

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Oak Grove, Louisiana**

**Annual Financial Report  
As of and for the Year Ended December 31, 2016**

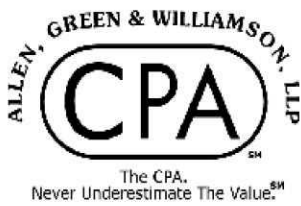


**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Oak Grove, Louisiana**

**CONTENTS**

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT		5-7
REQUIRED SUPPLEMENTARY INFORMATION		8
Management’s Discussion and Analysis (MD&A)		9-14
GOVERNMENT-WIDE FINANCIAL STATEMENTS		15
Statement of Net Position	A	16
Statement of Activities	B	17
FUND FINANCIAL STATEMENTS		18
Governmental Funds Balance Sheet	C	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	20
Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances	E	21
Reconciliation of the Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statements of Activities	F	22
NOTES TO THE FINANCIAL STATEMENTS		
Index		23
Notes		24-32
REQUIRED SUPPLEMENTARY INFORMATION	<u>Exhibit</u>	33
Budgetary Comparison Schedules		34
General Fund	1	35
Notes to the Budgetary Schedules		36-37
SUPPLEMENTARY INFORMATION		38
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer		39
OTHER INFORMATION		40
Compensation Paid Board Members		41
OTHER REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>		42-43
Schedule of Findings and Responses		44-46
Corrective Action Plan for Current Year Findings and Responses		47
Management Letter		48-49
Status of Prior Year Management Letter Item		50





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## **Independent Auditor's Report**

### Board Members

West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Oak Grove, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and the major fund of the West Carroll Parish Ambulance Service District of the Parish of West Carroll (the District), a component unit of the West Carroll Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the 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.

### ***Auditor's 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 the major fund of the West Carroll Parish Ambulance Service District, a component unit of West Carroll Parish Police Jury, as of December 31, 2016, and the respective changes in financial position 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 and the Budgetary Comparison Schedule, as listed in the table of contents, 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.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2017 on our consideration of the West Carroll Parish Ambulance 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 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 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 District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Allen, Green & Williamson, LLP". The signature is written in a cursive, flowing style.

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
June 28, 2017

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll**

**REQUIRED SUPPLEMENTARY INFORMATION:**

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)**



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**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

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Our discussion and analysis of the West Carroll Ambulance Service District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2016.

### **NEW GASB STANDARDS**

In fiscal year 2016, the District adopted three new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 72 – Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- *Statement No. 73 – Accounting and Financial reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendment to Certain Provision of GASB Statements 67 and 68:* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement 68, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement 67 and 68 that are within their respective scopes. This statement also clarifies the application of certain provisions of Statements 67 and 68.
- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

The adoption of these standards had no impact on the government-wide or the governmental fund financial statements.

### **FINANCIAL HIGHLIGHTS**

Our financial statements provide these insights into the results of this year's operations:

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$3,670 thousand (net position). Of this amount, \$2,230 thousand (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The District's revenue received from claims for the year ended December 31, 2016 was \$1,177 thousand; there was an increase of \$456 thousand from the revenue received for claims of \$721 thousand in 2015. From year to year several variables may affect the claims revenues in either a positive or negative manner. Claims may be paid or denied for payment due to the nature of each call or run referred to as medical necessity. If a patient has insurance or not has a tremendous influence at times as West Carroll residents are not billed if they have no insurance, but all insurance companies are billed. Adjustments to charges are made from time to time to compensate for increases in medical supplies, fuel and other operating costs as well as changes in reimbursement rates that are received. The total number of claims or runs per year affects both by increasing or decreasing expenditures and revenues.

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**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

