

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

Financial Statements With Auditor's Report

As of and For the Year Ended December 31, 2013

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 – 2
Required Supplementary Information	
Management's Discussion and Analysis	3 – 8
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements	
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	13
Notes to the Financial Statements	14 – 23
Required Supplementary Information	
Budgetary Comparison Schedule	24
Notes to Required Supplementary Information	25
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	26 – 27
Schedules For Louisiana Legislative Auditor	
Summary Schedule of Prior Year Audit Findings	28
Corrective Action Plan For Current Year Audit Findings	28

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
A. EDWARD BALL, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

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 Services District, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Bossier Parish Emergency Medical Services 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 Services District as of December 31, 2013, 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 and budgetary comparison information on pages and 3 - 8 and on pages 24 - 25, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014, on our consideration of Bossier Parish Emergency Medical Services 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 Bossier Parish Emergency Medical Services District's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
June 30, 2014

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, 2013. 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 decreased by *(\$130,027) or (2%)*.

The Bossier Parish Emergency Medical Services District's total general and program revenues were \$3,518,875 in 2013 compared to \$3,717,604 in 2012.

During the year ended December 31, 2013, the Bossier Parish Emergency Medical Services District had total expenses, excluding depreciation, of \$3,328,465 compared to \$3,305,674 in 2012.

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 Commission 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, decreasing from \$8,293,719(as restated) to \$8,163,692. Our analysis below will focus on key elements of the total governmental funds for the December 31, 2012 and 2013 years.

Table 1
Net Position

	Governmental Activities	
	2013	2012
Current and other assets	\$5,452,693	\$5,001,276
Capital assets	2,967,743	3,212,020
Total assets	<u>8,420,436</u>	<u>8,213,296</u>
Current liabilities	162,908	33,767
Long-term liabilities	93,836	68,678
Total liabilities	<u>256,744</u>	<u>102,445</u>
Net position:		
Investment in capital assets		
net of related debt	2,967,743	3,212,020
Unrestricted	5,195,949	4,898,831
Total net position	<u>\$8,163,692</u>	<u>\$8,110,851</u>

Net assets of the Bossier Parish Emergency Medical Services District's governmental activities decreased by (\$130,027) or (2%).

Table 2
Change in Net Position

	Governmental Activities	
	2013	2012
Revenues		
Program Revenues		
Charges for services -		
ambulance fees	\$ 1,260,777	\$ 1,373,918
capital grants and		
contributions	71,285	91,816
General Revenues		
Assessment user fee	817,256	801,194
Sales taxes	1,286,094	1,424,521
Miscellaneous revenues	1,260	400
Interest income	82,203	25,755
Total revenues	<u>3,518,875</u>	<u>3,717,604</u>
Expenses		
Public safety		
emergency medical services	<u>3,648,902</u>	<u>3,610,268</u>
Increases (decrease) in net position	<u>\$ (130,027)</u>	<u>\$ 107,336</u>

Total revenues decreased \$198,729 (5%) from total revenues in the year ended December 31, 2012 of \$3,717,604 to total revenues of \$3,518,875 in the year ended December 31, 2013.

The primary reason for the decrease was a decrease in sales tax revenue and ambulance fees in 2013.

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 \$5,044,599, which is higher than last year's fund balance, \$4,950,860 (as restated). While revenues were down for the year ended 2013 as described in the Governmental Activities analysis discussed previously, expenses exceeded revenues resulting in this decrease.

General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2013. 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 24. Highlights for the year are as follows:

- Revenues were higher than budgeted amounts due to UPL funds received in 2013.
- Expenditures were within budgeted amounts.

The District's General Fund fund balance of \$5,044,599 reported on page 11 differs from the General Fund's *budgetary* fund balance of \$4,143,304 reported in the budgetary comparison schedule on page 24. This is primarily due to the District budgeting on the cash basis of accounting.

