

TABLE OF CONTENTS

Auditor's Report	Page	3
Balance Sheet	Page	4
Statement of Revenue and Expenses	Page	5
Statement of Fund Balance	Page	6
Statement of Cash Flows	Page	7
NOTE TO FINANCIAL STATEMENTS	Page	8
Supplemental Information	Page	13
Report on Compliance based on an Audit of the Component Unit Financial Statements in Accordance with <u>government auditing standards</u>	Page	14
Report on the Internal Control Structure in Accordance with <u>government auditing standards</u>	Page	20



LARRY G. JOHNSON

CHARTERED FINANCIAL ACCOUNTANT

A Recognized Accounting Corporation

January 14, 1998

Independent Auditor's Report

The Board of Commissioners
West Feliciana Parish Hospital
Service District No. 1
St. Francisville, Louisiana

I have audited the accompanying component unit balance sheet of the

WEST FELICIANA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
ST. FRANCISVILLE, LOUISIANA

at October 31, 1997, and October 31, 1996, the related component unit statement of revenue and expenses, fund balances, and cash flows for the years then ended. These component unit financial statements are the responsibility of the management of the West Feliciana Parish Hospital District No. 1. My responsibility is to express an opinion on these component unit financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the West Feliciana Parish Hospital Service District No. 1 as of October 31, 1997, and October 31, 1996, the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

Larry G. Johnson

**WEST TEXASIAN PARISH MUNICIPAL
SERVICE DISTRICT NO. 1
BALANCE SHEET
OCTOBER 31, 1977, AND OCTOBER 31, 1976**

A S S E T S

OCTOBER 31,
1977 1976

CURRENT ASSETS

Cash and cash equivalents	\$945,318	\$883,788
Accounts receivable-payables, net	261,835	238,882
Accounts receivable-third party settlements	327,874	238,908
Accounts receivable-other	731,882	841,948
Inventory	80,351	100,147
Prepaid expenses	28,332	23,738

Total current assets 1,815,601 1,719,403

ASSETS WHICH ARE LIQUID

By agreements with third party payors for funded depreciation	1,203,948	828,128
--	-----------	---------

PROPERTY, PLANT AND EQUIPMENT 1,272,517 1,182,828

LOCAL ASSETS 3,290,203 3,878,415

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Current maturities of long term debt	\$24,500	\$13,578
Accounts payable	88,828	108,328
Accrued expenses	112,796	112,888

Total current liabilities 226,124 234,794

LONG TERM DEBT, less current maturities 21,388 23,938

DEFERRED REVENUE 126,481 204,383

Total liabilities 374,003 463,115

EQUITY

Fund Balance 2,916,200 3,415,300

Total liabilities and fund balance 3,290,203 3,878,415

Notes are an integral part of this statement.

WEST LEBIANSIA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
STATEMENT OF REVENUE AND EXPENSES
PERIOD ENDED OCTOBER 31, 1957, AND OCTOBER 31, 1956

YEAR ENDED
 OCTOBER 31,
1957 1956

NET PATIENT SERVICE REVENUE	60,945,497	61,566,248
OTHER OPERATING REVENUE - PATIENT SERVICES	<u>14,511</u>	<u>31,828</u>
TOTAL PATIENT SERVICE REVENUE	75,456,508	61,598,076
OPERATING EXPENSES		
Salaries	1,818,488	1,833,656
Supplies and other services	450,018	368,804
Professional services	451,813	389,807
Employee benefits	248,288	261,828
Insurance	57,527	64,504
Emergency room physicians	295,843	300,563
Utilities and telephone	86,543	89,833
Other overhead expenses	287,073	307,371
Provision for bad debts	118,732	108,311
Interest expense	3,546	4,485
Depreciation	<u>121,758</u>	<u>123,724</u>
Total operating expenses	4,129,638	4,667,488
REVENUE IN EXCESS OF OTHER EXPENSES - PATIENT SERVICES	(4,129,638)	(4,667,488)
OTHER OPERATING REVENUE		
Hospital sales tax	1,138,656	1,483,748
Parish maintenance tax	<u>326,788</u>	<u>314,188</u>
Total other operating revenue	1,465,444	1,797,936
INCOME (LOSS) FROM OPERATIONS	115,780	129,588
NONOPERATING REVENUE		
Deferred grants - current recognition	37,942	31,302
Mental Health Care	64,044	64,664
Emergency Services Grants	24,044	60,714
Police Jury Sales Tax	6,288	4,808
Interest income	66,992	79,152
All other	<u>23,682</u>	<u>19,628</u>
Total nonoperating revenue	218,612	259,768
REVENUE IN EXCESS OF EXPENSES	334,392	389,356

Notes are an integral part of this statement.