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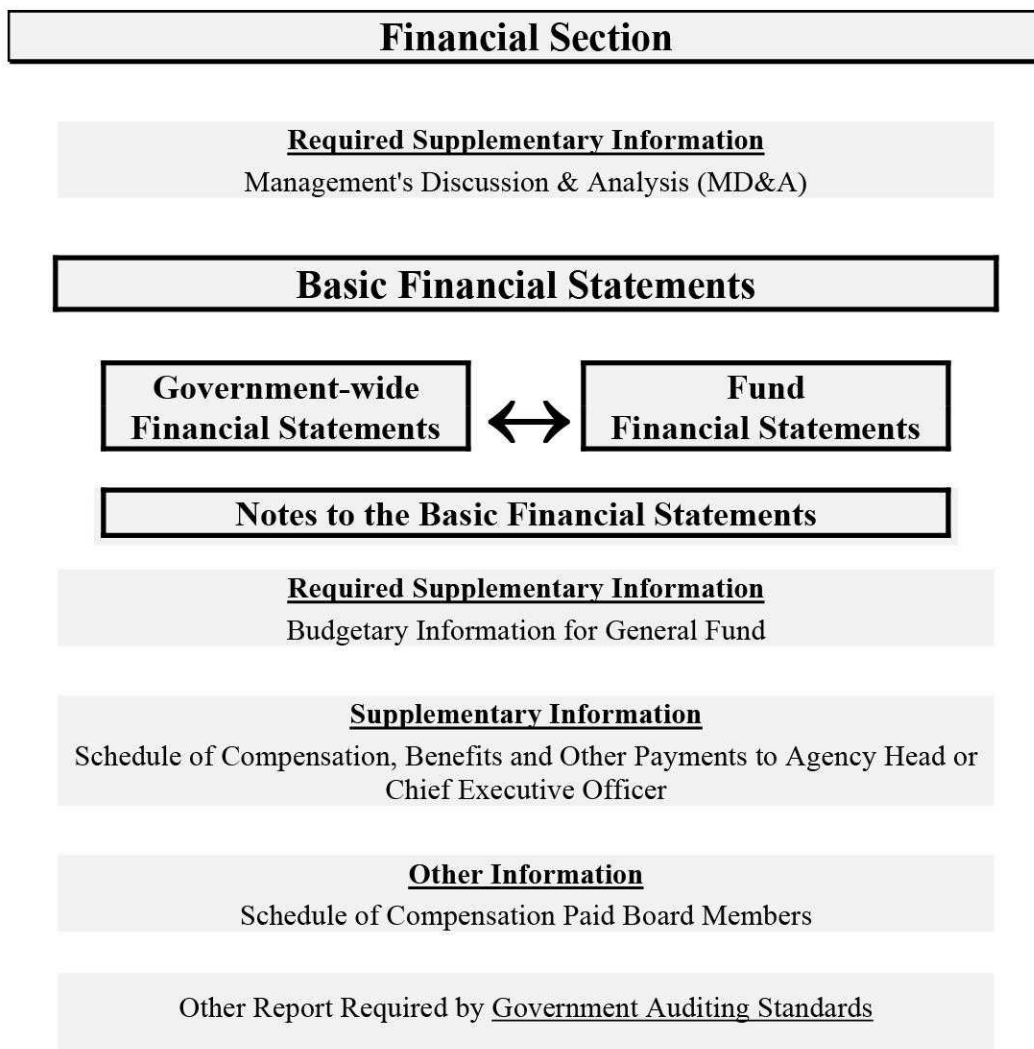
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The District's total expenses for the year ended December 31, 2016 was \$1,506 thousand; this is an increase of \$172 thousand from the expenses of \$1,334 thousand in 2015. Spending adjustments are normally made throughout a fiscal year or planned from one year to another to compensate for specific needs of the business. The increase in expenses is primarily due to the emergency purchase of a new ambulance and the building of a new complex.

**USING THIS ANNUAL REPORT**

The District's annual report consists of a series of financial statements that show information for the District as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For our governmental activities, the fund financial statements tell how we financed our services in the short-term as well as what remains for future spending. Fund financial statements also may give you some insights into the District's overall financial health. Fund financial statements also report the District's operations in more detail than the governmental-wide financial statements by providing information about the District's fund - the General Fund.

The following chart reflects the information included in this annual report.



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**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

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Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplementary Information, the Supplementary Information and the Other Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

### **Reporting the District as a Whole**

#### ***The Statement of Net Position and the Statement of Activities***

Our analysis of the District as a whole begins with the government-wide financial statements. One of the most important questions asked about the District's finances is, "Is the 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, which appear first in the District's financial statements, report information about the District as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets, liabilities and deferred outflows/inflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All 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 District's net position – the difference between assets, liabilities and deferred outflows/inflows of resources, as reported in the Statement of Net Position – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position – as reported in the Statement of Activities – are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the District's operating results. However, the District's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider other non-financial factors, such as the quality of service.

In the Statement of Net Position and the Statement of Activities, the District's activities are shown as:

**Governmental Activities** - Most of the District's basic services are reported here, including salaries and contract labor, employee benefits, professional fees, operations and maintenance, repairs and upkeep, and administrative expenses. Sales tax revenue and claims revenue finance most of these activities.

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

#### **Fund Financial Statements**

The District reports all of its activity in one governmental fund which uses the following approach:

**Governmental funds** Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They 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 District's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations (Statements D and F).

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**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

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**THE DISTRICT AS A WHOLE**

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1  
Net Position  
December 31,  
(in thousands)

	2016	2015	Variance
Current and other assets	\$ 2,457	\$ 2,686	\$ (229)
Capital assets, net	1,440	566	874
Total assets	<u>3,897</u>	<u>3,252</u>	<u>645</u>
Current and other liabilities	209	45	164
Noncurrent liabilities	18	15	3
Total liabilities	<u>227</u>	<u>60</u>	<u>167</u>
Net position			
Investment in capital assets	1,440	566	874
Unrestricted	2,230	2,626	(396)
Total net position	<u>\$ 3,670</u>	<u>\$ 3,192</u>	<u>\$ 478</u>

Net position of the District's governmental activities for December 31, 2016 was \$3,670 thousand. Unrestricted net position that are the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements were \$2,230 thousand.

**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

Table 2  
Changes in Net Position  
For the year ended, December 31,  
(in thousands)

	2016	2015	Variance
Revenues			
Program Revenues			
Charges for services	\$ 1,177	\$ 721	\$ 456
Capital grants and contributions	7	17	(10)
General Revenues			
Sales tax revenue	627	670	(43)
Interest revenue	13	12	1
Insurance recoveries	10	-	10
Other revenue	149	35	114
Total Revenues	<u>1,983</u>	<u>1,455</u>	<u>528</u>
Expenses:			
Public safety – ambulance service:			
Salaries and contract labor	741	682	59
Employee benefits	261	215	46
Professional fees	16	20	(4)
Operations and maintenance	147	126	21
Repairs and upkeep	96	64	32
Administrative expense	85	65	20
Depreciation expense	160	162	(2)
Total functions/program expenses	<u>1,506</u>	<u>1,334</u>	<u>172</u>
Increase (decrease) in net position	478	121	357
Net position – beginning	3,192	3,071	121
Net position – ending	<u>\$ 3,670</u>	<u>\$ 3,192</u>	<u>\$ 478</u>

***Governmental Activities***

The cost of all governmental activities this year was \$1,506 thousand. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through District taxes was \$627 thousand because some of the cost was paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions.

**THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds reported a fund balance of \$2,291 thousand which was a decrease of \$392 thousand. Total revenues for 2016 increased \$522 thousand from total revenues for 2015. This increase is due mainly to the expansion in medical coverage and better billing practices.

Total expenditures for 2016 were \$2,375 thousand, which increased \$1,091 thousand due mainly to the purchase of two new ambulances and the construction of a new building.

**West Carroll Parish Ambulance Service District  
Management's Discussion and Analysis (MD&A)  
For the Year Ended December 31, 2016**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual amounts available for appropriation exceeded budgeted amounts by \$212 thousand. This favorable variance was due mainly to the extended medical coverage for more residents and moneys collected for emergency deployment. Actual charges to appropriations were less than budgeted charges by \$29 thousand.

The General Fund budget was amended during the year, primarily due to the emergency purchase of a new ambulance.

**CAPITAL ASSETS AND LONG TERM DEBT**

***Capital Assets***

At December 31, 2016, the District had invested in the following capital assets:

	Capital Assets, net December 31,		
	2016	2015	Variance
Land	\$ 81,500	\$ 81,500	\$ -
Construction in Progress	675,292	6,327	668,965
Land Improvements	7,310	7,840	(530)
Buildings	120,345	126,191	(5,846)
Vehicles	446,226	227,033	219,193
Equipment	109,716	116,722	(7,006)
Total Capital assets, net	\$1,440,389	\$ 565,613	\$ 874,776

See Note 4 to the financial statements for additional details on capital assets.

**Debt**

Our long term debt includes annual leave of \$18 thousand. We present more detail about our long term liabilities in Note 6 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS** Our elected and appointed officials and citizens consider many factors when setting the District's budget and tax rates. One of the most important factors affecting the budget is our unpredictable nature of claims and sales tax collections. Approximately, 91% of total revenues are claims and sales tax. Circumstances that will affect our 2017 budget year are the unexpected nature of the economy concerning tax revenue, claims revenue related to the ambulance and insurance industry and a slight possibility of purchasing other buildings and land in the future.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and show the District's accountability for the money it receives. If you have any questions about this report or wish to request additional information contact, the Director at West Carroll Parish Ambulance District, P. O. Box 684, Oak Grove, LA, 71263, telephone number (318) 428-8979.

**West Carroll Parish Ambulance Service District  
Of the Parish of West Carroll**

**GOVERNMENT-WIDE FINANCIAL  
STATEMENTS**

WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana

STATEMENT OF NET POSITION  
December 31, 2016

Statement A

ASSETS	
Current Assets	
Cash	\$ 591,301
Investments	1,585,663
Receivables	254,785
Inventory	15,458
Prepaid expenses	<u>9,441</u>
Total current assets	2,456,648
Capital assets	
Land and construction in progress	756,792
Building and equipment, net of accumulated depreciation	<u>683,597</u>
TOTAL ASSETS	<u>3,897,037</u>
LIABILITIES	
Current Liabilities	
Accounts, salaries and other payables	165,270
Compensated absences payable	<u>44,165</u>
Total current liabilities	<u>209,435</u>
Noncurrent Liabilities	
Compensated absences payable	<u>17,585</u>
Total noncurrent liabilities	<u>17,585</u>
TOTAL LIABILITIES	<u>227,020</u>
NET POSITION	
Investment in capital assets	1,440,389
Unrestricted	<u>2,229,628</u>
TOTAL NET POSITION	<u><u>\$ 3,670,017</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana**

**STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2016**

**Statement B**

EXPENSES

Public safety - ambulance service:

Salaries and contract labor	\$ 740,803
Employee benefits	260,891
Professional fees	16,433
Operations and maintenance	147,175
Repairs and upkeep	95,502
Administrative expense	84,602
Depreciation	160,236

TOTAL PROGRAM EXPENSES

1,505,642

PROGRAM REVENUES:

Charges for services	1,177,027
Capital grants and contributions	6,642

TOTAL PROGRAM REVENUES

1,183,669

NET PROGRAM EXPENSE

(321,973)

GENERAL REVENUES:

Sales tax revenue	627,258
Interest revenue	12,728
Insurance recoveries	9,912
Other revenue	149,680

TOTAL GENERAL REVENUES

799,578

INCREASE (DECREASE) IN NET POSITION

477,605

NET POSITION - BEGINNING

3,192,412

NET POSITION - END OF YEAR

\$ 3,670,017

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**West Carroll Parish Ambulance Service District  
Of the Parish of West Carroll**

**FUND FINANCIAL STATEMENTS**

WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana

GOVERNMENTAL FUNDS  
BALANCE SHEET  
December 31, 2016

	Statement C
ASSETS	
Cash	\$ 591,301
Investments	1,585,663
Receivables	254,785
Inventory	15,458
Prepaid expenses	<u>9,441</u>
TOTAL ASSETS	<u><u>2,456,648</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts, salaries and other payables	<u>165,270</u>
TOTAL LIABILITIES	<u>165,270</u>
Fund balances:	
Nonspendable	24,899
Unassigned	<u>2,266,479</u>
TOTAL FUND BALANCE	<u>2,291,378</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 2,456,648</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
December 31, 2016**

Statement D

Total fund balances - governmental funds \$ 2,291,378

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 2,547,228	
Accumulated depreciation	<u>(1,106,839)</u>	
		1,440,389

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.

