

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAYTON, STATE OF LOUISIANA
 NORTH CLAYTON HOSPITAL
 HOSPITAL ENTERPRISE FUND
 BALANCE SHEETS - UNRESTRICTED FUNDS
 JUNE 30, 1987, 1986 AND 1985

ASSETS	1987	1986	1985
Current			
Cash and cash equivalents	\$ 306,584	\$ 16,554	\$ 65,583
Accounts receivable less estimated uncollectibles and allowances of \$13,797, \$16,867, and \$17,468 in 1987, 1986 and 1985, respectively (Note 4)	-0-	-0-	-0-
Note receivable, current portion	-0-	-0-	10,548
Note receivable	12,000	12,800	8,800
Prepaid expenses	<u>2,817</u>	<u>6,688</u>	<u>3,668</u>
Total Current Assets	321,391	35,942	87,599
Investments (Note 5)	32,343	199,817	157,683
Note receivable, less current portion	-0-	-0-	24,883
Property, plant and equipment, net (Note 6)	<u>352,681</u>	<u>355,250</u>	<u>328,813</u>
Total Assets	\$ 696,295	\$ 590,909	\$ 598,985
LIABILITIES AND FUND BALANCE			
Current			
Accounts payable	\$ 276	\$ 73	\$ 766
Due to third party payors (Note 7)	<u>63,273</u>	<u>60,093</u>	<u>60,093</u>
Total Liabilities	63,499	60,113	60,799
Fund balance - Unrestricted	<u>632,296</u>	<u>530,796</u>	<u>538,186</u>
Total Liabilities and Fund Balance	\$ 696,295	\$ 590,909	\$ 598,985

See accompanying notes to financial statements.

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAYTON, STATE OF LOUISIANA
 NORTH CLAYTON HOSPITAL
 HOSPITAL ENTERPRISE FUND
 STATEMENTS OF OPERATIONS - UNRESTRICTED FUNDS
 FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

	1997	1996	1995
Other Operating Revenue	\$ <u>188,351</u>	\$ <u>35,381</u>	\$ <u>87,808</u>
Operating Expenses			
Salary and benefits	1,898	-0-	1,314
Insurance	14,387	39,689	674
Depreciation	43,125	45,904	58,618
Other expenses	<u>20,734</u>	<u>22,618</u>	<u>29,662</u>
Total Operating Expenses	<u>80,144</u>	<u>88,211</u>	<u>90,268</u>
Operating Income (Loss)	<u>108,207</u>	<u>(52,830)</u>	<u>(2,460)</u>
Nonoperating Gain (Losses)			
Interest Income	12,688	19,371	7,918
All valuations losses	-0-	-0-	898
Gain (loss) on sale and disposal of equipment	<u>-0-</u>	<u>-0-</u>	<u>(19,800)</u>
Total Nonoperating Gain (Losses)	<u>12,688</u>	<u>19,371</u>	<u>(11,084)</u>
Excess of Revenues over Expenses	\$ <u>120,815</u>	\$ <u>(33,459)</u>	\$ <u>(13,544)</u>

See accompanying notes to financial statements.

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLATBOURG, STATE OF LOUISIANA
 NORTH CLATBOURG HOSPITAL
 HOSPITAL ENTERPRISE FUND
 STATEMENTS OF CHANGES IN UNRESTRICTED FUND BALANCE
 FOR THE YEARS ENDED JUNE 30, 1987, 1988 AND 1989

Fund balance, June 30, 1986	\$	760,170
Excess of expenses over revenues		<u> 132,363</u>
Fund balance, June 30, 1987		747,790
Excess of expenses over revenues		<u> 132,813</u>
Fund balance, June 30, 1988		708,879
Excess of revenues over expenses		<u> 112,813</u>
Fund balance, June 30, 1989	\$	<u> 821,692</u>

See accompanying notes to financial statements.

