

HOSPITAL SERVICE DISTRICT NO. 1  
OF THE PARISH OF HIGHLAND, STATE OF LOUISIANA  
HEALTH SERVICE FUND  
BALANCE SHEET  
FOR THE YEARS ENDED SEPTEMBER 30, 1984, 1985 AND 1986

ASSETS	1986	1985	1984
Cash on deposit with paying agent (Note 2)	\$ 4,496	\$ 3,360	\$ 1,478
Certificates of deposit (Note 2)	182,355	189,098	215,355
Taxes receivable (out of fund)	4,433	38	467
Accrued interest receivable	<u>3,323</u>	<u>1,350</u>	<u>1,823</u>
Total Assets	\$ <u>194,607</u>	\$ <u>193,846</u>	\$ <u>218,723</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Matured interest coupons payable	\$ 4,268	\$ 3,615	\$ 1,138
Fund Balance	<u>188,632</u>	<u>190,633</u>	<u>217,613</u>
Total Liabilities and Fund Balance	\$ <u>192,899</u>	\$ <u>194,248</u>	\$ <u>218,751</u>

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

In planning and performing our audit of the general purpose financial statements of the District for the years ended September 30, 1998, 1999 and 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Commissioners, management and the office of the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Earley, Lester & Wells*  
Certified Public Accountants

March 8, 1999

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Independent Auditors' Report on Internal Control  
Structure Based on an Audit of General Purpose Financial  
Statements Prepared in Accordance with  
GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Hospital Service District No. 1  
Parish of Richland, State of Louisiana  
Rayville, Louisiana 71277

We have audited the general purpose financial statements of the Richland Parish Hospital Service District No. 1 (the District) for the years ended September 30, 1978, 1979 and 1980, and have issued our report thereon dated March 8, 1981.

We conducted our work in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Board of Commissioners  
Hospital Service District No. 1  
Parish of Richland, State of Louisiana  
Page Two

This report is intended for the information of the Board of Commissioners, management and the office of the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Easley, Lester & Wills*

Certified Public Accountants

March 8, 1967

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### INDEPENDENT MEMBERS' REPORT

Board of Commissioners  
Hospital Service District No. 1  
Parish of Richland, State of Louisiana  
Rayville, Louisiana

We have audited the accompanying general purpose financial statements of Hospital Service District No. 1, Parish of Richland, (the Service District), a component unit of the Richland Parish Police Jury, as of and for the years ended September 30, 1994, 1993, and 1992, listed in the foregoing table of contents. These financial statements are the responsibility of the Service District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hospital Service District No. 1, Parish of Richland, as of and for the years ended September 30, 1994, 1993, and 1992 and the results of its operations for the years then ended, in conformity with generally accepted accounting principles applicable to governmental entities.

In accordance with Governmental Auditing Standards, we have also issued a report dated March 8, 1997, on our consideration of the Service District's internal control structure and a report dated March 8, 1993, on its compliance with laws and regulations.

*Easley, Lester & Wells*

Certified Public Accountants

March 8, 1997

HOSPITAL SERVICE DISTRICT NO. 1  
 OF THE PARISH OF RICHLAND, STATE OF LOUISIANA  
 DEBT SERVICE FUND

STATEMENTS OF REVENUES AND EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 FOR THE YEARS ENDED SEPTEMBER 30, 1996, 1995 AND 1994

	1996	1995	1994
<b>Revenues</b>			
Ad valorem taxes	\$ 253,678	\$ 229,874	\$ 234,942
Interest income	<u>16,588</u>	<u>22,850</u>	<u>9,821</u>
<b>Total Revenues</b>	<u>269,266</u>	<u>252,724</u>	<u>244,763</u>
<b>Expenditures</b>			
Bonds redeemed	180,000	170,000	195,000
Interest on bonds	71,268	88,375	88,535
Fiscal agent fees	<u>208</u>	<u>-0-</u>	<u>528</u>
<b>Total Expenditures</b>	<u>251,476</u>	<u>258,375</u>	<u>284,063</u>
Excess of revenues (expenditures)	(15,844)	(15,651)	(19,300)
Fund Balance, beginning of year	<u>281,803</u>	<u>297,454</u>	<u>316,754</u>
Fund Balance, end of year	\$ <u>265,959</u>	\$ <u>281,803</u>	\$ <u>297,454</u>

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

HOSPITAL SERVICE DISTRICT NO. 1  
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA  
DEBT SERVICE FUND AND GENERAL LONG-TERM DEBT ACCOUNT GROUP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994, 1993 AND 1994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Legal Organization

Richland Parish Hospital Service District No. 1 (the District) was created by an ordinance of the Richland Parish Police Jury. The District is comprised of and embraces the territory contained within the Parish of Richland, State of Louisiana, as constituted as of the date of the ordinance.