Balances at December 31, 2016 are:		
Compensated absences payable		<u>(61,750)</u>

Net position of governmental activities \$ 3,670,017

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended December 31, 2016**

**Statement E**

<b>REVENUES</b>	
Local sources:	
Sales tax revenue	\$ 627,258
Claims	1,177,027
Interest revenue	12,728
Other revenue	149,680
Federal sources:	
Grant revenue	<u>6,642</u>
<b>TOTAL REVENUES</b>	<u><u>1,973,335</u></u>
<b>EXPENDITURES</b>	
Public safety - ambulance service	
Current:	
Salaries and contract labor	740,803
Employee benefits	255,306
Professional fees	16,433
Operations and maintenance	147,175
Repairs and upkeep	95,496
Administrative expense	84,602
Capital outlay	<u>1,035,018</u>
<b>TOTAL EXPENDITURES</b>	<u><u>2,374,833</u></u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(401,498)
<b>OTHER FINANCING SOURCES (USES)</b>	
Insurance recoveries	<u>9,912</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u><u>9,912</u></u>
Net Change in Fund Balances	(391,586)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u><u>2,682,964</u></u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u><u>\$ 2,291,378</u></u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended December 31, 2016**

Statement F

Total net change in fund balances - governmental funds \$ (391,586)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period:

Capital outlay	\$ 1,035,012	
Depreciation	<u>(160,236)</u>	874,776

In the Statement of Activities, certain operating expenses-compensated absences (vacations and comp time) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and comp time earned (\$44,165) was more than the amounts used (\$38,580) by \$5,585. (5,585)

Change in net position of governmental activities. \$ 477,605

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**INDEX**

	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .....	24
A.    REPORTING ENTITY .....	24
B.    FUNDS .....	24
C.    MEASUREMENT FOCUS AND BASIS OF ACCOUNTING .....	25
D.    BUDGETS .....	26
E.    CASH AND CASH EQUIVALENTS .....	26
F.    INVESTMENTS .....	27
G.    INVENTORY AND PREPAID ITEMS .....	27
H.    CAPITAL ASSETS .....	27
I.    COMPENSATED ABSENCES .....	27
J.    FUND BALANCES OF FUND FINANCIAL STATEMENTS .....	28
K.    SALES TAXES .....	28
L.    USE OF ESTIMATES .....	28
NOTE 2 - CASH AND INVESTMENTS .....	29
NOTE 3 - RECEIVABLES .....	29
NOTE 4 - CAPITAL ASSETS .....	30
NOTE 5 - ACCOUNTS, SALARIES AND OTHER PAYABLES .....	30
NOTE 6 - COMPENSATED ABSENCES .....	30
NOTE 7 - PENSION PLAN .....	31
NOTE 8 - RISK MANAGEMENT .....	31
NOTE 9 - FUND BALANCE CLASSIFICATION DETAILS .....	31
NOTE 10 - LITIGATION AND CLAIMS .....	31
NOTE 11 - NEW GASB STANDARDS .....	31

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the West Carroll Parish Ambulance Service District of the Parish of West Carroll, Oak Grove, Louisiana (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** The District was established by the West Carroll Parish Police Jury in 1996 under the provisions of LSA-R.S. 33:9056 to run and operate ambulances and a rescue unit for the care and transportation of persons suffering from illness or disabilities which necessitate ambulance care or extrication. Appointed Board members serve staggering terms of six years.

As the governing authority of the parish, for reporting purposes, the West Carroll Parish Police Jury is the financial reporting entity for West Carroll Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board established criteria for determining which component units should be considered part of the West Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury and the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury exists.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints members to the District's Board and the District is financially accountable to the police jury, the District was determined to be a component unit of the West Carroll Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**B. FUNDS** The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District has only one fund.



**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**Governmental Funds** Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition, or construction of capital assets, and the servicing of long-term debt. Governmental funds include:

**General fund** - the only fund of the District. It accounts for all financial resources of the District.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)** The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, deferred outflows/inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, deferred outflows/inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 Accounting and Financial Reporting for Non-exchange Transactions.

**Program revenues** Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the District's general revenues. Charges for services are primarily derived from claims.

**Allocation of indirect expenses** The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

**Fund Financial Statements (FFS)**

**Governmental Funds** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

**Sales taxes** are recognized when the underlying exchange transaction occurs and the resources are available.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

**Expenditures**

Salaries are recorded as earned.

It is the District's policy to first apply restricted resources when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

**D. BUDGETS** The District follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund.

Each year, prior to the beginning of the fiscal year, the executive director submits to the Board a proposed annual budget for the general fund. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them.

The Board adopted a budget for the general fund.

All appropriations (unexpended budget balances) lapse at year end.

Encumbrances are not recognized within the accounting records for budgetary control purposes.

