	19,834
TOTAL	<u>\$ 159,842</u>	<u>\$ 1,592</u>	<u>\$ 161,434</u>

NOTE 6 - PENSION PLAN

Plan Description. Substantially all employees of the Allen Parish Ambulance Service District No. 1 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 parish funds and all elected parish officials 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% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 6 - PENSION PLAN

January 1, 1980, the benefit is equal to 1% 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 contribution 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, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 7.75% 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 R.S. 11:103, the employer contributions are determined by 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 years ending December 31, 1999, 1998, and 1997 were \$18,401, \$17,195, and \$21,490 respectively, equal to the required contributions.

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 8 - PRIOR PERIOD ADJUSTMENT

The fund balance in the General Fund was increased by \$125,820 due to an understatement of accounts receivable in prior years.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 9 - CONTINGENCY

During 1999 a lawsuit was filed by former employees of the District. The former employees are suing in regards to a wage dispute. The District has retained the services of an attorney and labor consultant to represent the District in the lawsuit. The risk of loss, if any, cannot be determined at this time.

NOTE 10- RELATED PARTY TRANSACTION

During 1999 the District purchased for \$599 a refrigerator from a business owned by a commissioner of the District.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULES
December 31, 1999

COMPENSATION PAID BOARD MEMBERS

A schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature.

SCHEDULE OF FINDINGS

Current audit findings are presented in Schedule 2.

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)

Management's corrective action plan for current year audit findings is presented in Schedule 3.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The follow-up and corrective action taken on all prior audit findings is presented in Schedule 4.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULE
December 31, 1999

Schedule 1

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

Per Diem paid board commissioners for the year ended December 31, 1999 are as follows:

Jerry Martin	\$ 300
Susan Doumite	200
Elsie Frank	275
Yvonne Hyatt	225
Lowell Keys	<u>300</u>
	<u>\$ 1,300</u>

See accompanying notes.

We have audited the financial statements of the Allen Parish Ambulance Service District No. 1 as of and for the year ended December 31, 1999, and have issued our report dated June 26, 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. Our audit of the financial statements as of December 31, 1999 resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:		
Material Weaknesses	<u> X </u> Yes	___ No
Reportable Conditions	<u> X </u> Yes	___ No
Compliance:		
Compliance Material to Financial Statements	<u> X </u> Yes	___ No

Section II Financial Statement Findings

99-1 I/C (Material weakness)

Segregation of duties: Because of the lack of a large staff, more specifically accounting personnel, there is a problem with segregation of duties necessary for proper controls. We do note that this situation is inherent to most entities of this type and is difficult to solve due to the funding limitations of the District. We recommend that the Board Members take an active interest in the review of all of the financial information. This was also a prior year finding.

99-2 I/C (Material weakness)

General ledger account balances not reconciled to subsidiary ledgers:

Condition: The District's accounting records and supporting documents were not maintained on a current basis. (First reported at December 31, 1997).

Specifically:

- a. General ledger balances did not reflect activity for entire year.
- b. Accounts receivable balance did not agree with subsidiary ledger.

Effect: The District's accounting records were incomplete and inaccurate.

Cause: Administrative oversight.

Recommendation: Accounting personnel must perform monthly procedures, such as reconciliations, so that the District's accounting records are complete and accurate.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
December 31, 1999

Schedule 2

99-3 I/C (Material weakness)

99-1 C

Fixed asset inventory:

Condition: At December 31, 1999, the District's fixed asset inventory was not being kept on a monthly basis. The list did not contain all fixed assets under the District's control at year end.

Criteria: For proper internal control over fixed assets the District should have an inventory listing of all assets showing date of purchase, description, cost, location and specific identification number. To comply with La. Rev. Stat. § 24:515 (B)(1), this procedure should be followed also. This list should be updated on a monthly basis for any additions and disposals.

Effect: The District's internal control over fixed assets was not operating as it should. Also, La. Rev. Stat. § 24:515 (B)(1) was violated.

Cause: Administrative oversight.

Recommendation: The District should update its existing list of fixed assets to include all fixed assets under control of the District, attach a specific identification number to all assets, include this number on the inventory and maintain this list on a monthly basis.

99-2 C

Donation of public funds:

Condition: Dues to Chamber of Commerce were paid for \$200.

Criteria: Public funds cannot be donated - La. Const. Art. 7 § 14.

Effect: Violation of LA. Const. Art. 7 § 14.

Cause: Administrative oversight.

Recommendation: The District should discontinue this practice.

