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**Financial Report**  
**AMBULANCE SERVICE DISTRICT**  
**No. 1 OF LAFOURCHE PARISH**  
**Cut Off, Louisiana**  
**December 31, 2003**  
**and**  
**December 31, 2002**

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 8-11-04

## CONTENTS

### FINANCIAL SECTION

Management's Discussion and Analysis.....	i - v
Independent Auditor's Report.....	1-2
Statements of Net Assets.....	3
Statements of Revenues, Expenses and Changes in Net Assets.....	4
Statements of Cash Flows.....	5-6
Notes to Financial Statements.....	7-18

### SUPPLEMENTARY INFORMATION

Schedule I-Per Diems Paid Commissioners.....	20
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### SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANT

Report on Compliance and on Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards.....	22-23
--	-------

Schedule of Findings.....	24
---------------------------	----

### REPORTS BY MANAGEMENT

Schedule of Prior Year Findings.....	26
--------------------------------------	----

Management's Corrective Action Plan.....	27
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**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT DISCUSSION AND ANALYSIS**

This section of **AMBULANCE SERVICE DISTRICT NO. 1 OF LAFOURCHE PARISH** annual financial report presents background information and management's analysis of the Ambulance District's financial performance during the fiscal year that ended December 31, 2003. Please read it in conjunction with the financial statements in this report.

**Financial Highlights**

- The Ambulance District's total assets increased by \$195,857 due to an increase in cash and cash equivalents, receivables and net capital assets.
- During the year, the Ambulance District's total operating revenues increased \$87,709 from prior year. The Ambulance District had an increase in operating expenses of \$238,963. The increase in operating expenses was primarily due to an increase in salaries and related benefits and insurance cost.
- The Ambulance District increased net assets by \$188,745.

**Overview of the Financial Statements**

This financial report consists of four parts: Management's Discussion and Analysis, Basic Financial Statements, and Supplementary Information and various governmental compliance reports and schedules by certified public accountants and management. The Basic financial Statements also include notes to the financial statements, which explain some of the information in the financial statements in more detail.

**Required Basic Financial Statements**

The Basic Financial Statements of the Ambulance District report information about the Ambulance District using Governmental Accounting Standards Board (GASB) accounting principles. These statements offer short-term and long-term financial information about its activities. The Statement of Net Assets includes the Ambulance District's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to Ambulance District creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Ambulance District and assessing the liquidity and financial flexibility of the Ambulance District. All of the current year's revenues and expenses are accounted for in the Statement of Revenue, Expenses and Changes in Net Assets. This statement measures the success of the Ambulance District's operations over the past two years and can be used to determine whether the Ambulance District has been able to recover all of its costs through its patient service revenue and other revenue sources. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Ambulance District's cash from operations, investing and financing activities, and to provide answers to such questions as where did cash come from, what was cash used for and what was the change in cash balance during the reporting period.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Financial Analysis of the Ambulance District**

The Statement of Net Assets and the Statement of Revenue, Expenses, and Changes in Net Assets report information about the Ambulance District's activities. These two statements report the net assets of the Ambulance District and changes in them. Increases or decreases in the Ambulance District's net assets are one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors such as changes in the economic conditions, population growth and new or changed government legislation.

*Net Assets*

A Summary of the Ambulance District's Statement of Net Assets is present in Table 1 below:

**TABLE 1  
Statement of Net Assets  
(in thousands)**

	<u>December 31,</u>		Dollar Change	Percentage Change
	<u>2003</u>	<u>2004</u>		
Current and Other Assets	\$1,985,645	\$1,832,870	\$152,775	8.3 %
Capital Assets – Net	<u>542,647</u>	<u>499,565</u>	<u>43,082</u>	<u>8.6 %</u>
Total Assets	<u>\$2,528,292</u>	<u>\$2,332,435</u>	<u>\$ 195,857</u>	<u>8.4 %</u>
Current Liabilities	\$ 73,734	\$ 66,622	\$ 7,112	10.7 %
Total Liabilities	<u>\$ 73,734</u>	<u>\$ 66,622</u>	<u>\$ 7,112</u>	<u>10.7 %</u>
Net Assets				
Invested in Capital Assets	542,647	499,565	43,082	8.6 %
Unrestricted	<u>1,911,911</u>	<u>1,766,248</u>	<u>145,663</u>	<u>8.2 %</u>
Total Net Assets	<u>\$2,454,558</u>	<u>\$2,265,813</u>	<u>\$ 188,745</u>	<u>8.3 %</u>

As can be seen in Table 1, total assets increased from \$2,332,435 to \$2,528,292 in fiscal year 2003. The change in total net assets results primarily from increases in cash, receivables and net capital assets.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT DISCUSSION AND ANALYSIS**

