

**LOWER CAMERON AMBULANCE
SERVICE DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019**

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report on the Basic Financial Statements and Supplementary Information.....	1-3
Basic Financial Statements	
Statements of Net Position.....	4
Statements of Revenues, Expenses and Changes in Net Position.....	5
Statements of Cash Flows.....	6-7
Notes to Financial Statements.....	8-18
Supplementary Information	
Schedules of Net Patient Service Revenues.....	20
Schedules of Board Fees.....	21
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	22
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23-24
Schedule of Findings and Responses.....	25-26
Schedule of Prior Year Findings.....	27



LESTER, MILLER & WELLS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

3600 Bayou Rapides Road • Alexandria, LA 71303-3653
Mailing Address: Post Office Box 8758 • Alexandria, LA 71306-1758
Telephone: (318) 487-1450 • Facsimile: (318) 445-1184

3639 Ambassador Caffery Parkway, Suite 330 • Lafayette, LA 70503-5107
Telephone: (337) 484-1020 • Facsimile: (337) 484-1029

Members: American Institute of Certified Public Accountants • Society of Louisiana Certified Public Accountants

John S. Wells, CPA
Robert G. Miller, CPA
Paul A. Delaney, CPA
Mary L. Carroll, CPA
Joey L. Breaux, CPA
Jason P. LeBlanc, CPA
Karlie P. Brister, CPA

Brenda J. Lloyd, CPA
Timothy J. Deshotel, CPA
Andrew J. Wynn, CPA
P. Trae' O'Pry, CPA, CVA

Retired 2015
Bobby G. Lester, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Lower Cameron Ambulance Service District
Creole, Louisiana

We have audited the accompanying statements of net position of Lower Cameron Ambulance Service District, a component unit of the Cameron Parish Police Jury, as of December 31, 2020 and 2019, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Lower Cameron Ambulance Service District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Lower Cameron Ambulance Service District as of December 31, 2020 and 2019 and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the financial information of Lower Cameron Ambulance Service District and do not purport to, and do not, present fairly the financial position of the Cameron Parish Police Jury as of December 31, 2020 and 2019, the changes in its financial position, or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

The Lower Cameron Ambulance Service District has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lower Cameron Ambulance Service District's basic financial statements. The accompanying schedules of net patient service revenues, schedules of board fees and schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of net patient service revenues, schedules of board fees and schedule of compensation, benefits, and other payments to agency head or chief executive officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of net

Board of Commissioners
Lower Cameron Ambulance Service District
Creole, Louisiana
Page Three

patient service revenues, schedules of board fees and schedule of compensation, benefits, and other payments to agency head or chief executive officer are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2022, on our consideration of the Lower Cameron Ambulance Service District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lower Cameron Ambulance Service District's internal control over financial reporting and compliance.

Lester, Miller & Wells

Certified Public Accountants
Lafayette, Louisiana

March 30, 2022

LOWER CAMERON AMBULANCE SERVICE DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 3)	\$ 343,627	\$ 11,225
Certificates of deposits	1,450,086	1,417,826
Patient accounts receivable, net of allowance for estimated uncollectibles of \$30,000 in 2020 and \$8,500 in 2019 (Note 4)	9,521	22,794
Ad valorem tax receivable, net of estimated uncollectibles of \$187,148 in 2020 and \$304,085 in 2019 (Note 6)	1,035,839	612,406
Due from other governmental agencies	932,747	798,464
Other receivables	92,519	92,518
Prepaid expenses	87,253	79,157
Inventories	<u>21,037</u>	<u>20,232</u>
Total current assets	<u>3,972,629</u>	<u>3,054,622</u>
CAPITAL ASSETS		
Nondepreciable assets (Note 7)	184,840	184,840
Property, plant and equipment, at cost, less accumulated depreciation of \$1,275,110 in 2020 and \$1,311,696 in 2019 (Note 7)	<u>1,208,279</u>	<u>1,550,855</u>
Total capital assets	<u>1,393,119</u>	<u>1,735,695</u>
OTHER ASSETS		
Investments (Note 3)	<u>1,611,737</u>	<u>1,689,346</u>
TOTAL ASSETS	<u>\$ 6,977,485</u>	<u>\$ 6,479,663</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	\$ 116,874	\$ 96,680
Accrued liabilities	<u>77,086</u>	<u>56,919</u>
Total current liabilities	<u>193,960</u>	<u>153,599</u>
NET POSITION		
Net investment in capital assets	1,393,119	1,735,695
Unrestricted	<u>5,390,406</u>	<u>4,590,369</u>
Total net position	<u>6,783,525</u>	<u>6,326,064</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 6,977,485</u>	<u>\$ 6,479,663</u>

