

**Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana**

**Financial Statements With Auditor's Report**

**As of and For the Year Ended December 31, 2020**

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana

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## Independent Auditors' Report

To the Members of the  
Board of Commissioners  
Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and major fund of Bossier Parish Emergency Medical Service District, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Bossier Parish Emergency Medical Service District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Bossier Parish Emergency Medical Service District as of December 31, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

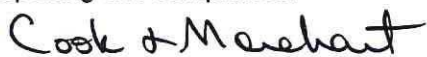
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 8, budgetary comparison information on pages 32 – 33, the Schedule of Proportionate Share of Net Pension Liability on page 34, and the Schedule of Contributions on page 35, be presented to supplement the basic financial statements. Such 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Emergency Medical Service District's basic financial statements. The accompanying other supplementary information listed in the table of contents as Schedule of Compensation, Benefits, and Other Payments to Agency Head and shown on pages 36 is presented for purposes of additional analysis and is 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 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 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 information is fairly stated in all material respects in relation to the basic 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 June 29, 2021, on our consideration of Bossier Parish Emergency Medical Service District's internal control over financial reporting and on our 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 our 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 the Bossier Parish Emergency Medical Service District'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 Bossier Parish Emergency Medical Service District's internal control over financial reporting and compliance.



Cook & Morehart  
Certified Public Accountants  
June 29, 2021



## **BOSSIER PARISH EMERGENCY MEDICAL SERVICES DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of Bossier Parish Emergency Medical Services District's financial performance provides an overview of the Bossier Parish Emergency Medical Services District's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the District's financial statements, which begin on page 9.

### **FINANCIAL HIGHLIGHTS**

The Bossier Parish Emergency Medical Services District's net position increased by \$919,602 or 10%.

The Bossier Parish Emergency Medical Services District's total general and program revenues were \$5,443,916 in 2020 compared to \$4,985,293 in 2019.

During the year ended December 31, 2020, the Bossier Parish Emergency Medical Services District had total expenses, excluding depreciation, of \$4,167,203 compared to \$4,135,182 in 2019.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Bossier Parish Emergency Medical Services District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Bossier Parish Emergency Medical Services District's operations in more detail than the government-wide statements by providing information about the Bossier Parish Emergency Medical Services District's most significant funds.

The Bossier Parish Emergency Medical Services District was determined to be a component unit of the Bossier Parish Police Jury. The Police Jury is financially accountable for the district because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the Bossier Parish Emergency Medical Services District.

## **Reporting the Bossier Parish Emergency Medical Services District as a Whole**

Our analysis of the Bossier Parish Emergency Medical Services District as a whole begins on page 9. One of the most important questions asked about the Bossier Parish Emergency Medical Services District's finances is "Is the Bossier Parish Emergency Medical Services District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Bossier Parish Emergency Medical Services District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Bossier Parish Emergency Medical Services District's *net position* and changes in them. You can think of the Bossier Parish Emergency Medical Services District's net position – the difference between assets and liabilities – as one way to measure the Bossier Parish Emergency Medical Services District's financial health, or *financial position*. Over time, *increases* or *decreases* in the Bossier Parish Emergency Medical Services District's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the Bossier Parish Emergency Medical Services District as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the Bossier Parish Emergency Medical Services District are reported here which consists primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ambulance fees, assessment–user fee, and sales taxes finance most of these activities.

## **Reporting the District's Most Significant Funds**

Our analysis of the major funds maintained by the Bossier Parish Emergency Medical Services District begins on page 11. The fund financial statements begin on page 11 and provide detailed information about the most significant funds maintained by the Bossier Parish Emergency Medical Services District – not the Bossier Parish Emergency Medical Services District as a whole. The Bossier Parish Emergency Medical Services District's *governmental funds* use the following accounting approaches:

Governmental funds – All of the Bossier Parish Emergency Medical Services District's basic services are reported in governmental funds, which focus on how money flows into



and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Bossier Parish Emergency Medical Services District's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Bossier Parish Emergency Medical Services District expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

### THE BOSSIER PARISH EMERGENCY MEDICAL SERVICES DISTRICT AS A WHOLE

The Bossier Parish Emergency Medical Services District's total net position changed from a year ago, increasing from \$9,216,049, as restated, to \$10,135,651. Our analysis below will focus on key elements of the total governmental funds for the December 31, 2019 and 2020 years.