*Summary of Revenue, Expenses and Changes in Net Assets*

**TABLE 2  
Condensed Statements of Revenues, Expenses and Changes in Net Assets**

	Years Ended December 31	
	2003	2002
Net Patient Service Revenue, (Net of Provision for Bad Debts of \$339,937 for 2003 and \$377,244 for 2002)	\$ 818,505	\$ 731,087
Other Revenue, Net	1,088	797
Total Operating Revenue	819,593	731,884
Depreciation	86,844	85,217
Other operating expenses	1,264,021	1,026,685
Total Operating Expenses	1,350,865	1,111,902
Loss From Operations	( 531,272)	( 380,018)
Non-operating Income	720,017	698,880
Change in Net Assets	188,745	318,862
<b>Net Assets – Beginning of Year</b>	<b>2,265,813</b>	<b>1,946,951</b>
<b>Net Assets – End of Year</b>	<b>\$ 2,454,558</b>	<b>\$ 2,265,813</b>

*Sources of Revenue*

*Operating Revenue*

During fiscal year 2003, the Ambulance District derived the majority of its total revenue from patient service revenue. Patient service revenue includes revenue from the Medicare and Medicaid programs and patients, or their third-party payors, who receive ambulance care.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT DISCUSSION AND ANALYSIS**

*Non-operating Revenue*

The majority of Non-operating revenue is from millage (Ad valorem) taxes received by the district. The district received millage (Ad valorem) taxes of \$694,490 in 2003 and \$657,693 in 2002 net of assessor's fees of \$22,288 in 2003 and \$20,941 in 2002. The district also receives revenue sharing of approximately \$10,000 per year and has investment income from its investments which consist mainly of money market accounts and certificates of deposits.

Table 3 presents the gross charges billed for patient services and the number of ambulance trips for the fiscal years ended December 31, 2003 and 2002.

**TABLE 3  
Gross Charges Billed and Ambulance Trips**

	Year Ended	
	December 31,	
	2003	2002
Gross Charges Billed	\$1,158,442	\$1,108,331
Number of Trips	3,009	2,978

*Summary of Cash Flows*

**TABLE 4  
Condensed Statements of Cash Flows**

	Year Ended	
	December 31,	
	2003	2002
Cash and Cash Equivalents Provided By (Used In)		
Operating Activities	\$(463,382)	\$(278,546)
Non-capital Financing Activities	657,495	538,877
Capital and Related Financing Activities	( 129,926)	(189,680)
Investing Activities	<u>14,588</u>	<u>17,289</u>
Net Increase In Cash and Cash Equivalents	78,775	87,940
Cash and Cash Equivalents		
Beginning of Year	<u>873,705</u>	<u>785,765</u>
End of Year	<u>\$ 952,480</u>	<u>\$ 873,705</u>

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Capital Assets**

The Ambulance District's capital assets activities are included in Table 4 below:

**TABLE 5  
Capital Assets**

	December 31 <u>2002</u>	December 31 <u>2002</u>	Dollar <u>Change</u>	Percentage <u>Change</u>
Buildings	\$ 465,748	\$347,893	\$117,855	33.9 %
Vehicles (Ambulances)	296,116	296,116	-	0 %
Furniture and Equipment				
Furniture and Fixtures	94,720	91,187	3,533	3.9 %
Medical Equipment	80,989	80,989	-	0 %
Communication Equipment	50,969	48,152	2,817	5.9 %
Other Equipment	<u>38,025</u>	<u>32,304</u>	<u>5,721</u>	<u>17.7 %</u>
	1,026,567	896,641	129,926	14.5 %
Accumulated Depreciation	<u>483,920</u>	<u>397,076</u>	<u>86,844</u>	<u>21.9 %</u>
Net Capital Assets	<u>\$ 542,647</u>	<u>\$499,565</u>	<u>\$ 43,082</u>	<u>8.6 %</u>

Major capital asset events during the current fiscal year included the following:

- The district capitalized cost associated with a garage addition at its operations center in the amount of \$100,638.
- The district purchased \$29,288 of various medical and other equipment.

**Economic Factors and Next Year's Budgets and Rates**

The district's Board of Directors and management considered the following factors and indicators when setting next year's budget, rates and fees. These factors and indicators include:

- The Economy
- Changes in Medicare Regulations
- Changes in Medicaid Regulations
- Changes in Health Care Industry
- Millage Rate

The district's millage rate will be the same for 2004. Accordingly, tax revenues are expected to remain consistent with the prior year. A small increase in operating revenue is projected due to an expected change in fee schedules and call volume. This will compensate for the slump experienced by the first phase of Medicare fee schedule changes in 2003. Insurance expense is projected to increase for the year 2004. The district does not expect any significant variances for its other revenues or expenses.

