

**AMBULANCE SERVICE DISTRICT  
No. 1 OF LAFOURCHE PARISH  
Cut Off, Louisiana  
December 31, 2021  
and  
December 31, 2020**

**Audits of Financial Statements**

## CONTENTS

<b>INDEPENDENT AUDITOR'S REPORT</b>	1-3
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Management's Discussion and Analysis	4-9
<b>BASIC FINANCIAL STATEMENTS</b>	
Statements of Net Position	10
Statements of Revenues, Expenses and Changes in Net Position	11
Statements of Cash Flows	12-13
Notes to Financial Statements	14-36
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule I-Per Diems Paid Commissioners	38
Schedule II – Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	39
Other Report Required by Government Auditing Standards- Independent Auditor's 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	40-41
Schedule of Findings and Responses	42-43
Schedule of Prior Year Findings	44
Management's Corrective Action Plan	45

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

INDEPENDENT AUDITOR'S REPORT

**Report on the Financial Statements**

*Opinions*

I have audited the accompanying financial statements of the business-type activities of **Ambulance Service District No. 1 of Lafourche Parish** as of and for the years ended December 31, 2021 and December 31, 2020, and the related notes to the financial statements which collectively comprise the Ambulance Service District No. 1 of Lafourche Parish's basic financial statements as listed in the table of contents.

*Basis for Opinions*

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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be Independent of the Ambulance Service District No. 1 of Lafourche Parish and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raised substantial doubt about the Ambulance Service District No. 1 of Lafourche Parish's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Responsibilities of Auditor for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

## INDEPENDENT AUDITOR'S REPORT

(Continued)

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 **Ambulance Service District No. 1 of Lafourche Parish's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Ambulance Service District No. 1 of Lafourche Parish's** ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **Ambulance Service District No. 1 of Lafourche Parish's** basic financial statements. The accompanying schedules of Board Members Per Diem and Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of Board Members Per Diem and Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and my auditor's report thereon. My opinions on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated January 31, 2023 on my consideration of **Ambulance Service District No. 1 of Lafourche Parish's** internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of **Ambulance Services District No. 1 of Lafourche Parish's** 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 **Ambulance Service District No.1 of Lafourche Parish's** internal control over financial reporting and compliance.



Aldon G. Wahl, Jr.  
Certified Public Accountant

January 31, 2023



**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, 2021. Please read it in conjunction with the financial statements in this report.

**Financial Highlights**

- The Ambulance District's total assets decreased by \$212,859 due primarily to a decrease in receivables and capital assets.
- During the year, the Ambulance District's total operating revenues decreased \$203,751 from prior year. The Ambulance District had an increase in operating expenses of \$396,736. The increase in operating expenses was primarily due to an increase in salaries and insurance.
- The Ambulance District decreased net position by \$504,038.
- Net patient service revenue decreased by \$182,239 from the prior year.
- Other operating revenue decreased by \$21,512 compared to prior year.
- Current liabilities increased \$291,179 compared to the prior year.
- Nonoperating revenues decreased \$793,916 compared to the prior year.

**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 Position 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 Position. 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 Position and the Statement of Revenue, Expenses, and Changes in Net Position report information about the Ambulance District's activities. These two statements report the net position of the Ambulance District and changes in them. Increases or decreases in the Ambulance District's net position 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 Position is present in Table 1 below:

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

	<u>December 31</u>		Dollar	Percentage
	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>Change</u>
Current and Other Assets	\$ 9,543,960	\$ 9,701,268	\$(157,308)	( 1.62%)
Capital Assets – Net	<u>2,056,612</u>	<u>2,112,163</u>	<u>( 55,551)</u>	<u>( 2.63%)</u>
Total Assets	<u>\$11,600,572</u>	<u>\$11,813,431</u>	<u>\$(212,859)</u>	<u>( 1.80%)</u>
Current Liabilities	\$ 475,862	\$ 184,683	\$ 291,179	157.66%
Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 475,862</u>	<u>\$ 184,683</u>	<u>\$ 291,179</u>	<u>157.66%</u>
Net Position				
Invested in Capital Assets	2,056,612	2,112,163	( 55,551)	( 2.63%)
Unrestricted	<u>9,068,098</u>	<u>9,516,585</u>	<u>(448,487)</u>	<u>( 4.71%)</u>
Total Net Position	<u>\$11,124,710</u>	<u>\$11,628,748</u>	<u>\$(504,038)</u>	<u>( 4.33%)</u>

As can be seen in Table 1, total assets decreased from \$11,813,431 to \$11,600,572 in fiscal year 2021. The change in total assets results primarily from an increase in cash and capital assets.

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

**MANAGEMENT DISCUSSION AND ANALYSIS**

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

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

	Years Ended December 31	
	<u>2021</u>	<u>2020</u>
Net Patient Service Revenue, (Net of Provision for Bad Debts of \$1,621,878 for 2021 and \$1,161,439 for 2020)	\$2,013,130	\$2,195,369
Other Revenue, Net	<u>58,334</u>	<u>79,846</u>
Total Operating Revenue	<u>2,071,464</u>	<u>2,275,215</u>
Depreciation	321,119	359,028
Other operating expenses	<u>3,866,886</u>	<u>3,432,241</u>
Total Operating Expenses	<u>4,188,005</u>	<u>3,791,269</u>
Loss From Operations	(2,116,541)	(1,516,054)
Non-operating Income	<u>1,612,503</u>	<u>2,406,419</u>
Change in Net Assets	( 504,038)	890,365
<b>Net Position – Beginning of Year</b>	<u>11,628,748</u>	<u>10,738,383</u>
<b>Net Position – End of Year</b>	<u>\$ 11,124,710</u>	<u>\$11,628,748</u>

***Sources of Revenue***

*Operating Revenue*

During fiscal year 2021, the Ambulance District derived the majority of its total operating 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. As can be seen in Table 3 the number of ambulance trips was down 1.64% from the previous year while Gross Charges Billed increased 8.29%. There was an increase of 39.64% in the bad debts experienced.



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

**MANAGEMENT DISCUSSION AND ANALYSIS  
(Continued)**

*Other Revenue*

Other revenue includes revenues from a cooperative endeavor agreement with the Tenth Ward Veterans District. The details of this agreement is included in the footnotes to the financial statements.

*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 \$1,407,895 in 2021 and \$1,777,084 in 2020 net of assessor's fees of \$36,703 in 2021 and \$56,786 in 2020. The district also receives revenue sharing of approximately \$10,000 per year and has investment income from its investments which consisted mainly of money market accounts throughout the year. The district received Cares Act funding in year 2021 of \$113,955.

*Operating Expenses*

Operating expenses increased due to an increase in salaries, and insurance.

Table 3 presents the gross charges billed for patient services and the number of ambulance trips for the fiscal years ended December 31, 2021 and 2020.