**Table 1**  
**Net Position**

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 8,032,219	\$ 7,760,155
Capital assets	<u>3,422,210</u>	<u>2,874,567</u>
Total assets	<u>11,454,429</u>	<u>10,634,722</u>
Deferred Outflows of Resources	<u>465,446</u>	<u>1,244,218</u>
Current liabilities	45,410	239,101
Long-term liabilities	<u>96,472</u>	<u>1,387,347</u>
Total liabilities	<u>141,882</u>	<u>1,626,448</u>
Deferred Inflows of Resources	<u>1,642,342</u>	<u>1,036,443</u>
Net position:		
Investments in capital assets, net of related debt	3,422,210	2,874,567
Unrestricted	<u>6,713,441</u>	<u>6,341,482</u>
Total net position	<u>\$ 10,135,651</u>	<u>\$ 9,216,049</u>

Net position of the Bossier Parish Emergency Medical Services District's governmental activities increased by \$919,602 or 10%.



**Table 2**  
**Change in Net Position**

	Governmental Activities	
	2020	2019
Revenues		
Program Revenues		
Charges for services -		
ambulance fees	\$ 2,230,983	\$ 2,350,779
Operating grants and		
contributions	120,752	23,886
General Revenues		
Assessment user fee	921,050	897,867
Sales taxes	1,889,512	1,697,721
Interest income	67,444	126,282
Gain on sale of asset	2,624	11,308
Insurance proceeds	198,684	
Miscellaneous	12,867	3,339
Total revenues	<u>5,443,916</u>	<u>5,111,182</u>
Expenses		
Public safety		
emergency medical services	<u>4,524,314</u>	<u>4,529,073</u>
Increases in net position	<u>\$ 919,602</u>	<u>\$ 582,109</u>

Total revenues increased \$458,623 (10%) from total revenues in the year ended December 31, 2019 of \$4,985,293 to total revenues of \$5,443,916 in the year ended December 31, 2020. This is primarily due to increased collections from Cares Act funding received and increased sales taxes.

#### **THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds (as presented in the balance sheet on page 11) reported a *combined* fund balance of \$6,708,928, which is more than last year's fund balance, \$6,291,160.

## General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2020. There was one amendment to the budget during the year. The District's budgetary comparison is presented as required supplementary information and shown on page 32. Highlights for the year are as follows:

- Revenues were higher than budgeted amounts due to higher than anticipated sales taxes, ambulance fees, and Cares Act funding received in 2020.
- Expenditures were under budgeted amounts due to budgeted capital outlay funds not being fully expended.

The District's General Fund fund balance of \$6,708,928 reported on page 12 differs from the General Fund's *budgetary* fund balance of \$6,020,355 reported in the budgetary comparison schedule on page 32. This is primarily due to the District budgeting on the cash basis of accounting.

## CAPITAL ASSETS

At the end of December 31, 2020 and 2019, the Bossier Parish Emergency Medical Services District had invested \$3,278,252 and \$2,874,567, respectively, in capital assets. (see table 3 below)

**Table 3**  
**Capital Assets At Year End**  
**(Net of Depreciation)**

	Governmental Activities	
	2020	2019
Land	\$ 12,000	\$ 12,000
Construction in progress		597,691
Buildings	2,436,561	1,384,659
Medical equipment	230,201	225,193
Training equipment	27,294	43,737
Communications equipment	176	176
Vehicles	715,978	611,111
Total	<u>\$ 3,422,210</u>	<u>\$ 2,874,567</u>

Major additions for each year included the following:

Construction in progress	\$	\$ 553,691
Building	547,684	
Medical equipment	77,982	
Vehicles	279,088	113,919
Total	<u>\$ 904,754</u>	<u>\$ 667,610</u>

More detailed information about the capital assets are presented in Note 5 to the financial statements.