**Contacting the District's Financial Manager**

This financial report is designed to provide our citizens, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact District Administration.



A PROFESSIONAL CORPORATION

P.O. Box 965

LAROSE, LA 70373

Board of Commissioners  
**Ambulance Service District No. 1**  
**of Lafourche Parish**

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying basic financial statements of **Ambulance Service District No. 1 of Lafourche Parish**, component unit of the Lafourche Parish Council, as of and for the years ended December 31, 2003 and December 31, 2002, as listed in the table of contents. These basic financial statements are the responsibility of the management of **Ambulance Service District No. 1 of Lafourche Parish**. My responsibility is to express an opinion on these basic financial statements based on my audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of **Ambulance Service District No. 1 of Lafourche Parish** as of December 31, 2003 and December 31, 2002, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note J to the basic financial statements, effective January 1, 2003, the Ambulance District adopted Government Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and No. 38, *Certain Financial Statement Note Disclosures*. The financial statements as of and for the year ended December 31, 2002 have been restated to conform to this presentation.

(1)



INDEPENDENT AUDITOR'S REPORT

(Continued)

Management's discussion and analysis on pages i through vi are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 18, 2004 on my consideration of **Ambulance Service District No. 1 of Lafourche Parish** internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audits.

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of **Ambulance Service District No. 1 of Lafourche Parish**. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Aldon G. Wahl, Jr.  
Certified Public Accountant

June 18, 2004

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**STATEMENT OF NET ASSETS**

	<u>December 31,</u>	
	<u>2003</u>	<u>2002</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 952,480	\$ 873,705
Investments	169,783	168,882
Patients accounts receivable, less allowance for doubtful accounts of \$210,620 and \$253,634 respectively	149,146	122,432
Millage tax receivable, less allowance for doubtful accounts of \$7,168 and \$ 20,359 respectively	687,322	637,334
Prepaid expenses	<u>26,864</u>	<u>30,467</u>
Total current assets	<u>1,985,595</u>	<u>1,832,820</u>
<b>NON CURRENT ASSETS</b>		
<b>CAPITAL ASSETS</b>		
Depreciable, net	<u>542,647</u>	<u>499,565</u>
<b>OTHER ASSETS</b>		
	<u>50</u>	<u>50</u>
Total noncurrent assets	<u>542,697</u>	<u>499,615</u>
Total assets	<u>\$ 2,528,292</u>	<u>\$ 2,332,435</u>
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,577	\$ 9,541
Accrued vacation and sick pay	54,820	55,577
Payroll liabilities payable	<u>4,337</u>	<u>1,504</u>
Total current liabilities	<u>73,734</u>	<u>66,622</u>
Total liabilities	<u>73,734</u>	<u>66,622</u>
<b><u>NET ASSETS</u></b>		
Invested in capital assets	542,647	499,565
Unrestricted	<u>1,911,911</u>	<u>1,766,248</u>
Total net assets	<u>\$ 2,454,558</u>	<u>\$ 2,265,813</u>

The accompany notes are an integral part of these financial statements.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN  
NET ASSETS**

	<u>December 31,</u>	
	<u>2003</u>	<u>2002</u>
<b>NET PATIENT SERVICE REVENUE, Net</b> of Provision for Bad Debts of \$339,937 for 2003 and \$377,244 for 2002	\$ 818,505	\$ 731,087
<b>OTHER OPERATING REVENUE</b>	<u>1,088</u>	<u>797</u>
Total operating revenues	<u>819,593</u>	<u>731,884</u>
<b>OPERATING EXPENSES:</b>		
Contractual services	23,600	23,600
Depreciation	86,844	85,217
Fuel	13,801	11,617
Insurance - general	149,910	106,301
Insurance - medical	63,630	46,415
Medical supplies	39,736	32,993
Miscellaneous expenses	5,380	6,224
Office and general supplies	15,242	9,488
Payroll taxes and retirement	86,083	70,588
Postage	3,325	3,639
Professional fees	3,600	3,600
Repairs and maintenance	27,246	23,477
Salaries	797,804	660,443
Telephone	13,328	12,591
Uniforms	5,504	2,356
Utilities	<u>15,832</u>	<u>13,353</u>
Total operating expenses	<u>1,350,865</u>	<u>1,111,902</u>
Operating income (loss)	<u>(531,272)</u>	<u>(380,018)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Millage tax, net of assessor's fees of \$22,288 in 2003 and \$20,941 in 2002	694,490	657,693
Revenue sharing	10,038	10,044
Investment income	<u>15,489</u>	<u>31,143</u>
Total nonoperating revenue (expenses)	<u>720,017</u>	<u>698,880</u>
Change in net assets	188,745	318,862
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>2,265,813</u>	<u>1,946,951</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,454,558</u>	<u>\$ 2,265,813</u>