99-3 C

Related party transaction:

Condition: The District purchased a refrigerator (\$599) from a business owned by a commissioner of Allen Parish Ambulance Service District No. 1. La. Rev. Stat. § 42:1112 prohibits the participation by an appointed member of any board in any transaction involving the agency in which he has a personal substantial economic interest.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
December 31, 1999

Schedule 2

Effect: Violation of La. Rev. Stat. § 42:1112.

Cause: Administrative oversight.

Recommendation: The District should notify its commissioners and employees of the requirements of La. Rev. Stat. § 42:1112 and comply with this law in the future.

99-4 C

Local budget act:

Condition: The District's 1999 budget was not adopted until February 9, 1999. La. Rev. Stat. § 39:1305 states that the proposed budget be submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year. La. Rev. Stat. § 39:1304(c) states that all action necessary to adopt and finalize the budget must be completed prior to year end.

Effect: Violation of La. Rev. Stat. § 39:1305 and 39:1034 (c).

Cause: Administrative oversight.

Recommendation: The District should take all steps necessary to comply with the local budget act in the future.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended December 31, 1999

Schedule 3

Section I Internal Control and Compliance Material to the Financial Statements:

99-1 I/C Segregation of duties:

This is an ongoing finding that cannot be corrected due to lack of financial resources.

99-2 I/C General ledger account balances not reconciled to subsidiary ledgers:

Recommendation: Accounting personnel must perform monthly procedures, such as reconciliations, so that the District's accounting records are complete and accurate.

Planned action: The District will take whatever steps necessary to ensure that its accounting records are accurate, current and reliable. This action will be taken by July 31, 2000.

Contact person: Jerry Martin, President.

99-3 I/C

99-1 C Fixed asset inventory:

Recommendation: The District should update its existing list of fixed assets to include all fixed assets under control of the District, attach a specific identification number to all assets, include this number on the inventory and maintain this list on a monthly basis.

Planned action: The District will update its fixed asset inventory. This action will be taken by July 31, 2000.

Contact person: Jerry Martin, President.

99-2 C Donation of public funds:

Recommendation: The District should discontinue the practice of paying dues to civic organizations.

Planned action: The District will discontinue this practice immediately.

Contact person: Jerry Martin, President.

99-3 C Related party transaction:

Recommendation: The District should notify its commissioners and employees of the requirements of La. Rev. Stat. § 42:1112 and comply with this law in the future.

Planned action: The District will comply with this law immediately.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended December 31, 1999

Schedule 3

Contact person: Jerry Martin, President.

99-4 C Local budget act:

Recommendation: The District should take all steps necessary to comply with the local budget act in the future.

Planned action: The District will comply with the local budget act in the future.

Contact person: Jerry Martin, President.

See accompanying notes.

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
SUMMARY OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 1999

Schedule 4

Section I - Internal Control and Compliance Material to the Financial Statements:

98-1 I/C (Ongoing finding) Segregation of duties:

Corrective action taken - Due to lack of sufficient financial resources, this finding cannot be resolved. See 99-1 I/C.

98-2 I/C (12/31/97) General ledger account balances not reconciled to subsidiary ledgers:

The District's accounting records and supporting documents were not maintained on a current basis.

Corrective action taken - Partial action taken. Cash accounts were reconciled to bank reconciliations.

Planned corrective action - The District will take whatever steps necessary to ensure that its accounting records are accurate, current and reliable.

98-1 C (12/31/98) Budget authority control:

Actual expenditures exceeded total budgeted expenditures by more than 5% in the General Fund. Actual revenues failed to meet total budgeted revenues by more than 5% in the General Fund.

Corrective action taken - Yes.

See accompanying notes.

INDEPENDENT AUDITORS' REPORT SECTION



Mires & Company
A Professional Corporation
Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Private Company Practice Section AICPA

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

Board of Commissioners
Allen Parish Ambulance Service District No. 1
A Component Unit of the Allen Parish Police Jury
P. O. Box 1319
Kinder, Louisiana 70648

We have audited the general purpose financial statements of the Allen Parish Ambulance Service District No. 1, a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 26, 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 the Allen Parish Ambulance Service District No. 1's general purpose 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 99-1 C, 99-2 C, 99-3 C, and 99-4 C.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Allen Parish Ambulance Service District No. 1's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment,

Board of Commissioners
Allen Parish Ambulance Service District No. 1
A Component Unit of the
Allen Parish Police Jury
Page 2

could adversely affect the Allen Parish Ambulance Service District No. 1's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings as items 99-1 I/C, 99-2 I/C and 99-3 I/C.

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 general purpose 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 99-1 I/C, 99-2 I/C and 99-3 I/C to be material weaknesses.

This report is intended solely for the information and use of management, the Board of Commissioners, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Mires & Company, CPAs, APC

Mires and Company, CPAs, APC
June 26, 2000

M & Co.