See accompanying notes to financial statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 YEARS ENDED DECEMBER 31,

OPERATING REVENUES:

Net patient service revenues, net of provision for bad debts of \$31,316 in 2020 and \$4,454 in 2019	\$	19,858	\$	73,398
Other operating revenues		<u>18,339</u>		<u>869</u>
Total operating revenues		<u>38,197</u>		<u>74,267</u>

OPERATING EXPENSES:

Salaries and payroll taxes		946,911		934,969
Depreciation expense		89,056		86,046
Dispatch services		20,004		20,004
Education and travel		999		332
Employee benefits		473,772		396,700
Fuel expense		4,338		6,881
Insurance expense		74,284		56,684
Professional fees		1,226		29,541
Contract labor		-0-		250
Rent		100		600
Repairs and maintenance		49,597		22,632
Retirement expense		25,974		26,116
Supplies		37,208		46,122
Telephone		11,713		15,812
Utilities		21,383		28,709
Other expenses		<u>22,287</u>		<u>16,066</u>
Total operating expenses		<u>1,778,852</u>		<u>1,687,464</u>
Operating loss		<u>(1,740,655)</u>		<u>(1,613,197)</u>

NON-OPERATING REVENUES (EXPENSES):

Ad valorem taxes		1,893,990		1,420,000
Investment income		68,506		75,408
Loss on sale of assets		(23,280)		-0-
Impairment gain on disposal of capital assets		<u>258,900</u>		<u>-0-</u>
Total non-operating revenues		<u>2,198,116</u>		<u>1,495,408</u>

Deficiency of revenues over expenses before capital grants		457,461		(117,789)
Capital grants		<u>-0-</u>		<u>(60,428)</u>
INCREASE (DECREASE) IN NET POSITION		457,461		(178,217)
NET POSITION BEGINNING OF YEAR		<u>6,326,064</u>		<u>6,504,281</u>
NET POSITION END OF YEAR	\$	<u>6,783,525</u>	\$	<u>6,326,064</u>

See accompanying notes to financial statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from and on behalf of patients	\$ 33,131	\$ 71,389
Payments to employees	(926,744)	(934,199)
Payments to suppliers and contractors	(731,592)	(658,437)
Other receipts and payments, net	<u>18,339</u>	<u>869</u>
Net cash used in operating activities	<u>(1,606,866)</u>	<u>(1,520,378)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Ad valorem taxes	<u>1,336,274</u>	<u>1,168,430</u>
Net cash provided by non-capital financing activities	<u>1,336,274</u>	<u>1,168,430</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(6,822)	(375,779)
Purchase of nondepreciable capital assets	-0-	(37,270)
Changes in capital grants	-0-	(60,428)
Insurance proceeds from disposal of capital assets	<u>495,962</u>	<u>-0-</u>
Net cash used in capital and related financing activities	<u>489,140</u>	<u>(473,477)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	68,505	75,408
Purchase of certificates of deposit, net of renewals	(32,260)	(22,894)
Purchase of investments, net of renewals	<u>77,609</u>	<u>641,084</u>
Net cash provided (used) by investing activities	<u>113,854</u>	<u>693,598</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	332,402	(131,827)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>11,225</u>	<u>143,052</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u><u>343,627</u></u>	\$ <u><u>11,225</u></u>

See accompanying notes to financial statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 STATEMENTS OF CASH FLOWS (CONTINUED)
 YEARS ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (1,740,655)	\$ (1,613,197)
Adjustment to reconcile operating loss to net cash flows used in operating activities:		
Depreciation	89,056	86,046
Provision for bad debts	31,316	4,454
(Increase) decrease in assets -		
Patient accounts receivable	(18,043)	(6,463)
Prepaid expense	(8,096)	626
Inventories	(805)	7,426
Increase (decrease) in liabilities -		
Accounts payable	20,194	(40)
Accrued expenses	<u>20,167</u>	<u>770</u>
NET CASH USED IN OPERATING ACTIVITIES	\$ <u>(1,606,866)</u>	\$ <u>(1,520,378)</u>

See accompanying notes to financial statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lower Cameron Ambulance Service District (the "Ambulance District") was established by the Cameron Parish Policy Jury, by virtue of the authority of R.S. 33:9053, et seq. The purpose of the Ambulance District is to provide ambulance services to Lower Cameron Parish. The board is appointed by the Cameron Parish Police Jury. The Ambulance District is a component unit of the Cameron Parish Police Jury. The accompanying financial statements present only the Ambulance District.