HOSPITAL SERVICE DISTRICT NO. 3
 OF THE PARISH OF CLAIRBORNE, STATE OF LOUISIANA
 NORTH CLAIRBORNE HOSPITAL
 HOSPITAL ENTERPRISE FUND
 STATEMENTS OF CASH FLOWS - (UNRESTRICTED FUNDS)
 FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

	1997	1996	1995
Cash flow from operating activities:			
Operating Income (Loss)	\$ 100,327	\$ (30,340)	\$ (1,872)
Adjustments to reconcile operating Income (Loss) to net cash provided by operating activities:			
Depreciation	43,125	65,874	67,438
Changes in:			
Accounts receivable, net	-0-	-0-	-0-
Rent receivable	-0-	(4,800)	(8,800)
Prepaid expenses	(359)	(5,124)	(1,348)
Assets whose use is limited	-0-	-0-	24,788
Accounts payable and accrued expenses	304	(479)	(799)
Deferred rent income	-0-	-0-	(5,800)
Due to third party payers	<u>3,280</u>	<u>-0-</u>	<u>-0-</u>
Net cash provided by (used in) operations	<u>146,327</u>	<u>(12,019)</u>	<u>59,707</u>
Cash flow from Investing activities:			
Cash invested in short-term certificates of deposit	185,874	(41,338)	(51,149)
Interest on investments	<u>12,608</u>	<u>13,322</u>	<u>1,585</u>
Net cash provided by (used in) Investing activities	<u>\$ 128,265</u>	<u>\$ (28,016)</u>	<u>\$ (49,564)</u>

See accompanying notes to financial statements.

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLAIRBORNE, STATE OF LOUISIANA
NORTH CLAIRBORNE HOSPITAL
HOSPITAL ENTERPRISE FUND
STATEMENTS OF CASH FLOWS - UNRESTRICTED FUNDS (Continued)
FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

	1997	1996	1995
Cash flows from capital and related financing activities:			
Acquisition of capital assets	\$ 694,790	\$ 132,845	\$ 177,215
Proceeds from sale of capital assets	<u> 0</u>	<u> 0</u>	<u> 2,808</u>
Net cash used in capital and related financing activities	<u> 694,790</u>	<u> 132,845</u>	<u> 174,407</u>
Cash flows from non-capital financing activities:			
Receipts of operating note	0	25,325	0
Proceeds from receipts of operating note	0	0	126,880
Receipts on note receivable	0	2,080	1,644
Proceeds from ad valorem taxes	0	0	894
Interest income	<u> 0</u>	<u> 0</u>	<u> 158</u>
Net cash provided by (used in) non-capital financing activities	<u> 0</u>	<u> 25,325</u>	<u> 128,882</u>
Net Increase (decrease) in cash and cash equivalents	209,700	(107,520)	1,401
Cash and cash equivalents at beginning of year	<u> 16,554</u>	<u> 43,787</u>	<u> 41,286</u>
Cash and cash equivalents at end of year	<u>\$ 209,700</u>	<u>\$ 16,267</u>	<u>\$ 42,687</u>

See accompanying notes to financial statements.

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLATIERNE, STATE OF LOUISIANA
NOTICE CLATIERNE HOSPITAL
HOSPITAL EXTENSION FUND
NOTICE TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1987, 1988 AND 1989

PAGE 1 - ORGANIZATION AND OPERATIONS

Legal Organization

The Claiborne Parish Hospital Service District No. 1 (the Hospital or the District) was created by an ordinance of the Claiborne Parish Police Jury.

As the governing authority of the parish, for reporting purposes, the Claiborne Parish Police Jury is the financial reporting entity for Claiborne Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Claiborne Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all commissioners of the Claiborne Parish Hospital Service District, the District was determined to be a component unit of the Claiborne Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLAIROUSE, STATE OF LOUISIANA
NORTH CLAIROUSE HOSPITAL
HOSPITAL ENTERPRISE FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1987, 1986 AND 1985

NOTE 1 - ORGANIZATION AND OPERATIONS (Continued)

Kind of Business

The Hospital provided outpatient, emergency, skilled nursing (through "swing-beds") and acute inpatient hospital services until January 31, 1987. Subsequently, the District began leasing its facility when possible.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Enterprise Fund

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the interest of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Method of Accounting

The Hospital uses the accrual method of accounting. Revenue is recognized at full established rates, even though contractual agreements are billed for less. Provisions is made for the resulting contractual adjustments based upon each payer's agreement. Expenses are recorded when incurred. Hospital accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guide set forth in the Louisiana Governmental Audit Guide, the above Audit and Accounting Guide Health Care Organization, and standards set by the Governmental Accounting Standards Board (GASB), including Statement 70 which applies the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB).

