

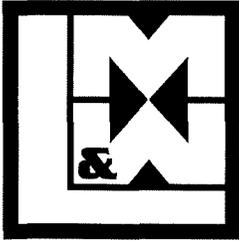
**LOWER CAMERON AMBULANCE
SERVICE DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying statements of Lower Cameron Ambulance Service District, a component unit of the Cameron Parish Police Jury, as of December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise Lower Cameron Ambulance Service District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lower Cameron Ambulance Service District, as of December 31, 2021 and 2020, and the changes in financial position and its cashflows for the years ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We concluded our 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. Our responsibilities under those standards are further described in the Auditor Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lower Cameron Ambulance Service District, and meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; 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 raise substantial doubt about Lower Cameron Ambulance Service District'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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 opinion. 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 judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment 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 Lower Cameron Ambulance Service District'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lower Cameron Ambulance Service District's ability to continue as a going concern for a reasonable period of time.

We are 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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the financial information of Lower Cameron Ambulance Service District and do not purport to, and do not, present fairly the financial position of the Cameron Parish Police Jury as of December 31, 2021 and 2020, the changes in its financial position, or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

The Lower Cameron Ambulance Service District has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential

part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2022, on our consideration of the Lower Cameron Ambulance Service District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lower Cameron Ambulance Service District's internal control over financial reporting and compliance.

Lester, Miller & Wells

Certified Public Accountants
Lafayette, Louisiana

October 4, 2022

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

| | <u>2021</u> | <u>2020</u> |
|--|---------------------|---------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents (Note 3) | \$ 485,004 | \$ 343,627 |
| Certificates of deposits | 1,472,088 | 1,450,086 |
| Patient accounts receivable, net of allowance for estimated uncollectibles of \$30,000 in 2021 and 2020 (Note 4) | 39,151 | 9,521 |
| Ad valorem tax receivable, net of estimated uncollectibles of \$204,168 in 2021 and \$187,148 in 2020 (Note 6) | 551,721 | 1,035,839 |
| Due from other governmental agencies | 1,085,617 | 932,747 |
| Other receivables | 91,359 | 92,519 |
| Prepaid expenses | 86,672 | 87,253 |
| Inventories | 17,687 | 21,037 |
| Total current assets | <u>3,829,299</u> | <u>3,972,629</u> |
| CAPITAL ASSETS | | |
| Nondepreciable assets (Note 7) | 215,229 | 184,840 |
| Property, plant and equipment, at cost, less accumulated depreciation of \$1,209,120 in 2021 and \$1,,275,110 in 2020 (Note 7) | 1,396,214 | 1,208,279 |
| Total capital assets | <u>1,611,443</u> | <u>1,393,119</u> |
| OTHER ASSETS | | |
| Investments (Note 3) | <u>1,612,481</u> | <u>1,611,737</u> |
| TOTAL ASSETS | <u>\$ 7,053,223</u> | <u>\$ 6,977,485</u> |
| LIABILITIES AND NET POSITION | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 98,375 | \$ 116,874 |
| Accrued liabilities | <u>68,734</u> | <u>77,086</u> |
| Total current liabilities | <u>167,109</u> | <u>193,960</u> |
| NET POSITION | | |
| Net investment in capital assets | 1,611,443 | 1,393,119 |
| Unrestricted | <u>5,274,671</u> | <u>5,390,406</u> |
| Total net position | <u>6,886,114</u> | <u>6,783,525</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 7,053,223</u> | <u>\$ 6,977,485</u> |

See accompanying notes to financial statements.