The financial statements of the Ambulance District have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the Ambulance District are described below.

Method of accounting:

The Ambulance District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year they are levied. Grants are recognized as revenue as soon as eligibility requirements imposed by the provider have been met. The Ambulance District's accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:514 and to the guide set forth in the *Louisiana Governmental Audit Guide*, and the *Audit and Accounting Guide – Health Care Organizations*, published by the American Institute of Certified Public Accountants, and standards established by the GASB.

Enterprise Fund:

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expense, including depreciation) of providing goods and or services to the general public on a continuing basis be financed or recovered through user charges.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles 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.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents:

For purposes of the statements of cash flows, the Ambulance District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Under state law, the Ambulance 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.

Patient accounts receivable and allowance for uncollectible accounts:

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

Inventories:

Inventories are stated at the lower of cost determined by the first-in, first-out, (FIFO) method, or net realizable value.

Capital assets:

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of each class of depreciable assets.

Ambulances	5 years
Building improvements	5 – 10 years
Equipment	5 – 10 years
Land improvements	15 years
Building	25 years

Net patient service revenues:

Net patient service revenues are reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and donations:

Revenues from grants and donations (including capital contributions of assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and donations may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as non-operating revenues. Amounts restricted to capital acquisitions are reported after non-operating revenues and expenses.

Operating revenues and expenses:

The Ambulance District's statements of revenues, expenses and changes in net position distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services; the Ambulance District's principal activity. Non-exchange revenues, including taxes, grants and contributions received for purposes other than capital asset acquisition, are reported as non-operating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

Income taxes:

The Ambulance District is a political subdivision and exempt from taxes.

Deferred outflows/inflows of resources:

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure) until then. The Ambulance District does not currently have any items that qualify for reporting in this category.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Ambulance District does not currently have any items that qualify for reporting in this category.

Net position flow assumption

Sometimes a government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Hospital District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risk management:

The Ambulance District is exposed to various risks of loss from tort; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health. Commercial insurance coverage is purchased for claims arising from such matters.

Environmental matters:

The Ambulance District is subject to laws and regulations relating to the protection of the environment. The Ambulance District's policy is to accrue environmental and cleanup related costs of a non-capital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty, the potential financial impact of the Ambulance District's continuing compliance efforts, management believes any future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the Ambulance District. At December 31, 2020, management is not aware of any liability resulting from environmental matters.

Recently issued accounting principles

The GASB issued Statement No. 87, Leases. The objective of GASB 87 is to better meet the information needs of the financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2021.

The GASB issued Statement No. 84, Fiduciary Activities. The objective of GASB 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2019.

NOTE 2. NET PATIENT SERVICE REVENUES

The Ambulance District has agreements with third-party payors that provide for payments to the Ambulance District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- **Medicare** – Covered ambulance services are paid based on a fee schedule.
- **Medicaid** – Covered ambulance services are paid based on a fee schedule.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2. NET PATIENT SERVICE REVENUES (CONTINUED)

During the years ended December 31, 2020 and 2019, approximately 45% and 56%, respectively, of the Ambulance District's gross patient services were furnished to Medicare and Medicaid beneficiaries.

The Ambulance District also has entered into payment arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Ambulance District under these agreements includes prospectively determined rates per ambulance trip and discounts on charges.

The Ambulance District also gives a parish resident discount to any resident of the parish who uses ambulance services. The Ambulance District bills private insurance companies, Medicare or Medicaid, or any other coverage of the patient and accepts this as payment in full from the resident.

NOTE 3. BANK DEPOSITS AND INVESTMENTS

Louisiana state statutes authorize the Ambulance District to invest in direct obligations of the U.S. Treasury and other federal agencies, time deposits with state banks and national banks having their principal office in the State of Louisiana, guaranteed investment contracts issued by highly rated financial institutions, and certain investments with qualifying mutual or trust institutions. Louisiana statutes also require that all of the deposits of the Ambulance District be protected by insurance or collateral. The market value of collateral pledged must equal or exceed 100% of the deposits not covered by insurance.

