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**HOSPITAL SERVICE DISTRICT NO. 1 OF OUACHITA PARISH**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR FISCAL PERIOD ENDING DECEMBER, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 23 2000

**AFFIDAVIT AND REVENUE CERTIFICATION**

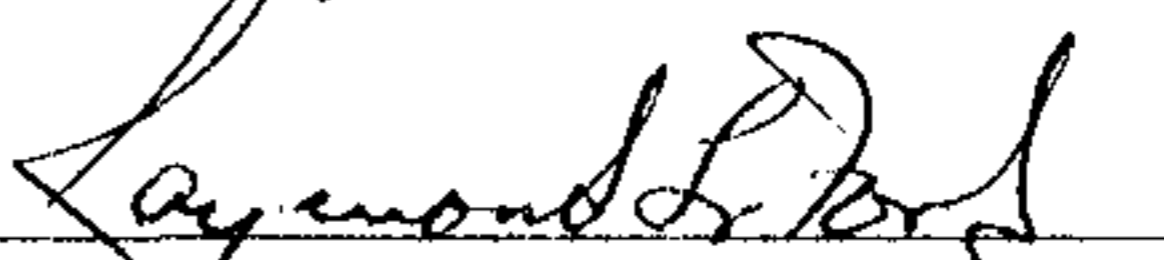
**HOSPITAL SERVICE DISTRICT NO. 1  
OF THE PARISH OF OUACHITA, STATE OF LOUISIANA  
West Monroe, Louisiana**

**ANNUAL SWORN FINANCIAL STATEMENTS  
AND CERTIFICATION OF REVENUES \$50,000 OR LESS  
As of and for the Year Ended December 31, 1999**

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(1)(1)(c)(i).

**AFFIDAVIT**

Personally came and appeared before the undersigned authority, RAYMOND L. FORD, Secretary-Treasurer of Hospital Service District No. 1 of the Parish of Ouachita, State of Louisiana, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of Hospital Service District No. 1 of the Parish of Ouachita, State of Louisiana, as of December 31, 1999, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements. In addition, RAYMOND L. FORD, who, duly sworn, deposes and says that Hospital Service District No. 1 of the Parish of Ouachita, State of Louisiana received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 1999, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.

  
RAYMOND L. FORD  
Secretary-Treasurer

SWORN TO AND SUBSCRIBED before me, this 18<sup>th</sup> day of February, 2000.

  
NOTARY PUBLIC

Officer: Raymond L. Ford  
Address: P. O. Box 35805  
West Monroe, LA 71294-5805  
Telephone No.: (318) 329-4700

HOSPITAL SERVICE DISTRICT NO. 1 OF OUACHITA PARISH  
 UNAUDITED BALANCE SHEET  
 AS OF DECEMBER 31, 1999

	Debt Service Governmental Fund Type
	.....
<b>ASSETS:</b>	
Cash & Temporary Investments	79,045
Cash Held by Trustee to pay Matured but Unredeemed Principal & Interest	0
	.....
	79,045
	=====
 <b>LIABILITIES:</b>	
Matured but Unredeemed Principal & Interest	0
Fund Balance	79,045
	.....
	79,045
	=====

HOSPITAL SERVICE DISTRICT NO. 1 OF OUACHITA PARISH  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
 OF THE DEBT SERVICE GOVERNMENTAL FUND  
 FOR FISCAL PERIOD ENDING DECEMBER 31, 1999

REVENUES:

Investment Income	3,513
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	..... 3,513
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EXPENDITURES:

None	0
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	..... 3,513
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EXCESS OF REVENUES OVER EXPENSES

3,513

FUND BALANCE ON JANUARY 1, 1999

75,532

FUND BALANCE ON DECEMBER 31, 1999

.....  
79,045  
=====

**HOSPITAL SERVICE DISTRICT NO. 1, OUACHITA PARISH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Background**

Hospital Service District No. 1, Ouachita Parish, Louisiana, (the District) is a public corporation and political subdivision of the State of Louisiana which was created by Ordinance No. 7006 of the Ouachita Parish Police Jury, as provided by Revised Statutes 46:1051-1067. The boundaries of the District comprise all of the territory within Ward No. 5 of Ouachita Parish. The district is governed by a Board of Commissioners consisting of five members who are appointed by the Ouachita Parish Police Jury. The District was established for the purpose of constructing, expanding and maintaining Glenwood Regional Medical Center (the Hospital).