## **DEBT**

Long-term liabilities of Bossier Parish Emergency Medical Services District are as follows:

**Table 4**  
**Outstanding Debt At Year End**

	Governmental Activities	
	2020	2019
Compensated absences	\$ 81,865	\$ 91,979
Net pension liability	14,607	1,387,347
	<u>\$ 96,472</u>	<u>\$ 1,479,326</u>

More detailed information about long-term liabilities is presented in notes 6 and 10 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The Bossier Parish Emergency Medical Services District's management considered many factors when setting a fiscal year December 31, 2021 budget. Amounts available for appropriation in the governmental funds are expected to remain about the same.

It is anticipated that management will consider and monitor the economic uncertainties of COVID-19 and the impact on available financial resources.

Expenditures for 2021 are expected to increase slightly in the area of personnel and related benefits.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Bossier Parish Emergency Medical Services District and to show the Bossier Parish Emergency Medical Services District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director at P.O. Box 1002, Benton, Louisiana, 71006.



Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Statement of Net Position  
December 31, 2020

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 5,002,154
Investments	1,029,329
Accounts receivable:	
Assessment - user fee	906,366
Ambulance fees	190,564
Sales tax	350,758
DHH supplemental payments	484,542
Prepaid expenses	68,506
Capital assets (net)	
Non-depreciable	12,000
Depreciable (net)	<u>3,410,210</u>
Total assets	<u>11,454,429</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	<u>465,446</u>
<b>LIABILITIES</b>	
Accounts payable	12,060
Accrued expenses	33,350
Long-term liabilities:	
Due within one year	81,865
Due in more than one year	<u>14,607</u>
Total liabilities	<u>141,882</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	682,078
Unavailable revenue - assessment - user fee	<u>960,264</u>
Total deferred inflows of resources	<u>1,642,342</u>
<b>NET POSITION</b>	
Investment in capital assets	3,422,210
Unrestricted	<u>6,713,441</u>
Total net position	<u><u>\$ 10,135,651</u></u>

See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2020

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
<u>Functions / Programs:</u>				
Governmental Activities				
Public safety - emergency medical services	\$ 4,524,314	\$2,230,983	\$ 120,752	\$ (2,172,579)
Total governmental activities	\$ 4,524,314	\$2,230,983	\$ 120,752	(2,172,579)
General revenues:				
Assessment - user fee				921,050
Sales taxes				1,889,512
Interest and dividends				67,444
Gain on disposal of assets				2,624
Insurance proceeds				198,684
Miscellaneous				12,867
Total general revenues				3,092,181
Change in net position				919,602
Net position - beginning, restated				9,216,049
Net position - ending				\$ 10,135,651

See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Balance Sheet  
Governmental Fund  
December 31, 2020

	General Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 5,002,154
Investments	1,029,329
Accounts receivable	
Assessment - user fee	906,366
Ambulance fee	190,564
Sales tax	350,758
DHH supplemental payments	484,542
<b>Total assets</b>	<b>\$ 7,963,713</b>
<b>Liabilities</b>	
Accounts payable	\$ 12,060
Accrued expenses	33,350
<b>Total liabilities</b>	<b>45,410</b>
<b>Deferred inflows of resources</b>	
Unavailable revenue	
Assessment - user fee	960,264
Ambulance fees	30,637
Sales tax	41,390
DHH supplemental payments	177,084
<b>Total deferred inflows of resources</b>	<b>1,209,375</b>
<b>Fund balances</b>	
Committed	
Vehicle replacement	837,053
Public safety and injury prevention program	1,066,880
Capital Improvements	1,727,316
Unassigned	3,077,679
<b>Total fund balances</b>	<b>6,708,928</b>
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,422,210
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(81,865)
Net pension liability	(14,607)
Deferred inflows - pension related	(682,078)
Deferred inflows - unavailable revenue	249,111
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	68,506
Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are not available in the funds.	
Deferred outflows - pension related	465,446
<b>Net position of governmental activities</b>	<b>\$ 10,135,651</b>

See accompanying notes to the basic financial statements.



Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Fund  
For the Year Ended December 31, 2020

	General Fund
Revenues	
Assessment - user fee	\$ 921,050
Sales tax	1,889,151
Charges for services - ambulance fees	1,541,814
DHH supplemental payments	748,054
Interest and dividends	67,444
Intergovernmental	95,642
Miscellaneous	12,867
	<hr/>
Total revenues	5,276,022
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Expenditures	
Current - public safety:	
Personal service and related benefits	3,040,610
Operating services	1,114,198
Capital outlay	904,754
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Total expenditures	5,059,562
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Excess of revenues over expenditures	216,460
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Other financing sources:	
Sale of asset	2,624
Insurance proceeds	198,684
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Total other financing sources	201,308
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Excess of revenues and other sources over expenditures and other uses	417,768
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Fund balances at beginning of year	6,291,160
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Fund balances at end of year	\$ 6,708,928
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See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of the Governmental Fund to the Statement of Activities  
For the Year Ended December 31, 2020

Net change in fund balances - total governmental fund	\$	417,768
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount by which capital outlays (\$904,754) exceeded depreciation (\$357,111) in the current period.		547,643
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.

Compensated absences		(14,134)
Pension expense		(26,026)

The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.		27,765
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unavailable revenue		(58,524)
Non-employer contributions to cost-sharing pension plan		25,110

Change in net position of governmental activities	\$	<u>919,602</u>
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See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 2020

## INTRODUCTION

The Bossier Parish Emergency Medical Service District (the District) was created by the Bossier Parish Policy Jury by Ordinance No. 3266 on August 10, 1993, as provided under the Louisiana Revised Statute 33:9053.1. The District is comprised of all the territory located within the Parish of Bossier excluding the municipality of Bossier City and that portion of the Parish located within the municipality of Shreveport. The District is governed by a Board of Commissioners, who are appointed by the Bossier Parish Police Jury. The Board of Commissioners received no compensation during 2020. The District constitutes a political subdivision of the State of Louisiana and is a component unit of the Bossier Parish Police Jury. The purpose of the District is to provide ambulance service for the transportation of persons which necessitate ambulance care and for providing related services.

### (1) Summary of Significant Accounting Policies

The Bossier Parish Emergency Medical Service District's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Bossier Parish Emergency Medical Service District are discussed below.

#### A. Reporting Entity

The District is a component unit of the Bossier Parish Policy Jury, the financial reporting entity. The Policy Jury is financially accountable for the district because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the district and do not present information on the Policy Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### B. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Emergency Medical Service District's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Emergency Medical Service District as a whole) and fund financial statements (reporting the Bossier Parish Emergency Medical Service District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Bossier Parish Emergency Medical Service District's general fund is classified as governmental activities. The Bossier Parish Emergency Medical Service District does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The Bossier Parish Emergency Medical Service District's net position is reported in two parts – investment in capital assets and unrestricted net position.

(Continued)



Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Emergency Medical Service District's functions. The functions are supported by program revenues and general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. Program revenues of the District consist of ambulance fees billed to insurance companies and individuals and government grants, as well as non-employer contributions to cost-sharing pension plan. The net costs (by function) are normally covered by general revenues.