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

| OPERATING REVENUES: | <u>2021</u> | <u>2020</u> |
|--|---------------------|---------------------|
| Net patient service revenues, net of provision for bad debts of \$56,891 in 2021 and \$31,316 in 2020 | \$ 62,394 | \$ 19,858 |
| Other operating revenues | <u>134,925</u> | <u>18,339</u> |
| Total operating revenues | <u>197,319</u> | <u>38,197</u> |
| | | |
| OPERATING EXPENSES: | | |
| Salaries and payroll taxes | 906,729 | 946,911 |
| Depreciation expense | 87,417 | 89,056 |
| Dispatch services | 20,004 | 20,004 |
| Education and travel | 162 | 999 |
| Employee benefits | 442,915 | 473,772 |
| Fuel expense | 7,394 | 4,338 |
| Insurance expense | 72,809 | 74,284 |
| Professional fees | 22,500 | 1,226 |
| Rent | -0- | 100 |
| Repairs and maintenance | 42,759 | 49,597 |
| Retirement expense | 25,514 | 25,974 |
| Supplies | 45,928 | 37,208 |
| Telephone | 13,502 | 11,713 |
| Utilities | 20,476 | 21,383 |
| Other expenses | <u>20,228</u> | <u>22,287</u> |
| Total operating expenses | <u>1,728,337</u> | <u>1,778,852</u> |
| Operating loss | <u>(1,531,018)</u> | <u>(1,740,655)</u> |
| | | |
| NON-OPERATING REVENUES (EXPENSES): | | |
| Ad valorem taxes | 1,592,549 | 1,893,990 |
| Investment income | 28,265 | 68,506 |
| Gain (loss) on sale of assets | 12,793 | (23,280) |
| Impairment gain on disposal of capital assets | -0- | 258,900 |
| Total non-operating revenues | <u>1,633,607</u> | <u>2,198,116</u> |
| | | |
| INCREASE (DECREASE) IN NET POSITION | 102,589 | 457,461 |
| | | |
| NET POSITION BEGINNING OF YEAR | <u>6,783,525</u> | <u>6,326,064</u> |
| | | |
| NET POSITION END OF YEAR | \$ <u>6,886,114</u> | \$ <u>6,783,525</u> |

See accompanying notes to financial statements.

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

| | <u>2021</u> | <u>2020</u> |
|---|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from and on behalf of patients | \$ 32,764 | \$ 33,131 |
| Payments to employees | (915,081) | (926,744) |
| Payments to suppliers and contractors | (748,759) | (731,592) |
| Other receipts and payments, net | <u>134,925</u> | <u>18,339</u> |
| Net cash used in operating activities | <u>(1,496,151)</u> | <u>(1,606,866)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | |
| Ad valorem taxes | <u>1,923,797</u> | <u>1,336,274</u> |
| Net cash provided by non-capital financing activities | <u>1,923,797</u> | <u>1,336,274</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchase of capital assets | (305,741) | (6,822) |
| Proceeds from the sale of capital assets | 12,793 | -0- |
| Insurance proceeds from disposal of capital assets | <u>-0-</u> | <u>495,962</u> |
| Net cash used in capital and related financing activities | <u>(292,948)</u> | <u>489,140</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest income | 29,425 | 68,505 |
| Purchase of certificates of deposit, net of renewals | (22,002) | (32,260) |
| Purchase of investments, net of renewals | <u>(744)</u> | <u>77,609</u> |
| Net cash provided (used) by investing activities | <u>6,679</u> | <u>113,854</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 141,377 | 332,402 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | <u>343,627</u> | <u>11,225</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ <u><u>485,004</u></u> | \$ <u><u>343,627</u></u> |

See accompanying notes to financial statements.

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

| | <u>2021</u> | <u>2020</u> |
|--|-----------------------|-----------------------|
| RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES | | |
| Operating loss | \$ (1,531,018) | \$ (1,740,655) |
| Adjustment to reconcile operating loss to net cash flows used in operating activities: | | |
| Depreciation | 87,417 | 89,056 |
| Provision for bad debts | 56,891 | 31,316 |
| (Increase) decrease in assets - | | |
| Patient accounts receivable | (86,521) | (18,043) |
| Prepaid expense | 581 | (8,096) |
| Inventories | 3,350 | (805) |
| Increase (decrease) in liabilities - | | |
| Accounts payable | (18,499) | 20,194 |
| Accrued expenses | <u>(8,352)</u> | <u>20,167</u> |
| NET CASH USED IN OPERATING ACTIVITIES | \$ <u>(1,496,151)</u> | \$ <u>(1,606,866)</u> |

See accompanying notes to financial statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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

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

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

Method of accounting:

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

Enterprise Fund:

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

Use of estimates:

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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

Cash and cash equivalents:

For purposes of the statements of cash flows, the Ambulance District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Under state law, the Ambulance District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana Law or any other state of the United States, or under the laws of the United States.