Custodial Credit Risks – Custodial credit risk for deposits is the risk that in the event of a bank failure, the Ambulance District's deposits may not be returned to it. Louisiana state statutes require that all of the deposits of the Ambulance District be protected by insurance or collateral. The fair value of the collateral pledged must equal 100% of the deposits not covered by insurance. The Ambulance District's deposits were entirely insured or entirely collateralized by securities held by the pledging bank's trust department in the Ambulance District's name at December 31, 2020 and 2019.

Interest Rate Risks – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The Ambulance District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3. BANK DEPOSITS AND INVESTMENTS (CONTINUED)

The carrying amounts of deposits and investments are included in the Ambulance District's statements of net position as follows:

	<u>2020</u>	<u>2019</u>
Carrying amount		
Deposits	\$ 343,627	\$ 11,225
Certificates of deposit	1,450,086	1,417,826
Investments	<u>1,611,737</u>	<u>1,689,346</u>
	<u>\$ 3,405,450</u>	<u>\$ 3,118,397</u>

Account balances according to banks' records at December 31, 2020, for the Ambulance District are as follows:

	<u>Iberia Bank</u>	<u>The Bank</u>
Cash in bank	\$ <u>358,619</u>	\$ <u>1,450,086</u>
Insured by FDIC	\$ <u>250,000</u>	\$ <u>250,000</u>
Collateralization by fair market value	\$ <u>108,619</u>	\$ <u>1,200,086</u>

Louisiana Asset Management Pool, Inc. (LAMP) is a non-profit corporation organized under the laws of the state of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pools of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Credit Risks – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Interest Rate Risk – LAMP is designed to be highly liquid to give participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3. BANK DEPOSITS AND INVESTMENTS (CONTINUED)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of pool shares.

LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

At December 31, 2020 and 2019 the Ambulance District had the following investments and maturities, all of which were held in the Ambulance District's name by LAMP.

December 31, 2020

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
LAMP	\$ <u>1,611,738</u>	\$ <u>1,611,738</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>

December 31, 2019

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
LAMP	\$ <u>1,689,346</u>	\$ <u>1,689,346</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>

The Ambulance District records these investments under the provision of the GASB Statement No 31. These investments are considered Level 2 investments under the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2020 and 2019, the Ambulance District's investments were not rated by Moody's and rated as AAA by S&P.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 4. ACCOUNTS RECEIVABLE

Patient accounts receivable reported as current assets by the Ambulance District at December 31, 2020 and 2019 consists of these amounts:

<u>Patient Accounts Receivable</u>	<u>2020</u>	<u>2019</u>
Receivable from patients and their insurance carriers	\$ 30,117	\$ 11,487
Receivable from Medicare	8,918	15,247
Receivable from Medicaid	<u>486</u>	<u>4,560</u>
Total patient accounts receivable	39,521	31,294
Less allowance for uncollectible amounts	<u>(30,000)</u>	<u>(8,500)</u>
Patient accounts receivable, net	<u>\$ 9,521</u>	<u>\$ 22,794</u>

NOTE 5. CONCENTRATION OF CREDIT RISK

The Ambulance District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Medicaid	6 %	16 %
Medicare	49 %	31 %
Other third-party payors/patients	<u>45 %</u>	<u>53 %</u>
	<u>100 %</u>	<u>100 %</u>

NOTE 6. AD VALOREM TAXES

The Ambulance District levied 29.72 mills on properties with assessed values of \$64,177,681 and \$50,499,047, net of homestead values, for the years ended December 31, 2020 and 2019, respectively.

The Ambulance District received approximately 84.69% and 90.9% in 2020 and 2019, respectively, of its financial support from ad valorem taxes. These funds were used to support operations.

The Ambulance District's property tax is levied by the parish on the taxable real property in the district in late October of each year. Bills are sent out in November of each year at which time the Ambulance District records the tax revenue, taxes become delinquent on December 31st, and become a lien in the following March.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 7. CAPITAL ASSETS

Capital assets additions, retirements, and balances for the years ended December 31, 2020 and 2019 were as follows:

	December 31, 2019	Additions	Retirements	December 31, 2020
Nondepreciable capital assets				
Land	\$ 116,140	\$ -0-	\$ -0-	\$ 116,140
Construction in progress	<u>68,700</u>	<u>-0-</u>	<u>-0-</u>	<u>68,700</u>
Total nondepreciable Capital assets	\$ <u>184,840</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>184,840</u>
Depreciable capital assets				
Land improvements	\$ 22,765	\$ 759	\$ (2,950)	\$ 20,574
Equipment	234,923	1,810	(9,448)	227,285
Office equipment	41,460	-0-	-0-	41,460
Buildings and improvements	1,853,435	4,251	(362,035)	1,495,651
Ambulances	<u>709,968</u>	<u>-0-</u>	<u>(11,549)</u>	<u>698,419</u>
Total historical cost	<u>2,862,551</u>	<u>6,820</u>	<u>(385,982)</u>	<u>2,483,389</u>
Less accumulated depreciation for:				
Land improvements	(11,288)	(1,321)	2,950	(9,659)
Equipment	(225,358)	(774)	1,614	(224,518)
Office equipment	(40,993)	(238)	7,570	(33,661)
Buildings and improvements	(390,377)	(54,295)	101,956	(342,716)
Ambulances	<u>(643,680)</u>	<u>(32,428)</u>	<u>11,552</u>	<u>(664,556)</u>
Total accumulated depreciation	<u>(1,311,696)</u>	<u>(89,056)</u>	<u>125,642</u>	<u>(1,275,110)</u>
Total depreciable Capital assets, net	\$ <u>1,550,855</u>	\$ <u>(82,236)</u>	\$ <u>(260,340)</u>	\$ <u>1,208,279</u>

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 7. CAPITAL ASSETS (CONTINUED)

	December 31, 2018	Additions	Retirements	December 31, 2019
Nondepreciable capital assets				
Land	\$ 78,870	\$ 37,270	\$ -0-	\$ 116,140
Construction in progress	<u>68,700</u>	<u>-0-</u>	<u>-0-</u>	<u>68,700</u>
Total nondepreciable Capital assets	\$ <u>147,570</u>	\$ <u>37,270</u>	\$ <u>-0-</u>	\$ <u>184,840</u>
Depreciable capital assets				
Land improvements	\$ 22,765	\$ -0-	\$ -0-	\$ 22,765
Equipment	234,923	-0-	-0-	234,923
Office equipment	41,460	-0-	-0-	41,460
Buildings and improvements	1,477,656	375,779	-0-	1,853,435
Ambulances	<u>709,968</u>	<u>-0-</u>	<u>-0-</u>	<u>709,968</u>
Total historical cost	<u>2,486,772</u>	<u>375,779</u>	<u>-0-</u>	<u>2,862,551</u>
Less accumulated depreciation for:				
Land improvements	(9,770)	(1,518)	-0-	(11,288)
Equipment	(221,159)	(4,199)	-0-	(225,358)
Office equipment	(40,635)	(358)	-0-	(40,993)
Buildings and improvements	(339,870)	(50,507)	-0-	(390,377)
Ambulances	<u>(614,216)</u>	<u>(29,464)</u>	<u>-0-</u>	<u>(643,680)</u>
Total accumulated depreciation	<u>(1,225,650)</u>	<u>(86,046)</u>	<u>-0-</u>	<u>(1,311,696)</u>
Total depreciable Capital assets, net	\$ <u>1,261,122</u>	\$ <u>289,733</u>	\$ <u>-0-</u>	\$ <u>1,550,855</u>

Depreciation expense for the years ended December 31, 2020 and 2019 amounted to \$89,056 and \$86,046, respectively.

NOTE 8. COMPENSATED ABSENCES

Employees' vacation benefits are recognized in the period earned. Accrued compensated absences at December 31, 2020 and 2019 totaled \$44,619 and \$33,960, respectively, which is included in accrued liabilities on the statements of net position.

NOTE 9. SIMPLE IRA PLAN

The Ambulance District has a Simple IRA Plan covering all eligible employees as of June 2002. Employees can contribute a maximum of \$13,500 and \$13,000 for the 2020 and 2019 tax years, respectively. The Ambulance District contributed 2% of compensation to each eligible employee's Simple IRA through May of 2014 and then 3% thereafter. All contributions under the plan, as well as the earnings, are fully vested and nonforfeitable. Total Simple IRA plan expenses for the years ended 2020 and 2019 were \$25,974 and \$26,116, respectively.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 10. SUBSEQUENT EVENTS

The Ambulance District evaluated subsequent events through March 30, 2022, the date which the financial statements were available to be issued.

On August 27, 2020 Hurricane Laura made landfall in Southwest Louisiana as a Category 4 hurricane which was followed by Hurricane Delta on October 8, 2020. The full extent of the damages to the District's facilities or effects on operations have not been determined. The Ambulance District has been restoring the various buildings and has incurred significant costs which have been partially reimbursed by their commercial property insurance policy. These financial statements include impairment gains of \$258,900. The impairment gain was calculated and valued based on the historical original cost of the aforementioned destroyed equipment and buildings. The restorative efforts of the remaining damages to the Ambulance District's various properties are considered repairs and expensed as incurred.