The accompany notes are an integral part of these financial statements.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**STATEMENTS OF CASH FLOWS**

	December 31,	
	2003	2002
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from patients and third-party payors	\$ 793,527	\$ 740,300
Cash payments to employees for services and benefits	( 945,441)	( 772,783)
Cash payments to suppliers of goods and services	( 311,468)	( 246,063)
Net cash used in operating activities	( 463,382)	( 278,546)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Millage tax	647,457	528,833
Revenue sharing	10,038	10,044
Net cash provided by non-capital financing activities	657,495	538,877
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of capital assets	( 129,926)	( 189,680)
Net cash used for capital and related financing activities	( 129,926)	( 189,680)
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of investment securities	( 5,659)	( 13,854)
Net increase in fair value of investments	20,247	31,143
Net cash provided by investing activities	14,588	17,289
<b>NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	78,775	87,940
<b>CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR</b>	873,705	785,765
<b>CASH AND CASH EQUIVALENTS – END OF YEAR</b>	\$ 952,480	\$ 873,705

The accompany notes are an integral part of these financial statements.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**STATEMENTS OF CASH FLOWS  
(Continued)**

	<u>December 31,</u>	
	<u>2003</u>	<u>2002</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating loss	\$ (531,272)	\$ (380,018)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	86,844	85,217
Provision for uncollectible accounts	339,937	377,244
Changes in assets and liabilities:		
(Increase) decrease in receivables	(369,606)	(365,200)
(Increase) decrease in prepaid expenses	3,603	( 3,628)
Increase (decrease) in accounts payable	5,036	3,176
Increase (decrease) in accrued vacation and sick pay	( 757)	3,159
Increase (decrease) in payroll liabilities payable	<u>2,833</u>	<u>1,504</u>
Net cash provided by (used in) operating activities	<u>(463,382)</u>	<u>(278,546)</u>
 <b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>	 <u>\$ -</u>	 <u>\$ -</u>

The accompany notes are an integral part of these financial statements.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE A**

**DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES**

**REPORTING ENTITY**

**Ambulance Service District No. 1 of Lafourche Parish** was created by the Police Jury of the Parish of Lafourche on November 22, 1978. The district serves the area of Lafourche Parish served by Hospital Service District No. 1 of Lafourche Parish (Tenth Ward of Lafourche Parish). The Ambulance District was created to own and operate ambulances for the care and transportation of persons suffering from illness, injury or disabilities which require ambulance care.

Government Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the reporting entity 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 Parish 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 Parish.
2. Organizations for which the Parish does not appoint a voting majority but are fiscally dependent on the Parish.
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.

Because the Lafourche Parish Council appoints all members of the district's governing board it has the ability to impose its will on the District, and therefore the Ambulance District was determined to be a component unit of Lafourche Parish. The accompanying basic financial statements present information only on the funds maintained by the Ambulance District and do not present information on Lafourche Parish, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

The district has reviewed all of its activities and determined that there are no potential component units which should be included in the financial statements.



**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**NOTE A**

**DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES**

**ACCOUNTING STANDARDS**

The financial statements of the **Ambulance Service District No. 1 of Lafourche Parish** have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the district has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

**PROPRIETARY FUND ACCOUNTING**

The ambulance district utilizes the proprietary fund method of accounting whereby revenue and expenses are recognized on the accrual basis. Substantially all revenues and expenses are subject to accrual.

**BASIS OF ACCOUNTING**

Basis of Accounting refers to when revenues and expenditures (or expenses) are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accrual basis of accounting is followed in recording revenues and expenses by the district. Under the accrual basis of accounting revenues are recognized when they are earned and expenses are recognized when incurred.

**REVENUES**

Ad valorem taxes are recognized in the year the taxes are levied. Net patient revenues (ambulance charges) are recognized when the services are rendered.

**EXPENSES**

Expenses are recognized when the related liability is incurred.

**CAPITAL ASSETS-PROPERTY, PLANT AND EQUIPMENT**

Property plant and equipment are recorded at cost. Donated equipment is recorded at fair value at the date of donation, which is then treated as cost. Depreciation is computed under the straight-line method of depreciation based on the estimated useful lives of the individual assets. Depreciation is charged as an expense to operations. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed as incurred. Major replacements and improvements are capitalized at cost.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**NOTE A**

**DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES**

**STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS**

For purposes of presentation, transactions deemed by management to be ongoing, major or central to the provision of ambulance care services are reported as operating revenues and expenses. Peripheral or incidental transactions are reported as non-operating income and expense.