Patient accounts receivable and allowance for uncollectible accounts:

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

Inventories:

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

Capital assets:

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

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

Net patient service revenues:

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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

Grants and donations:

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

Operating revenues and expenses:

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

Income taxes:

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

Deferred outflows/inflows of resources:

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

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

Net position flow assumption:

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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

Risk management:

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

Environmental matters:

The Ambulance District is subject to laws and regulations relating to the protection of the environment. The Ambulance District's policy is to accrue environmental and cleanup related costs of a non-capital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty, the potential financial impact of the Ambulance District's continuing compliance efforts, management believes any future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the Ambulance District. At December 31, 2021, management is not aware of any liability resulting from environmental matters.

Recently issued accounting principles:

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

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

NOTE 2. NET PATIENT SERVICE REVENUES

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

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 2. NET PATIENT SERVICE REVENUES (CONTINUED)

During the years ended December 31, 2021 and 2020, approximately 31% and 45%, respectively, of the Ambulance District's gross patient services were furnished to Medicare and Medicaid beneficiaries.

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

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

NOTE 3. BANK DEPOSITS AND INVESTMENTS

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

Custodial Credit Risks – Custodial credit risk for deposits is the risk that in the event of a bank failure, the Ambulance District's deposits may not be returned to it. Louisiana state statutes require that all of the deposits of the Ambulance District be protected by insurance or collateral. The fair value of the collateral pledged must equal 100% of the deposits not covered by insurance. The Ambulance District's deposits were entirely insured or entirely collateralized by securities held by the pledging bank's trust department in the Ambulance District's name at December 31, 2021 and 2020.

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 3. BANK DEPOSITS AND INVESTMENTS (CONTINUED)

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

| | <u>2021</u> | <u>2020</u> |
|-------------------------|---------------------|---------------------|
| Carrying amount | | |
| Deposits | \$ 485,004 | \$ 343,627 |
| Certificates of deposit | 1,472,088 | 1,450,086 |
| Investments | <u>1,612,481</u> | <u>1,611,737</u> |
| | <u>\$ 3,569,573</u> | <u>\$ 3,405,450</u> |

Account balances according to banks' records at December 31, 2021, for the Ambulance District are as follows:

| | <u>Iberia Bank</u> | <u>The Bank</u> |
|--|--------------------|---------------------|
| Cash in bank | \$ <u>494,082</u> | \$ <u>1,472,088</u> |
| Insured by FDIC | \$ <u>250,000</u> | \$ <u>250,000</u> |
| Collateralization by fair market value | \$ <u>244,082</u> | \$ <u>1,222,088</u> |

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

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

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

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 3. BANK DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

At December 31, 2021 and 2020 the Ambulance District had the following investments and maturities, all of which were held in the Ambulance District's name by LAMP.

December 31, 2021

| <u>Investment Type</u> | <u>Carrying Amount</u> | <u>Less Than 1</u> | <u>1 - 5</u> | <u>6 - 10</u> | <u>More Than 10</u> |
|------------------------|------------------------|---------------------|---------------|---------------|---------------------|
| LAMP | \$ <u>1,612,481</u> | \$ <u>1,612,481</u> | \$ <u>-0-</u> | \$ <u>-0-</u> | \$ <u>-0-</u> |

December 31, 2020

| <u>Investment Type</u> | <u>Carrying Amount</u> | <u>Less Than 1</u> | <u>1 - 5</u> | <u>6 - 10</u> | <u>More Than 10</u> |
|------------------------|------------------------|---------------------|---------------|---------------|---------------------|
| LAMP | \$ <u>1,611,737</u> | \$ <u>1,611,737</u> | \$ <u>-0-</u> | \$ <u>-0-</u> | \$ <u>-0-</u> |

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

At December 31, 2021 and 2020, the Ambulance District's investments were not rated by Moody's and rated as AAA by S&P.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 4. ACCOUNTS RECEIVABLE

Patient accounts receivable reported as current assets by the Ambulance District at December 31, 2021 and 2020 consists of these amounts:

| <u>Patient Accounts Receivable</u> | <u>2021</u> | <u>2020</u> |
|---|------------------|-----------------|
| Receivable from patients and their insurance carriers | \$ 61,717 | \$ 30,117 |
| Receivable from Medicare | 4,645 | 8,918 |
| Receivable from Medicaid | <u>2,789</u> | <u>486</u> |
| Total patient accounts receivable | 69,151 | 39,521 |
| Less allowance for uncollectible amounts | <u>(30,000)</u> | <u>(30,000)</u> |
| Patient accounts receivable, net | <u>\$ 39,151</u> | <u>\$ 9,521</u> |