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budget when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The Board approves budgets at the function level and management does not have the authority to make any transfers without Board approval.

Formal budget integration (within the accounting records) is employed as a management control device. The budget is established and controlled by the Board at the functional level of expenditure and budget amendments are adopted by the Board as necessary. Budget amounts included in the accompanying financial statements include the original adopted budget.

**E. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit 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, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**F. INVESTMENTS** Investments are limited by LSA-R.S. 33:2955 and the District's investment policy. 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 in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure as per GASB Statement No. 31.

**G. INVENTORY AND PREPAID ITEMS** The District records their unused medical supplies and diesel fuel as inventory using the First-in, First-out (FIFO) method. Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used. All purchased inventory items are valued at cost.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The consumption method is used to record prepaid expenses, whereby expenditures are recognized as time lapses and the prepaids are recognized as expenses.

**H. CAPITAL ASSETS** Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed over their estimated useful lives (including salvage value). Donated fixed assets are recorded at their estimated fair value at the date of donation. The capitalization threshold is \$500 for all assets except computer software, which has a threshold of \$75,000. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Land Improvements	20 years
Buildings	40 years
Appliances	5 years
Vehicles	5 years
Furniture and Fixtures	5 years
Equipment	3-10 years
Intangibles	3 years

**I. COMPENSATED ABSENCES** All employees are entitled to two weeks (120 hours for operational employees for odd year-ends and 96 hours for operational employees for even year-ends as well as 80 hours for office staff employees regardless of year-end) of vacation at the beginning of each fiscal year. After fifteen years of service, all employees are entitled to three weeks (168 hours for operational employees and 120 hours for office staff) of vacation at the beginning of each fiscal year. Vacation time does not carry over from one year to the next, however, an employee may receive compensation for earned vacation time upon resignation or termination.

All employees are entitled to two weeks (120 hours for operational employees and 80 hours for office staff employees) of sick leave at the beginning of each fiscal year. Sick leave does carry over from year to year and accrue to a maximum limit of two hundred forty (240) hours for administrative personnel and three hundred thirty-six (336) hours for operational personnel. No employee at any time shall be paid for unused sick leave.

Salaried employees are entitled to earn compensatory time for overtime worked. Employees which earn more than 480 hours of compensatory time can be paid for that excess time on a quarterly basis or prior to termination.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

The District's recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

**J. FUND BALANCES OF FUND FINANCIAL STATEMENTS** GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

**Non-spendable:** Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

**Restricted:** Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**Committed:** Fund balance that can only be used for specific purposes determined by the District's highest level of decision making authority. The Board is the highest level of decision making authority of the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

**Assigned:** Fund balance that is constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

**Unassigned:** Fund balance that is the residual classification for the general fund.

The District reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

**K. SALES TAXES** The Police Jury passed a one-half cent parish-wide sales and use tax in a special election held September 21, 1996. In accordance with the proposition approved by the voters of the parish, the "sales and use tax is for providing ambulance service to the public, including acquiring, improving, maintaining and operating facilities and equipment required in connection therewith and paying related personnel costs." This tax was renewed by voters in November 2015 for a period of 10 years ending December 31, 2026.

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

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**NOTE 2 - CASH AND INVESTMENTS** At December 31, 2016, the District had cash and cash equivalents (book balances) totaling \$2,176,964 (including \$1,585,663 in certificates of deposit, classified as investments) in demand deposits. Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2016, the District's securities were under pledged by \$10,838.

Interest Rate Risk: The District's policy does not address interest rate risk.

Custodial Credit Risk: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year end, the District's carrying amount of deposits was \$2,176,964 and the bank balance was \$2,203,664. Of the bank balance, \$744,599 was covered by federal deposit insurance. Of the remaining bank balance, \$1,448,227 was collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name. The remaining bank balance of \$10,838 was not collateralized by securities held by the pledging financial institution's trust department or agent. The District's policy does not address custodial credit risk. Even though the pledged securities are considered uncollateralized, 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 District that the fiscal agent has failed to pay deposited funds upon demand.

Credit Rate Risk: The District had investments in certificates of deposit at fiscal year ended December 31, 2016, which are not subject to credit risk; however, the District's policy does not address credit risk.

**NOTE 3 - RECEIVABLES** The receivables at December 31, 2016, are as follows:

Class of Receivables	General
Sales and use tax	\$107,010
Claims	147,775
Total	\$254,785

The District expects to collect these amounts in full; therefore, no allowance for doubtful accounts has been established.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**NOTE 4 - CAPITAL ASSETS** The capital assets balances and activity for the year ended December 31, 2016 are as follows:

Governmental activities:

	Balance Beginning	Additions	Deletions	Balance Ending
Nondepreciable Assets:				
Land	\$ 81,500	\$ -	\$ -	\$ 81,500
Construction in Progress	6,327	668,965	-	675,292
Total nondepreciable assets	<u>87,827</u>	<u>668,965</u>	<u>-</u>	<u>756,792</u>
Depreciable Assets:				
Land Improvements	10,597	-	-	10,597
Buildings	231,044	-	-	231,044
Appliances	4,955	-	568	4,387
Vehicles	690,270	336,074	-	1,026,344
Furniture & fixtures	9,244	-	770	8,474
Equipment	496,537	29,973	16,920	509,590
Total depreciable assets	<u>1,442,647</u>	<u>366,047</u>	<u>18,258</u>	<u>1,790,436</u>
Less accumulated depreciation				
Land Improvements	2,757	530	-	3,287
Buildings	104,853	5,846	-	110,699
Appliances	4,955	-	568	4,387
Vehicles	463,237	116,881	-	580,118
Furniture & fixtures	9,244	-	770	8,474
Equipment	379,815	36,979	16,920	399,874
Total accumulated depreciation	<u>964,861</u>	<u>160,236</u>	<u>18,258</u>	<u>1,106,839</u>
Capital assets, net	<u>\$ 565,613</u>	<u>\$ 874,776</u>	<u>\$ -</u>	<u>\$ 1,440,389</u>