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

	Year Ended December 31,	
	2021	2020
Gross Charges Billed	\$3,635,008	\$3,356,808
Number of Trips	4,511	4,586

***Summary of Cash Flows***

**TABLE 4  
Condensed Statements of Cash Flows**

	Year Ended December 31,	
	2021	2020
Cash and Cash Equivalents Provided By (Used In)		
Operating Activities	\$(1,280,778)	\$( 538,293)
Non-capital Financing Activities	1,759,921	1,691,319
Capital and Related Financing Activities	( 256,568)	( 594,462)
Investing Activities	14,584	39,453
Net Increase(Decrease) in Cash and Cash Equivalents	237,159	598,017
Cash and Cash Equivalents		
Beginning of Year	7,208,942	6,610,925
End of Year	\$7,446,101	\$ 7,208,942

**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>2021</u>	December 31 <u>2020</u>	Dollar <u>Change</u>	Percentage <u>Change</u>
Land	\$ 172,890	164,100	\$ 8,790	5.35%
Construction in Progress	---	---	---	--- %
Buildings	1,759,895	1,748,102	11,793	.67%
Vehicles (Ambulances)	1,580,875	1,492,236	88,639	5.94%
Furniture and Equipment	266,580	246,035	20,545	8.35%
Medical Equipment	1,146,276	1,131,580	14,696	1.30%
Communication Equipment	179,300	179,300	---	---%
Other Equipment	<u>191,147</u>	<u>198,426</u>	<u>( 7,279)</u>	<u>( 3.67%)</u>
	5,296,963	5,159,779	137,184	2.66%
Accumulated Depreciation	<u>3,240,351</u>	<u>3,047,616</u>	<u>192,735</u>	<u>6.32%</u>
Net Capital Assets	<u>\$2,056,612</u>	<u>\$2,112,163</u>	<u>\$(55,551)</u>	<u>( 2.63%)</u>

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

- The district capitalized \$8,790 of land cost.
- The district purchased \$20,545 of furniture and equipment.
- The district disposed of \$7,279 of other equipment.
- The district purchased \$14,696 of medical equipment.
- \$11,793 of building expenditures were capitalized.
- The district purchased an ambulance for \$209,744.
- The district disposed of an ambulance with a cost of \$121,105.

**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
- Fee Schedule
- Recent Healthcare Legislation

The tax revenues are expected to increase slightly from the prior year. Net patient service should remain steady. The district does not expect any significant variances for its other revenues or expenses. Normal increases are expected for insurance, salaries and related benefits.

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

**MANAGEMENT DISCUSSION AND ANALYSIS**

**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:

Ambulance Service District No. 1 of Lafourche Parish  
17078 West Main Street  
Cut Off, LA 70345

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

**STATEMENT OF NET POSITION**

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,446,101	\$ 7,208,942
Investments	294,798	293,335
Patients accounts receivable, less allowance for doubtful accounts of \$637,246 and \$406,407 respectively	254,929	329,314
Millage tax receivable, less allowance for doubtful accounts of \$57,784 and \$71,083 respectively	1,350,111	1,706,001
Other accounts receivables, less allowance for doubtful accounts of \$ 0 and \$ 0 respectively	9,811	8,126
Prepaid expenses	<u>187,905</u>	<u>155,245</u>
Total current assets	<u>9,543,655</u>	<u>9,700,963</u>
NON CURRENT ASSETS		
CAPITAL ASSETS		
Capital assets, net	<u>2,056,612</u>	<u>2,112,163</u>
OTHER ASSETS		
	<u>305</u>	<u>305</u>
Total noncurrent assets	<u>2,056,917</u>	<u>2,112,468</u>
Total assets	<u>\$ 11,600,572</u>	<u>\$ 11,813,431</u>
<b><u>LIABILITIES</u></b>		
CURRENT LIABILITIES		
Accounts payable	\$ 299,005	\$ 3,011
Accrued vacation and sick pay	176,068	180,841
Payroll liabilities payable	789	831
Total liabilities	<u>475,862</u>	<u>184,683</u>
<b><u>NET POSITION</u></b>		
Invested in capital assets , net of related debt	2,056,612	2,112,163
Unrestricted	<u>9,068,098</u>	<u>9,516,585</u>
Total net position	<u>\$ 11,124,710</u>	<u>\$11,628,748</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 POSITION**

	<u>December 31.</u>	
	<u>2021</u>	<u>2020</u>
<b><u>NET PATIENT SERVICE REVENUE</u></b> , Net of Provision for Bad Debts of \$1,621,878 for 2021 and \$1,161,439 for 2020	\$ 2,013,130	\$ 2,195,369
<b><u>OTHER OPERATING REVENUE</u></b>	<u>58,334</u>	<u>79,846</u>
Total operating revenues	<u>2,071,464</u>	<u>2,275,215</u>
<b><u>OPERATING EXPENSES:</u></b>		
Contractual services	78,991	61,230
Depreciation	321,119	359,028
Fuel	78,981	61,025
Insurance - general	327,357	306,583
Insurance - medical	270,250	226,579
Medical supplies	97,100	111,671
Miscellaneous expenses	21,037	20,403
Office and general supplies	33,628	32,586
Payroll taxes and retirement	275,088	232,225
Postage	5,399	4,690
Professional fees	5,175	13,089
Rent	6,440	6,720
Repairs and maintenance	177,637	147,418
Salaries	2,411,598	2,133,417
Telephone	24,121	27,764
Tower expense	8,625	9,000
Uniforms	13,789	12,710
Utilities	<u>31,670</u>	<u>25,131</u>
Total operating expenses	<u>4,188,005</u>	<u>3,791,269</u>
Operating income (loss)	<u>(2,116,541)</u>	<u>(1,516,054)</u>
<b><u>NONOPERATING REVENUES (EXPENSES):</u></b>		
Millage tax, net of assessor's fees of \$36,703 in 2021 and \$56,786 in 2020	1,407,895	1,777,084
Revenue sharing	10,552	10,579
Investment income(loss)	7,733	31,020
Miscellaneous Income	177,323	573,508
Gain <loss> from disposal of capital assets	<u>9,000</u>	<u>14,228</u>
Total nonoperating revenue (expenses)	<u>1,612,503</u>	<u>2,406,419</u>
Change in net position	( 504,038)	890,365
<b><u>NET POSITION, BEGINNING OF YEAR</u></b>	<u>11,628,748</u>	<u>10,738,383</u>
<b><u>NET POSITION, END OF YEAR</u></b>	<u>\$ 11,124,710</u>	<u>\$ 11,628,748</u>