**NET ASSETS**

Net assets represent the difference between assets and liabilities. Net asset classifications are defined as follows:

**Net Assets Invested in Capital Assets, Net of Related Debt** – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt is reduced by unspent debt proceeds. The district had no debt at December 31, 2003 and December 31, 2002.

**Restricted Net Assets** - Net assets are reported as restricted when there are limitations imposed on their use, either through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Assets** – This component of net assets consists of constraints placed on net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt,” as described above.

The district first applies restricted resources when expenditures are incurred for purposes for which both restricted and unrestricted net assets are available. The district had no restricted net assets at December 31, 2003 and December 31, 2002.

**CASH AND INVESTMENTS**

Cash includes demand deposits and certificates of deposit in banks and are recorded at cost plus accrued interest.

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana or any other federally insured investments, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**NOTE A**

**DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES**

**CASH AND INVESTMENTS (continued)**

State law requires deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

**CASH AND CASH EQUIVALENTS**

For purposes of the statement of cash flows, the District considers all cash on hand, demand deposits, money market accounts and certificates of deposit with an original maturity of three months or less to be cash equivalents.

**REVENUE RECOGNITION - PROPERTY TAXES**

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February. Ad valorem taxes (which are based on population and homesteads in the parish) are recorded in the year the taxes are levied. The Lafourche Parish Tax Collector bills and collects taxes for the district.

**NET PATIENT SERVICE REVENUE AND RELATED RECEIVABLE**

The district provides care to patients even though they may lack adequate insurance or may be covered under contractual arrangements that do not pay full charges. As a result, the district is exposed to certain credit risks. The district manages such risk by regularly reviewing its accounts and contracts, and by providing appropriate allowances.

Trade receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a timely basis. Management estimates the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

**ALLOWANCE FOR DOUBTFUL ACCOUNTS**

The allowance for doubtful accounts is maintained at an amount which presents accounts receivable at their realizable value. Receivables are written off against the allowance for doubtful accounts in the year the accounts are determined to be uncollectible.

**COMPENSATED ABSENCES**

Compensated absences (vacation leave and sick pay) are accounted for in accordance with GASB Statement No. 16.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**NOTE A**

**DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES**

**COMPENSATED ABSENCES (continued)**

Vacation and sick leave are determined by length of service for full-time employees as follows:

1 year completed	1 week vacation and 1 week sick leave
2-4 years	2 weeks vacation and 2 week sick leave
5 years or more	3 weeks vacation and 3 weeks sick leave

Vacation leave must be used within the next twelve months or its is forfeited. Sick leave can be banked up to 160 hours. Sick leave in excess of 160 hours is paid to employees on their anniversary date. Vacation and sick leave are paid to employees upon termination of employment.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE B**

**CASH AND INVESTMENTS**

**CASH AND CASH EQUIVALENTS**

At December 31, 2003 and 2002, the carrying amount of the ambulance district's cash was \$952,480 and \$873,705, respectively, and the bank balance was \$982,138 and \$894,150, respectively. Cash and cash equivalents are stated at cost, which approximates market. The carrying amounts for cash and cash equivalents at December 31, 2003 and December 31, 2002 respectively, are as follows:

	<u>December 31, 2003</u>	<u>December 31, 2002</u>
Noninterest-bearing demand deposits	\$ -	\$ -
Interest-bearing demand deposits	32,269	15,388
Moneymarket accounts	719,271	760,517
Certificates of deposits	<u>200,940</u>	<u>97,800</u>
	<u>\$ 952,480</u>	<u>\$ 873,705</u>

**DEPOSITS**

The deposits at December 31, 2003, were secured and categorized into three categories of credit risk as follows:



**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH  
NOTES TO FINANCIAL STATEMENTS**

	<u>Cash Equivalents</u>			
	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other Describe)</u>	<u>Total</u>
Carrying Amount on Balance Sheet	<u>\$751,540</u>	<u>\$ 200,940</u>	<u>\$ _____</u>	<u>\$ 952,480</u>
Bank Balances:				
a: Insured (FDIC) or collateralized with securities held by the entity or its agent <u>in the entity's name</u>	<u>783,064</u>	<u>199,074</u>	<u>_____</u>	<u>982,138</u>
b. Collateralized with securities held by pledging financial institution's trust department or agent <u>in the entity's name</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
c. Uncollateralized, including any securities held for the entity but <u>not in the entity's name</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
TOTAL Bank Balances	<u>\$783,064</u>	<u>\$ 199,074</u>	<u>\$ _____</u>	<u>\$982,138</u>

The deposits at December 31, 2002, were secured and categorized into three categories of credit risk as follows:

	<u>Cash Equivalents</u>			
	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other Describe)</u>	<u>Total</u>
Carrying Amount on Balance Sheet	<u>\$775,905</u>	<u>\$ 97,800</u>	<u>\$ _____</u>	<u>\$ 873,705</u>
Bank Balances:				
a: Insured (FDIC) or collateralized with securities held by the entity or its agent <u>in the entity's name</u>	<u>796,350</u>	<u>97,800</u>	<u>_____</u>	<u>894,150</u>
b. Collateralized with securities held by pledging financial institution's trust department or agent <u>in the entity's name</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
c. Uncollateralized, including any securities held for the entity but <u>not in the entity's name</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
TOTAL Bank Balances	<u>\$796,350</u>	<u>\$ 97,800</u>	<u>\$ _____</u>	<u>\$894,150</u>

The district's balances were entirely insured or entirely collateralized by securities held by the district's agent in the district's name.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH  
NOTES TO FINANCIAL STATEMENTS**

**INVESTMENTS**

Investments are stated at fair value. The district accounts for its investments in accordance with GASB Statement 31. This statement requires investments to be carried at fair value with unrealized changes being recorded in the statements of revenues, expenses and changes retained earnings.

Investments can be classified according to the level of risk to the entity. The following categories list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1 – Insured or registered in the entity’s name, or securities held by the entity or its agent in the entity’s name

Category 2 – Uninsured and unregistered with securities held by the counterparty’s trust department or agent in the entity’s name

Category 3 – Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity’s name.

Investments at December 31, 2003 are as follows:

Type of Investment	Category of Risk			Fund	Amount	Value
	1	2	3			
Repurchase Agreements	\$	\$	\$	\$	\$	
U.S. Government Securities						
Common & Preferred Stock						
Commercial Paper						
Corporate Bonds						
Governmental Mutual Fund				169,783	169,783	169,783
<b>TOTAL</b>	\$	\$	\$	<b>169,783</b>	<b>169,783</b>	<b>169,783</b>

Investments at December 31, 2002 are as follows:

Type of Investment	Category of Risk			Mutual Fund	Carrying Amount	Fair Value
	1	2	3			
Repurchase Agreements	\$	\$	\$	\$	\$	
U.S. Government Securities						
Common & Preferred Stock						
Commercial Paper						
Corporate Bonds						
Governmental Mutual Fund				168,882	168,882	168,882
<b>TOTAL</b>	\$	\$	\$	<b>168,882</b>	<b>168,882</b>	<b>168,882</b>



**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH  
NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE C**

**CAPITAL ASSETS  
PROPERTY, PLANT AND EQUIPMENT**

A summary of property and equipment at December 31, 2003 and 2002 is as follows:

	Estimated life in years	December 31,	
		<u>2003</u>	<u>2002</u>
Buildings	15-39	\$ 465,748	\$347,893
Vehicles (Ambulances)	5	296,116	296,116
Furniture and Equipment			
Furniture and Fixtures	5-8	94,720	91,187
Medical Equipment	5-8	80,989	80,989
Communication Equipment	5-8	50,969	48,152
Other Equipment	5-8	<u>38,025</u>	<u>32,304</u>
		1,026,567	896,641
Accumulated Depreciation		<u>483,920</u>	<u>397,076</u>
		<u>\$ 542,647</u>	<u>\$499,565</u>

Depreciation expense charged to operations for the years ended December 31, 2003 and 2002 were \$86,844 and \$85,217 respectively.

The following changes occurred in the property and equipment account:

	Balance December 31 <u>2002</u>	Additions	Deletions	Balance December 31 <u>2003</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 347,893	\$ 117,855	\$ ---	\$ 465,748
Vehicles (Ambulances)	296,116	---	---	296,116
Furniture and Equipment	91,187	3,533	---	94,720
Medical Equipment	80,989	---	---	80,989
Communication Equipment	48,152	2,817	---	50,969
Other Equipment	<u>32,304</u>	<u>5,721</u>	<u>---</u>	<u>38,025</u>
Total Capital Assets Being Depreciated	<u>\$ 896,641</u>	<u>129,926</u>	<u>---</u>	<u>\$ 1,026,567</u>
Less Accumulated Depreciation For:				
Buildings	\$ 135,937	\$ 14,719	\$ ---	\$ 150,656
Vehicles (Ambulances)	102,502	49,441	---	151,943
Furniture and Equipment	59,222	8,655	---	67,877
Medical Equipment	59,210	4,577	---	63,787
Communication Equipment	26,918	4,489	---	31,407
Other Equipment	<u>13,287</u>	<u>4,963</u>	<u>---</u>	<u>18,250</u>
Total Accumulated Depreciation	<u>397,076</u>	<u>86,844</u>	<u>---</u>	<u>483,920</u>
Total Capital Assets Being Depreciated, Net	<u>499,565</u>	<u>43,082</u>	<u>---</u>	<u>542,647</u>
Total Capital Assets, Net	<u>\$ 499,565</u>	<u>\$ 43,082</u>	<u>---</u>	<u>542,647</u>

