

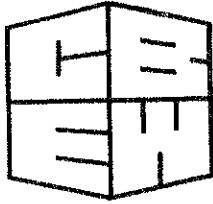
**WESTERN PAYNE COUNTY AMBULANCE  
TRUST AUTHORITY**

**BASIC FINANCIAL STATEMENTS  
December 31, 2020 and 2019**

WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma

CONTENTS

	Page No.
<b>Independent Auditor's Report</b>	1-2
<b>Basic Financial Statements:</b>	
Statement of Net Position	3
Statement of Revenues, Expenses, and Changes in Net Position	4
Statement of Cash Flows	5
<b>Notes to the Financial Statements</b>	6-10
<b>Report Required by <i>Government Auditing Standards</i>:</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	11-12
<b>Schedule of Findings and Responses</b>	13



**CBEW**  
**Professional**  
**Group, LLP**  
Certified Public Accountants

206 N. HARRISON • P.O. BOX 790 • CUSHING, OKLAHOMA 74023 • 918-225-4216 • FAX 918-225-4315

JANE FRAZIER, CPA  
CHARLES E. CROOKS, CPA  
TRISHA J. RIEMAN, CPA  
GABRIELLE CONCHOLA, CPA

## INDEPENDENT AUDITOR'S REPORT

May 19, 2021

To the Board of Trustees  
Western Payne County Ambulance Trust Authority  
Payne County, State of Oklahoma

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

We have audited the accompanying financial statements of the Western Payne County Ambulance Trust Authority as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Authority'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 audits. We conducted our audits 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.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Western Payne County Ambulance Trust Authority as of December 31, 2020 and 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Members of American Institute and Oklahoma Society of CPA's  
Serving Our Clients Since 1960

**Other Matters**

*Required Supplementary Information*

Management has omitted the management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2021, on our consideration of the Western Payne County Ambulance Trust Authority'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 Western Payne County Ambulance Trust Authority's internal control over financial reporting and compliance.

*CBEW Professional Group, LLP*

CBEW Professional Group, LLP  
Certified Public Accountants  
Cushing, Oklahoma

**WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY**  
**STATEMENT OF NET POSITION**  
December 31, 2020 and 2019

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 64,578	\$ 106,766
Temporary investments	470,460	514,935
Accounts receivable	-	-
Prepaid expenses	3,373	3,373
 <b>Capital assets (Notes 1 and 2):</b>		
Ambulance units and equipment, net of accumulated depreciation	<u>-</u>	<u>-</u>
 <b>Total assets</b>	 <u>\$ 538,411</u>	 <u>\$ 625,074</u>
 <b>Deferred outflows of resources:</b>		
Total deferred outflows	<u>-</u>	<u>-</u>
 <b>Liabilities:</b>		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
 <b>Total liabilities</b>	 <u>-</u>	 <u>-</u>
 <b>Deferred inflows of resources:</b>		
Total deferred inflows	<u>-</u>	<u>-</u>
 <b>Net Position:</b>		
Net investment in capital assets	-	-
Unrestricted	<u>538,411</u>	<u>625,074</u>
 <b>Total net position</b>	 <u>538,411</u>	 <u>625,074</u>
 <b>Total liabilities and net position</b>	 <u>\$ 538,411</u>	 <u>\$ 625,074</u>

The accompanying notes are an integral part of the basic financial statements.

**WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
For the Years Ended December 31, 2020 and 2019

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Revenues and support:</b>		
Membership fees:		
City of Stillwater	\$ 986,501	\$ 994,659
City of Perkins	65,905	65,247
Noble County	70,310	71,383
Town of Glencoe	7,680	9,165
Central Electric Cooperative	173,087	176,822
Individual	2,185	820
Total membership fees	<u>1,305,668</u>	<u>1,318,096</u>
Other income and expense:		
Subsidy refund	<u>-</u>	<u>-</u>
Total other income	<u>-</u>	<u>-</u>
<b>        Total revenues</b>	<b><u>1,305,668</u></b>	<b><u>1,318,096</u></b>
<b>Expenses:</b>		
Ambulance contract service	1,360,857	1,340,346
Bank service charge	248	-
Depreciation expense	-	-
Donated medical equipment	8,454	-
Insurance expense	3,679	307
Legal and professional fees	25,425	24,000
Meeting expenses	<u>-</u>	<u>387</u>
<b>        Total expenses</b>	<b><u>1,398,663</u></b>	<b><u>1,365,040</u></b>
<b>Operating income (loss)</b>	<b>(92,995)</b>	<b>(46,944)</b>
<b>Other income and expense</b>		
Interest income	6,332	12,164
Gain (loss) on sale of asset	<u>-</u>	<u>4,000</u>
<b>Total other income and expense</b>	<b><u>6,332</u></b>	<b><u>16,164</u></b>
<b>Change in net position</b>	<b>(86,663)</b>	<b>(30,780)</b>
<b>Net position - beginning of year</b>	<b><u>625,074</u></b>	<b><u>655,854</u></b>
<b>Net position - end of year</b>	<b><u>\$ 538,411</u></b>	<b><u>\$ 625,074</u></b>

The accompanying notes are an integral part of the basic financial statements.

**WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2020 and 2019

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Cash flows from operating activities:</b>		
Cash received from members	\$ 1,305,668	\$ 1,318,096
Cash received for subsidy refund	-	-
Cash payment to supplies for goods and contractors and other services	<u>(1,398,663)</u>	<u>(1,368,413)</u>
<b>Net cash provided by operating activities</b>	<u>(92,995)</u>	<u>(50,317)</u>
<b>Cash flows from investing activities:</b>		
Net (purchase) redemption of temporary investments	44,475	(160,228)
Investment income	<u>6,332</u>	<u>12,164</u>
<b>Net cash provided by investing activities</b>	<u>50,807</u>	<u>(148,064)</u>
<b>Cash flows from capital and related financing activities:</b>		
Proceeds from sale of equipment	-	4,000
<b>Net cash used in financing activities</b>	<u>-</u>	<u>4,000</u>
<b>Net increase (decrease) in cash</b>	(42,188)	(194,381)
<b>Cash and cash equivalents at beginning of year</b>	<u>106,766</u>	<u>301,147</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 64,578</u>	<u>\$ 106,766</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	<u>\$ (92,995)</u>	<u>\$ (46,944)</u>
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	-	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	-	-
(Increase) decrease in prepaid expenses	-	(3,373)
Increase (decrease) in accounts payable	-	-
<b>Total adjustments</b>	<u>-</u>	<u>(3,373)</u>
<b>Net cash provided by operating activities</b>	<u>\$ (92,995)</u>	<u>\$ (50,317)</u>

The accompanying notes are an integral part of the basic financial statements.

**WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2020 and 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Western Payne County Trust Authority, Stillwater, Oklahoma (the Authority), was created August 18, 2009 under the provisions of Title 60, O.S. 2001, Sections 176-180.4 inclusive, for the purpose of operating, or contracting for the operation of, emergency and non-emergency ambulance services in Western Payne County. Financial activities began with initial Authority funding on April 12, 2010. Initial funding sources were obtained through contributions from the City of Perkins, Oklahoma State University Foundation, Payne County, and Stillwater Medical Center, for the purpose of consulting and public relations work related to the set up and operation of the Authority. The City of Stillwater maintained ambulance operations until May 1, 2011, at which time the contract for ambulance service between the Authority and LifeNet, Inc. took effect. The Stillwater Utility Authority began billing membership fees in April of 2011 and deposited these funds into the Authority's account on May 2, 2011.

The Authority has a five (5) member board apportioned as follows: One (1) trustee is appointed by each of the following; the City of Stillwater Mayor and City Council, the Board of Commissioners of Payne County, the Board of Trustees of the Stillwater Medical Center, the Board of Regents for the Oklahoma A&M colleges, and one (1) shared trustee appointed by the City Councils of the City of Perkins and the Town of Glencoe. The Authority, by virtue of dependence, is a potential component unit of the City of Stillwater, Oklahoma. The financial activities of the City of Stillwater and its other component units are not included in the financial statements of the Authority.

The more significant accounting policies of the Authority are described below.

**A. Reporting Entity**

Western Payne County Ambulance Trust Authority is an independent, self-contained reporting entity with no associated component units. It is operated in a manner similar to a private business enterprise where the cost (expenses, including depreciation) of operating, or contracting for the operation of, emergency and non-emergency ambulance services in Western Payne County are offset by the collection of membership fees.