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

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

**STATEMENTS OF CASH FLOWS**

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from patients and third-party payors	\$ 2,327,589	\$ 2,921,882
Cash payments to employees for services and benefits	(2,961,751)	(2,588,287)
Cash payments to suppliers of goods and services	<u>( 646,616)</u>	<u>( 871,888)</u>
Net cash used in operating activities	<u>( 1,280,778)</u>	<u>( 538,293)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Millage tax	1,749,369	1,680,740
Revenue sharing	<u>10,552</u>	<u>10,579</u>
Net cash provided by non-capital financing activities	<u>1,759,921</u>	<u>1,691,319</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of Capital assets	( 265,568)	( 608,690)
Proceeds Sale of Capital assets	<u>9,000</u>	<u>14,228</u>
Net cash used for capital and related financing activities	<u>( 256,568)</u>	<u>( 594,462)</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Purchase of investment securities	6,851	8,433
Investment Income (loss)	<u>7,733</u>	<u>31,020</u>
Net cash provided by (used in) investing activities	<u>14,584</u>	<u>39,453</u>
<b>NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	237,159	598,017
<b>CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR</b>	<u>7,208,942</u>	<u>6,610,925</u>
<b>CASH AND CASH EQUIVALENTS – END OF YEAR</b>	<u>\$7,446,101</u>	<u>\$7,208,942</u>

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



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

**STATEMENTS OF CASH FLOWS  
(Continued)**

	December 31,	
	2021	2020
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating loss	\$(2,116,541)	\$(1,516,054)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	321,119	359,028
Provision for uncollectible accounts	1,621,878	1,161,439
Gain (loss) disposal of assets	9,000	---
Changes in assets and liabilities:		
(Increase) decrease in receivables	(1,374,753)	( 514,772)
(Increase) decrease in prepaid expenses	( 32,660)	( 18,115)
Increase (decrease) in accounts payable	295,994	( 13,753)
Increase (decrease) in accrued vacation and sick pay	( 4,773)	18,925
Increase (decrease) in contract payable	---	---
Increase (decrease) in retainage payable	( 14,750)	( 14,750)
Increase (decrease) in payroll liabilities payable	( 42)	( 241)
Net cash provided by (used in) operating activities	<u>(1,280,778)</u>	<u>( 538,293)</u>

**SUPPLEMENTAL CASH FLOW INFORMATION**

Cash paid during the year for interest	\$ ---	\$ ---
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The accompanying notes are an integral part of these financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

**INTRODUCTION**

**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.

**NOTE A**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

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**

**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**

Proprietary funds are used to account for ongoing operations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The two types of proprietary funds are enterprise and internal service funds. The District's fund is a enterprise fund.

**ENTERPRISE FUNDS**

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**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) and services provided under cooperative endeavor agreements are recognized when the services are rendered.

**EXPENSES**

Expenses are recognized when the related liability is incurred.

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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE A**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

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 POSITION**

Net position represents the difference between assets and liabilities. Net position classifications are defined as follows:

**Net Position 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. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

**Restricted Net Position** - Net position is reported as restricted when there are limitations imposed on its 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 Position** – This component of net position consists of net position that does 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 position is available. The district had no restricted net position at December 31, 2021 and December 31, 2020.

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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE A**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**CASH AND INVESTMENTS**

Cash includes demand deposits, money market accounts and certificates of deposit in banks with a maturity of 90 days or less at purchase and are recorded at cost plus accrued interest which approximates market value.

Investments with a original maturities in excess of 90 days (including certificates of deposits) are classified as investments. If the original maturity is 90 days or less they are classified as cash equivalents. Investments are stated at fair market value. Interest, dividends, and gains and losses, both realized and unrealized, on investments are included in non-operating revenue when earned.

Investments in debt and equity securities are carried at fair value except for investments in debt securities with maturities of less than one year at the time of purchase. These investments are reported at amortized cost, which approximates fair value. Interest, dividends, and gains and losses, both realized and unrealized, on investments in debt and equity securities are included in non-operating income when earned.

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.

**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 investments 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**

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered.

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 it's accounts and contracts, and by providing appropriate allowances.

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

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**NOTE A**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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.

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 it 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. Sick leave is paid to employees upon termination of employment.

The liability for compensated absences is recorded on the district's Statement of Net Assets.

**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.

**ASSETS LIMITED AS TO USE**

Assets limited as to use (if any) primarily include assets held by trustees under indenture agreements and designated assets set aside by the Board of Commissioners for employee benefits and future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes. The district had no assets limited as to use at December 31, 2021 and December 31, 2020.



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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE A**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**COSTS OF BORROWING**

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Interest earned on these same borrowed funds, before the funds are spent on the construction of the capital assets, is also capitalized.

**NON-DIRECT RESPONSE ADVERTISING**

The District expenses advertising costs as incurred

**FAIR VALUES OF FINANCIAL INSTRUMENTS**

The district applies the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. See Note M for details on fair values used for the district's assets and liabilities.

**PREPAID ITEMS**

Insurance payments made to insurance agencies that will benefit periods beyond the current period are recorded as prepaid items.

**OPERATING REVENUES AND EXPENSES**

The District's statements of revenues, expenses and changes in net position distinguish between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing ambulance services, the 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 ambulance services, other than financing costs.

**NET PATIENT SERVICE REVENUE**

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE B**

**CASH AND INVESTMENTS**

**CASH AND CASH EQUIVALENTS**

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.

At December 31, 2021 and 2020, the carrying amount of the ambulance district's cash was \$7,446,101 and \$7,208,942, respectively, and the bank balance was \$7,489,549 and \$7,106,161, respectively. At December 31, 2021 and December 31, 2020 all deposits were fully secured from risk by federal deposit insurance or by pledged securities held by the District's third party agent in the district's name. Cash and cash equivalents are stated at cost, plus accrued interest, which approximates market. The carrying amounts for cash and cash equivalents at December 31, 2021 and December 31, 2020 respectively, are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Noninterest-bearing demand deposits	\$ -	\$ -
Interest-bearing demand deposits	427,226	265,381
Money market accounts	7,018,875	6,943,561
Certificates of deposits		
	<u>\$ 7,446,101</u>	<u>\$ 7,208,942</u>

**CASH AND INVESTMENTS**

GASB Statement No. 40, which amended GASB Statement No. 3, only requires disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either:

- 1) uninsured and uncollateralized,
- 2) uninsured and collateralized with securities held by the pledging financial institution or
- 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name

At December 31, 2021 and December 31, 2020, the Ambulance District had no deposits that were required to be reported in any of the three categories listed above. This includes both Cash and Cash Equivalents (above) and Certificates of Deposit reported as Investments.

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

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**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. Fair value has been determined at the last reported sales price on a national exchange.