NOTE 5. CONCENTRATION OF CREDIT RISK

The Ambulance District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2021 and 2020 is as follows:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------|--------------|--------------|
| Medicaid | 11 % | 6 % |
| Medicare | 14 % | 49 % |
| Other third-party payors/patients | <u>75 %</u> | <u>45 %</u> |
| | <u>100 %</u> | <u>100 %</u> |

NOTE 6. AD VALOREM TAXES

The Ambulance District levied 29.72 mills on properties with assessed values of \$57,993,556 and \$64,177,681, net of homestead values, for the years ended December 31, 2021 and 2020, respectively.

The Ambulance District received approximately 86.98% and 84.69% in 2021 and 2020, respectively, of its financial support from ad valorem taxes. These funds were used to support operations.

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 7. CAPITAL ASSETS

Capital assets additions, retirements, and balances for the years ended December 31, 2021 and 2020 were as follows:

| | December 31, 2020 | Additions | Retirements | December 31, 2021 |
|--|----------------------|-------------------|------------------|----------------------|
| Nondepreciable capital assets | | | | |
| Land | \$ 116,140 | \$ -0- | \$ -0- | \$ 116,140 |
| Construction in progress | <u>68,700</u> | <u>30,389</u> | <u>-0-</u> | <u>99,089</u> |
| Total nondepreciable Capital assets | \$ <u>184,840</u> | \$ <u>30,389</u> | \$ <u>-0-</u> | \$ <u>215,229</u> |
| Depreciable capital assets | | | | |
| Land improvements | \$ 19,815 | \$ -0- | \$ -0- | \$ 19,815 |
| Equipment | 222,518 | 8,235 | -0- | 230,753 |
| Office equipment | 35,437 | -0- | -0- | 35,437 |
| Buildings and improvements | 1,495,651 | 220,605 | -0- | 1,716,256 |
| Ambulances | <u>709,968</u> | <u>46,512</u> | <u>(153,407)</u> | <u>603,073</u> |
| Total historical cost | <u>2,483,389</u> | <u>275,352</u> | <u>(153,407)</u> | <u>2,605,334</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | (9,659) | (1,321) | -0- | (10,980) |
| Equipment | (215,935) | (3,951) | -0- | (219,886) |
| Office equipment | (33,662) | (418) | -0- | (34,080) |
| Buildings and improvements | (342,716) | (51,488) | -0- | (394,204) |
| Ambulances | <u>(673,138)</u> | <u>(30,239)</u> | <u>153,407</u> | <u>(549,970)</u> |
| Total accumulated depreciation | <u>(1,275,110)</u> | <u>(87,417)</u> | <u>153,407</u> | <u>(1,209,120)</u> |
| Total depreciable Capital assets, net | \$ <u>1,208,279</u> | \$ <u>187,935</u> | \$ <u>-0-</u> | \$ <u>1,396,214</u> |

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 7. CAPITAL ASSETS (CONTINUED)

| | <u>December 31,</u> 2019 | <u>Additions</u> | <u>Retirements</u> | <u>December 31,</u> 2020 |
|---------------------------------------|-----------------------------|--------------------|---------------------|-----------------------------|
| Nondepreciable capital assets | | | | |
| Land | \$ 116,140 | \$ -0- | \$ -0- | \$ 116,140 |
| Construction in progress | <u>68,700</u> | <u>-0-</u> | <u>-0-</u> | <u>68,700</u> |
| Total nondepreciable Capital assets | \$ <u>184,840</u> | \$ <u>-0-</u> | \$ <u>-0-</u> | \$ <u>184,840</u> |
| Depreciable capital assets | | | | |
| Land improvements | \$ 22,765 | \$ -0- | \$ (2,950) | \$ 19,815 |
| Equipment | 234,923 | 759 | (13,164) | 222,518 |
| Office equipment | 41,460 | 1,810 | (7,833) | 35,437 |
| Buildings and improvements | 1,853,435 | 4,251 | (362,035) | 1,495,651 |
| Ambulances | <u>709,968</u> | <u>-0-</u> | <u>-0-</u> | <u>709,968</u> |
| Total historical cost | <u>2,862,551</u> | <u>6,820</u> | <u>(385,982)</u> | <u>2,483,389</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | (11,288) | (1,321) | 2,950 | (9,659) |
| Equipment | (225,362) | (3,739) | 13,166 | (215,935) |
| Office equipment | (40,994) | (238) | 7,570 | (33,662) |
| Buildings and improvements | (390,377) | (54,295) | 101,956 | (342,716) |
| Ambulances | <u>(643,675)</u> | <u>(29,463)</u> | <u>-0-</u> | <u>(673,138)</u> |
| Total accumulated depreciation | <u>(1,311,696)</u> | <u>(89,056)</u> | <u>125,642</u> | <u>(1,275,110)</u> |
| Total depreciable Capital assets, net | \$ <u>1,550,855</u> | \$ <u>(82,236)</u> | \$ <u>(260,340)</u> | \$ <u>1,208,279</u> |