WEST FELICIANA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
STATEMENT OF FUND BALANCE
PERIOD ENDED OCTOBER 31, 1957, AND OCTOBER 31, 1958

	YEAR ENDED	
	OCTOBER 31.	
	1957	1958
Balance at beginning of period	\$3,244,339	\$1,954,315
Increase in amount of expenses	<u>715,829</u>	<u>224,804</u>
Balance at end of period	\$3,960,168	\$2,179,119

These are an integral part of this statement.

**WEST PUBLISHING PAPER HOLDING
SERVICE COMPANY
STATEMENT OF CASH FLOWS
THRU PERIOD OCTOBER 31, 1997 AND OCTOBER 31, 1996**

THRU PERIOD
OCTOBER 31,
1997 1996

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$729,218	\$282,804
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	261,798	125,873
Provision for losses on accounts receivable	318,710	389,311
(Increase) decrease in accounts receivable-payments	(291,263)	(289,781)
(Increase) decrease in accounts receivable - third party settlements	(96,854)	97,879
(Increase) decrease in accounts receivable-other	(280,824)	(128,883)
(Increase) decrease in inventories	28,796	122,834)
(Increase) decrease in prepaid expenses	18,823)	12,507
(Decrease) increase in accounts payable	(17,896)	(184,327)
(Decrease) increase in accrued expenses	82,228	178,181
(Decrease) increase in deferred revenue	(27,862)	(82,183)
Net cash provided by operating activities	\$47,979	\$18,138

CASH FLOWS FROM INVESTING ACTIVITIES

Cash invested in assets whose use is limited	(185,497)	(144,466)
Capital expenditures	(188,281)	(238,218)
Net cash provided (used) by investing activities	(373,778)	(382,684)

CASH FLOWS FROM FINANCING ACTIVITIES

proceeds from long term borrowings		
Principal payments on long-term debt	(18,181)	(14,018)
Net cash provided (used) by financing activities	(18,181)	(14,018)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (343,879) (378,554)

CASH AND CASH EQUIVALENTS, beginning of year 265,188 \$38,608

CASH AND CASH EQUIVALENTS, end of year 54,309 51,054

Notes are an integral part of this statement.

WEST LOUISIANA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1977

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Report Issued Under Approval Code

The West Louisiana Parish Hospital Service District No. 1's component unit financial statements are an integral part of the West Louisiana Parish Police Jury's comprehensive annual financial report. This report has been issued under separate cover for the West Louisiana Parish Hospital Service District No. 1, and should not be used for any other purpose. The only operations of the West Louisiana Parish Hospital Service District No. 1 are through the West Louisiana Parish Hospital.

B. Financial Reporting Entity

On February 25, 1968, the West Louisiana Parish Police Jury passed a resolution creating the West Louisiana Parish Hospital District No. 1 (hereinafter sometimes called the "District") under the authority of Article 5, Section 19, of the 1874 Louisiana Constitution and Chapter 12 of Title 48 of the Louisiana Revised Statutes of 1950, as amended. The District is composed of all the territory situated within the limits of the Parish of West Louisiana.

The governing authority of the District consists of a board of seven (7) commissioners, all of whom are qualified electors of West Louisiana Parish. The Commissioners serve with pay, per diem, and reimbursement of actual cash out-of-pocket expenses incurred in the performance of their duties.

The public purpose of the District is to secure, provide for, and protect the public health and welfare by the treatment of human ailments through the acquisition and construction of projects as authorized by Chapter 12 of Title 48 of the 1974 Louisiana Constitution, and the financing and refinancing of indebtedness to acquire, construct, renovate, improve hospitals, clinics, laboratories, a nursing home, and any other facility, building or structure which may be of use and benefit in the teaching, training or promotion of medical science and treatment of human ailments, or for such other facilities as the District shall find useful in the study of, or research in, or treatment of illness or infirmities, all as is more fully set out in said Chapter 12 of Title 48 of the 1974 Louisiana Constitution.

C. Basis of Presentation

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the period. Actual results could differ from these estimates.

The accounts of the District are organized on the basis of a fund which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

WEST FLORIDA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
STATE OF LOUISIANA
OCTOBER 31, 1997

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Enterprise Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises--where the intent 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; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary Funds are maintained on the accrual basis of accounting wherein revenues is recognized in the accounting period in which it is earned and becomes measurable, and expenses are recognized in the period incurred, if measurable.

D. DEFERRED ACCOUNTING

The District's adopted budget meets the requirements of the Louisiana Local Government Budget Act as provided by Louisiana Revised Statutes 121:281-2815.

E. CHARITY CARE

The Hospital provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its Charity Care Policy. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

F. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the District considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

G. INVENTORIES

Inventories are valued at the lower of cost or market using the first-in, first-out method.

