



Luffey
Huffman
& Monroe

CERTIFIED PUBLIC ACCOUNTANTS

JERRY LUFFEY, CPA, CMA
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**To Board of Commissioners
G. B. Cooley Hospital for Retarded Citizens**

In planning and performing our audit of the financial statements of **G. B. Cooley Hospital for Retarded Citizens** (the Hospital) as of June 30, 1997, and for the year then ended, certain matters came to our attention which we believe should be conveyed to the Hospital. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated December 19, 1997, on the financial statements.

Need to Record Transactions on a Timely Basis

Finding:

For the year ended June 30, 1997, the Hospital did not record all transactions to accrue accounts receivables related to waiver revenues on a timely basis. Although the monthly accruals for waiver receivables for the months of October 1996 through February 1997 and for June 1997 were recorded on a timely basis, we noted that the entry to record the waiver receivables for July through September 1996 was posted in October 1996 and the entry to record the waiver receivables for March through May, 1997 was posted in June, 1997. The failure to record all transactions on a timely basis, i.e. monthly, results in incomplete accounting records.

Recommendation:

All transactions, including accruals, should be recorded on a monthly basis to provide complete and accurate accounting records.

Luffey, Huffman and Monroe

December 19, 1997

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 1997

INTERNAL CONTROL STRUCTURE

PRIOR YEAR FINDING

STATUS

Repairs and Maintenance Purchasing Procedures

Closed

Employee Hospitalization Insurance

Closed

SSI Overpayments

Closed



Luffey
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**The Board of Commissioners
G. B. Cooley Hospital for Retarded Citizens
West Monroe, Louisiana**

We have audited the component unit financial statements of **G. B. Cooley Hospital for Retarded Citizens** (a component unit of the Ouachita Parish Police Jury - the Hospital) as of and for the year ended June 30, 1987, and have issued our report thereon dated December 19, 1987.

We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in Government Auditing Standards issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those 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, contracts and grants applicable to the Hospital is the responsibility of the Hospital's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Hospital's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the financial statements 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.

This report is intended for the information of the Board of Commissioners and management of the Hospital, its cognizant audit agency, other agencies granting funds to the Hospital and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Luffey, Huffman and Monroe
December 19, 1987

**Board of Commissioners
G. B. Cooley Hospital for
Retarded Citizens**

A material weakness is a reportable 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 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. However, we believe the reportable condition described above is not a material weakness.

We also noted another matter involving the internal control structure and its operation that we have reported to the management of the Hospital in a separate letter dated December 19, 1997.

This report is intended for the use of the Board of Commissioners and management of the Hospital, its cognizant audit agency, other agencies granting funds to the Hospital and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Huffay, Hoffman and Mousa

December 19, 1997

**Board of Commissioners
G. B. Cooley Hospital for
Retarded Citizens**

In planning and performing our audit of the financial statements of the Hospital for the year ended June 30, 1987, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the 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 purposes of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

The reportable condition noted is as follows:

1. Need to Reconcile General Ledger Account

Finding:

In our review of Waiver Receivables general ledger account, we noted no evidence by the Hospital of a reconciliation to the Patient Aging subsidiary ledger printout. The failure to reconcile all general ledger accounts to appropriate subsidiary ledgers increases the risk that errors or irregularities may occur and not be detected within a timely period.

Recommendation:

We recommend that all general ledger accounts which have a subsidiary ledger be reconciled to the subsidiary ledger on a monthly basis. Any material variances should be investigated and resolved on a timely basis.

Response:

Effective December 1987, the Hospital has implemented a procedure whereby the general ledger accounts which have a subsidiary ledger will be reconciled on a monthly basis.



**Luffey
Huffmon
& Monroe**

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**The Board of Commissioners
G. B. Cooley Hospital for Retarded Citizens
West Monroe, Louisiana**

We have audited the component unit financial statements of **G. B. Cooley Hospital for Retarded Citizens** (a component unit of the Caddo Parish Police Jury - the Hospital), as of and for the year ended June 30, 1997, and have issued our report thereon dated December 19, 1997.

We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Hospital 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 executed in accordance with the Board'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.

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS
JUNE 30, 1997

A. General

The preceding Schedules of Federal and State Financial Assistance present the activity of all Federal and state financial assistance programs of G. B. Cooley Hospital for Retarded Citizens (the Hospital). The Hospital reporting entity is defined in Note 1 to the Hospital's financial statements. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included on the Schedule of Federal Financial Assistance. However, the preceding schedules do not include any Title XIX or Waiver funds.

B. Basis of Accounting

The Schedules of Federal and State Financial Assistance are presented using the accrual basis of accounting, which is described in Note 1 to the Hospital's financial statements.