As of April 6, 1997, the District (Lessor) entered into a lease agreement (the Agreement) with the Hospital (Lessee). The Agreement amended and restated a lease agreement executed by the same parties on May 1, 1996. The Agreement commences only upon termination, prior to May 15, 2021, of the lease agreement dated May 1, 1996, and terminates on May 15, 2021. Among other provisions, the Agreement stipulates that:

- a. For and in consideration of the mutual covenants and agreements set forth therein, Lessee agrees to manage and operate Lessor's hospital facility, including all buildings, improvements, appurtenances, hospital furnishings, equipment and supplies, as a non-profit institution in accordance with the terms of the Agreement.
- b. The Lessee shall have full and complete charge of the management and operation of the Hospital and shall conduct and operate said Hospital in accordance with acceptable standards, as established by the various agencies and governmental bodies named in the Agreement.
- c. In operating and managing the Hospital, rates and charges are to be imposed and collected by Lessee for all facilities and services rendered at the Hospital, such rates and charges being established by the Board of Directors of the Lessee, subject to the approval of the Board of Commissioners of the Lessor. Also, such rates and charges are to be sufficient to pay expenses of operating and maintaining the Hospital, to pay maturing principal and interest on the Series 1996 Bonds and to

ensure the deposit and maintenance of all funds established by the Bond Resolution.

- d. All income and revenues derived from the operation of the Hospital are to be governed by the terms of the above-mentioned Bond Resolution.
- e. Lessee is to maintain the Hospital in good repair and working order and shall from time to time make all necessary and proper repairs, replacements and renewals.
- f. The terms of the Agreement are in all respects subordinate to the terms of the above-mentioned Bond Resolution.

### **Basis of Accounting**

The Debt Service Governmental Fund is accounted for using the modified accrual basis of accounting. Interest income is recorded when the income on the investment has been received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

### **Cash and Temporary Cash Investments**

All cash deposits and temporary investments of the District are held by financial institutions and are fully insured. At the end of the period the carrying amount of the District's deposits was the same as the balance reported by the financial institutions.

### **2. OUTSTANDING BONDS:**

In 1996, the District issued \$38,505,000 Series 1996 Hospital Revenue Refunding Bonds (the "1996 Bonds" or the "Bonds") under the Trust Indenture between Hospital Service District No. 1 of the Parish of Ouachita, State of Louisiana and First National Bank of Commerce dated as of May 1, 1996 (the "Trust Indenture"). The proceeds of the 1996 Bonds were used to provide funds for (a) refunding the Series 1991 Bonds through a defeasance trust to achieve interest cost savings, (b) funding a reserve fund and (c) paying the costs of issuance of the Series 1996 Bonds. All outstanding Hospital Revenue Bonds are carried on the books of the Hospital as Lessee (See Note 1).

### **3. BOARD COMPENSATION:**

For the period ended December 31, 1999, there was no compensation paid to members of the Board of Commissioners.

#### **4. FINANCIAL DATA OF GLENWOOD REGIONAL MEDICAL CENTER:**

The District leases the Hospital facility to the Hospital as further discussed in Note 1. The financial statements of the District do not include financial data of Glenwood Regional Medical Center (the Hospital).

If the financial data of the Hospital as of August 31, 1999 had been included, the assets of the District for 1999 would have been increased by \$137,030,060, excess revenues over expenditures for 1999 would have increased by \$5,055,414, and net assets for 1999 would have increased by \$90,857,903.