Investments at December 31, 2021 are as follows:

	Investment Maturities (in Years)			Carrying Amount	Fair Value
	Less than <u>1</u>	<u>1-5</u>	<u>6-10</u>		
<u>Type of Investment</u>					
Certificates of Deposits	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Governmental Mutual Fund	<u>294,798</u>	_____	_____	<u>294,798</u>	<u>294,798</u>
TOTAL	<u>\$294,798</u>	_____	_____	<u>\$294,798</u>	<u>\$294,798</u>

Investments at December 31, 2020 are as follows:

	Investment Maturities (in Years)			Carrying Amount	Fair Value
	Less than <u>1</u>	<u>1-5</u>	<u>6-10</u>		
<u>Type of Investment</u>					
Certificates of Deposits	\$ _____	_____	\$ _____	\$ _____	\$ _____
Governmental Mutual Fund	<u>293,335</u>	_____	_____	<u>293,335</u>	<u>293,335</u>
TOTAL	<u>\$293,335</u>	\$ _____	\$ _____	<u>\$293,335</u>	<u>\$293,335</u>

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

**NOTES TO FINANCIAL STATEMENTS**  
(continued)

**CONCENTRATION OF CREDIT RISK**

The District places no limit on the amount it may invest in any one issuer. Issuers comprising more than 5 percent of the District's investments at December 31, 2021 and December 31, 2020 are as follows:

<u>ISSUER</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Certificates of Deposit	-	-
Mutual Fund U.S. Govt.	100 %	100 %

**INTEREST RATE RISK**

The 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. All of the district's investments have maturities of less than one year.

**CREDIT RISK**

As of December 31, 2021 and December 31, 2020 all of the District's investments were entirely insured or collateralized by investments held by the District's third party agent in the District's name.

The district has no formal policy regarding credit risk. The district follows the Louisiana Revised Statutes when investing idle funds.

**NOTE C**

**CAPITAL ASSETS**

**PROPERTY, PLANT AND EQUIPMENT**

A summary of property and equipment at December 31, 2021 and 2020 is as follows:

	<u>Estimated life in years</u>	<u>December 31,</u>	
		<u>2021</u>	<u>2020</u>
Land	---	\$ 172,890	\$ 164,100
Construction in Progress	---	---	---
Buildings	15-39	1,759,895	1,748,102
Vehicles (Ambulances)	5	1,580,875	1,492,236
Furniture and Equipment			
Furniture and Fixtures	5-8	266,580	246,035
Medical Equipment	5-8	1,146,276	1,131,580
Communication Equipment	5-8	179,300	179,300
Other Equipment	5-8	<u>191,147</u>	<u>198,426</u>
		5,296,963	5,159,779
Accumulated Depreciation		<u>3,240,351</u>	<u>3,047,616</u>
		<u>\$2,056,612</u>	<u>\$2,112,163</u>

Depreciation expense charged to operations for the years ended December 31, 2021 and 2020 were \$321,119 and \$359,028 respectively.

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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE C**

**CAPITAL ASSETS**

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

The following changes occurred in the property and equipment account:

	Balance December 31 <u>2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31 <u>2021</u>
<u>Capital Assets Not Being Depreciated</u>				
Land	\$ 164,100	\$ 8,790	---	\$ 172,890
Construction in Progress	---	---	---	---
Total Assets Not Being Depreciated	<u>164,100</u>	<u>8,790</u>	<u>---</u>	<u>172,890</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 1,748,102	\$ 11,793	\$ ---	\$ 1,759,895
Vehicles (Ambulances)	1,492,236	209,744	121,105	1,580,875
Furniture and Equipment	246,035	20,545	---	266,580
Medical Equipment	1,131,580	14,696	---	1,146,276
Communication Equipment	179,300	---	---	179,300
Other Equipment	<u>198,426</u>	<u>---</u>	<u>7,279</u>	<u>191,147</u>
Total Capital Assets Being Depreciated	<u>\$ 4,995,679</u>	<u>256,778</u>	<u>128,384</u>	<u>\$5,124,073</u>
Less Accumulated Depreciation For:				
Buildings	\$ 429,432	\$ 42,130	\$ ---	471,562
Vehicles (Ambulances)	1,181,691	184,074	121,105	1,244,660
Furniture and Equipment	212,423	14,154	---	226,577
Medical Equipment	946,731	55,556	---	1,002,287
Communication Equipment	145,355	10,365	---	155,720
Other Equipment	<u>131,984</u>	<u>14,840</u>	<u>7,279</u>	<u>139,545</u>
Total Accumulated Depreciation	<u>3,047,616</u>	<u>321,119</u>	<u>128,384</u>	<u>3,240,351</u>
Total Capital Assets Being Depreciated, Net	<u>1,948,063</u>	<u>( 64,341)</u>	<u>---</u>	<u>1,883,722</u>
Total Capital Assets, Net	<u>\$ 2,112,163</u>	<u>\$ ( 55,551)</u>	<u>\$ ---</u>	<u>\$ 2,056,612</u>

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

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**NOTE C**

**CAPITAL ASSETS**

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

The following changes occurred in the property and equipment account:

	Balance December 31 <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31 <u>2020</u>
<u>Capital Assets Not Being Depreciated</u>				
Land	\$ 137,600	\$ 26,500	---	\$ 164,100
Construction in Progress	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Assets Not Being Depreciated	<u>137,600</u>	<u>26,500</u>	<u>---</u>	<u>164,100</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 1,275,623	\$ 499,712	\$ 27,233	\$ 1,748,102
Vehicles (Ambulances)	1,492,236	---	---	1,492,236
Furniture and Equipment	227,759	18,276	---	246,035
Medical Equipment	1,080,451	51,129	---	1,131,580
Communication Equipment	179,300	---	---	179,300
Other Equipment	<u>158,853</u>	<u>39,573</u>	<u>---</u>	<u>198,426</u>
Total Capital Assets Being Depreciated	<u>\$ 4,414,222</u>	<u>608,690</u>	<u>27,233</u>	<u>\$4,995,679</u>
Less Accumulated Depreciation For:				
Buildings	\$ 416,501	\$ 40,164	\$ 27,233	429,432
Vehicles (Ambulances)	963,094	218,597	---	1,181,691
Furniture and Equipment	200,651	11,772	---	212,423
Medical Equipment	882,689	64,042	---	946,731
Communication Equipment	134,200	11,155	---	145,355
Other Equipment	<u>118,686</u>	<u>13,298</u>	<u>---</u>	<u>131,984</u>
Total Accumulated Depreciation	<u>2,715,821</u>	<u>359,028</u>	<u>27,233</u>	<u>3,047,616</u>
Total Capital Assets Being Depreciated, Net	<u>1,698,401</u>	<u>249,662</u>	<u>---</u>	<u>1,948,063</u>
Total Capital Assets, Net	<u>\$ 1,836,001</u>	<u>\$276,162</u>	<u>\$ ---</u>	<u>\$ 2,112,163</u>



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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**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.