This government-wide focus is more on the sustainability of the Bossier Parish Emergency Medical Service District as an entity and the change in the Bossier Parish Emergency Medical Service District's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bossier Parish Emergency Medical Service District are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Bossier Parish Emergency Medical Service District:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Bossier Parish Emergency Medical Service District:

- a. General funds are the general operating funds of the Bossier Parish Emergency Medical Service District. They are used to account for all financial resources except those required to be accounted for in another fund.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District's general fund was determined to be a major fund.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

(Continued)

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 2020  
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Revenues of the Bossier Parish Emergency Medical Service District consist principally of sales taxes, user fees on property, ambulance fees collected from billings, other intergovernmental revenues, donations, grants, and interest income. Assessment-user fees on property are recorded in the year for which the fee is levied and budgeted. Sales taxes are recognized in the period in which the underlying exchange has occurred. Ambulance fees are recorded when billed, net of any amounts determined to be uncollectible. Interest income is recorded when earned. Donations, grants, and other intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

E. Budgets

The District uses the following budget practices:

A budget for the ensuing year is prepared prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The proposed budget is prepared on the cash basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners. There was one budget amendment during the year ended December 31, 2020, which is reflected in the budgetary comparison schedule.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or money market accounts with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost, which approximates market.

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G. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 – 40 years
Ambulances	5 – 7 years
Equipment	5 – 20 years

H. Long-term Liabilities

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consist of compensated absences payable and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. Payment of compensated absences is reported as an expenditure as payments come due each period.

I. Compensated Absences

Employees of the District earn from five to ten, 24 hour shifts of vacation leave each year, depending on their lengths of service, and five, 24 hour shifts of sick leave. Upon separation of employment, an employee will be paid for accrued, unused vacation leave. Accumulated sick leave is forfeited upon separation of employment. Employees who do not use their vacation leave by their anniversary date forfeit the remaining unused leave balance as of that date.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

K. Sales Tax

During 1999, a special election was held in which a ¼% sales tax was passed in the Sales Tax District No. 1 of Bossier Parish, State of Louisiana. The sales tax is to be used for constructing, improving, acquiring, operating and maintaining facilities and equipment, ambulance service and otherwise paying the cost of ambulance service for the residents of Bossier Parish.

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L. Assessment – User Fee

The District is authorized to levy a user fee not to exceed \$36.00 per year to assess persons owning each residential or commercial structure located wholly or partly within the boundaries of said District. The user fee is recorded in the year for which the fee is levied and budgeted. User fees are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The fees are generally collected in December of the current year and January and February of the ensuing year.

M. Deferred Inflows / Outflows of Resources

In addition to assets, the statement 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 so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has deferred outflows of resources related to pensions in the governmental-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element reflects an increase in net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has several items that meet this definition and qualify for reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental funds balance sheet and statement of net position. The District reports unavailable revenue from several sources, including user fees and other receipts. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or the period for which the amounts are budgeted. The district also has deferred inflows of resources related to pensions in the government-wide statement of net position.

N. Net Position

Government-wide net position is divided into three components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by the district's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (less related liabilities and deferred inflows of resources). All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the district's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

O. Fund Balance

GASB defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

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1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the board of commissioners (the District's highest level of decision making authority).

Committed amounts cannot be used for any other purpose unless the board of commissioners removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).

4. Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned fund balance is the residual classification for the District's general fund and include all spendable amounts not contained in the other classifications.

When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

P. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

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Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

Q. Pension Plan

The District is a participating employer in a cost-sharing, multiple-employer, defined benefit pension plans as described in Note 6. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plans fiduciary net position, have been determined on the same basis as they are reported by the plan.

R. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

(2) Cash, Cash Equivalents, and Investments

At December 31, 2020, the District had cash, cash equivalents, and investments (book balances), totaling \$6,031,483, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2020 (book balances) totaled \$5,002,154. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

The investments are presented in the financial statements at fair value using level 2 fair value measure. Investments at December 31, 2020, consisted of certificates of deposit totaling \$1,029,329 with maturities greater than 90 days. The certificates of deposit are carried at cost, which approximates market.

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C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2020, \$4,487,028 of the District's bank balances totaling \$6,237,028 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's  
trust department not in the District's name:

Cash and cash equivalents	\$ 3,707,699
Certificates of deposit	<u>779,329</u>
	<u>\$ 4,487,028</u>

Even though the pledged securities are considered uncollateralized (Category 3) under GASB provisions, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk that the fiscal agent has failed to pay deposited funds upon demand.