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of deposits in checking and savings accounts and certificates of deposit with maturity dates of ninety days or less. The caption "cash and cash equivalents" does not include amounts whose use is limited.

Uncollectible Accounts

The Hospital's estimate of collectibility is based on evaluation of historical collections compared to gross revenues to establish an allowance for uncollectible accounts.

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLATBORNE, STATE OF LOUISIANA
NORTH CLATBORNE HOSPITAL
HOSPITAL ENTERPRISE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997, 1998 AND 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The entity is a political subdivision and exempt from taxation.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost for purchased assets or at fair market value on the date of any donation. The Hospital uses straight-line depreciation for financial reporting and third party reimbursement. The following estimated useful lives are generally used:

Land improvements	10 years
Buildings	18 to 40 years
Fixed equipment	3 to 10 years
Major movable equipment	4 to 10 years

Expenditures for additions, major renewals and betterments are capitalized and expenditures for maintenance and repairs are charged to operations as incurred.

The cost of assets retired or otherwise disposed of and related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses resulting from property disposals are credited or charged to operations currently.

Third Party Payer Reimburse

Contractual agreements with governmental agencies provide for reimbursement based on a fixed price per patient stay based upon the patient's primary diagnosis for Medicare inpatient services. Medicare reimbursements and all Medicaid programs are reimbursed based upon the lesser of reasonable cost (subject to certain limits) or charges to patients. These reimbursements are subject to final audit and retroactive adjustments by each payer.

Statement of Revenues and Expenses

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as revenues and expenses. Peripheral or incidental transactions are reported as gains and losses.

HOSPITAL SERVICE DISTRICT NO. 2
OF THE PARISH OF CLAYBORNE, STATE OF LOUISIANA
NORTH CLAYBORNE HOSPITAL
HOSPITAL ENTERPRISE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

NOTE 3 - INVESTMENTS

The hospital considers certificates of deposits with original maturities in excess of 90 days to be temporary cash investments. These certificates of deposit were covered by collateral held by Commercial National Bank in the District's name.

NOTE 4 - ACCOUNTS RECEIVABLE

A summary of accounts receivable is presented below:

	<u>1997</u>	<u>1996</u>	<u>1995</u>
Patient accounts receivable	\$ 15,793	\$ 14,803	\$ 11,649
Estimated allowances for uncollectibles and contractual adjustments	<u>(13,292)</u>	<u>(14,062)</u>	<u>(12,880)</u>
Total	\$ <u>2,501</u>	\$ <u>741</u>	\$ <u>869</u>

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAYTON, STATE OF LOUISIANA
 NORTH CLAYTON HOSPITAL
 HOSPITAL ENTERPRISE FUND
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

The following is a summary of property, plant and equipment and related accumulated depreciation for the years ended June 30, 1997, 1996 and 1995.

	<u>ASSET COST</u>			
	June 30, 1996	Additions	Deductions	June 30, 1997
Land	\$ 33,707	\$ -	\$ -	\$ 33,707
Land improvements	21,874	8,880	-	30,754
Buildings	798,315	-	-	798,315
Fixed equipment	178,321	-	-	178,321
Major movable equipment	437,524	13,861	5,434	445,951
Construction in progress	-	11,138	-	11,138
Total	\$ 1,648,741	\$ 23,779	\$ 5,434	\$ 1,677,086

	<u>ACCUMULATED DEPRECIATION</u>			
	June 30, 1996	Additions	Deductions	June 30, 1997
Land improvements	\$ 21,874	\$ 25	\$ -	\$ 21,899
Buildings	186,038	26,879	-	212,917
Fixed equipment	166,898	382	-	167,280
Major movable equipment	381,525	18,861	3,825	396,561
Total	\$ 756,335	\$ 46,147	\$ 3,825	\$ 803,663