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 2021, 2020 and 2019
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 2021 was \$2,411,598 of which \$1,769,795 was covered by the plan. For 2021, the district's contribution was \$88,490 (5% of covered payroll). Employee contributions to the plan amounted to \$87,873 for 2021.

The total payroll for the year 2020 was \$2,133,417 of which \$1,404,315 was covered by the plan. For 2020, the district's contribution was \$70,215 (5% of covered payroll). Employee contributions to the plan amounted to \$70,515 for 2020.

The total payroll for the year 2019 was \$2,086,327 of which \$1,633,900 was covered by the plan. For 2019, the district's contribution was \$81,695 (5% of covered payroll). Employee contributions to the plan amounted to \$70,572 for 2019.

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

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**NOTE E**

**COOPERATIVE ENDEAVOR AGREEMENTS**

During the year the Ambulance District was party to a Cooperative Endeavor 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 \$4,639 per month for the first two months and then \$4,871 for the last ten months of the year.

The Ambulance District was party to a Cooperative Endeavor Agreement with the Tenth Ward Veterans Memorial District to provide professional services to staff the Veterans District with drivers along with supervision and appropriate liability coverage for these drivers. The Veterans District reimburses the Ambulance District for all cost associated with providing this service including wages, payroll taxes, disability insurance, health insurance and any other cost plus an administrative fee of \$500 per month.

**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, 2021 and December 31, 2020.

**NOTE H**

**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).

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

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE I**

**CONTINGENCIES AND RISK MANAGEMENT**

LITIGATION

The district is a defendant in various lawsuits. In the opinion of legal counsel for the district, the liability, if any would not exceed insurance coverage.

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.

LAWS AND REGULATIONS

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments; compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicare fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in exclusion from government healthcare program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While the District is subject to similar regulatory reviews, management believes the District is not the subject of any investigation at this time, and the outcome of any such regulatory review will not have a material adverse effect on the District's financial position.

**NOTE J**

**CAPITALIZED INTEREST**

For the years ended December 31, 2021 and 2020 the district had \$0 interest to capitalize.

**NOTE K**

**SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued January 31, 2023 and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**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, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Gross Patient Service Revenue	\$ 3,635,008	\$ 3,356,808
Less: Provision for Bad Debts	<u>1,621,878</u>	<u>1,161,439</u>
Net Patient Service Revenue	<u>\$ 2,013,130</u>	<u>\$ 2,195,369</u>
	<u>2021</u>	<u>2020</u>
Patient Accounts Receivables	\$ 892,175	\$ 735,721
Less Allowance for Doubtful Accounts	<u>637,246</u>	<u>406,407</u>
Net Patient Accounts Receivables	<u>\$ 254,929</u>	<u>\$ 329,314</u>

**NOTE M**

**FAIR VALUE MEASUREMENTS**

The district applies the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. FASB ASC 820 clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability and establishes a fair value hierarchy that prioritizes the inputs used to develop those assumptions and measure of fair value. The hierarchy requires the district to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
  
- Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
  
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing methods, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**NOTE M**

**FAIR VALUE MEASUREMENTS (continued)**

The following methods and assumptions were used by the district in estimating fair value of financial instruments disclosed herein:

Cash and cash equivalents – The carrying amount of cash and short-term instruments approximate their fair value.

Investments – Fair values, which are the amounts reported in the balance sheet, are based on quoted market prices for similar securities. Mutual Funds are valued at the net asset value (NAV) of shares held at year end.

Accounts receivables, other current assets, accounts payable and other current liabilities – The carrying amount approximates fair value due to the short term nature of these accounts.

Long-term debt (Capital Leases) – the carrying amount is estimated using discounted cash flow analyses, based on the district's current incremental borrowing rate.

**NOTE N**

**RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

In July 2011, the FASB issued ASU 2011-07, Health Care entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities. The amendments to the codification will require certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). Additionally, those health care entities will be required to provide enhanced disclosure about their policies for recognizing service revenue (net of contractual allowance and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. The district was subject to and adopted these amendments for the year ending December 31, 2012. The amendments have been applied retrospectively for all prior periods presented at that time.

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

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**NOTE N** (continued)

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements; Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 62 does not have any impact on the District's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components; assets, deferred outflows of resources, liabilities and deferred inflows of resources. This statement is effective for periods beginning after December 15, 2011. The district was subject to and adopted GASB Statement No. 63 for the year ending December 31, 2012. The statement was applied retrospectively for all prior periods presented at that time. Statement No. 63 changes the statement of financial position term "net assets" to "net position".

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 properly classifies and recognizes certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The adoption of GASB 65 does not have any impact on the District's financial statements.

The GASB issued Statement No. 66, *Technical Corrections – 2012* in March 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The provisions of this Statement are effective for 2013. There was no impact to the District with the implementation of this statement.



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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**NOTE N (continued)**

Statement No.72, *“Fair Value Measurement and Application.”* This Statement addresses accounting and financial reporting issues related to fair value measurement. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73. *“Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.”* The Statement completes the suite of pension standards and establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statements 67 and 68). This Statement did not affect the District’s financial statements.

Statement No.76, *“The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.”* The objective of this Statement is to identify the hierarchy of generally accepted accounting principles (GAAP).

Statement No 77, *“Tax Abatement Disclosures”* defines tax abatements as reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. This Statement requires disclosures of the government’s own tax abatement agreements and those tax abatement agreements of other governments that reduce the government’s revenue. This Statement did not affect the District’s financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**NOTE N** (continued)

Statement No.78, "*Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*" amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement did not affect the District's financial statements.

Statement No.79, "*Certain External Investment Pools and Pool Participants*" establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement also establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost. The provisions in paragraphs 18, 19, 23-26 and 40 are effective for periods beginning after December 15, 2015. This Statement did not affect the District's financial statements.

Statement No.74, "*Financial Reporting for Postemployment Benefit Plans other than Pension Plans.*" The Statement addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria and follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments and also sets forth note disclosure requirements for defined contribution OPEB plans. The statement will be effective for periods beginning after June 15, 2016. This statement did not affect the District's financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**NOTE N** (continued)

Statement No.75, “*Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions.*” Replaces the requirements of GASB Statement No.45. This Statement requires governments to report a liability on the face of the financial statements for the OPEB that they provide: governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan and governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017. This statement did not affect the District’s financial statement.

Statement No.80, “*Blending Requirement for Certain Component Units*” improves financial reporting by clarifying the financial statement presentation requirements for certain component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This requirement enhances comparability and decision usefulness of financial statements among governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. This statement did not affect the District’s financial statement.

