



# JACKSON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

## Statutory Report

For the fiscal year ended June 30, 2018

**Cindy Byrd, CPA**  
State Auditor & Inspector

**JACKSON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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Cindy Byrd, CPA | State Auditor & Inspector

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March 13, 2020

**TO THE BOARD OF DIRECTORS OF THE  
JACKSON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of Jackson County Emergency Medical Service District for the fiscal year ended June 30, 2018.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR



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**Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2018**

	<b>EMS SERVICE FUND</b>	<b>CAPITAL PROJECT FUND</b>	<b>TOTAL</b>
Beginning Cash Balance, July 1	\$ 249,464	\$ 72,954	\$ 322,418
<b>Collections</b>			
Ad Valorem Tax	432,282	-	432,282
Charges for Services	1,384,910	-	1,384,910
State Grants	61,156	-	61,156
City Sales Tax for KCD3-Note 1	79,840	-	79,840
Miscellaneous	4,512	-	4,512
Total Collections	<u>1,962,700</u>	<u>-</u>	<u>1,962,700</u>
<b>Disbursements</b>			
Personal Services	1,333,995	-	1,333,995
Maintenance and Operations	389,121	13,790	402,911
Capital Outlay	71,954	13,323	85,277
Contract Services	15,676	-	15,676
Audit Expense	14,449	-	14,449
Total Disbursements	<u>1,825,195</u>	<u>27,113</u>	<u>1,852,308</u>
Ending Cash Balance, June 30	<u>\$ 386,969</u>	<u>\$ 45,841</u>	<u>\$ 432,810</u>

*Source: District Estimate of Needs (presented for informational purposes)*

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**Note 1 - City Sales Tax Kiowa County District 3 Emergency Ambulance Association (KCD3)**

The city sales tax received from the towns of Roosevelt (.33 of 1% sales tax), Mountain Park (.30 of 1% of sales tax), and Snyder (.25 of 1% sales tax) to be used to fund the ambulance service for the geographical area of the Kiowa County District 3 Commissioner as per the contract between Jackson County Emergency Medical Service and Kiowa County District 3 Emergency Ambulance Association (KCD3).

**Note 2 - Proceeds from Jackson County Public Finance Authority (JCPFA)**

The Jackson County Emergency Medical Service District entered into an agreement, Series 2017A Note with the Jackson County Public Finance Authority (JCPFA) on January 9, 2017 in the amount of \$260,000.00. The District has received \$250,000.00 of the proceeds.

District Board Minutes of the meeting held on December 20, 2016 stated,

*“Payments are due monthly (by the 10<sup>th</sup> of the month) to the fiscal agent bank in the amount of \$2,492.62.” The total cost of the Note is \$299,114.05, including interest and fees of \$39,114.05.”*

According to the District Board Minutes, the District deeded the Jackson County Emergency Medical Service District Ambulance building and property to the JCPFA as collateral for the Series 2017A Note. In return, the District has signed a Lease Agreement with JCPFA to lease the building and property from the JCPFA until the note is paid over a ten (10) year period. The District paid \$2,492.62 in monthly lease payments from the maintenance and operations category of the EMS Service Fund for a total expense of \$29,911.44 for the fiscal year.

The District has established a Capital Projects Fund to account for the financial activity associated with proceeds of the Note and the related capital outlay expenditures.

Jackson County Emergency Medical Service District  
1309 N. Park Lane  
Altus, Oklahoma 73521

**TO THE BOARD OF DIRECTORS OF THE  
JACKSON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

For the purpose of complying with 19 O.S. § 1706.1, we have performed the following procedures:

- Determined charges for services were billed and collected in accordance with District Policies.
- Determined that receipts were properly deposited and accurately reported in the accounting records.
- Determined cash balances were accurately reported in the accounting records.
- Determined whether deposits and invested funds for the fiscal year June 30, 2018 were secured by pledged collateral.
- Determined that disbursements were properly supported, were made for purposes outlined in 19 O.S. § 1710.1 and were accurately reported in the accounting records.
- Determined that all purchases requiring bids complied with 19 O.S. § 1723 and 61 O.S. §101-139.
- Determined that payroll expenditures were accurately reported in the accounting records and supporting documentation of leave records was maintained.
- Determined that fixed assets records were properly maintained.
- Determined compliance with contract service providers.
- Determined whether the District's collections, disbursements, and cash balances for the fiscal year ended June 30, 2018 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the Jackson County Emergency Medical Service District.

Our emergency medical service district statutory engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on any basic financial statement of the Jackson County Emergency Medical Service District.

Based on our procedures performed, we have presented our findings in the accompanying schedule.



This report is intended for the information and use of the management of the Jackson County Emergency Medical Service District. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR

October 15, 2019

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2018-003 – Internal Controls Over the Fixed Assets Inventory Process (Repeat Finding)**

**Condition:** Based upon inquiry of District staff and observation of the fixed assets inventory process, the following weaknesses were noted:

- The fixed asset inventory list did not include fixed assets located in the administration office.
- The District Board has not adopted formal policies and procedures to ensure fixed assets are properly accounted for on an ongoing basis.
- A dollar limit has not been established by the Board regarding inclusion on the fixed assets inventory listing.

**Cause of Condition:** Policies and procedures have not been designed and implemented to ensure fixed assets inventory is being properly accounted for, maintained, and updated regularly by the District.

**Effect of Condition:** These conditions could result in errors and improprieties, unrecorded transactions, misappropriation of assets, or loss of District equipment.

**Recommendation:** OSAI recommends policies and procedures be designed and implemented to establish a dollar threshold for items to be listed on the fixed assets inventory list and to document the process for ensuring inventory is being updated on an ongoing basis.

**Management Response:**

**Chairman of the Board:** Management has established a policy to update the inventory process to include visual verification of all fixed assets every six months and the updated report to be presented to the Board. Items that are surplus, inoperable or obsolete will be approved by the Board with a report listing such items attached to the inventory report. This process will provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity’s assets and safeguard assets from loss, damage or misappropriation. The new policy adopted in the office is to include fixed assets costing \$500.00 or more on the fixed assets inventory listing.

**Criteria:** The United States Government Accountability Office’s *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.



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The GAO Standards – Section 1 – Fundamental Concepts of Internal Control – OV2.24 states in part:

*Safeguarding of Assets*

Management designs an internal control system to provide reasonable assurance regarding prevention or prompt detection and correction of unauthorized acquisition, use, or disposition of an entity's assets.

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