	<u>ASSET COST</u>			
	June 30, 1995	Additions	Deductions	June 30, 1996
Land	\$ 33,707	\$ -	\$ -	\$ 33,707
Land improvements	21,874	-	-	21,874
Buildings	798,315	79,880	-	878,195
Fixed equipment	169,819	9,513	-	179,332
Major movable equipment	437,524	-	-	437,524
Construction in progress	-	50,822	18,321	-
Total	\$ 1,439,925	\$ 130,215	\$ 18,321	\$ 1,551,819

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLAIRBORE, STATE OF LOUISIANA
MORTY CLAIRBORE HOSPITAL
HOSPITAL ENTERPRISE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	<u>ACCUMULATED DEPRECIATION</u>			
	June 30, 1995	Additions	Deductions	June 30, 1996
Land improvements	\$ 21,874	\$ -0-	\$ -0-	\$ 21,874
Buildings	342,312	23,347	-0-	365,659
Fixed equipment	166,343	347	-0-	166,690
Major movable equipment	322,282	21,620	-0-	343,902
Total	<u>\$ 852,809</u>	<u>\$ 25,314</u>	<u>\$ -0-</u>	<u>\$ 878,123</u>

	<u>ASSET COST</u>			
	June 30, 1996	Additions	Deductions	June 30, 1997
Land	\$ 23,767	\$ -0-	\$ -0-	\$ 23,767
Land improvements	21,874	-0-	-0-	21,874
Buildings	342,762	26,573	-0-	369,335
Fixed equipment	186,286	-0-	24,440	161,846
Major movable equipment	427,849	-0-	169,543	258,306
Depreciation in progress	-0-	6,668	-0-	6,668
Total	<u>\$ 1,199,638</u>	<u>\$ 33,241</u>	<u>\$ 194,083</u>	<u>\$ 1,438,896</u>

	<u>ACCUMULATED DEPRECIATION</u>			
	June 30, 1996	Additions	Deductions	June 30, 1997
Land improvements	\$ 21,859	\$ 15	\$ -0-	\$ 21,874
Buildings	342,340	28,772	-0-	371,112
Fixed equipment	176,451	3,021	23,128	156,344
Major movable equipment	321,422	28,722	248,862	299,282
Total	<u>\$ 1,062,072</u>	<u>\$ 65,530</u>	<u>\$ 271,990</u>	<u>\$ 1,155,612</u>

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLATSOP, STATE OF OREGON,
NORTH CLATSOP HOSPITAL
HOSPITAL ENTERPRISE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1991, 1990 AND 1989

NOTE 4. PROPERTY TAX LEVY

In August, 1984, 1989 and 1990, the Board passed a resolution to suspend the levying of the 18 mill property tax for North Clatsop Hospital Service District No. 1 for 1984, 1989 and 1990, respectively.

NOTE 7. NET PATIENT SERVICE REVENUE

The Hospital had agreements with third-party payors that provide for payments to the District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows.

Medicare - Inpatient acute care services rendered to Medicare program beneficiaries were paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient non-acute services, certain outpatient services and defined capital costs related to Medicare beneficiaries were paid based on a cost reimbursement methodology. The Hospital was reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospital. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through January 31, 1992.

Medicaid - Inpatient and outpatient services rendered to Medicaid program beneficiaries were reimbursed under a cost reimbursement methodology. The Hospital was reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicaid fiscal intermediary. The Hospital's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through June 30, 1992.

NOTE 8. CONTINGENCIES

The Hospital evaluates contingencies based upon the best available evidence. The Hospital believes that no allowances for loss contingencies is considered necessary. To the extent that resolution of contingencies results in amounts which vary from the Hospital's estimates, future earnings will be charged or credited.

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF CLATBORNE, STATE OF LOUISIANA
NORTH CLATBORNE HOSPITAL
HOSPITAL ENTERPRISE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

NOTE 8 - CONTINGENCIES (Continued)

The principal contingencies are described below:

Governmental Third Party Reimbursement Programs - The Hospital is contingently liable for retrospective adjustments made by the Medicare and Medicaid programs as the result of their examinations as well as retrospective changes in interpretations applying statutes, regulations and general instructions of these programs. The amount of such adjustments cannot be determined.