C. Relationship of the Schedules of Federal and State Awards to the Financial Statements

Federal and State Awards Revenues are included in intergovernmental revenue on the Statement of Revenues, Expenses and Changes in Retained Earnings - Budget (GAAP Basis) and Actual. See Note 12 to the Hospital's financial statements. Intergovernmental revenue consists of the following:

	Title XIX	Waiver	Federal	State	Total Intergovern- mental
Residential	\$ 6,679,839	\$ 0	\$ 0	\$ 0	\$ 6,679,839
Minivan Program	0	533,959	0	0	533,959
Supervised Apartments	0	0	0	22,885	22,885
Adult Rehabilitation	0	0	0	36,757	36,757
Early Intervention Program	0	0	17,994	0	17,994
	<u>\$ 6,679,839</u>	<u>\$ 533,959</u>	<u>\$ 17,994</u>	<u>\$ 59,642</u>	<u>\$ 7,292,434</u>

G. B. COOLEY HOSPITAL FOR RETIRED CITIZENS
SCHEDULE OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 1997

Grant/Program Title	Grant Awarding ID Number	State Award Amount	State Awards Current Year		Total State Awards to June 30, 1997
			Revisions Recognized	Expenditures	
State of Louisiana Office of Human Services Department of Health and Hospitality Division of Alcohol, Rehabilitation- Developmental Disabilities Supervised Appointment Programs Adult Rehabilitation	001031-94554-194 002003-95-94438-0271	\$ 22,885 \$ 28,737	11,885 \$ 26,727	12,885 \$ 26,727	12,885 \$ 26,727
TOTAL STATE AWARDS		\$ 22,885 \$ 28,737	11,885 \$ 26,727	12,885 \$ 26,727	12,885 \$ 26,727

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
 SCHEDULE OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 1967

Federal Grants/Pass-Through Grants/Program Title	C.F.R.A. Number	Grant Activities ID Number	Federal Award Amount	Federal Awards Current Year		Total Federal Awards to June 30, 1967
				Revised Recognized	Unexpended	
U.S. Department of Education L.A. Department of Education Early Intervention Program	84-81	86-CITIZEN	17,294 \$	17,294 \$	17,294 \$	17,294 \$
TOTAL FEDERAL AWARDS			<u>17,294 \$</u>	<u>17,294 \$</u>	<u>17,294 \$</u>	<u>17,294 \$</u>

SUPPLEMENTARY INFORMATION - GRANT ACTIVITY

ELI LILLY HOSPITAL FOR RETIRED CITIZENS
 SCHEDULE OF CONTRIBUTIONS LISTING RETIRED EMPLOYEES
 FOR THE YEAR ENDED JUNE 30, 1997

MEMORIAL CONTRIBUTIONS

	NUMBER OF BOARDS	LAUNDRY LASE	SET UP/FEE	PAVING FEE	REPAIRS FEE	MOBILE LAB	PROCESSED STREET	REPAIRS FEE	TOTAL FEE
0	12,116	\$ 54,175	\$ 26,524	\$ 26,524	\$ 24,671	\$ 14,443	\$ 27,143	\$ 182,471	\$ 420,851
97	15,420	15,522	15,522	15,420	52	52	15,421	5	31,442
15,420	69,117	271,297	271,211	271,491	17,420	27,124	26,622	62,628	
Operating Expenses									
Capital Expenditures									
Administrative Expenses									
Special Activities									
Total									
Board Revenue									
Daily Service									
Total Operating Revenue									
Operating Expenses									
Salaries									
Supplies									
Travel and Meals									
Rent									
Utilities and Maintenance									
Professional Services									
Interest									
Total Operating Expenses									
EXCESS (DEFICIENCY) OF OPERATING REVENUE	9	11,412	31,627	31,626	3,421	3,421	3,421	3,421	1,777

**C. B. COBLE HOSPITAL FOR IMPAIRED CITIZENS
SCHEDULE OF COMPREHENSIVE REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 1987**

SCORESHEET

REVENUE
CLINICAL
SCIENCE,
PSYCHOLOGY,
MEDICAL ASSISTANTS,
EXERCISE THERAPISTS
AND NURSES

	REVENUE	EXPENSES	NETS GROSS	PAID BY	TRUST	TRUSTS	CASH AND
Operating Revenues							
Charge For Services	4	80,428	19,478	60,950	8887	79,837	20,021
Intergovernmental Revenues							
State of California	5	1,021	2,081	3,102	5,185	8,287	1,962
Total Operating Revenues	9	81,449	21,559	59,892	14,072	83,924	21,983
Other Revenues							
Gifts	0	27,228	29,832	56,813	26,175	82,988	19,036
Operating Expenses							
Salaries	17,463	66,164	65,114	65,664	62,249	65,114	63,111
Supplies	5,091	5,091	4,878	7,528	4,752	4,883	4,771
Travel and Lodging	8,771	1,126	2,118	2,968	2,118	1,774	2,444
Food	0	8,644	8,271	8,618	7,811	8,284	8,031
Facility and Maintenance	211	17,888	18,113	18,118	17,865	14,738	12,148
Professional Services	47	20,711	22,549	24,228	23,882	23,811	23,586
Contract	0	28	886	446	478	491	511
Total Operating Expenses	18,042	115,612	118,418	124,615	119,118	124,471	120,521
EXCESS (DEFICIT) CASH							
REVENUES OVER EXPENSES	5	17,025	14,017	11,027	13,115	17,448	18,462