(3) Accrued Expenses

Accrued expenses at December 31, 2020, consisted of the following:

Payroll and related expenses	\$ 11,069
Accrued leave	<u>22,281</u>
	<u>\$ 33,350</u>

(4) Leases

For the year ended December 31, 2020, the district had an operating lease on equipment that is utilized by the district. Lease payments on the lease for the year ended December 31, 2020 were \$3,123. Commitments under lease agreements having initial remaining terms in excess of one year are as follows:

For the Year Ending <u>December 31,</u> 2021	<u>\$ 2,342</u>
Total minimum future rentals	<u>\$ 2,342</u>

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(5) Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance at Jan. 1, 2020	Additions	Deletions	Transfers	Balance at Dec. 31, 2020
<u>Governmental Activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 12,000	\$	\$	\$	\$ 12,000
Construction in progress	597,691			(597,691)	
Total capital assets, not being depreciated	609,691			(597,691)	12,000
Capital assets, being depreciated:					
Buildings	2,135,870	547,684		597,691	3,281,245
Medical equipment	785,311	77,982			863,293
Training equipment	195,680				195,680
Communications equipment	59,075				59,075
Vehicles	2,071,717	279,088	(337,776)		2,013,029
Total capital assets, being depreciated at historical cost	5,247,653	904,754	(337,776)	597,691	6,412,322
Less accumulated depreciation:					
Buildings	(751,211)	(93,473)			(844,684)
Medical equipment	(560,118)	(72,974)			(633,092)
Training equipment	(151,943)	(16,443)			(168,386)
Communications equipment	(58,899)				(58,899)
Vehicles	(1,460,606)	(174,221)	337,776		(1,297,051)
Total accumulated depreciation	(2,982,777)	(357,111)	337,776		(3,002,112)
Total capital assets being depreciated, net	2,264,876	547,643		597,691	3,410,210
Governmental activities capital assets, net	<u>\$ 2,874,567</u>	<u>\$ 547,643</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,422,210</u>

Depreciation expense for the year ended December 31, 2020, was \$357,111.

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(6) Pension Plan

The District participates in the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

All employees of the District are members of Plan A.

**Plan Description**

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

**Eligibility Requirements:**

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

**Retirement Benefits:**

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

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Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

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Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Cost of Living Increases:

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2019, the actuarially determined contribution rate was 12.18% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2019 was 11.5% for Plan A. The actual rate for the fiscal year ending December 31, 2020 was 12.25%. The District's contributions to the System for the years ended December 31, 2020, 2019, and 2016 were \$256,812, \$226,260, and \$220,987, respectively.

According to state statute, the System also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Non-employer contributions received by the System and attributable to the District during the years ended December 31, 2020 and 2019 were \$25,110 and \$23,886, respectively.

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**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2020, the District reported a liability of \$14,607 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contribution to the plan during the fiscal year ended December 31, 2019 as compared to the total of all employer's contributions received by the plan during the fiscal year ended December 31, 2019.

At December 31, 2019, the District's proportion was .31029%, which was a decrease of .002291% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the District recognized pension expense of \$283,041, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$(204).

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 130,762
Changes of assumptions	204,002	
Net difference between projected and actual earnings on pension plan investments		547,538
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,632	3,778
Employer contributions subsequent to the measurement Date	256,812	
Total	<u>\$ 465,446</u>	<u>\$ 682,078</u>

The District reported a total of \$256,812 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2019, which will be recognized as a reduction in net pension liability (asset) in the year ended December 31, 2021.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ (104,831)
2022	(135,347)
2023	13,246
2024	(246,512)
Total	<u>\$ (473,444)</u>

**Actuarial Methods and Assumptions**

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020, are as follows:

Valuation Date	December 31, 2019
Actuarial Cost Method	Plan A – Entry Age Normal
Investment Rate of Return	6.50% (Net of investment expense)
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 4.75% (2.75% Merit/2.00% Inflation)
Inflation Rate	2.40%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

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The discount rate used to measure the total pension liability was 6.50% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2018. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real assets	2%	0.11%
Totals	<u>100%</u>	<u>5.18%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.18%</u>

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The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

**Sensitivity to Change in Discount Rate**

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.50% or one percentage point higher 7.50% than the current rate.