**NOTE 5 - ACCOUNTS, SALARIES AND OTHER PAYABLES** The payables at December 31, 2016 are as follows:

	General
Accounts payable	\$ 129,847
Salaries and benefits payable	3,476
Retainage payable	31,947
Total	<u>\$165,270</u>

**NOTE 6 - COMPENSATED ABSENCES** At December 31, 2016, employees of the District have accumulated and vested \$61,750 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made and include both vacation leave and compensatory time earned. Following is a summary of the compensated absence transactions for the year:

Balance, Beginning	\$ 56,165
Additions	44,165
Deductions	<u>(38,580)</u>
Balance, Ending	<u>61,750</u>
Amount Due in One Year	<u>\$ 44,165</u>

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

**NOTE 7 - PENSION PLAN** The District implemented a retirement plan for employees during 2016 consisting of a 457 plan. The District contributes 3% to the 457 plan. The defined contribution plan is administered by Louisiana Deferred Compensation Plan.

All employees are eligible to participate in the 457 plan. Contribution rates are determined and may be changed by the employer. All contributions to the plan are considered to be vested at time of enrollment.

The District's contributions to the plan for 2016 is as follows:

	457 Plan
Employer	\$ 19,039
Employee	\$ 21,724

**NOTE 8 - RISK MANAGEMENT** The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance to manage these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 9 - FUND BALANCE CLASSIFICATION DETAILS** The following are the details of the fund balance classifications for the year ended December 31, 2016:

Nonspendable:	
Inventory	\$ 15,458
Prepaid items	9,441
Unassigned	2,266,479
	\$ 2,291,378

**NOTE 10 - LITIGATION AND CLAIMS**

**Construction Projects** The District had signed a contract for construction of the new Ambulance District office building totaling \$827,735 as of December 31, 2016. The construction in progress at December 31, 2016 related to this project totaled \$675,292.

**NOTE 11 - NEW GASB STANDARDS** In fiscal year 2016, the District adopted three new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 72 – Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- *Statement No. 73 – Accounting and Financial reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendment to Certain Provision of GASB Statements 67 and 68:* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement 68, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement 67 and 68 that are within their respective scopes. This statement also clarifies the application of certain provisions of Statements 67 and 68.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Financial Statements**

- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government’s ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government’s own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues.

The adoption of these standards had no impact on the government-wide or the governmental fund financial statements.



**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll**

**REQUIRED SUPPLEMENTARY INFORMATION**

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll**

**Budgetary Comparison Schedule**

**GENERAL FUND** The general fund accounts for all activities of the District.

**WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana**

**GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2016**

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	(Budgetary Basis)	POSTITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,682,964	\$ 2,682,964	\$ 2,682,964	\$ -
Resources (inflows)				
Local sources:				
Sales tax revenue	600,000	600,000	639,548	39,548
Grant revenue	-	-	6,642	6,642
Claims	738,960	1,071,960	1,087,766	15,806
Interest revenue	12,000	12,000	12,728	728
Other revenue	-	-	149,680	149,680
	<u>4,033,924</u>	<u>4,366,924</u>	<u>4,579,328</u>	<u>212,404</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
Current:				
Salaries and contract labor	733,043	733,043	723,943	9,100
Employee benefits	271,668	271,668	272,166	(498)
Professional fees	21,533	21,533	16,433	5,100
Operations and maintenance	163,056	163,056	127,788	35,268
Repairs and upkeep	64,608	64,608	84,485	(19,877)
Administrative expense	68,655	68,655	78,559	(9,904)
Capital outlay	1,082,800	910,800	900,905	9,895
	<u>2,405,363</u>	<u>2,233,363</u>	<u>2,204,279</u>	<u>29,084</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,628,561</u>	<u>\$ 2,133,561</u>	<u>\$ 2,375,049</u>	<u>\$ 241,488</u>

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Notes to the Budgetary Comparison Schedule  
For the Year Ended December 31, 2016**

**A. BUDGETS**

Formal budget integration (within the accounting records) is employed as a management control device. The budget is established and controlled at the functional level of expenditure and budget amendments are adopted by the Board as necessary. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board.

**Budget Basis of Accounting** The major governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The Board approves budgets at the function level and management does not have the authority to make any transfers without Board approval.