**G. B. COOLEY HOSPITAL FOR RETIRED CITIZENS
 SCHEDULE OF NONOPERATING REVENUES AND EXPENSES -
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 1997
 SCHEDULE 4**

	<u>Budget</u>	<u>Actual</u>
Nonoperating Revenues and Expenses		
Tax Revenues:		
Ad Valorem Taxes	\$ 378,080	\$ 611,126
Revenue Sharing	78,080	80,717
Total Tax Revenues	<u>456,160</u>	<u>691,843</u>
Interest Income:		
Operating Fund	90,000	118,968
Total Interest Income	<u>90,000</u>	<u>118,968</u>
Contributions - Cottage Life, Net of Expenses		
	0	(923)
Miscellaneous:		
Management Fee	5,000	4,814
Other Income	0	84,857
Total Miscellaneous	<u>5,000</u>	<u>89,671</u>
Gains on Disposal of Property and Equipment		
	<u>0</u>	<u>35,974</u>
EXCESS OF NONOPERATING REVENUES OVER NONOPERATING EXPENSES	\$ <u>751,800</u>	\$ <u>951,553</u>

ALBANY HOSPITAL FOR RETIRED CITIZENS
 SCHEDULE OF OPERATIONAL EXPENSES BY
 DEPARTMENT - BUDGET GAAP BASIS AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 1997

SCHEDULE 1 (CONTINUED)

	Residential		Equipment		Total	
	Budget	Actual	Budget	Actual	Budget	Actual
Movies	\$ 318,114	\$ 318,114	\$ 50,124	\$ 50,124	\$ 3,200,213	\$ 3,278,338
Benefits	0	0	0	0	70,000	70,000
Expenses	2,000	2,000	4,500	6,000	288,000	198,250
Fuel and mileage	20,000	22,200	27,000	28,200	348,000	183,250
Fuel	0	0	0	0	228,000	262,250
Facility Maintenance	10,250	9,500	2,200	1,200	687,200	1,083,500
Functional Fees	0	0	200	100	101,200	456,250
Liability	0	0	0	0	25,100	25,100
Real Estate	0	0	0	0	0	0
Resumes	0	0	0	0	270,000	344,000
Depreciation	0	0	0	0	270,000	371,000

TOTAL OPERATING
 EXPENSES

\$ 463,364 \$ 472,014 \$ 785,328 \$ 785,328 \$ 3,975,541 \$ 4,058,128

G. B. COOLEY HOSPITAL FOR RETIARDED CITIZENS
SCHEDULE OF OPERATING EXPENSES BY
DEPT. - BUDGET (CALC) BASIS AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 1997

SCHEDULE 1

	Other Operating Office		Capital Support		Residential		Residential	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Salaries	\$ 271,287	\$ 275,148	\$ 148,674	\$ 153,054	\$ 1,454,887	\$ 1,340,594	\$ 1,444,000	\$ 1,248,478
Benefits	73,488	73,488	0	0	0	0	0	0
Supplies	14,000	14,000	22,000	9,811	54,000	16,487	41,000	14,000
Trent and mileage	11,000	11,000	14,811	12,649	54,000	20,811	42,000	34,000
Rent	1,200	4,700	18,889	6,791	54,300	18,211	52,000	54,700
Facility Maintenance	14,879	11,249	202,000	207,401	64,000	70,011	111,700	144,200
Environmental Fees	164,881	41,000	79,780	28,411	211,000	200,486	191,000	191,000
Utilities	11,000	1,000	0	0	14,000	8,894	14,000	1,000
Bus/Carry	0	4,700	0	0	0	0	0	0
Insurance	0	0	273,000	264,000	0	0	0	0
Depreciation	0	0	273,000	267,881	0	0	0	0
TOTAL OPERATING EXPENSES	\$ 1,111,641	\$ 1,451,476	\$ 1,465,881	\$ 1,582,556	\$ 1,886,182	\$ 1,686,181	\$ 1,818,000	\$ 1,558,178

G. B. CROLEY HOSPITAL, FOR RETARDED CITIZENS
SCHEDULE OF OPERATING EXPENSES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 1957

SCHEDULE 2

	Chief Executive Office	Logistical Support	Residential I	Residential II	Residential III	Employment Services	Total
Salaries	\$ 67,248	\$ 288,136	\$ 1,290,281	\$ 1,278,178	\$ 288,918	\$ 784,158	\$ 3,057,848
Benefits	755,088	0	0	0	0	0	755,088
Supplies	79,471	94,117	26,897	24,984	1,212	4,007	178,588
Toward and Village	17,878	32,689	25,977	26,491	12,211	24,789	150,026
Rent	8,193	8,793	87,237	186,121	0	0	282,324
Facility Maintenance	17,548	207,482	79,773	244,279	3,000	1,942	474,024
Professional Fees	8,287	28,852	28,488	18,248	0	500	69,875
Laundry	1,284	0	8,881	7,548	0	0	17,713
Meal Costs	8,702	0	0	0	0	0	8,702
Insurance	0	244,380	0	0	0	0	244,380
Depreciation	0	287,608	0	0	0	0	287,608
TOTAL OPERATING EXPENSES	\$ 1,028,034	\$ 1,388,000	\$ 1,694,881	\$ 2,094,024	\$ 302,934	\$ 784,158	\$ 6,001,119

