

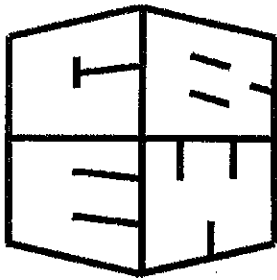
**WESTERN PAYNE COUNTY AMBULANCE
TRUST AUTHORITY**

**BASIC FINANCIAL STATEMENTS
December 31, 2023 and 2022**

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

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INDEPENDENT AUDITOR'S REPORT

May 16, 2024

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

Opinions

We have audited the accompanying financial statements of the business-type activities of Western Payne County Ambulance Trust Authority as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Western Payne County Ambulance Trust Authority as of December 31, 2023 and 2022, and the respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Western Payne County Ambulance Trust Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Western Payne County Ambulance Trust Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Western Payne County Ambulance Trust Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Western Payne County Ambulance Trust Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

The Western Payne County Ambulance Trust Authority has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires 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 (GASB), 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 opinions on the basic financial statements are 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 16, 2024, 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 results of that testing, and not to provide an opinion on the effectiveness of the Western Payne County Ambulance Trust Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the 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
PAYNE COUNTY
Stillwater, Oklahoma**

**STATEMENT OF NET POSITION
December 31, 2023 and 2022**

| | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---|------------------------------|------------------------------|
| Assets: | | |
| Cash and cash equivalents (Note 1) | \$ 214,037 | \$ 139,926 |
| Temporary investments | 307,743 | 301,364 |
| Accounts receivable | - | - |
| Prepaid expenses | 3,697 | 3,697 |
| Capital assets (Notes 1 and 2): | | |
| Ambulance units and equipment, net of accumulated depreciation | <u>-</u> | <u>-</u> |
| Total assets | \$ <u>525,477</u> | \$ <u>444,987</u> |
| Liabilities: | | |
| Accounts payable | <u>\$ 28,999</u> | <u>\$ -</u> |
| Total liabilities | <u>28,999</u> | <u>-</u> |
| Net position: | | |
| Net investment in capital assets | - | - |
| Unrestricted | <u>496,478</u> | <u>444,987</u> |
| Total net position | <u>496,478</u> | <u>444,987</u> |
| Total liabilities and net position | \$ <u>525,477</u> | \$ <u>444,987</u> |

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

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended December 31, 2023 and 2022**

| | December 31, 2023 | December 31, 2022 |
|---|------------------------------|------------------------------|
| Revenues and support: | | |
| Membership fees: | | |
| City of Stillwater | \$ 1,076,077 | \$ 1,094,110 |
| City of Perkins | 68,793 | 68,352 |
| Noble County | 86,880 | 79,240 |
| Town of Glencoe | 6,985 | 7,595 |
| Central Rural Electric Cooperative | 168,557 | 169,097 |
| Individual | 1,955 | 2,570 |
| Total membership fees: | 1,409,247 | 1,420,964 |
| Local financial assistance: | | |
| Stillwater Medical Center | - | - |
| Total local financial assistance: | - | - |
| Other income and expense: | | |
| Subsidy Refund | 134,525 | - |
| Total other income: | 134,525 | - |
| Total revenues | 1,543,772 | 1,420,964 |
| Expenses: | | |
| Advertising | - | - |
| Ambulance contract service | 1,478,924 | 1,435,852 |
| Bank service charge | - | - |
| Donated medical equipment | - | - |
| Insurance expense | 4,033 | 3,789 |
| Legal & professional fees | 19,500 | 23,050 |
| Office supplies | - | - |
| Total expenses | 1,502,457 | 1,462,691 |
| Operating income (loss) | 41,315 | (41,727) |
| Other income and expense: | | |
| Interest income | 10,176 | 1,881 |
| Insurance proceeds | - | - |
| Gain (loss) on sale of asset | - | - |
| Total other income and expense | 10,176 | 1,881 |
| Change in net position | 51,491 | (39,846) |
| Net position - beginning of year | 444,987 | 484,833 |
| Net position - end of year | \$ 496,478 | \$ 444,987 |