WEST CARROLL PARISH AMBULANCE SERVICE DISTRICT  
OF THE PARISH OF WEST CARROLL  
Oak Grove, Louisiana

Notes to the Budgetary Comparison Schedules  
For the Year Ended December 31, 2016

**B. Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

	GENERAL FUND
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 4,579,328
Adjustments for conversion from cash basis to modified accrual for financial reporting purposes	76,971
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(2,682,964)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	1,973,335
<u>Uses/outflows of resources:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	2,204,279
Adjustments for conversion from cash basis to modified accrual for financial reporting purposes	170,554
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 2,374,833

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll**

**SUPPLEMENTARY INFORMATION**

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2016**

**Agency Head Name:** Dennis P. Seamans, Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$53,010
Benefits-insurance	17,433
Benefits- retirement	1,563
Benefits - other (comp time)	5,908
Travel	586
Cell phone	1,169

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll**

**OTHER INFORMATION**



**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Compensation Paid Board Members  
December 31, 2016**

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The following board members received no compensation for the year ended December 31, 2016.

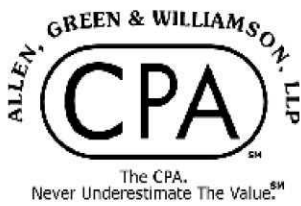
Mark Bowman

Fred Copes, Chairman

Mike Gammill

James E. Melton, Vice Chairman

Larry Copes



# ALLEN, GREEN & WILLIAMSON, LLP

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Nicia Mercer, CPA, CFE  
Principal: Cindy Thomason, CPA

Matt Carmichael, CPA  
Eddi Hernandez, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## **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 Auditor's Report**

#### Board Members

West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Oak Grove, 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 financial statements of the governmental activities and the major fund of West Carroll Parish Ambulance Service District, a component unit of the West Carroll Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 28, 2017.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as finding 2016-001 that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 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*.

### **The District's Response to the Finding**

The District's response to the finding identified in our audit are described in the accompanying Schedule of Findings and Responses and Corrective Action Plan for Current Year Audit Findings and Responses. The 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**

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 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. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
June 28, 2017

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Schedule of Findings and Responses  
For the Year Ended December 31, 2016**

**PART I - Summary of the Auditor's Results**

**Financial Statement Audit**

- i. The type of audit report issued was unmodified.
- ii. There was one significant deficiency required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiency was considered to be a material weakness.
- iii. There were no instances of noncompliance, as defined by the Government Auditing Standards, to the basic financial statements.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Schedule of Findings and Responses  
For the Year Ended December 31, 2016**

**Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and title:        2016-001    Internal Controls Over Financial Reporting**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Criteria or specific requirement:** Proper internal controls over financial reporting requires that accounting records contain up-to-date, accurate and complete information to ensure that the financial data can be relied upon to monitor the financial condition of the District. Financial records should be reviewed timely to supporting documentation to ensure that the transactions are properly recorded and classified in the appropriate account period.

**Condition found:**

- In performing the search for unrecorded receivables, one deposit for \$54,438 was noted as related to December 31, 2016 that was not identified as a receivable as of December 31, 2016 by the District. An adjusting entry was proposed to correct.
- In performing the search for unrecorded liabilities, it was noted that one invoice for construction and the related retainage payable was not appropriately accrued at year end. The portion of the invoice that related to December 31, 2016 included \$114,447 related to construction costs and \$31,941 related to retainage. An adjusting entry was proposed to correct.
- While performing a test on administrative salaries, it was noted that one employee was paid for comp time hours earned that were not deducted from the ending comp time balance used for compensated absences calculation as of December 31, 2016; therefore, the ending compensated absences balance was overstated by an immaterial amount. It was also noted when performing a test of leave taken during the year that one leave form was not appropriately approved.
- When testing a sample of cash receipts, it was noted that one receipt was not stamped on the date received and the auditor could not determine timelines.
- In performing a test of disbursements, one disbursement was noted where sales tax was paid on the purchase, which is not considered necessary or reasonable.
- When vouching revenue reported to supporting documentation it was noted that one receipt for \$31,636 was incorrectly classified as claims instead of UPL revenue. An adjusting entry was proposed to correct.
- When reviewing payroll postings during the year, it was noted that charges related to third-out payroll, as well as employer contributions to the 457 plan were incorrectly coded during the year. An adjusting entry was proposed to correct.

**Context:** The exceptions noted above were identified when performing substantive testing across various account balances and appears to be systemic.

**Possible asserted effect (cause and effect):**

**Cause:** The District does not have a well-defined close-out process to ensure financial statement are complete and accurate prior to submission for audit.

**Effect:** The internal controls over accounting and financial reporting were weakened.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Schedule of Findings and Responses  
For the Year Ended December 31, 2016**

**Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Recommendations to prevent future occurrences:** All deposits within two months after year-end should be properly reviewed to determine if they should be accrued as receivables. All invoices received within the two months after year-end should be properly reviewed to determine if they should be accrued as payables. Also, the District should establish a monthly review process to ensure revenues and expenses posted were accurately posted.

**Origination date and prior year reference (if applicable)** December 31, 2016.

**View of responsible official:** It is my view as the responsible official that with the addition of a CPA this should help avoid the above defined issue. The District will further evaluate the process and the need for further steps to be taken to avoid further deficiencies.

**West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Corrective Action Plan for Current Year Findings and Responses  
For the Year Ended December 31, 2016**

**Reference # and title:**      **2016-001**    **Internal Controls Over Financial Reporting**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Condition:** Proper internal controls over financial reporting requires that accounting records contain up-to-date, accurate and complete information to ensure that the financial data can be relied upon to monitor the financial condition of the District. Financial records should be reviewed timely to supporting documentation to ensure that the transactions are properly recorded and classified in the appropriate account period.