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
SCHEDULE OF OPERATING REVENUES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1997

SCHEDULE I

	<u>Budget</u>	<u>Actual</u>
Charges for Services:		
Intergovernmental Revenues		
State of Louisiana:		
Title XIX	\$ 6,715,126	\$ 6,079,641
Contracted Services	<u>838,429</u>	<u>603,113</u>
Total Intergovernmental Revenues	7,553,555	6,682,754
Private Revenues:		
Daily Services:		
Individuals' Patient Liability	291,588	289,611
Pre-School Program	<u>55,000</u>	<u>26,741</u>
Total Private Revenues	346,588	316,352
Other Services:		
Vacational Services	88,000	89,883
Catholic Revenues	<u>5,000</u>	<u>5,000</u>
Total Other Services	93,000	94,883
TOTAL OPERATING REVENUES	\$ 8,000,143	\$ 7,173,817

OTHER SUPPLEMENTARY INFORMATION

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

Note 16 - Contingencies

There are several pending lawsuits in which the Hospital is involved. The Hospital's administration and attorneys are of the opinion that the potential claims against the Hospital, resulting from litigation, would not materially affect the financial position of the Hospital at June 30, 1997. The Hospital's administration is of the opinion that all potential claims, resulting from litigation, are covered by insurance.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

The community homes are leased from individuals for varying amounts ranging from \$600 to \$1,050 monthly. The following schedule represents annual lease expense:

For Year Ended	Annual Lease Expense
1998	\$ 81,450
1999	\$ 53,150
2000	\$ 47,000
2001	\$ 31,900
2002	\$ 18,000

2. Residential RT

The Hospital leases an office at 2204A Justice Street, Monroe, Louisiana, for Residential III. The renewal term is for July 1, 1997 through June 30, 1998 at \$435 per month.

Rent expense for the year ended June 30, 1997 was \$138,661 and includes \$57,911 in lease payments to the Monroe Housing Authority.

Note 15 - Commissioners' Expenses

Members of the Board of Commissioners are paid a \$25 per month travel allowance for each board meeting attended. Payments for the year ended June 30, 1997, were as follows:

Commissioner	Travel Allowance Paid
José C. Roberts	\$ 175
Sallie G. Crawford	175
Frederick C. Mulberry	175
Chester Halley	125
Ferry Thomas	175
Lola Hoover	175
Ellen Johnson	150
TOTAL TRAVEL ALLOWANCE PAID	\$ 1,150

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

The 1997 property tax calendar was as follows:

Assessment	December 31, 1996
Levy Date	November 30, 1996
Total Taxes Due Due	December 31, 1996
Penalties and Interest Were Added	February 1, 1997
Liens Date	June 3, 1997
Tax Sale - 1996 Delinquent Property	June 12, 1997

Property taxes are recorded as revenue when they become available and receivable. Property taxes are considered receivable when levied. Generally, all taxes are collected before the end of the Hospital's June 30 fiscal year end; consequently, there are seldom any property taxes receivable at year end.

Note 14 - Commitments

A. Contract and Agreement

On October 18, 1977, the Hospital entered into an agreement with the Ouachita Parish Police Jury to jointly construct, operate and provide for the operation and maintenance of the facility known as the G. B. Cooley Hospital for Retarded Citizens. The agreement requires that the Hospital maintain and operate the facilities for the exclusive purpose of caring for, treating, housing and otherwise attending to the needs of retarded citizens who are residents of Ouachita Parish and non-residents, after the needs of Ouachita Parish residents are fulfilled. Either party may construct improvements to the Hospital at its own cost and the improvements are subject to the terms of the agreement. The terms of the agreement are effective until January 1, 2002, or until terminated by either party.

B. Leases

1. Community Homes

The Walnut, Shannon, South Grand, Spargens and Texas Street Community Homes are leased from the Monroe Housing Authority. The monthly rental, calculated by the Monroe Housing Authority, is based on the amount of each individual's social security benefits. G. B. Cooley Hospital is billed monthly. The lease was executed on February 16, 1986, and will terminate after 90 years. The minimum future rentals cannot be determined and therefore minimum future rentals disclosure for noncancelable operating leases are not disclosed.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

Note 12 - Intergovernmental Revenues

Intergovernmental revenues consisted of the following:

	June 30, 1997
State of Louisiana - Title XIX Residential	\$ 6,679,839
State of Louisiana - Contractual Services:	
Welder Program	335,999
Practical Enrichment Program	17,594
Supervised Apartments	21,895
Adult Rehabilitation	36,793
TOTAL INTERGOVERNMENTAL REVENUES	\$ 7,292,934

Note 13 - Property Taxes

Property taxes are levied on real and business personal property located within the boundaries of Ouachita Parish. The Ouachita Parish Tax Assessor, an elected official, determines the fair market value of all property subject to taxation, except public service properties, which are valued by the Louisiana Tax Commission. The fair market values determined by the Assessor are subject to review and approval of the Louisiana Tax Commission.