Further, in order to receive reimbursement from the Medicare program, the Hospital entered into an agreement with a government agent allowing the agent access to the Hospital's Medicare patient medical records for purposes of making medical necessity and appropriate level of care determinations. The agent has the ability to deny reimbursement for Medicare patient claims which have already been paid to the Hospital.

NOTE 9 - LEASE OF HOSPITAL FACILITY

On April 31, 1996, the District leased the Hospital building to Outreach of Clatborne, L.L.C., for a period of 50 years. Outreach of Clatborne operated an adolescent/geriatric psychiatric unit on the premises. In October 1996, Outreach of Clatborne defaulted on the lease agreement.

On April 18, 1996, North Clatborne Service District No. 1 leased the Hospital to Hines Memorial Hospital to establish a behavioral health unit. The lease began June 1, 1996, and was renewed automatically for one month periods beginning on the first day of each month thereafter.

NOTE 10 - REVENUE EVENT

On July 20, 1997, North Clatborne Service District No. 1 agreed to lease the lease agreement for the North Clatborne Clinic building with Miller-Shelby Clinic.

NOTE 11 - COMMITMENT

On June 12, 1997, North Clatborne Service District No. 1 agreed to purchase for the North Clatborne Clinic the following equipment: a guine submeter, monitoring equipment, and a fetal monitor.

SUPPLEMENTAL INFORMATION

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CALCAHOUN, STATE OF LOUISIANA
 NORTH CALCAHOUN HOSPITAL
 HOSPITAL ENTERPRISE FUND
 STATEMENTS OF OTHER OPERATING REVENUE - UNRESTRICTED FUNDS
 FOR THE YEARS ENDED JUNE 30, 1997, 1998 AND 1999

	1997	1998	1999
Grant Income	\$ 156,000	\$ 73,390	\$ 66,000
Bad debt recoveries	1,078	801	1,149
Miscellaneous	<u>21,283</u>	<u>10</u>	<u>1,852</u>
Total Other Operating Revenue	\$ <u>180,361</u>	\$ <u>74,201</u>	\$ <u>69,001</u>

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLATBOUSE, STATE OF LOUISIANA
 NORTH CLATBOUSE HOSPITAL
 HOSPITAL ENTERPRISE FUND

STATEMENTS OF OPERATING EXPENSES - SALARIES AND BENEFITS - UNRESTRICTED FUNDS
 FOR THE YEARS ENDED JUNE 30, 1990, 1991 AND 1992

	1990	1991	1992
Salaries	\$ 1,750	\$ -0-	\$ -0-
Payroll Taxes	00	-0-	-0-
Insurance	<u>50</u>	<u>-0-</u>	<u>1,150</u>
Total Salaries and Benefits	\$ <u>1,800</u>	\$ <u>-0-</u>	\$ <u>1,150</u>

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAIRBORNE, STATE OF LOUISIANA
 SOUTH CLAIRBORNE HOSPITAL
 HOSPITAL ENTERPRISE FUND
 STATEMENTS OF OPERATING EXPENSES - OTHER EXPENSES - UNRESTRICTED FUNDS
 FOR THE YEARS ENDED JUNE 30, 1957, 1956 AND 1955

	1957	1956	1955
Maintenance	\$ 11,620	\$ 1,601	\$ 11,350
Professional fees	2,908	1,088	1,104
Telephone	-0-	147	642
Office supplies and postage	721	438	541
Utilities	-0-	7,753	847
Advertising	283	252	112
Other	<u>3,181</u>	<u>12,180</u>	<u>7,226</u>
Total Other Expenses	\$ <u>20,713</u>	\$ <u>27,812</u>	\$ <u>29,642</u>

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAYTON, STATE OF LOUISIANA
 SOUTH CLAYTON HOSPITAL
 SCHEDULE OF FEE BILLS AND
 OTHER CONTRIBUTIONS PAID TO BOARD MEMBERS
 FOR THE YEARS ENDED JUNE 30, 1937, 1936 AND 1935