Statement No.81, “*Irrevocable Split Interest Agreements*” provided recognition and measurement guidance for situation in which a government is a beneficiary of an irrevocable split interest agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split interest agreement recognize assets, liabilities and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in agreements administered by third parties. Governments are required by this Statement to recognize revenue when the resources become applicable to the reporting period. This Statement enhances comparability and decision usefulness of financial statements among governments. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2016. This statement did not affect the District’s financial statement.

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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**NOTE N** (continued)

Statement No.82, "*Pension Issues*" addresses several issues raised with respect to Statements No.67, "*Financial Reporting for Pension Plans*," No.68, "*Accounting and Financial Reporting for Pensions*," and No.73, "*Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement 68, and Amendments to Certain Provision of GASB Statements 67 and 68.*" Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2016. This statement did not affect the District's financial statement.

Statement No.83, "*Certain Asset Retirement Obligations*" addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. This Statement did not affect the District's financial statements.

Statement No.84, "*Fiduciary Activities*" improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. This Statement did not affect the District's financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

Statement No. 85, “Omnibus 2017.” On March 20, 2017, GASB issued “Omnibus 2017” covering four main topics: blending component units; goodwill, fair value measurement and application; and postemployment benefits. “Omnibus 2017” is effective for fiscal years beginning after June 15, 2017. However, due to the nature of topic covered, GASB is allowing the option of early implementation for single topics. This statement did not affect the District’s financial statement.

Statement No. 86, “Certain Debt Extinguishment Issues” improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is decreased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This statement did not affect the District’s financial statement.

Statement No. 87, “Leases” increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were 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. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Statement No. 95 postponed the effective date for 18 months. New effective date is fiscal years beginning after June 15, 2021. Earlier application is encouraged.

**NOTE O**

**OPERATING LEASES**

The district entered into an operating lease on August 1, 2014 with the Greater Lafourche Port Commission for rooms located in its Multi Agency Emergency Operations Center. The monthly rent required by the lease is \$560. The lease had a term of five years commencing August 1, 2014 and ending July 31, 2019. The lease was extended for an additional five years commencing August 1, 2019 and ending July 31, 2024. The lessee (Ambulance District) may terminate the lease agreement at any time by providing thirty days prior written notice.

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

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**NOTE P**  
**CARES ACT FUNDING**

In response to the COVID-19 pandemic, Congress passed H. R. 748, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) which was signed into law by the President on March 27, 2020. This Act established several different tranches of funds meant to ensure businesses would be able to continue paying their employees and other bills despite the reduction in revenue.

*Provider Relief Funds*

The district received \$113,955 under this section of the CARES Act. The terms and conditions require that recipients be able to demonstrate that lost revenues and increased expenses attributable to COVID-19, excluding expenses and losses that have been reimbursed from other sources, exceed the total amount of Provider Relief funding received. A repayment mechanism has yet to be established.

**NOTE Q**  
**CORONAVIRUS**

The recent global outbreak of the Coronavirus (COVID-19) has raised concerns regarding business and the financial markets have recently experienced significant volatility. While the district has not been immediately impacted by the adverse conditions in the financial markets, the long-term impact on the District's activities is uncertain at this time.

OTHER SUPPLEMENTARY INFORMATION

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

**SCHEDULE I**

**SCHEDULE OF PER DIEMS PAID COMMISSIONERS**

**For the year ended December 31, 2021**

Dean Savoie	\$ 0
Kip Plaisance	0
Hebert Melancon	0
Reggie Pitre	0
Wayne Doucet	0
Norman Lefort	0
Brian Marts	<u>0</u>
	<u>\$ 0</u>



**AMBULANCE SERVICE DISTRICT NO. 1**

**OF LAFOURCHE PARISH**

**SCHEDULE II**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE**

**For the year ended December 31, 2021**

Agency Head Name: Deborah G. Gautreaux

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 90,344
Benefits – insurance	9,888
Benefits – retirement	4,517
Benefits – other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements – mileage	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

**INDEPENDENT AUDITOR'S 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**

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

I 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 financial statements of the business-type activities of **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH**, component unit of Lafourche Parish, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Ambulance District's basic financial statements and have issued my report thereon dated January 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH's** internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **AMBULANCE SERVICE DISTRICT NO. 1 OF LAFOURCHE PARISH's** internal control. Accordingly, I do not express an opinion on the effectiveness of the **AMBULANCE SERVICE DISTRICT NO. 1 OF LAFOURCHE PARISH'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 entity's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**INDEPENDENT AUDITOR'S 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**

(continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH's** financial statements are free from material misstatement, I 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 financial statements. 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as item 2021-01.

Ambulance Service District No. 1 of Lafourche Parish's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the Ambulance Service District No. 1 of Lafourche Parish's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Ambulance Service District No. 1 of Lafourche Parish's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Aldon G. Wahl, Jr.  
Certified Public Accountant

January 31, 2023

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

**SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

I have audited the financial statements of the business-type activities of the Ambulance District No. 1 of Lafourche Parish as of and for the year ended December 31, 2021 and have issued my report thereon dated January 31, 2023. 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. My audit of the financial statements as of December 31, 2021 resulted in an unqualified opinion.

**SECTION I – SUMMARY OF AUDITOR’S REPORTS**

A) Report on Internal Control and Compliance material to the Financial Statements:

Internal control:

Material Weakness – **NO**  
Significant Deficiencies - **NO**  
Other Conditions - **NO**

Compliance:

Noncompliance Material to the Financial Statements – **YES**

B) Federal Awards

The Ambulance District received no federal awards for the year ended December 31, 2021.

**SECTION II FINANCIAL STATEMENT FINDINGS**

A) 2021-01 Late Audit Submission

Condition: Audit report was not submitted within six months of the district’s fiscal year.

Criteria: Louisiana Revised Statue 24:513 requires that audited financial statements be submitted to the Legislative Auditor within six months of the close of an entity’s fiscal year.

Cause: The district was unable to submit its audit timely.

Effect: The district was not in compliance since its audit report was not submitted within six months of the close of its fiscal year.

Recommendation: The district should submit future audits within six months of the close of its fiscal year.

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

**SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

(Continued)

Management Response: Resolved. The district will submit all future audits within six months of the close of its fiscal year.

**SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

Not applicable.

**SECTION IV MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2021.

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

**SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

No findings were reported which required response from management.

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

Ambulance Service District No. 1 did not receive federal awards during the year ended December 31, 2020.

**SECTION III MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2020.

**AMBULANCE SERVICE DISTRICT NO. 1**  
**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Reference No: 2021-01

Description of Findings: Audit report not submitted within six months of the close of the district's fiscal year.

Corrective Action Planned: Resolved. All future audits will be submitted timely.

Name of Contact Person: Michelle Pierce

Anticipated Completion Date: Resolved.

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

Ambulance Service District No. 1 did not receive federal awards during the year ended December 31, 2021.