Property taxes are levied on a portion of fair market value as follows:

Land and Improvements for Residential Purpose	10%
Machinery, Industrial and Commercial Improvements	15%
Public Service Properties, (Excluding Land)	25%

The Assessor is required to reappraise all property subject to taxation at intervals of not more than five years.

The Sheriff of Ouachita Parish is the official tax collector of property taxes levied by the parish and special districts. Therefore, the Sheriff collects the property taxes for the Hospital.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

Accrued vacation and sick pay, including applicable employment taxes, consisted of

	June 30,	
	1997	1996
Accrued Vacation	\$ 310,089	\$ 282,420
Accrued Sick Pay	80,189	33,789
Totals	390,278	316,209
Less: Current Portion	(372,985)	(298,780)
LONG-TERM PORTION	\$ 17,293	\$ 17,429

Note 10 - Accrued Damages, Community Living

In a prior year, the U. S. Department of Labor performed a wage and hour audit at G. B. Cooley Hospital and determined that \$212,527 was due the community home employees for underpayment of wages. The Hospital has paid all amounts due under the audit, except for \$2,106 which is due to former employees which have not been located. The amounts will be payable upon location of the former employees.

Note 11 - Employee Benefit Plans

Effective January 1, 1996 the Hospital adopted The G.B. Cooley Hospital For Retarded Citizens Retirement Plan (the Plan), a defined contribution retirement plan pursuant to Section 401(a) of the Internal Revenue Code. The Plan is administered by a bank trust department as a third-party trustee. The following information is intended to be a brief summary of certain Plan provisions; participants should consult the Plan document for detailed information relating to the provisions of the Plan. The Plan covers all employees of the Hospital who have attained the age of 18 and have completed one year of eligibility service. The Hospital may make employer contributions each year at the discretion of management; participants may contribute up to 10% of their annual compensation. Employer contributions vest to the participants in full after the participant attains 5 or more years of service credit (a year in which the participant achieves at least 1,000 hours of service). Normal retirement age under the Plan is age 65. Benefits at retirement are payable in the form of a lump-sum distribution or in periodic payments as provided by the Plan.

The Hospital contributed \$71,100 to the Plan for the year ended June 30, 1997.

**G. B. COOKEY HOSPITAL, FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

All assets of the plan are held by an independent administrator. It is appropriate to include these assets in the Hospital's financial statements since the Hospital has title to them. The deferred compensation plan's assets are presented on the balance sheet in the Other Assets section at their fair value at June 30, 1997 and 1996.

Note 8 - Individuals' Funds Liability

Individuals' funds are maintained in accounts as follows:

	June 30,	
	1997	1996
Cash on hand and in bank	\$ 34,830	\$ 45,131

Individuals' funds on hand and in banks are included in Cash and Cash Equivalents for balance sheet presentation. See Note 2.

G. B. Cooley Hospital is required under Title XIX to maintain cash which is the property of the individuals for their personal use. The amount of the individuals' cash is reflected in the individuals' funds liability account.

Note 9 - Compensated Absences

Employees of the Hospital earn vacation pay in varying amounts ranging from 10 to 25 working days per year depending upon length of service. Vacation hours must be used within 24 months of the date they were earned or they will be forfeited, unless approved by the appropriate director and/or the administrator. Subject to the above limitations, unused vacation is paid to an employee upon retirement, separation, or death at hourly rates being earned by that employee upon separation.

Both full-time and part-time employees accrue sick leave according to a written formula. Sick leave may be carried forward from year to year with no limit on the number of hours that may be accrued. Except upon retirement, a terminated employee shall not be compensated for unused sick leave. Upon retirement, an employee shall be compensated up to a maximum of 60 days at a rate of pay averaged over the previous five years.

**Board of Commissioners
G. B. Gooley Hospital for
Retarded Citizens**

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as Schedules in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Hospital. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the financial statements of the Hospital.

Luffay, Huffman and Monas

December 18, 1987



**Luffey
Hultman
& Monroe**

CERTIFIED PUBLIC ACCOUNTANTS

John E. Luffey, CPA, CMA, CFPA
Edward J. Hultman, CPA
L. Brock Monroe, CPA
1800 Abbey Oak
Greensboro, North Carolina 27409

INDEPENDENT AUDITORS' REPORT

**The Board of Commissioners
G. B. Cooley Hospital
for Retarded Citizens
West Monroe, Louisiana**

We have audited the accompanying component unit financial statements of **G. B. Cooley Hospital for Retarded Citizens** (a component unit of the Ouachita Parish Police Jury - the Hospital), as of June 30, 1997, and for the year then ended, as listed in the accompanying Table of Contents. These financial statements are the responsibility of the management of the Hospital. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those 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 audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of June 30, 1997, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 19, 1997 on our consideration of the Hospital's internal control structure and a report dated December 19, 1997 on its compliance with laws and regulations.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1997**

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**CL. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1997**

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**C. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

Depreciation expense was \$263,688 for the year ended June 30, 1997.