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

WESTERN PAYNE COUNTY AMBULANCE TRUST AUTHORITY
PAYNE COUNTY
Stillwater, Oklahoma

STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

| | <u>December 31,</u> <u>2023</u> | <u>December 31,</u> <u>2022</u> |
|--|------------------------------------|------------------------------------|
| Cash flows from operating activities: | | |
| Cash received from members | \$ 1,409,247 | \$ 1,420,964 |
| Cash received for trust funding | - | - |
| Cash received for subsidy refund | 134,525 | - |
| Cash payments to suppliers for goods and contractors and other services | (1,473,458) | (1,462,935) |
| Net cash provided by operating activities | <u>70,314</u> | <u>(41,971)</u> |
| Cash flows from investing activities: | | |
| Net (purchase) redemption of temporary investments | (6,379) | 13,688 |
| Investment income | 10,176 | 1,881 |
| Net cash provided by investing activities | <u>3,797</u> | <u>15,569</u> |
| Cash flows from capital and related financing activities: | | |
| Proceeds from insurance on equipment | - | - |
| Proceeds from sale of equipment | - | - |
| Net cash used in financing activities | <u>-</u> | <u>-</u> |
| Net increase (decrease) in cash | 74,111 | (26,402) |
| Cash and cash equivalents at beginning of year | <u>139,926</u> | <u>166,328</u> |
| Cash and cash equivalents at end of year | <u>\$ 214,037</u> | <u>\$ 139,926</u> |
| Reconciliation of operating income to net cash provided by operating activities: | | |
| Operating income (loss) | \$ <u>41,315</u> | \$ <u>(41,727)</u> |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | - | - |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | - | - |
| (Increase) decrease in prepaid expenses | - | (244) |
| Increase (decrease) in accounts payable | 28,999 | - |
| Total adjustments | <u>28,999</u> | <u>(244)</u> |
| Net cash provided by operating activities | <u>\$ 70,314</u> | <u>\$ (41,971)</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, 2023 and 2022

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, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

1. Deposits and Investments (Continued)

Custodial Credit Risk

At December 31, 2023 and 2022, the Authority held deposits and investments of approximately \$521,780 and \$481,380, respectively, at financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC).

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, 2023 and 2022 are as follows:

| Type | Weighted Average Maturity | Credit Rating | Market Value | Cost |
|---------------------------------|---------------------------------|------------------|-------------------|-------------------|
| <u>December 31, 2023</u> | | | | |
| Checking account | N/A | NA | \$ 214,037 | \$ 214,037 |
| Certificates of deposit | 0.44 | N/A | \$ 307,743 | \$ 307,743 |
| Total cash and investments | | | <u>\$ 521,780</u> | <u>\$ 521,780</u> |
| <u>December 31, 2022</u> | | | | |
| Checking account | N/A | NA | \$ 139,926 | \$ 139,926 |
| Certificates of deposit | 0.49 | N/A | \$ 301,364 | \$ 301,364 |
| Total cash and investments | | | <u>\$ 441,290</u> | <u>\$ 441,290</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2023 and 2022**

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, \$307,743 and \$301,364, in 2023 and 2022, 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, 2023 and 2022**

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. No activity in 2023.

| | Balance December 31, 2022 | Additions | Deletions | Balance December 31, 2023 |
|----------------------------------|---------------------------------|-----------|-----------|---------------------------------|
| Ambulances | \$ - | \$ - | \$ - | \$ - |
| Equipment | - | - | - | - |
| Total | - | - | - | - |
| Less accumulated depreciation | - | - | - | - |
| Net | \$ - | \$ - | \$ - | \$ - |

Total depreciation expense for 2023 and 2022 is \$0 and \$0, respectively.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2023 and 2022**

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, 2023. 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. The annual fee for May 1, 2021 through April 30, 2022 is \$1,407,696, with the CPI-U for the previous 12 months being 2%, plus 1% per the agreement. The annual fee for May 1, 2022 through April 30, 2023 is \$1,449,926, with the CPI-U for the previous 12 months being 2%, plus 1% per the agreement. The annual fee for May 1, 2023 through April 30, 2024 is \$1,493,425, with the CPI-U for the previous 12 months being 2%, 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 2023 and 2022, respectively. Of the membership fee collections, 77% and 77% were collected from the City of Stillwater memberships in 2023 and 2022, 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, 2023, 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.

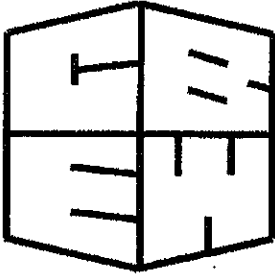
As of December 31, 2022, the Authority has not drawn upon the letter of credit with Farmers Bank & Trust Company, which has been issued in the maximum amount of \$500,000.

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 and have determine that no additional information will need to be added to the financial statements.

**WESTERN PAYNE COUNTY AMBULANCE
TRUST AUTHORITY**

**REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
December 31, 2023**



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Charles E. Crooks, Jr., 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 16, 2024

Board of Directors
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 year ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise Western Payne County Ambulance Trust Authority, a component unit of Payne County, Oklahoma's basic financial statements, and have issued our report thereon dated May 16, 2024. Western Payne County Ambulance Trust Authority did not present the Management's Discussion and Analysis required by the Governmental Accounting Standards Board.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Western Payne County Ambulance Trust Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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, 2023**

FINDINGS - FINANCIAL STATEMENT AUDIT

1. None