Depreciation expense for the years ended December 31, 2021 and 2020 amounted to \$87,417 and \$89,056, respectively.

NOTE 8. COMPENSATED ABSENCES

Employees' vacation benefits are recognized in the period earned. Accrued compensated absences at December 31, 2021 and 2020 totaled \$43,076 and \$44,619, respectively, which is included in accrued liabilities on the statements of net position.

NOTE 9. SIMPLE IRA PLAN

The Ambulance District has a Simple IRA Plan covering all eligible employees as of June 2002. Employees can contribute a maximum of \$13,500 for the 2021 and 2020 tax years, respectively. The Ambulance District contributed 2% of compensation to each eligible employee's Simple IRA through May of 2014 and then 3% thereafter. All contributions under the plan, as well as the earnings, are fully vested and nonforfeitable. Total Simple IRA plan expenses for the years ended 2021 and 2020 were \$25,514 and \$25,974, respectively.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financials were available to be issued, September 30, 2022, and determined that no material events occurred that require disclosure. No subsequent events occurring after that date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

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

| | <u>2021</u> | <u>2020</u> |
|---|------------------|------------------|
| Gross patient service revenues | \$ 198,431 | \$ 145,501 |
| Less: | | |
| Medicare and Medicaid contractual adjustments | (1,034) | 7,750 |
| Provision for bad debts | (56,891) | (31,316) |
| Parish resident discounts | (67,650) | (95,942) |
| Insurance and other discounts | <u>(10,462)</u> | <u>(6,135)</u> |
| Net patient service revenue | \$ <u>62,394</u> | \$ <u>19,858</u> |

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULES OF BOARD FEES
YEARS ENDED DECEMBER 31, 2021 AND 2020

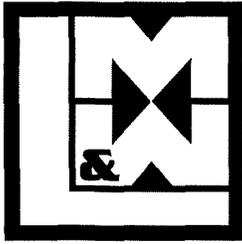
BOARD MEMBERS

The Ambulance District's board members did not receive any compensation during the years ended December 31, 2021 and 2020.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
 AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 YEAR ENDED DECEMBER 31, 2021

Agency Head Name: Byron Broussard
 Position: Executive Director
 Time Period: January 1, 2021 to December 31, 2021

| Purpose | Amount |
|--|------------|
| Salary | \$ 95,007 |
| Benefits - insurance | 25,163 |
| Benefits - retirement | 2,850 |
| Benefits - other | -0- |
| Car allowance | -0- |
| Vehicle provided by government | -0- |
| Per diem | 5,275 |
| Reimbursements | -0- |
| Travel | -0- |
| Registration fees | -0- |
| Conference travel | -0- |
| Continuing professional education fees | -0- |
| Housing | -0- |
| Unvouchered expenses | -0- |
| Special meals | -0- |
| | \$ 128,295 |



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Lower Cameron Ambulance Service District as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Lower Cameron Ambulance Service District's basic financial statements and have issued our report thereon dated October 4, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness. We consider the deficiency described in the accompanying schedule of findings and questioned costs at 2021-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lower Cameron Ambulance Service District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Lower Cameron Ambulance Service District Responses to Findings

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

Purpose of this Report

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

Lester, Miller & Wells

Certified Public Accountants
Lafayette, Louisiana

October 4, 2022

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021

Section I. Summary of Auditors' Results

Report on Internal Control and Compliance Material to the Financial Statements

Type of auditors' opinion: unmodified

Internal control over financial reporting:

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

Section II. Financial Statement Findings

2021-001 - Segregation of Duties

Condition: The Ambulance District does not have adequate segregation of duties. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize the Ambulance District may not be large enough to permit such procedures, it is important that you be aware of this condition. This condition was also included in the 2020 audit as item 2020-001.