	PLAN A		
	Changes in Discount Rate		
		Current	
	1% Decrease 5.50%	Discount Rate 6.50%	1% Increase 7.50%
Net Pension Liability	\$1,578,722	\$ 14,607	\$(1,296,091)

**Change in Net Pension Liability**

The changes in the net pension liability for the year ended December 31, 2019 were recognized in the current reporting period as pension expense except as follows:

**Differences between Expected and Actual Experience:**

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

**Differences between Projected and Actual Investment Earnings:**

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five year period.

**Change in Assumptions:**

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

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(Continued)

**Change in Proportion:**

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

**Contributions – Proportionate Share**

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

**Retirement System Audit Report**

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2019. Access to the audit report can be found on the System's website: [www.persla.org](http://www.persla.org) or on the Office of Louisiana Legislative Auditor's official website: [www.lla.state.la.us](http://www.lla.state.la.us).

**Plan Fiduciary Net Position**

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended December 31, 2019. Access to these reports can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

(7) Uncertainty

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

(8) Contingencies

At December 31, 2020, the District is involved in one lawsuit. In the opinion of management and legal counsel, the outcome of the lawsuit is not likely to have a material adverse effect on the accompanying financial statements.

(Continued)



Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

(9) Restatement of Net Position / Fund Balance

Net position at December 31, 2019, was restated to correct the revenue recognition of DHH supplemental payments to the period for which the revenues were earned.

	<u>Net Position</u>
Balance, December 31, 2019, as previously reported	\$ 9,090,160
Correction of DHH supplemental payments	<u>125,889</u>
Balance, December 31, 2019, restated	<u>\$ 9,216,049</u>

(10) Long-term Liabilities

Long-term liability activity for the year ended December 31, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Net pension liability	\$ 1,387,347	\$	\$(1,372,740)	\$ 14,607	\$
Compensated absences	<u>91,979</u>	<u>12,167</u>	<u></u>	<u>104,146</u>	<u>104,146</u>
	<u>\$ 1,479,326</u>	<u>\$ 12,167</u>	<u>\$(1,372,740)</u>	118,753	104,146
Less amounts due within period of availability— recorded in accrued expenses				<u>( 22,281)</u>	<u>( 22,281)</u>
Total long-term liabilities, government-wide statements				<u>\$ 96,472</u>	<u>\$ 81,865</u>

(11) Risk Management

The District purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the prior year.

(12) Subsequent Events

Subsequent events have been evaluated through June 29, 2021, the date the financial statements were available to be issued.

The District approved the purchase of two new vehicles with a total approximate purchase price of \$73,812. These items are expected to be received and paid for in 2021.

Bossier Parish Emergency Medical Service District  
 Bossier City, Louisiana  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Assessment - user fee	\$ 895,000	\$ 895,000	\$ 900,775	\$ 5,775
Sales tax	1,630,000	1,850,000	1,886,745	36,745
Charges for services - ambulance fees	1,600,000	1,510,000	1,531,121	21,121
Miscellaneous		205,358	214,174	8,816
Intergovernmental		60,230	95,642	35,412
Interest and dividends	52,500	65,000	67,444	2,444
DHH supplemental payments	560,000	680,000	681,780	1,780
Total revenues	4,737,500	5,265,588	5,377,681	112,093
Expenditures				
Current - public safety:				
Personal service and related benefits	3,168,690	3,135,000	3,042,578	92,422
Operating services	956,310	894,700	1,117,653	(222,953)
Capital outlay	782,500	1,195,629	904,754	290,875
Total expenditures	4,907,500	5,225,329	5,064,985	160,344
Excess of revenues over (under) expenditures	(170,000)	40,259	312,696	272,437
Fund balances at beginning of year	170,000		5,707,659	5,707,659
Fund balances at end of year	\$	\$ 40,259	\$ 6,020,355	\$ 5,980,096