CAPITAL ASSETS

At the end of December 31, 2013 and 2012, the Bossier Parish Emergency Medical Services District had invested \$2,967,743 and \$3,212,020, respectively, in capital assets. (see table 3 below)

Capital Assets At Year End (Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Land	\$ 12,000	\$ 12,000
Idle		105,921
Buildings	1,814,097	1,865,344
Medical Equipment	238,044	286,351
Training Equipment	150,522	5,934
Communications Equipment	12,427	17,594
Vehicles	740,653	918,876
Total	<u>\$ 2,967,743</u>	<u>\$ 3,212,020</u>

Each year's major additions included:

Medical Equipment	\$	\$ 70,555
Buildings	26,125	1,275
Training Equipment	73,714	
Vehicles		<u>743,450</u>
Total	<u>\$ 99,839</u>	<u>\$ 815,280</u>

More detailed information about the capital assets are presented in Note 7 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, 2014 budget. Amounts available for appropriation in the governmental funds are expected to remain about the same.

Expenditures for 2014 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, 2013

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 4,237,337
Accounts receivable:	
Assessment - user fee	754,655
Ambulance fee	123,348
Sales tax	236,793
Other	44,056
DHH Supplemental payments	56,504
Capital assets (net)	2,967,743
Total assets	8,420,436
LIABILITIES	
Accounts payable	15,298
Accrued expenses	147,610
Long-term liabilities:	
Due within one year -	
Compensated absences	93,836
Total liabilities	256,744
NET POSITION	
Investment in capital assets	2,967,743
Unrestricted	5,195,949
Total net position	\$ 8,163,692

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, 2013

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
<u>Functions / Programs:</u>		<u>Charges for Services</u>	<u>Governmental Activities</u>
Governmental Activities			
Public safety - emergency medical services	\$ 3,648,902	\$ 1,332,062	\$ (2,316,840)
Total governmental activities	<u>\$ 3,648,902</u>	<u>\$ 1,332,062</u>	<u>(2,316,840)</u>
General revenues:			
Assessment - user fee			817,256
Sales taxes			1,286,094
Miscellaneous			1,260
Interest and dividends			82,203
Total general revenues			<u>2,186,813</u>
Change in net position			(130,027)
Net position - beginning, restated			<u>8,293,719</u>
Net position - ending			<u>\$ 8,163,692</u>

See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Balance Sheet
 Governmental Fund
 December 31, 2013

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 4,237,337
Accounts receivable	
Assessment - user fee	754,655
Ambulance fee	123,348
Sales tax	236,793
Other	44,056
DHH Supplemental payments	<u>56,504</u>
Total assets	<u>\$ 5,452,693</u>
Liabilities	
Accounts payable	\$ 15,298
Accrued expenses	<u>147,610</u>
Total liabilities	<u>162,908</u>
Deferred inflows of resources	
Unavailable revenue	
Assessment - user fee	100,936
Other	<u>144,250</u>
Total deferred inflows of resources	<u>245,186</u>
Fund balance	
Committed	
Vehicle replacement	1,100,000
Public Safety and Injury Prevention Program	235,090
Unassigned	<u>3,709,509</u>
Total fund balance	5,044,599
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,967,743
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(93,836)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	<u>245,186</u>
Net position of governmental activities	<u>\$ 8,163,692</u>

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 Balance
 Governmental Fund
 For the Year Ended Decemer 31, 2013

	General Fund
Revenues	
Assessment - user fee	\$ 827,641
Sales tax	1,287,810
Charges for services - ambulance fees	1,257,534
DHH Supplemental payments	52,222
Intergovernmental revenues	8,590
Miscellaneous	1,261
Interest and dividends	38,147
Total revenues	3,473,205
Expenditures	
Current - public safety:	
Personal service and related benefits	2,549,435
Operating services	730,192
Capital outlay	99,839
Total expenditures	3,379,466
Excess of revenues over (under) expenditures	93,739
Fund balance at beginning of year, restated	4,950,860
Fund balance at end of year	\$ 5,044,599

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 Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2013

Net change in fund balance - total governmental fund	\$	93,739
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 depreciation (\$320,437) exceeded capital outlays (\$99,839) in the current period.		(220,598)
A loss on disposal of capital assets is recorded in the statement of activities, but is not recognized in the fund statements.		(23,502)
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 funds.		(25,336)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		<u>45,670</u>
Change in net position of governmental activities	\$	<u>(130,027)</u>

See accompanying notes to the basic financial statements.