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and Generally Accepted Governmental Accounting Principles promulgated by the Governmental Accounting Standards Board (GASB). The accounting and financial reporting treatment is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation are included on the statement of net assets. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Depreciation expense is provided for capital assets based upon estimated useful lives.

**C. Assets, Liabilities and Equity**

**1. Deposits and Investments**

Oklahoma Statutes authorize the Authority to invest in certificates of deposit, repurchase agreements, passbooks, bankers' acceptances, and other available bank investments provided that all deposits are fully covered by approved securities pledged to secure those funds. In addition, the Authority can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

All the bank deposits are held at one financial institution and are carried at cost. For purposes of statements of cash flows, the Authority considers cash and all highly liquid investments with an initial maturity of three months or less to be cash equivalents.



WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

1. Deposits and Investments (Continued)

*Custodial Credit Risk*

At December 31, 2020 and 2019, the Authority held deposits and investments of approximately \$535,038 and \$621,701, respectively, at financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC). Cash balances in those accounts may periodically exceed the federally insured limits.

*Investment Interest Rate Risk*

The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Investment Credit Risk*

The Authority has no policy that limits its investment choices other than the limitation of state law as follows:

- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposits or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- c. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs (a.-d.).

The cash and investments held at December 31, 2020 and 2019 are as follows:

Type	Weighted Average Maturity	Credit Rating	Market Value	Cost
<b><u>December 31, 2020</u></b>				
Checking account	N/A	NA	\$ 64,578	\$ 64,578
Certificates of deposit	0.66	N/A	\$ 470,460	\$ 470,460
Total cash and investments			<u>\$ 535,038</u>	<u>\$ 535,038</u>
<b><u>December 31, 2019</u></b>				
Checking account	N/A	NA	\$ 106,766	\$ 106,766
Certificates of deposit	0.62	N/A	\$ 514,935	\$ 514,935
Total cash and investments			<u>\$ 621,701</u>	<u>\$ 621,701</u>

WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

1. Deposits and Investments (Continued)

*Concentration of Investment Credit Risk*

The Authority has the following concentration of investment credit risk: 100% in Certificates of deposit, \$470,460 and \$514,935, in 2020 and 2019, respectively.

2. Fair Value Measurement

The Authority's financial instruments include cash and cash equivalents, accounts receivable, and accounts payable. The Authority's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net position. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

*GASB Statement 72, Fair Value Measurement and Application*, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of GASB fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The Authority's financial instruments are considered level 1.

3. Estimates

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

WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Capital Assets

Additions to equipment are recorded at cost, or if contributed property, at their estimated acquisition value at time of contribution. Repairs and maintenance are recorded as expenses; renewal and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income. The Authority maintains a capitalization threshold of \$500. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Ambulances	5 years
Equipment	5 years

5. Net Position

In the basic financial statements, net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws or other governments.

2. CAPITAL ASSETS

The following is a summary of changes in property, plant and equipment.

	Balance December 31, 2019	Additions	Deletions	Balance December 31, 2020
Ambulances	\$ -	\$ -	\$ -	\$ -
Equipment	3,058	-	3,058	-
Total	3,058	-	3,058	-
Less accumulated depreciation	3,058	-	3,058	-
Net	\$ -	\$ -	\$ -	\$ -
	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
Ambulances	\$ 111,582	\$ -	\$ 111,582	\$ -
Equipment	3,058	-	-	3,058
Total	114,640	-	111,582	3,058
Less accumulated depreciation	114,640	-	111,582	3,058
Net	\$ -	\$ -	\$ -	\$ -

Total depreciation expense for 2020 and 2019 is \$0 and \$0, respectively.

**WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY**  
**PAYNE COUNTY**  
**Stillwater, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020 and 2019**

**3. RISK MANAGEMENT**

Western Payne County Ambulance Trust Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to patients; and natural disasters. LifeNet, Inc., carries commercial insurance for these risks, including general liability, property damage. The Authority is named as an additional insured on these policies.