- In performing the search for unrecorded receivables, one deposit for \$54,438 was noted as related to December 31, 2016 that was not identified as a receivable as of December 31, 2016 by the District. An adjusting entry was proposed to correct.
- In performing the search for unrecorded liabilities, it was noted that one invoice for construction and the related retainage payable was not appropriately accrued at year end. The portion of the invoice that related to December 31, 2016 included \$114,447 related to construction costs and \$31,941 related to retainage. An adjusting entry was proposed to correct.
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- When testing a sample of cash receipts, it was noted that one receipt was not stamped on the date received and the auditor could not determine timelines.
- In performing a test of disbursements, one disbursement was noted where sales tax was paid on the purchase, which is not considered to be necessary or reasonable.
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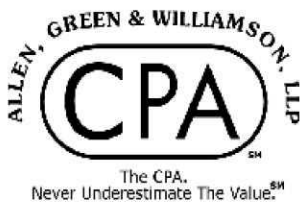
**Corrective action planned:** West Carroll Parish Ambulance Service District has made the decision to hire, on a part time basis, a certified public accountant to correct the above findings.

**Person responsible for corrective action:**

Richie Allen, Director  
West Carroll Parish Ambulance District  
P. O. Box 684  
Oak Grove, LA 71263

Telephone:    318-428-8979  
Fax:            318-428-7777

**Anticipated completion date:** As of the June monthly board meeting, the board of directors has officially hired a CPA. This occurred at the June 12<sup>th</sup> board meeting.



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Principal: Cindy Thomason, CPA

Matt Carmichael, CPA  
Eddi Hernandez, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## Management Letter

### Board Members

West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Oak Grove, Louisiana

In planning and performing our audit of the financial statements of the governmental activities and the major fund of the West Carroll Parish Ambulance Service District of the Parish of West Carroll (the District), a component unit of the West Carroll Parish Police Jury, as of and for the year ended December 31, 2016, we considered the District's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during the performance of our procedures, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated June 28, 2017 on the financial statements of the District. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment and management's response are summarized as follows:

### **2016-M1**      **Compliance - Under Pledge Securities**

**Comment:** Louisiana Revised Statute 39:1218 states that "any bank selected as fiscal agent shall give security for the safekeeping and payments of deposits." In testing cash deposits at year-end, it was determined that deposits held at one bank were under-secured by \$10,838. Through discussions with management, it was noted that management authorized the bank to reduce the amount pledged during the year.

**Recommendation:** The District should review bank balances prior to fiscal year end and advise the bank of any large deposits to be made or securities to be pledged before the end of the fiscal year.

**Management's response:** Met with the representative from the bank in question and made an adjustment to email the reports monthly and notified them that we had to have the securities to the amount of the monies involved because of them being public funds.



\* \* \* \* \*

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities and the major fund of the West Carroll Parish Ambulance Service District as of and for the year ended December 31, 2016, which collectively comprise the District's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Immediately following this letter is a Status of Prior Year Management Letter Items. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior year management letter items and performed procedures to assess the reasonableness of the status of prior management letter item prepared by management, and we would report as a current year management letter item when Allen, Green & Williamson, LLP, concludes that the status of prior management letter item materially misrepresents the status of any prior management letter item.

Also included in this letter is management's response to our current year management letter item. We have performed no audit work to verify the content of the response.

This report is intended solely for the information and use of the Board and Management and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
June 28, 2017

West Carroll Parish Ambulance Service District  
of the Parish of West Carroll  
Status of Prior Year Management Letter Item  
December 31, 2016

**15-M1**            **Internal Controls Over Billing Claims**

**Comment:** The District has a policy that adjustments to billing claims are to be made only by authorized employees that are not connected to the billing input function or billing submission. In testing forty billings three instances were noted where adjustments were made to claims by an employee that was not authorized to make adjustments. It was noted that the adjustments did not affect the amount of the claim billed, but were not made by authorized employees.

**Recommendation:** The District should ensure that only authorized employees make adjustments to claim billings, and that access to this system is properly restricted.

**Management's response:** The Ambulance District uses Claims billing and data entry software that tracks entries, changes or adjustments by each employee. All employees are assigned personal ID's and passwords for the tracking process. We currently use two (2) software programs that ***interact with each other***. One is used mainly by billing personnel and one is used primarily by operations. This software together is designed to exchange the necessary data required to document, bill and receive payment for the services we provide.

Due to federal required changes in the medical industry, we recently were charged with changing our entire coding process (insurance billing format) from what has been known as ICD-9 to a new system named ICD-10. This also included a specific data set referred to as NEMSIS which tracks items for both State and Federal agencies. This information has nothing to do with a claim being paid or not being paid or the amount charged for services rendered.

As Director of WCPASD, ***I authorized and assigned*** the employee in question the task of making sure we were compliant with the NEMSIS data program to include making necessary adjustments. Any adjustment made by any employee is logged and recorded by the software.

West Carroll Parish Ambulance Service District Board of Commissioners is fully aware of this process and has further issued an order for Office Insurance Coordinator, Martha Turner, and myself to cross train all administrative employees with each other's job duties. This cross utilization program will better insure that the Ambulance District's daily business can be maintained when it is necessary for employees to have long stays of absence but not compromise the integrity of the Company. This item is considered cleared.