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

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

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

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

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

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021

Section III. Federal Award Findings and Questioned Costs

Not Applicable

Section IV. Management Letter

Not Applicable

LOWER CAMERON AMBULANCE SERVICE DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2021

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

2020-001 - Segregation of Duties

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

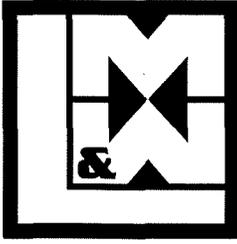
Current Status: This finding is repeated at 2021-001.

Section II. Federal Award Findings and Questioned Costs

Not Applicable

Section III. Management Letter

Not Applicable



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
of Allen Parish Ambulance Service District
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Board of Commissioners of Allen Parish Ambulance Service District and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Hospital's management is responsible for those C/C areas identified in the SAUPs.

Allen Parish Ambulance Service 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 as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that 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
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - 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).

- 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(s) rate of pay or approval and maintenance of 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.
- 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).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- 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, (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy, and (5) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exceptions: *The District's Sexual Harassment policy does not address the annual training and reporting requirements.*

Management's Response: *Management is aware of the deficiency in the sexual harassment policy and is updating the policy to include the training and reporting requirements*

Board or Finance Committee

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.
- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- 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.

Exceptions: *No exceptions were found as a result of these procedures.*

Bank Reconciliations

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 each selected 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*);
 - 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
 - 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.

Exceptions: *No exceptions were found as a result of these procedures.*

Collections (excluding electronic funds transfers)

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*).
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:

- 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 verifies the reconciliation.
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.
7. Randomly select two deposit dates for each of the 5 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 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - 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*).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Exceptions: *No exceptions were found as a result of these procedures.*

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

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*).
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.
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:
- 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 that the disbursement documentation included evidence *(e.g., initial/date, electronic logging)* of segregation of duties tested under #9, as applicable.

Exceptions: *The Assistant Director processes payments and is responsible for modifying vendor files.*

Management's Response: *Management is aware of the segregation of duties deficiency due to limited staff. Dual signatures by the Director or Assistant Director and a Board member are required on all payments.*

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

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.
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 whether 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 approved)*, by someone other than the authorized card holder. *[Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]*

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

Exceptions: *No exceptions were found as a result of these procedures.*

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

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:
- 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).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - 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*).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions: *No exceptions were found as a result of these procedures.*

Contracts

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:

- 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.
- 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*).
- 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*).
- 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.

Exceptions: *No exceptions were found as a result of these procedures.*

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (*e.g., vacation, sick, compensatory*). (*Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.*)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
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.

Exceptions: *No exceptions were found as a result of these procedures.*

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Exceptions: *No exceptions were found as a result of these procedures.*

Debt Service

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 debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.
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 funds, short-lived asset funds, or other funds required by the debt covenants*).

Exceptions: *No exceptions were found as a result of these procedures.*

Fraud Notice

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.
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

Exceptions: *No exceptions were found as a result of these procedures.*

Information Technology Disaster Recovery/Business Continuity

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.
 - 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.
 - 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.

Exceptions: *We performed the procedure and discussed the results with management.*

Sexual Harassment

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

Exceptions: *Two of the five selected employees did not complete the required one hour of sexual harassment training.*

Management's Response: *Management is aware of the deficiency and is now requiring all employees complete the required one-hour sexual harassment training.*

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*).
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;

- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Exceptions: *No exceptions were found as a result of this procedure.*

We were engaged by Allen Parish Ambulance Service District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C 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 Allen Parish Ambulance Service 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 intended solely to describe the scope of testing performed on those C/C 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.

Lester, Miller & Wells

Lester, Miller, and Wells
Certified Public Accountants
Lafayette, Louisiana
October 4, 2022