**SECTION III MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended December 31, 2021.

Ambulance Service District No. 1  
of Lafourche Parish

Statewide Agreed Upon Procedures Report  
With Schedule of Findings and Management's Responses

*As of and for the Year  
Ending December 31, 2021*



**STATEWIDE AGREED-UPON PROCEDURES**

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES

To: Ambulance Service District No. 1  
of Lafourche Parish  
and  
The Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (*CIC*) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 30, 2021. The District's management is responsible for those *CIC* areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described on pages two (2) through eighteen (18).

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those *CIC* areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is solely to describe the scope of testing performed on those *CIC* areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Aldon G. Wahl, Jr.  
Certified Public Accountant

Larose, Louisiana  
January 31, 2023

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

***Performance:*** Obtained and read the written policy for budgeting and found it to address all the functions listed above, even though the district is a proprietary fund and not required under state law to adopt a budget.

***Exceptions:*** There were no exceptions noted.

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

***Performance:*** Obtained and read the written policy for purchasing.

***Exceptions:*** There were no exceptions noted.

c) ***Disbursements***, including processing, reviewing, and approving

***Performance:*** Obtained and read the written policy for disbursements and found it to address all the functions listed above.

***Exceptions:*** There were no exceptions noted.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

***Performance:*** Obtained and read the written policy for receipts and found it to address all the functions listed above.

***Exceptions:*** The policy does not contain a provision regarding management's actions to determine completeness of all collections.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked and (3) approval process for employee rate of pay or approval and maintenance of pay rate schedules.

**Performance:** Obtained and read the written policy for payroll and.

**Exceptions:** The policy does not contain a provision regarding the approval process for employee rate of pay or approval and maintenance of pay rate schedules.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

**Performance:** Obtained and read the written policy for contracting.

**Exceptions:** Management's policy does not address legal review and monitoring.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

**Performance:** Obtained and read the written policy for credit cards and found it to address all the functions listed above.

**Exceptions:** There were no exceptions noted.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

**Performance:** Obtained and read the written policy for travel and expense reimbursement.

**Exceptions:** There were no exceptions.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

**Performance:** Obtained and read the written policy for ethics.

**Exceptions:** There were no exceptions noted.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

**Performance:** Inquired of management as to a debt service policy.

**Exceptions:** Management confirmed there is no debt service policy.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**Performance:** Inquired of management as to its procedures and processes for disaster recovery, business continuity, and related data security and backup.

**Exceptions:** No storage of backups in a separate physical location isolated from the network.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Performance:** Inquired of management as to a written sexual harassment policy.

**Exceptions:** Management has a written sexual harassment policy. The policy does not include all the requirements of R.S. 42:342-344.

***Board or Finance Committee***

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2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

**Performance:** Obtained and read the written minutes of board meetings.

**Exceptions:** There were no exceptions noted.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund,

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

quarterly budget-to-actual at a minimum on proprietary funds, and semi-annual budget-to-actual at a minimum, on all special revenue funds.

**Performance:** Inspected meeting minutes for budget to actual comparisons.

**Exceptions:** There were no exceptions noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

**Performance:** Reviewed prior year audit report. The District does not have government fund.

**Exceptions:** Not applicable.

**Bank Reconciliations**

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3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

**Performance:** Selected 4 bank accounts out of a total of 4 accounts. Inspected bank reconciliations prepared for randomly selected month of August.

**Exceptions:** There were no exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

**Performance:** Inspected bank reconciliations (or statements for bank accounts that reconciliation were not prepared) for written approvals.

**Exceptions:** There were no exceptions noted.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

**Performance:** Inspected bank reconciliations for items outstanding for more than 12 months.

**Exceptions:** There were no items that have been outstanding for more than 12 months that have not been researched.

***Collections***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

**Performance:** Obtained the listing of deposit sites from management, and received management's representation in a separate letter.

**Exceptions:** There were no exceptions noted.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

**Performance:** Obtained the listing of collection locations from management and received management's representation in a separate letter.

**Exceptions:** There were no exceptions noted.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee or official verifies the reconciliation.

**Performance:** Inspected policy manuals, inquired of management and observed receipts and general ledger transactions.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

*Exceptions:* There were no exceptions noted.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

*Performance:* Obtained a listing of all employees who have access to cash and inquired of management if these employees are covered by a bond or insurance policy for theft.

*Exceptions:* There were no exceptions noted.

7. Randomly select two deposit dates for each of the 4 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 8 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

*Performance:* Obtained supporting documentation for the selected deposits and observed that receipts were sequentially pre-numbered.

*Exceptions:* There were no exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*Performance:* Traced supporting documentation to the deposit slip.

*Exceptions:* There were no exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

*Performance:* Traced deposit slip total to actual deposit per bank statement.

*Exceptions:* There were no exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

*Performance:* Observed that the deposits tested were made within one business day of receipt.

*Exceptions:* There were no exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.



**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

**Performance:** Traced the actual deposit per the bank statement to the general ledger.  
**Exceptions:** There were no exceptions noted.

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

**Performance:** Obtained the listing of locations and received management's representation that it was complete. The district only has one location..

**Exceptions:** There were no exceptions noted.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

**Performance:** Obtained and inspected the written policies and inquired of management as to separation of duties.

**Exceptions:** There were no exceptions noted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Performance:** Obtained the entity's non-payroll disbursements and management's representation that the population is complete. Randomly selected 5 disbursements from the entity's only location. Observed disbursement matched invoice and observed documentation includes segregation of duties.

**Exceptions:** There were no exceptions noted.

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

**Performance:** Obtained all active cards for the fiscal period, including the card numbers and the names of the persons who maintain possession of the cards, and received management's representation in a separate letter.

**Exceptions:** There were no exceptions noted.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing or electronically, by someone other than the authorized card holder.

**Performance:** Observed evidence that the statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

**Exceptions:** There were no exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

**Performance:** Observed finance charges and/or late fees were not assessed on the selected statements.

**Exceptions:** There were no late fees assessed.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

a) For each transaction, report whether the transaction is supported by:

1) An original itemized receipt that identifies precisely what was purchased.

*Performance:* Examined if the transactions from the monthly statements were supported by original itemized receipts that identifies precisely what was purchased.

*Exceptions:* There were no exceptions noted.

2) Written documentation of the business/public purpose.

*Performance:* Examined the transactions from the monthly statements to determine if they were supported with written documentation of the business/public purpose.

*Exceptions:* There were no exceptions noted.

3) Documentation of the individuals participating in meals (for meal charges only).

*Performance:* Examined the transactions from the monthly statements. None of the purchases were for meals.

*Exceptions:* There were no exceptions noted.

**Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

*Performance:* Obtained a list of all travel and travel related expense reimbursements and received management’s representation in a separate letter.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

Selected five reimbursements and obtained the supporting documentation.