The District is a political subdivision of the Richland Parish Police Jury whose jurors are elected officials. The District's commissioners are appointed by the Richland Parish Police Jury. Accordingly, Environmental Accounting Standards Board Statement No. 14 requires these financial statements to be included in those of the Richland Parish Police Jury.

Debt Service

The debt service fund was established to receive ad valorem taxes collected and to pay bonds and the interest thereon. Taxes received cannot be commingled with other funds and can be used only for the designated purpose.

General Long-Term Debt Account Group

The general long-term debt account group is a self-balancing group of accounts which includes unsecured public improvement bonds that are funded by ad valorem tax revenues.

Basis of Accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within 60 days after year-end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

Budgets

Expenditures of the debt service fund are controlled through debt service commitments. No legal budget is required for this fund.

Income Taxes

The entity is a political subdivision and exempt from taxation.

HOSPITAL SERVICE DISTRICT NO. 1  
OF THE PARISH OF NICHOLAS, STATE OF LOUISIANA  
DEBT SERVICE FUND AND GENERAL LONG-TERM DEBT ACCOUNT GROUP  
NOTICE TO FINANCIAL STATEMENT  
FOR THE YEARS ENDED SEPTEMBER 30, 1986, 1985 AND 1984

NOTE 2 - DEPOSITS

Deposits totaling \$188,911 as September 30, 1986, with the depository banks in checking accounts and certificates of deposits were secured at the balance sheet date by Federal depository insurance coverage and by pledged securities.

NOTE 3 - SERIAL BONDS PAYABLE

Public Improvement Bonds dated August 1, 1979, mature serially beginning February 1, 1979, in annual amounts ranging from \$15,000 to \$100,000. Interest is payable semi-annually on February 1st and August 1st with rates varying from 5.81 to 6.54.

As September 30, 1986, there were outstanding bonds in an amount of \$1,180,000, as detailed below:

Year	Bond Range	September 30, 1986 Principal
1987	371 to 408	180,000
1988	409 to 449	385,000
1989	450 to 493	320,000
2000	494 to 540	325,000
2001	541 to 590	160,000
<u>Total</u>		<u>\$ 1,180,000</u>

NOTE 4 - AD VALORUM TAXES

The District levies real estate taxes on all real property on a calendar year basis, at a rate enacted by the Board of Commissioners as recommended by the local tax assessor. Property taxes are collected through the local sheriff and remitted, net of collection fees, to the District. The sheriff's office is responsible for collection, including establishing liens, levy and due dates of property taxes.

NOTE 5 - PER DIEM AND OTHER COMPENSATION PAID TO BOARD MEMBERS

Mr. W. L. Strong, Jr.	None
Mr. Oliver Holland	None
Mr. Bentley Curry	None
Mr. Russel Watkins	None
Mr. Tom McRay	None
Mr. Paul Gracien	None
Mr. Bruce McRathorn	None



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HOSPITAL SERVICE DISTRICT NO. 1  
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA  
HEALTH SERVICE FUND  
FOR THE YEARS ENDED SEPTEMBER 30, 1998, 1999 AND 2000

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or his or her, and to the appropriate officials. The report is available for public inspection at the State House office of the Legislative Auditor, when appropriate, at the office of the parish clerk of court.

Witness my hand this 11th day of April, 2001.

HOSPITAL SERVICE DISTRICT NO. 1  
 OF THE PARISH OF RICHLAND, STATE OF LOUISIANA  
 DEBT SERVICE FUND  
 STATEMENTS OF GENERAL LONG-TERM DEBT  
 FOR THE YEARS ENDED SEPTEMBER 30, 1976, 1975 AND 1974

<u>AMOUNT AVAILABLE AND TO BE        PROVIDED FOR PAYMENT OF GENERAL        LONG-TERM DEBT</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>
<b>Serial Bonds</b>			
Amount available in Debt Service Fund	\$ 182,880	\$ 204,588	\$ 218,733
Amount to be provided from ad valorem taxes	<u>    827,213</u>	<u>  1,217,612</u>	<u>  1,233,343</u>
Total	<u>\$ 1,010,093</u>	<u>\$ 1,422,200</u>	<u>\$ 1,452,076</u>
<b>GENERAL LONG-TERM DEBT PAYABLE</b>			
Serial Bonds Payable (Note 3)	<u>\$ 1,108,800</u>	<u>\$ 1,380,800</u>	<u>\$ 1,450,800</u>

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