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE C**

**CAPITAL ASSETS**

**PROPERTY, PLANT AND EQUIPMENT (continued)**

	Balance December 31 <u>2001</u>	Additions	Deletions	Balance December 31 <u>2002</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 327,758	\$ 20,135	\$ ---	\$ 347,893
Vehicles (Ambulances)	246,352	102,849	53,085	296,116
Furniture and Equipment	68,464	22,723	---	91,187
Medical Equipment	67,103	13,886	---	80,989
Communication Equipment	38,169	9,983	---	48,152
Other Equipment	<u>12,200</u>	<u>20,104</u>	<u>---</u>	<u>32,304</u>
 Total Capital Assets Being Depreciated	 <u>760,046</u>	 <u>189,680</u>	 <u>53,085</u>	 <u>896,641</u>
 Less Accumulated Depreciation For:				
Buildings	122,826	13,111	---	135,937
Vehicles (Ambulances)	100,506	55,081	53,085	102,502
Furniture and Equipment	52,497	6,725	---	59,222
Medical Equipment	54,926	4,284	---	59,210
Communication Equipment	23,324	3,594	---	26,918
Other Equipment	<u>10,865</u>	<u>2,422</u>	<u>---</u>	<u>13,287</u>
 Total Accumulated Depreciation	 <u>364,944</u>	 <u>85,217</u>	 <u>53,085</u>	 <u>397,076</u>
 Total Capital Assets Being Depreciated, Net	 <u>\$ 395,102</u>	 <u>\$ 104,463</u>	 <u>\$ ---</u>	 <u>\$ 499,565</u>
 Total Capital Assets, Net	 <u>\$ 395,102</u>	 <u>\$ 104,463</u>	 <u>\$ ---</u>	 <u>\$ 499,565</u>

**NOTE D**

**PENSION PLAN**

During 1991 the district established a plan under Section 408K of the Internal Revenue Code. Employees are automatically enrolled in the SEP (Small Employer Pension) or 408 (k) type plan after three (3) years of continuous full-time service. Lafourche Ambulance District's contribution rate will be set by the Board of Commissioners annually. The rate will be based on the employees gross earnings. The employee is allowed to contribute an amount up to, but not to exceed, fifteen (15%) percent of his/her gross earnings when combined with the employer's contribution. Employee contributions are allowed after one year of full-time service. Employees are 100% vested at the time of their enrollment. The plan does not issue a stand-alone report.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE D**

**PENSION PLAN (continued)  
SPECIFIC PROVISIONS**

1. Full-time employees are eligible upon completion of three (3) years of uninterrupted service. Leave of absence or other non-paid leave does not count toward accumulation of seniority.
2. Employee contributions will be calculated on a percentage of the employee's gross earnings on a pre-taxed basis.
3. Contributions will begin the month following the employee's third anniversary date.
4. Other regulations governing options such as premature withdrawals and changes in contribution rates, etc. are specified in the original contract.
5. The employer's contribution rate was five (5) percent of gross wages of qualifying employees for 2003, 2002 and 2001.
6. Other than its contribution made to the participants' accounts and recorded as expenditures, the district does not guarantee benefits under the plan.
7. All amounts are maintained in each individual's account administered by an insurance company.

The total payroll for the year 2003 was \$797,804 of which \$492,620 was covered by the plan. For 2003, the district's contribution was \$24,631 (5% of covered payroll). Employee contributions to the plan amounted to \$20,127 for 2003.

The total payroll for the year 2002 was \$660,443 of which \$408,000 was covered by the plan. For 2002, the district's contribution was \$20,400 (5% of covered payroll). Employee contributions to the plan amounted to \$20,525 for 2002.

The total payroll for the year 2001 was \$576,209 of which \$315,360 was covered by the plan. For 2001, the district's contribution was \$15,768 (5% of covered payroll). Employee contributions to the plan amounted to \$19,649 for 2001.

**NOTE E**

**CONTRACTUAL AGREEMENTS**

During the year the Ambulance District was party to an intergovernmental agreement with Fire Protection District No. 3 of Lafourche Parish. The Fire District provides communication services, including dispatching of calls, on a twenty-four hour a day basis, seven days a week for the Ambulance District at a fee of \$5,000 per quarter.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE F**

**POST EMPLOYMENT BENEFITS**

The Ambulance District has no Post Employment Benefits.