Note 6 - Risk Financing Activities

From July 1 to December 31, 1995, the Hospital had a medical insurance benefit plan with reinsurance, managed by a third party administrator. The Hospital has \$14,735 in deposits included in Other Assets as of June 30, 1997 which represents funds available to pay claims and/or premiums for that policy year. Effective January 1, 1996, the Hospital converted its medical insurance benefit plan with reinsurance to a group medical insurance benefit plan.

Through its primary government, the Ouachita Parish Police Jury, the Hospital participates in a self-funded program (the fund) for potential losses under general liability, property and fleet coverage and worker's compensation. The fund pays for premiums for reinsurance and pays all deductibles up to \$150,000 per occurrence, except for \$500 which is paid by the Hospital. The premiums, which are modified for experience and other factors, are computed annually. The reinsurance policy picks up all losses over the \$150,000 deductible with an aggregate coverage of \$1,000,000. The fund has approximately \$3,200,000 in assets at December 31, 1996. The Hospital contributed approximately \$250,000 into the fund during the year ended June 30, 1997.

Note 7 - Deferred Compensation Plan

The Hospital offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Hospital employees, permits them to defer a portion of their salaries until future years. The Hospital does not make any contributions to the plan. The deferred compensation is not available to employees until termination, retirement or unforeseeable emergency. Deferred compensation is available to employees' beneficiaries in case of death. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Hospital (without being restricted to the provision of benefits under the plan), subject only to the claims of the Hospital's general creditors.

Participants' rights under the plan are equal to those of general creditors of the Hospital in an amount equal to the fair market value of the deferred account for each participant. In management's opinion, the Hospital has no liability for investment losses under the plan. However, the Hospital does have the duty of due care that would be required of an ordinary prudent investor. The Hospital believes it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997

Investments of the Hospital consist of United States Treasury bills which are stated at their market value at June 30, 1997.

Note 4 - Receivables

Receivables consisted of the following:

	June 30,	
	1997	1996
State of Louisiana:		
Title XIX - Residential	\$ 601,466	\$ 691,186
Contractual Services	164,000	164,279
Individuals' Patient Liability	21,159	24,680
Other Receivables	15,735	20,798
Total Receivables	792,360	900,943
Less: Allowance for Doubtful Accounts	(70,879)	(83,653)
Receivables, Net of Allowance for Doubtful Accounts	\$ 721,481	\$ 817,290

Of the 1997 and 1996 receivable balances, sixty-five and sixty-four percent, respectively, was due from governmental agencies. The Hospital's contracts are primarily with governmental agencies. Therefore, a majority of the Hospital's revenue is derived from governmental sources.

Accounts receivable at June 30, 1997 and 1996 include \$66,356 of Contractual Services receivables from prior years which have not been collected. The entire amount has been fully reserved in the Allowance for Doubtful Accounts.

Note 5 - Property and Equipment

Property and Equipment consisted of the following:

	June 30,	
	1997	1996
Buildings	\$ 336,656	\$ 439,744
Furniture, Fixtures and Equipment	1,108,693	1,071,880
Motor Vehicles	837,385	750,744
Leasehold Improvements	1,946,412	1,985,177
Total Property and Equipment	4,229,146	4,247,545
Accumulated Depreciation	(2,886,875)	(2,727,616)
Net Depreciable Assets	1,342,271	1,482,929
Land	207,888	207,888
TOTAL PROPERTY AND EQUIPMENT	\$ 1,550,159	\$ 1,690,797

G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997

Note 2 - Cash and Cash Equivalents

Cash and cash equivalents consisted of the following:

	June 30,	
	1997	1996
Current Assets:		
Cash on Hand, and in Bank		
Checking and Savings Deposits	\$ 1,120,089	\$ 1,289,821
Short-Term Bank Time Deposits	108,275	439,791
Total Current Assets	1,228,364	1,649,648
Restricted Assets:		
Checking Deposits - Cottage Life Funds	5,571	6,494
TOTAL CASH AND CASH EQUIVALENTS	\$ 1,233,935	\$ 1,656,142

Cash on hand and in bank checking and savings deposits includes individuals' funds. See Note 8.

Note 3 - Cash and Cash Equivalents and Investments

At June 30, 1997, the carrying amount of the Hospital's deposits (checking, savings, short-term time deposits and long-term time deposits) and the corresponding bank balances were as follows:

	Balance per	
	Hospital	Bank
Checking and Savings Accounts	\$ 1,125,660	\$ 1,136,053
Short-Term Bank Time Deposits	108,275	188,275
Long-Term Bank Time Deposits	699,090	699,090
Investments	1,098,893	1,098,893
TOTAL	\$ 3,031,918	\$ 3,082,311

Statutes require the Hospital to obtain sufficient collateral from financial institutions whenever the Hospital's deposits at the institutions exceed the insured amount.