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana
Notes to Financial Statements
December 31, 2013

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 2013. 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – And Management's Discussion and Analysis—for State and Local Governments*, issued in June, 1999. 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 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, 2013
(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. 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 Statement No. 34 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, 2013
(Continued)

Revenues of the Bossier Parish Emergency Medical Service District consist principally of sales taxes, service charges on property, ambulance fees collected from billings, other intergovernmental revenues, donations, grants, and interest income. Service charges on property are recorded in the year the charges are assessed. 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, 2013, 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.

(Continued)

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana
Notes to Financial Statements
December 31, 2013
(Continued)

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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 Debt

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists of compensated absences payable.

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.

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.

(Continued)

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana
Notes to Financial Statements
December 31, 2013
(Continued)

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 the fee is assessed. 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 of Resources

The District's governmental funds 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. The District will not recognize the related revenues until a future event occurs. The District has several items which occur because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the district's fiscal year) under the modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, those items are reported in the governmental funds balance sheet as deferred inflows of resources. The District did not have deferred inflows of resources to report in its government-wide financial statements for the current year.

N. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund Balance

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

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.

(Continued)

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana
Notes to Financial Statements
December 31, 2013
(Continued)

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 remove those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).

3. 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.
4. Unassigned fund balance are 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.

(2) New Accounting Standards

Effective January 1, 2013, the District implemented the following GASB statement: GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

(3) Cash, Cash Equivalents and Investments

At December 31, 2013, the District has cash and cash equivalents (book balances) totaling \$4,237,337 as detailed below:

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2013 (book balances) totaled \$4,237,337. 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.

(Continued)

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 2013
 (Continued)

B. 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, 2013, \$3,073,020 of the District's bank balances totaling \$4,323,020 were exposed to custodial credit risk as follows:

	<u>Cash and Cash Equivalents</u>
Uninsured and collateral held by the pledging bank's trust department not in the District's name	<u>\$ 3,073,020</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, as amended by GASB Statement 40, 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.

(4) Pension Plan

Substantially all employees of the Bossier Parish Emergency Medical Service District are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from District funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

(Continued)

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 2013
 (Continued)

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. Contribution rates were 16.75% of annual covered payroll for 2013, and 15.75% for 2012, and 2011. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contributions to the System under Plan A for the year ending December 31, 2013, 2012 and 2011 were \$279,247, \$258,794, and \$249,812, respectively, equal to the required contributions for each year.

(5) Accrued Expenses

Accrued expenses at December 31, 2013, consisted of the following:

Payroll and related expenses	\$	129,857
Accrued leave		<u>17,753</u>
		<u>\$ 147,610</u>

(6) Long-term Liabilities

At December 31, 2013, employees of the District have accumulated and vested \$111,589 of employee leave benefits. Employees who do not use their vacation leave by their anniversary date forfeit the remaining unused leave balance as of that date.

Activity for the year ended December 31, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated absences	\$ <u>80,716</u>	\$ <u>30,873</u>	\$ _____	\$ <u>111,589</u>	\$ 111,589
Less amounts due within period of availability— recorded in accrued expenses					<u>(17,753)</u>
Total long-term liabilities, government-wide statements					<u>\$ 93,836</u>

(Continued)

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 2013
 (Continued)

(7) Capital Assets

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance at Jan. 1, 2013	Additions	Deletions	Transfers	Balance at Dec. 31, 2013
Governmental Activities:					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 12,000	\$	\$	\$	\$ 12,000
Idle	125,315		(26,350)	(98,965)	
Total capital assets, not being depreciated	137,315		(26,350)	(98,965)	12,000
<i>Capital assets, being depreciated:</i>					
Buildings	2,119,176	26,125	(2,228)		2,143,073
Medical equipment	425,612		(3,670)		421,942
Training equipment	24,701	73,714	(1,700)	98,965	195,680
Communications equipment	59,075				59,075
Vehicles	1,569,334				1,569,334
Total capital assets, being depreciated at historical cost	4,197,898	99,839	(7,598)	98,965	4,389,104
<i>Less accumulated depreciation:</i>					
Idle	(19,394)		5,490	13,904	
Buildings	(253,832)	(77,372)	2,228		(328,976)
Medical equipment	(139,261)	(45,738)	1,101		(183,898)
Training equipment	(18,767)	(13,937)	1,450	(13,904)	(45,158)
Communications equipment	(41,481)	(5,167)			(46,648)
Vehicles	(650,458)	(178,223)			(828,681)
Total accumulated depreciation	(1,123,193)	(320,437)	10,269		(1,433,361)
Total capital assets being depreciated, net	3,074,705	(220,598)	2,671	98,965	2,955,743
Governmental activities capital assets, net	<u>\$ 3,212,020</u>	<u>\$ (220,598)</u>	<u>\$ (23,679)</u>	<u>\$</u>	<u>\$ 2,967,743</u>

Depreciation expense for the year ended December 31, 2013, was \$320,437.