**4. OPERATING LEASES**

The Authority leases all of its ambulances and equipment to LifeNet, Inc., the ambulance service provider for the Authority, as part of its operating agreement with LifeNet, Inc. LifeNet Inc. must maintain the ambulances and equipment, however, ownership remains with the Authority.

**5. COMMITMENTS AND CONTINGENCIES**

The Authority has an operating agreement with LifeNet, Inc. that began May 1, 2011 and continued through April, 30, 2016 at fixed annual fees. The Authority entered into a continuation of the operating agreement with LifeNet that began on May 1, 2016 and will continue through April 30, 2021. Fees for service under the new agreement are subject to annual cost of living adjustments, which change on each contract anniversary date using the U.S. Consumer Price Index for all Urban Consumers (CPI-U) plus 1%, to be no less than 1% and no more than 5%. The period for determining the CPI-U is the previous 12-month period.

The annual fee for May 1, 2016 through April 30, 2017 was \$1,246,800, which was due in monthly installments. The annual fee for May 1, 2017 through April 30, 2018 was \$1,279,217, with the CPI-U for the previous 12 months being 1.6%, plus 1% per the agreement. The annual fee for May 1, 2018 through April 30, 2019 is \$1,322,710, with the CPI-U for the previous 12 months being 2.4%, plus 1% per the agreement. The annual fee for May 1, 2019 through April 30, 2020 is \$1,349,164, with the CPI-U for the previous 12 months being 2.0%, plus 1% per the agreement. The annual fee for May 1, 2020 through April 30, 2021 is \$1,366,703, with the CPI-U for the previous 12 months being 0.3%, plus 1% per the agreement.

**6. CONCENTRATIONS/ FINANCIAL DEPENDENCY**

Approximately 100% and 100% of the Authority's revenues were derived from membership fees collections in 2020 and 2019, respectively. Of the membership fee collections, 76% and 75% were collected from the City of Stillwater memberships in 2020 and 2019, respectively. Any significant change in memberships within the participating cities could have a significant impact on operations. The Authority offers opt-out annually to all members.

**7. LETTER OF CREDIT**

As of December 31, 2020, the Authority has not drawn upon the letter of credit with Farmers Bank & Trust Company, which has been issued in the maximum amount of \$500,000.

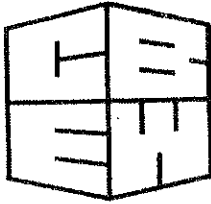
As of December 31, 2019, the Authority has not drawn upon the letter of credit with Capital One Bank, N.A., which has been issued in the maximum amount of \$500,000.

**8. SUBSEQUENT EVENTS**

Management has evaluated subsequent events and transactions through the date of the audit report, which is the date the financial statements were available to be issued. Management is currently evaluating the impact of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the Authority's financial position and results of its operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**WESTERN PAYNE COUNTY AMBULANCE  
TRUST AUTHORITY**

**REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*  
December 31, 2020**



**CBEW**  
**Professional**  
**Group, LLP**  
Certified Public Accountants

206 N. HARRISON • P.O. BOX 790 • CUSHING, OKLAHOMA 74023 • 918-225-4216 • FAX 918-225-4315

JANE FRAZIER, CPA  
CHARLES E. CROOKS, CPA  
TRISHA J. RIEMAN, CPA  
GABRIELLE CONCHOLA, CPA

**INDEPENDENT AUDITOR'S 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**

May 19, 2021

To the Board of Trustees  
Western Payne County Ambulance Trust Authority  
Payne County, State of Oklahoma

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 Western Payne County Ambulance Trust Authority as of and for the period ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated May 19, 2021. The Western Payne County Ambulance Trust Authority did not present the Management's Discussion and Analysis required by the Governmental Accounting Standards Board.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Western Payne County Ambulance Trust Authority'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 Western Payne County Ambulance Trust Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Western Payne County Ambulance Trust Authority'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. 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 Western Payne County Ambulance Trust Authority'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.

*CBEW Professional Group, LLP*

CBEW Professional Group, LLP  
Certified Public Accountants  
Cushing, Oklahoma

WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY  
PAYNE COUNTY  
Stillwater, Oklahoma

SCHEDULE OF FINDINGS AND RESPONSES  
For the Year Ended December 31, 2020

FINDINGS - FINANCIAL STATEMENT AUDIT

1. None