**NOTE G**

**PER DIEM PAID BOARD MEMBERS**

Per diem payments are presented on Schedule I

No per diem was paid to members of the Board of Commissioners for the year ended December 31, 2003.

**NOTE H**

**RISK MANAGEMENT**

The District is exposed to various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. No settlements were made during the year that exceeded the District's insurance coverage.

**NOTE I**

**BUSINESS AND CREDIT CONCENTRATIONS**

The District grants credit to patients, substantially all of who are local residents. The district generally does not require collateral or other security extending credit to patients; however, it routinely obtains assignments of (or is otherwise entitled to receive) patients' benefits payable under health insurance programs, plans or policies (e.g., Medicare, Medicaid, Blue Cross and commercial insurance policies).

**NOTE J**

**ACCOUNTING PRONOUNCEMENTS**

The District has adopted GASB No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 established standards for external financial reporting for all state and local entities. It requires the classification of net assets into three components, as described in Note A. The adoption of GASB Statement No. 34 had no effect on the basic financial statements except for the classification of net assets in accordance with the statement, the change from the indirect to the direct method of reporting cash flows from operating activities, and the inclusion of bad debts as a reduction of net patient service revenue instead of a component of operating expenses.

**NOTE K**

**CONTINGENT LIABILITIES – JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the district that is required to be disclosed in accordance with Statement of Financial Accounting Standards No. 5.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE L**

**NET PATIENT SERVICE REVENUE AND RECEIVABLES**

Presented below is a summary of net patient service revenues and receivables for the years ended December 31, 2003 and 2002.

	<u>2003</u>	<u>2002</u>
Gross Patient Service Revenue	\$ 1,158,442	\$ 1,108,331
Less: Provision for Bad Debts	<u>( 339,937)</u>	<u>( 377,244)</u>
Net Patient Service Revenue	<u>\$ 818,505</u>	<u>\$ 731,087</u>
	<u>2003</u>	<u>2002</u>
Patient Accounts Receivables	\$ 359,766	\$ 376,066
Less Allowance for Doubtful Accounts	<u>( 210,620)</u>	<u>( 253,634)</u>
Net Patient Accounts Receivables	<u>\$ 149,146</u>	<u>\$ 122,432</u>

SUPPLEMENTARY INFORMATION



**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**SCHEDULE I**

**SCHEDULE OF PER DIEMS PAID COMMISSIONERS**

**For the year ended December 31, 2003**

No per diems were paid to commissioners

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANT**

**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  
Ambulance Service District No. 1  
of Lafourche Parish

I have audited the basic financial statements of **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH**, component unit of Lafourche Parish, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 18, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH's** basic financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH's** internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic 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 basic 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 the Board of Commissioners, management, the State of Louisiana 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Aldon G. Wahl, Jr.  
Certified Public Accountant

June 18, 2004

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**I SUMMARY OF AUDITOR'S RESULTS**

**A) Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

\* Material weakness(es) identified?

\_yes \_no

\* Reportable condition(s) identified that are  
not considered to be material weakness?

\_Yes \_none reported

Noncompliance material to financial statements  
noted?

\_yes \_no

**B) Federal Awards**

**Ambulance Service District No. 1 of Lafourche Parish** did not receive federal awards during the year ended December 31, 2003.

**II FINANCIAL STATEMENT FINDINGS**

No matters were reported

**III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

Not applicable.

**IV MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2003.

**REPORTS BY MANAGEMENT**



**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE BASIC  
FINANCIAL STATEMENTS**

**INTERNAL CONTROL**

No material weaknesses were reported during the audit for the year ended December 31, 2002.

No reportable conditions were reported during the audit for the year ended December 31, 2002.

**COMPLIANCE**

No material weaknesses were reported during the audit for the year ended December 31, 2002.

No reportable conditions were reported during the audit for the year ended December 31, 2002.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL  
AWARDS**

**Ambulance Service District No. 1 of Lafourche Parish** did not receive federal awards during the year ended December 31, 2002.

**SECTION III MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2002.

**AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH**

**MANAGEMENT'S CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE BASIC  
FINANCIAL STATEMENTS**

**INTERNAL CONTROL**

No material weaknesses were reported during the audit for the year ended December 31, 2003.

No reportable conditions were reported during the audit for the year ended December 31, 2003.

**COMPLIANCE**

No material weaknesses were reported during the audit for the year ended December 31, 2003.

No reportable conditions were reported during the audit for the year ended December 31, 2003.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL  
AWARDS**

**Ambulance Service District No. 1 of Lafourche Parish** did not receive federal awards during the year ended December 31, 2003.

**SECTION III MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2003.