**Exceptions:** There were no exceptions noted.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

**Performance:** Compared transaction detail to the written policies; and to the per diem and mileage rates established by the U.S. General Services Administration.

**Exceptions:** There were no exceptions noted.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

**Performance:** Traced each expense to the original itemized receipt with detail of reimbursement.

**Exceptions:** There were no exceptions noted.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

**Performance:** Traced each expense to the original itemized receipt with detail of reimbursement and documentation of business/public purpose.

**Exceptions:** There were no exceptions noted.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Performance:** Inspected all transactions for documentation of review and approval in writing other than the person receiving the reimbursement.

**Exceptions:** There were no exceptions noted.

***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:



**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

**Performance:** Obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and management's representation in a separate letter.

**Exceptions:** There were no exceptions noted.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

**Performance:** Observed that the contracts selected did not require the bids to be obtained.

**Exceptions:** There were no exceptions noted.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

**Performance:** Examined board meetings minutes and confirmed the board approved the contracts requiring board approval.

**Exceptions:** There were no exceptions noted.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, was approval documented).

**Performance:** Observed the contracts selected.

**Exceptions:** There were no exceptions noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Performance:** Examined payments for each of the five contracts, obtained supporting invoices, agreed invoiced to the contract terms, and observed invoices related to the payment agreed to terms and conditions of the contract.

**Exceptions:** There were no exceptions noted.

***Payroll and Personnel***

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16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

**Performance:** Obtained the listing of employees with their related salaries from management.

**Exceptions:** There were no exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

**Performance:** Selected one pay period to test leave taken during that period, examined all daily attendance and leave records for proper documentation.

**Exceptions:** There were no exceptions noted.

- b. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

**Performance:** Examined the approval of attendance and leave by the supervisors for the selected employee or officials.

**Exceptions:** There were no exceptions noted.

- c. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

**Performance:** Examined any leave accrued or taken during the pay period was reflected in the cumulative leave records.

**Exceptions:** There were no exceptions noted.

- d. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

**Performance:** We agreed the salary/pay rate for each employee selected to be documented in each personal file.

**Exceptions:** There were no exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

rates to the employee or officials' authorized pay rates in the employee or officials' personnel files and agree the termination payment to entity policy.

*Performance:* Obtained a list from management of those employees or officials that terminated during the fiscal period and management's representation that the list is complete.

*Exceptions:* There were no exceptions noted.

a) Verify that hours and pay rates used in management's termination calculations are accurate.

*Performance:* For the terminated employees, we agreed the hours and pay rate to the payroll records and cumulative leave documentation.

*Exceptions:* There were no exceptions noted.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Performance:* Obtained management's representation that all taxes and insurance premiums were paid and all forms were filed by their due dates.

*Exceptions:* There were no exceptions noted.

***Ethics***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*Performance:* Examined personnel files and ethics course completion certificates for the five employees tested.

*Exceptions:* There were no exceptions noted.

b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to entity's ethics policy during the fiscal period as applicable.

*Performance:* Reviewed the District's policies for changes to the ethics policy. No changes noted.

*Exceptions:* There were no exceptions noted.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

*Debt Service*

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21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

*Performance:* Inquired of management regarding a listing of bonds/notes issued during the fiscal period. No new bonds/notes were issued.

*Exceptions:* There were no exceptions noted.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency, short-lived asset funds, or other funds required by the debt covenants).

*Performance:* Obtained listing of outstanding debt at the end of the fiscal period and managements' representation that the list of complete. Observed that reserve balances and payments are in agreement with the debt covenant. There was no debt during or at the end of the fiscal period.

*Exceptions:* There were no exceptions noted.

*Fraud Notice*

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*Performance:* Inquired of management of any misappropriations of public funds and assets during the fiscal period, none were noted.

*Exceptions:* There were no exceptions noted.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Performance:* Inspected the fraud notice posted on the website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Exceptions:* There were no exceptions noted.



**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

***Information Technology Disaster Recovery/Business Continuity***

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25. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- a. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

***Performance:*** Obtained the District’s most recent backup documentation and observed that a backup occurred within the past week. We performed the procedure and discussed the results with management.

***Exceptions:*** There were no exceptions noted.

- b. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

***Performance:*** Obtained the District’s documentation regarding restoring backups and observed that test of backups were successfully performed within the past 3 months.

***Exceptions:*** There were no exceptions noted.

- c. Obtain a listing of the entity’s computers currently in use and their related locations and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

***Performance:*** Obtained a listing of the computers in use and managements’ representation that the list is complete. Selected five computers and observed that current and active antivirus software was present.

***Exceptions:*** There were no exceptions noted.

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

*Sexual Harassment*

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26. Using the 5 randomly selected employees or officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee or official completed at least one hour of sexual harassment training during the calendar year.

*Performance:* Examined personnel files and sexual harassment training documentation for the five employees tested.

*Exceptions:* There were no exceptions noted.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

*Performance:* Observed the sexual harassment policy and complaint procedure.

*Exceptions:* There were no exceptions noted.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R. S. 42:344:

- a. Number and percentage of public servants in the agency who have completed the training requirements;

*Performance:* Inquired of management regarding the entity’s annual sexual harassment report for the fiscal period

*Exceptions:* There were no reports filed during the fiscal period.

- b. Number of sexual harassment complaints received by the agency;

*Performance:* Inquired of management regarding the entity’s annual sexual harassment report for the fiscal period.

*Exceptions:* There were no reports filed during the fiscal period.

- c. Number of complaints which resulted in a finding that sexual harassment occurred;

*Performance:* Inquired of management regarding the entity’s annual sexual harassment report for the fiscal period.

*Exceptions:* There were no reports filed during the fiscal period.

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

*Performance:* Inquired of management regarding the entity’s annual sexual

**Ambulance Service District No. 1  
of Lafourche Parish  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2021**

harassment report for the fiscal period.

**Exceptions:** There were no reports filed during the fiscal period.

- e. Amount of time it took to resolve each complaint.

**Performance:** Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

**Exceptions:** There were no reports filed during the fiscal period.

***Management's Responses to Exceptions Noted in Our Procedures:***

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- 1d Management will consider adding a provision regarding management's actions to determine completeness of all collections
- 1e Management will consider adding a provision regarding the approval process for employee rate of pay or approval and maintenance of pay rate schedules.
- 1f Management will consider updating the contracting policy to address legal review and monitoring process.
- 1j Management will consider drafting a debt service policy.
- 1k Management will consider storage of backups in a separate physical location isolated from the network.
- 1j Management will consider adding the requirements of R.S. 42:342- 344 to its sexual harassment policy.
- 28 Next year management will prepare and submit the annual sexual harassment report containing the applicable requirements of R.S. 42:344 on or before the February 1 deadline.