See accompanying note to the required supplementary schedule.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Notes to Required Supplementary Information  
December 31, 2020

The District's budget is adopted on a cash basis for all funds, except for certain payroll liabilities which are recorded by the District. There was one amendment to the 2020 budget. The budget comparison schedule included in the accompanying financial statements includes the original and amended budget. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues over expenditures and other uses (budget basis)	\$ 312,696
Adjustments:	
Revenue accruals – net	99,648
Expenditure accruals – net	<u>5,424</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 417,768</u>



Bossier Parish Emergency Medical Service District  
 Bossier City, Louisiana  
 Schedule of Proportionate Share of Net Pension Liability (Asset)  
 For the Year Ended December 31, 2020

Parochial Employees Retirement System of Louisiana

<u>Year Ended December 31</u>	<u>Proportion of the net pension liability (asset)</u>	<u>Proportionate share of the net pension liability (asset)</u>	<u>Covered-employee payroll</u>	<u>Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2020	0.31029%	\$ 14,607	\$ 1,967,476	0.74%	99.89%
2019	0.31258%	1,387,347	1,921,623	72.20%	88.86%
2018	0.29463%	(218,689)	1,803,376	12.13%	101.98%
2017	0.30621%	630,648	1,816,101	34.73%	94.15%
2016	0.31934%	840,582	1,830,941	45.91%	92.23%
2015	0.31622%	86,458	1,717,654	5.03%	99.15%

\*Amounts presented were determined as of the measurement date.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Schedule of Contributions  
For the Year Ended December 31, 2020

Parochial Employees Retirement System of Louisiana

<u>Year Ended December 31</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered-employee payroll</u>	<u>Contributions as a percentage of covered-employee payroll</u>
2020	\$ 256,812	\$ 256,812	\$	\$ 2,096,423	12.25%
2019	226,260	226,260		1,967,476	11.50%
2018	220,987	220,987		1,921,623	11.50%
2017	225,422	225,422		1,803,376	12.50%
2016	236,081	236,081		1,816,010	13.00%
2015	265,486	265,486		1,830,941	14.50%

\*Amounts presented were determined as of the end of the fiscal year (December 31).

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended December 31, 2020

**Agency Head: Steve Nezat, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 96,474
Benefits-retirement	11,430
Continuing professional education fees	25
Travel	580



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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditors' Report

To the Members of the  
Board of Commissioners  
Bossier Parish Emergency Medical Service District

We have audited, 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, the financial statements of the governmental activities and major fund of the Bossier Parish Emergency Medical Service District as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Bossier Parish Emergency Medical Service District's basic financial statements, and have issued our report thereon dated June 29, 2021.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Bossier Parish Emergency Medical Service District'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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bossier Parish Emergency Medical Service District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bossier Parish Emergency Medical 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 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.

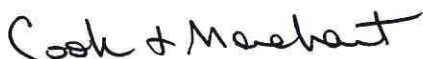
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bossier Parish Emergency Medical Service District's financial statements are free from 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 financial statements. 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.

### **Purpose of this Report**

The purpose of this report is 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 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.



Cook & Morehart  
Certified Public Accountants  
June 29, 2021

Bossier Parish Emergency Medical Service District  
Bossier City, Louisiana  
Summary Schedule of Audit Findings  
December 31, 2020

**Summary Schedule of Prior Audit Findings**

There were no findings for the prior year audit for the year ended December 31, 2019.

**Corrective Action Plan for Current Year Audit Findings**

There are no findings for the current year audit for the year ended December 31, 2020.