SUPPLEMENTARY INFORMATION

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULES OF NET PATIENT SERVICE REVENUES
YEARS ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
Gross patient service revenues	\$ 145,501	\$ 156,372
Less:		
Medicare and Medicaid contractual adjustments	7,750	(18,684)
Provision for uncollectible accounts	(31,316)	(4,454)
Parish resident discounts	(95,942)	(55,864)
Insurance and other discounts	<u>(6,135)</u>	<u>(3,972)</u>
Net patient service revenue	\$ <u>19,858</u>	\$ <u>73,398</u>

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULES OF BOARD FEES
YEARS ENDED DECEMBER 31, 2020 AND 2019

BOARD MEMBERS

The Ambulance District's board members did not receive any compensation during the years ended December 31, 2020 and 2019.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
 AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 YEAR ENDED DECEMBER 31, 2020

Agency Head Name: Byron Broussard
 Position: Executive Director
 Time Period: January 1, 2020 to December 31, 2020

Purpose	Amount
Salary	\$ 91,275
Benefits - insurance	25,163
Benefits - retirement	2,738
Benefits - other	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	4,650
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-
	\$ 123,826



LESTER, MILLER & WELLS

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

3600 Bayou Rapides Road • Alexandria, LA 71303-3653

Mailing Address: Post Office Box 8758 • Alexandria, LA 71306-1758

Telephone: (318) 487-1450 • Facsimile: (318) 445-1184

3639 Ambassador Caffery Parkway, Suite 330 • Lafayette, LA 70503-5107

Telephone: (337) 484-1020 • Facsimile: (337) 484-1029

Members: American Institute of Certified Public Accountants • Society of Louisiana Certified Public Accountants

John S. Wells, CPA
Robert G. Miller, CPA
Paul A. Delaney, CPA
Mary L. Carroll, CPA
Joey L. Breaux, CPA
Jason P. LeBlanc, CPA
Karlie P. Brister, CPA

Brenda J. Lloyd, CPA
Timothy J. Deshotel, CPA
Andrew J. Wynn, CPA
P. Trae' O'Pry, CPA, CVA

Retired 2015

Bobby G. Lester, CPA

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

To the Board of Commissioners
Lower Cameron Ambulance Service District
Creole, Louisiana

We have audited, in accordance with the 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, the basic financial statements of the Lower Cameron Ambulance Service District as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Lower Cameron Ambulance Service District's basic financial statements and have issued our report thereon dated March 31, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lower Cameron Ambulance Service District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Ambulance District's basic financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified a deficiency in internal control that we consider to be a material weakness. We consider the deficiency described in the accompanying schedule of findings and responses at 2020-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lower Cameron Ambulance Service District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

Lower Cameron Ambulance Service District Responses to Findings

Lower Cameron Ambulance Service District's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Lower Cameron Ambulance Service District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. This report is intended for the information and use of management, the Board of Commissioners, others within the entity and federal awarding agencies and pass-through entities and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this communication is not suitable for any other purpose, however, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants
Lafayette, Louisiana

March 30, 2022

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020

Section I. Summary of Auditors' Results

Report on Internal Control and Compliance Material to the Financial Statements

Type of auditors' opinion: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Control deficiency(ies) identified that we do not consider to be material weaknesses Yes None reported

Noncompliance material to financial statements noted Yes No

Section II. Financial Statement Findings

2020-001 - Segregation of Duties

Condition: The Ambulance District does not have adequate segregation of duties. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize the Ambulance District may not be large enough to permit such procedures, it is important that you be aware of this condition. This condition was also included in the 2019 audit as item 2019-001.

Criteria: An effective system of internal control requires a proper segregation of duties so that no one individual handles a transaction from its inception to its completion.

Cause: The Ambulance District has a limited number of employees within the accounting department.

Effect: Ineffective system of internal controls within the accounting function.

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the Board should review financial information on a timely basis.

Response: The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the Board will review financial information on a timely basis.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020

Section III. Federal Award Findings and Questioned Costs

Not Applicable

Section IV. Management Letter

Not Applicable

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2020

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

2019-001 - Segregation of Duties

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the Board should review financial information on a timely basis.

Current Status: This finding is repeated at 2020-001.

Section II. Federal Award Findings and Questioned Costs

Not Applicable

Section III. Management Letter

Not Applicable