	<u>1937</u>	<u>1936</u>	<u>1935</u>
Board Members:			
Mr. Helen Sharp, Chairman	None	None	None
Mr. Damp Hunter, Vice Chairman	None	None	None
Mr. John G. Harney	None	None	None
Mr. Frank Killgore	None	None	None
Mr. H. G. Bland	None	None	None
Total	<u>None</u>	<u>None</u>	<u>None</u>

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

Board of Commissioners
Hospital Service District No. 1
Parish of Claiborne, State of Louisiana
Hopewellia, Louisiana

We have audited the general purpose financial statements of the Claiborne Parish Hospital Service District No. 1 (the District) for the year ended June 30, 1997, and have issued our report thereon dated September 17, 1997.

We conducted our audit in accordance with generally accepted auditing standards, 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 financial statements are free of material misstatements.

In planning and performing our audit of the general purpose financial statements of the District for the year ended June 30, 1997, 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 assurance on the internal control structure. Accordingly, we do not express such an opinion.

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 Services District No. 1
Parish of Claiborne, State of Louisiana
Page Two

Because operations were discontinued and the number of employees significantly reduced as estimated, it is impractical to segregate duties and have any appreciable internal control structure. Accordingly, no further comments or recommendations regarding internal controls are being offered.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. We noted no matters involving the internal control structure and its operations 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.

Easley, Lester & Wells
Certified Public Accountants

September 17, 1987

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Independent Auditor's Report on Compliance Based on
an Audit of General Purpose Financial Statements
in Accordance with GOVERNMENT
AUDITING STANDARDS issued by the GAO

Board of Commissioners
Hospital Service District No. 1
Parish of Claiborne, State of Louisiana
Bryansville, Louisiana

We have audited the general purpose financial statements of the Claiborne Parish Hospital Service District No. 1 (the District) as of and for the year ended June 30, 1997, and have issued our report thereon dated September 17, 1997.

We conducted our audit in accordance with generally accepted auditing standards, 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 financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

While performing our audit, we read the responses to the questions in the attached System Survey and Compliance Questionnaire completed by management and adopted by the Board of Commissioners and found no evidence that would indicate that the Hospital Service District had not answered the questions correctly. However, it should be noted that our audit was not directed primarily towards the answers to the questions in the questionnaire.

Board of Commissioners
Hospital Service District No. 1
Parish of Claiborne, 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. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Lesley, Lester & Wells
Certified Public Accountants

September 12, 1993



HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAIRBORNE, STATE OF LOUISIANA
 NORTH CLAIRBORNE HOSPITAL

FINANCIAL STATEMENTS
 AND
 INDEPENDENT AUDITORS' REPORT

FOR THE YEARS ENDED
 JUNE 30, 1957, 1956 AND 1955

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally 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.

Released Date **JAN 07 1958**

1957
 1956
 1955

HOSPITAL SERVICE DISTRICT NO. 1
 OF THE PARISH OF CLAYBORNE, STATE OF LOUISIANA
 NORTH CLAYBORNE HOSPITAL
 HOSPITAL ENTERPRISE FUND
 FOR THE YEARS ENDED JUNE 30, 1997, 1996 AND 1995

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Hospital Service District No. 1
Parish of Claiborne, State of Louisiana
Rayneville, Louisiana

We have audited the accompanying general purpose financial statements of Hospital Service District No. 1, Parish of Claiborne, South Claiborne Hospital (the District), a component unit of the Claiborne Parish Police Jury, as of June 30, 1991, 1994 and 1995, listed in the foregoing table of contents. These financial statements are the responsibility of the 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, 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 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 Claiborne, South Claiborne Hospital, as of June 30, 1991, 1994 and 1995, and the results of its operations and cash flow 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 September 17, 1997, on our examination of the District's internal control structure and a report dated September 17, 1993, on its compliance with laws and regulations.

Board of Commissioners
Hospital Service District No. 1
Parish of Calcasieu, State of Louisiana
Page Ten

Our audits were made for the purpose of forming an opinion on the general purpose financial statements, as stated in the preceding paragraph, taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Easley, Lester & Wells
Certified Public Accountants

September 13, 1993