(Continued)

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 2013
 (Continued)

(8) Deferred Inflows of Resources

Deferred inflows of resources as of December 31, 2013, consisted of the following:

Unavailable revenue	
Assessment - user fee	\$ 100,936
Ambulance fee	11,952
Sales tax	31,737
DHH supplemental payments	56,505
Other	44,056
Total inflows of resources	\$ 245,186

(9) 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.

(10) Commitment

The District accepted a bid in November 2013, to purchase a new ambulance for approximately \$190,011. The payment for the costs of the ambulance, to be incurred in 2014, will be from funds committed for vehicle replacement.

(11) Subsequent events

The District approved the purchase of one new vehicle and two pieces of medical equipment with a total approximate purchase price of \$193,010 in 2014.

Subsequent events have been evaluated through June 30, 2014, the date the financial statements were available to be issued.

(12) Restatement of Fund Balance and Net Position

Fund balance and net position at December 31, 2012 were restated to reflect the collection of DHH Supplemental payments received for prior periods, as follows:

	Governmental Funds	Government-wide Governmental Activities
Fund balance / net position, December 31, 2012	\$ 4,767,993	\$ 8,110,852
DHH payments not previously recorded	182,867	182,867
Fund balance / net position, December 31, 2012, restated	\$ 4,950,860	\$ 8,293,719

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Assessment - user fee	\$ 765,000	\$ 760,000	\$ 800,469	\$ 40,469
Sales tax	1,560,000	1,230,000	1,273,093	43,093
Charges for services - ambulance fees	1,306,500	1,275,000	1,289,121	14,121
Miscellaneous		1,260	1,260	
Interest income	8,750	35,000	38,147	3,147
Intergovernmental revenues	9,800	8,590	8,590	
DHH supplemental payments			235,090	235,090
Total revenues	3,650,050	3,309,850	3,645,770	335,920
Expenditures				
Current - public safety:				
Personal service and related benefits	3,113,727	2,932,128	2,543,898	388,230
Operating services	395,930	361,605	740,458	(378,853)
Capital outlay		98,125	99,839	(1,714)
Total expenditures	3,509,657	3,391,858	3,384,195	7,663
Excess of revenues over (under) expenditures	140,393	(82,008)	261,575	343,583
Fund balances at beginning of year		82,008	3,881,729	3,799,721
Fund balances at end of year	\$ 140,393	\$	\$ 4,143,304	\$ 4,143,304

See accompanying note to the required supplementary schedule.

Bossier Parish Emergency Medical Service District
 Bossier City, Louisiana
 Notes to Required Supplementary Information
 December 31, 2013

The District's budget is adopted on a cash basis for all funds. There was one amendment to the 2013 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:

	General Fund
Excess of revenues over expenditures and other uses (budget basis)	\$ 261,575
Adjustments:	
Revenue accruals – net	(172,565)
Expenditure accruals – net	4,729
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	\$ 93,739

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
A. EDWARD BALL, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

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 Services District as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Bossier Parish Emergency Medical Services District's basic financial statements, and have issued our report thereon dated June 30, 2014.

Internal Control Over Financial Reporting

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

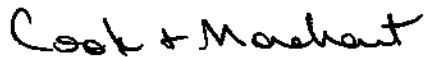
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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 30, 2014

Bossier Parish Emergency Medical Service District
Bossier City, Louisiana
Summary Schedule of Audit Findings
December 31, 2013

Summary Schedule of Prior Audit Findings

There were no findings for the prior year audit for the year ended December 31, 2012.

Corrective Action Plan for Current Year Audit Findings

There are no findings for the current year audit for the year ended December 31, 2013.