The Hospital has \$1,083,621 in deposits (collected bank balances) as of June 30, 1997, of which \$523,598 was secured from risk by federal deposit insurance (FDASB 2 - Category 1). The balance of \$5,990,023 of the deposits are secured with pledged accounts totaling \$2,396,212 held by the custodian bank in the name of the Hospital on behalf of the fiscal agent bank (FDASB 2 - Category 2) and investments in United States Treasury Bills totaling \$1,099,893.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

The Hospital computes depreciation using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives used to compute depreciation are as follows:

Buildings	20 - 25 Years
Leasehold Improvements	20 - 25 Years
Furniture and Equipment	5 - 20 Years
Vehicles	4 Years

Maintenance and repairs are charged to operations; significant betterments are capitalized. The cost and related accumulated depreciation of assets retired or otherwise disposed of are eliminated from the accounts and the resulting gain or loss is included in income.

M. Reserve of Retained Earnings

A certain portion of retained earnings is reserved to indicate that a portion of the fund equity is restricted to a specific future use and is not available for appropriation or expenditure.

N. Comparative Data

Comparative data for the prior year has been presented in the accompanying balance sheet in order to provide an understanding of changes in the Hospital's financial position.

O. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Hospital 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. Actual results could differ from these estimates.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

4. Any subsequent revisions requiring alteration of levels of expenditures or transfers between functions must be approved by the Board of Commissioners and subjected to public hearing procedures as explained above.
5. Operating appropriations, to the extent not expended, lapse at year-end. Capital appropriations continue in force until the project is completed.

D. Cash Equivalents

For purposes of the Statement of Cash Flows, the Hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. Receivables - Bad Debt

The Hospital has established an Allowance for Doubtful Accounts based on management's assessment of ultimate collectability of older outstanding receivables.

F. Inventory

Inventory consists primarily of various maintenance and purchasing supplies. The inventory is recorded at the lower of cost or market using the first-in, first-out (FIFO) method.

G. Property and Equipment

The Hospital did not maintain fixed asset records prior to 1991. During 1991 fixed asset records were established. The assets were recorded at cost when cost could be determined, and at estimated cost when cost records could not be located. All donated assets were recorded at fair market value on the date of the donation.

The original land and buildings where the Hospital is operating are owned by the Ouachita Parish Police Jury and are leased to the Hospital. They are not recorded on the books. All improvements are reflected on the books, at cost, under leasehold improvements. The Hospital has acquired additional land and buildings, which are recorded on the books at cost.

**G. B. COOLEY HOSPITAL FOR RETARDED CITIZENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997**

Note 1 - Summary of Significant Accounting Policies

A. History

G. B. Cooley Hospital for Retarded Citizens (the Hospital) is a training facility that provides twenty-four hour care for the mentally retarded. The Hospital provides all basic needs for each individual, including speech therapy, occupational therapy, physical therapy, psychological services and vocational training services. The vocational training objective is to teach individuals vocational skills in order that they may be eligible for community employment.

The Hospital is a component unit of the Ouachita Parish Police Jury because the Police Jury appoints the Board and there is the potential for the Hospital to provide specific financial benefits to or impose specific financial burdens on the Ouachita Parish Police Jury. The Hospital was created April 11, 1962, by Ordinance Number 7027. Each member of the Board of Commissioners must be a qualified voter and resident of the Hospital Service District. The Board of Commissioners consists of seven members, each appointed to a six-year term. The members receive a travel allowance of \$25 per meeting attended.

B. Basis of Accounting

The Hospital uses the accrual basis of accounting, whereby revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred.

C. Budgets and Budgetary Accounting

The Hospital follows these procedures in establishing the budgetary data reflected in these financial statements:

1. At least thirty days prior to the beginning of the fiscal year, the Administrator submits to the Board of Commissioners a proposal, operating and capital budget for the succeeding year.
2. A public hearing is scheduled by the Board of Commissioners after allowing for at least ten days notice to the public at the time the budget is initially submitted to the Board of Commissioners.
3. The final budget must be adopted by the Board of Commissioners no later than fifteen days before the beginning of the fiscal year.

CL. B. COOLES HOSPITAL FOR BURNED CITIZENS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1997

	<u>1997</u>
Cash Flows From Operating Activities	
Operating Loss	\$ (177,062)
Adjustments to Reconcile Net Income to Net Cash Provided/Used by Operating Activities	
Depreciation	87,688
Provision for Bad Debt	8,793
Change in Current Assets and Liabilities	
Receivables	93,528
Inventory	2,957
Prepaid Items	(2,889)
Accounts Payable	49,200
Client Funds Liability	19,701
Accounts Payable/Payroll	18,888
Withholding and Payroll Taxes Payable	(440)
Other Payable/Deferred Payable	(807)
Accounts Payable and Stock Liabilities Payable	28,000
Total Adjustments	<u>268,120</u>
Net Cash Provided by Operating Activities	91,058
Cash Flows From Noncapital Financing Activities	
Fee Revenue	73,868
Contributions - College Ltd. Act of Virginia	(618)
Miscellaneous Income	48,641
Net Cash Provided by Noncapital Financing Activities	<u>122,891</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds from Sales/Issued Stocks	76,877
Repayment of Fixed Assets	<u>(209,550)</u>
Net Cash Used by Capital Investment Activities	(132,673)
Cash Flows From Investing Activities	
Interest Income	11,908
Purchases of Long Term Bank Time Deposits	<u>(1,277,248)</u>
Net Cash Used by Investing Activities	<u>(1,265,340)</u>
Net Increase in Cash and Cash Equivalents	(436,954)
Cash and Cash Equivalents at Beginning of Year	<u>1,658,187</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,221,233</u>
 CASH AND CASH EQUIVALENTS SHOWN ON BALANCE SHEET AS:	
	<u>1997</u>
Current Assets	
Cash and Cash Equivalents	\$ 1,221,233
Non-current Assets	
Cash - College Life Funds	<u>1,711</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 1,222,944</u>

The accompanying notes are an integral part of this financial statement.

**CL B. COOLEY HOSPITAL FOR RETARDED CITIZENS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS—BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1997**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Operating Revenues			
Charges for Services			
Intergovernmental Revenues	\$ 7,349,174	\$ 7,282,704	\$ (66,470)
Private Revenues	384,549	379,892	(4,657)
Other Revenues	100,000	104,296	4,296
Total Operating Revenues	<u>7,833,723</u>	<u>7,766,892</u>	<u>(66,831)</u>
Operating Expenses			
Salaries	5,263,235	5,071,648	191,587
Benefits	763,609	744,648	18,961
Supplies	208,000	193,759	14,241
Travel and Mileage	198,000	180,284	17,716
Food	338,000	323,324	14,676
Facility	681,500	578,648	102,852
Professional Fees	711,889	626,187	85,702
Laundry	24,400	18,187	6,213
Rent Debt	0	6,750	(6,750)
Insurance	274,000	234,348	39,652
Depreciation	274,000	281,648	(7,648)
Total Operating Expenses	<u>8,075,131</u>	<u>8,005,172</u>	<u>69,959</u>
Operating Loss	<u>(241,408)</u>	<u>(238,280)</u>	<u>3,128</u>
Nonoperating Revenues and Expenses			
and Valuation Tax Revenues	448,000	511,860	(63,860)
Interest Income	68,000	118,968	(50,968)
Contributions - Cottage Life, Net of Expenses	0	7974	(7974)
Miscellaneous Income	2,000	46,644	(44,644)
Gain on Disposal of Property and Equipment	0	33,078	(33,078)
Income of Nonoperating Revenues Over Nonoperating Expenses	<u>518,000</u>	<u>605,424</u>	<u>(87,424)</u>
Net Income	<u>0</u>	<u>47,144</u>	<u>(47,144)</u>
Retained Earnings at Beginning of Year	<u>1,165,871</u>	<u>1,165,871</u>	<u>0</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 1,165,871</u>	<u>\$ 1,213,015</u>	<u>\$ 47,144</u>

The accompanying notes are an integral part of this financial statement.

June 30,

1997 1996

LIABILITIES AND FUND EQUITY

Current Liabilities

Accounts Payable	\$ 186,320		\$ 215,425
Individuals' Funds Liability	54,858		45,031
Amounts Payable	72,218		83,694
Withholding and Payroll Taxes Payable	0		440
Other Payroll Deductions and Retirement Benefits Payable	17,866		18,673
Amounts Variation and Risk Pay, Current Period	317,888		284,796
Amount Group Insurance Payable	14,700		14,689
Amount Damages - Community Living Employees	2,008		1,186
Total Current Liabilities	<u>818,858</u>		<u>868,934</u>

Long - Term Liabilities

Amount Variation and Risk Pay, Net of Current Period	89,293		87,803
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Other Liabilities

Deferred Compensation Benefits Payable	233,271		224,684
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Total Liabilities	937,690		911,649
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Fund Equity

Contributed Capital			
Governmental Units	1,792,544		1,792,544
Others	58,498		58,498
Total Contributed Capital	<u>1,792,544</u>		<u>1,792,544</u>
Retained Earnings			
Amount for Cottage Life Funds	6,370		6,398
Unreserved	2,914,609		2,217,465
Total Retained Earnings	<u>2,920,979</u>		<u>2,223,863</u>
Total Fund Equity	<u>4,713,523</u>		<u>4,016,407</u>

TOTAL LIABILITIES AND FUND EQUITY

\$ 5,650,213			\$ 4,928,056
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**C. B. COOLEY HOSPITAL FOR RETIRED CITIZENS
BALANCE SHEETS**

	<i>June 30,</i>	
	1991	1990
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,238,964	\$ 1,649,643
Bank Time Deposits	699,880	541,650
Investments	1,899,893	0
Interest Receivable	31,883	7,897
Receivables, Net of Allowance for Doubtful Accounts of \$74,874 and \$40,660 in 1991 and 1990, respectively	799,633	839,680
Inventory	7,267	9,784
Prepaid Items	1,888	3,019
Total Current Assets	3,781,008	3,981,283
Restricted Assets		
Cash - Cottage Life Funds	3,571	6,684
Property and Equipment, Net	1,584,659	1,698,799
Other Assets		
Medical Staff - Insurance Deposit	14,793	14,793
Deferred Compensation Plan Assets	292,231	294,684
Total Other Assets	307,024	309,477
TOTAL ASSETS	\$ 5,668,714	\$ 4,999,928

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

FINANCIAL STATEMENTS