H. DEPOSITS - CASH AND CASH EQUIVALENTS

The October 31, 1997, and October 31, 1996, carrying amounts of the District's deposits were \$671,189, and \$887,899, respectively, of which \$208,000 is covered by Federal Depositary Insurance. The remaining bank balances which are considered category 2 for generally accepted governmental accounting principles, were collateralized by securities held in a joint custodial account in the institution's name.

WEST VIRGINIA PARISH HOSPITAL
SERVIC DISTRICT NO. 1
STATE OF MISSISSIPPI
OCTOBER 31, 1971

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. ACCOUNTS RECEIVABLE

Accounts receivable from patients, insurance companies and third-party reimbursement contractual agencies are recorded at established charge rates. Certain third-party insured accounts (Medicare and Medicaid) are based on cost reimbursement agreements which generally result in the District collecting less than the established charge rates with the difference recorded as "contractual adjustments." Final determination of settlement is subject to review by appropriate authorities. Adequate allowances are provided for doubtful accounts and contractual adjustments. Doubtful accounts are written off against the allowance after adequate collection effort is exhausted and recorded as recoveries of bad debts if subsequently collected. Net operating revenue includes only those amounts estimated by management to be collectible.

J. PROPERTY AND EQUIPMENT

Property and equipment is stated at cost, except for assets donated to the District. Donated assets are recorded at the appraised value at the date of donation.

Depreciation is recorded on a straight-line basis over the useful lives of the assets. Equipment under capital leases is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in Depreciation and amortization in the financial statements.

Maintenance, repairs, replacements and improvements of minor importance are expensed. Major replacements and improvements are capitalized.

K. NET PATIENT SERVICE REVENUE

Net patient service is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

L. VACATION PAY

Accumulated unpaid vacation is accrued when incurred. Employees earn and vest in vacation leave according to years of service as shown below:

<u>YEARS OF SERVICE</u>	<u>FULL-TIME EMPLOYEES</u>
Less than 5 years	4.67 hours per month
After 5 years	10.00 hours per month
after 10 years	15.33 hours per month

WEST VIRGINIA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
STATE OF MISSISSIPPI
OCTOBER 31, 1995

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. INCOME TAX

The District is exempt from income taxes under Internal Revenue Code Section 131(a).

NOTE 2 - NET PAYING SERVICE REVENUE

The District has agreements with third party payors that provide 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 are 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 chronic services, certain outpatient services and skilled capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology. The Hospital is reimbursed for cost reimbursable items at a narrative rate with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicare fiscal intermediary. The District'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 District. The District's Medicare cost reports have been audited by the Medicare fiscal intermediary through October 31, 1995.

Medicaid

Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The District is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the District and audits thereof by Medicaid fiscal intermediary. The District's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through October 31, 1995.

Blue Cross

Inpatient services rendered to Blue Cross subscribers are reimbursed at prospectively determined rates per day of hospitalization. The prospectively determined per diem rates are not subject to retroactive adjustment.

The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payments to the District under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively daily rates.

WEST VIRGINIA SENIOR HOSPITAL
SERVICE DISTRICT NO. 1
NOTE TO FINANCIAL STATEMENTS
OCTOBER 31, 1956

NOTE 3 - ACCOUNTS RECEIVABLE - PATIENTS

Accounts receivable - patients consists of the following:

	OCTOBER 31,	
	1955	1956
Total patient accounts receivable	\$843,413	\$871,083
Less allowance for uncollectible accounts	(181,580)	(181,581)
	-----	-----
	\$661,833	\$689,502

The following summarizes the activity in the allowance for uncollectible accounts:

	OCTOBER 31,	
	1955	1956
Balance, at beginning of year	\$181,581	\$180,100
Receivables	89,225	74,225
Accounts charged to expenses	(208,732)	(208,321)
Accounts charged off	(181,580)	(182,120)
Balance, at end of period	-----	-----
	\$181,580	\$181,581

NOTE 4 - ACCOUNTS RECEIVABLE - OTHER

Accounts receivable - other consists of the following:

	OCTOBER 31,	
	1955	1956
Unallocated sales tax revenue for the months of October and September	\$325,497	\$327,487
Unpaid maintenance tax revenue	450,833	170,833
All other	(18,200)	(3,848)
	-----	-----
	\$687,130	\$694,472

**WEST FLOUIDIANA PARISH HOSPITAL
DISTRICT DISTRICT NO. 1
NOTE TO FINANCIAL STATEMENTS
OCTOBER 31, 1997**

NOTE 5 - ASSETS WHOSE USE IS LIMITED:

Assets whose use is limited under agreements with third party payors for funded depreciation are summarized as follows:

	OCTOBER 31,	
	1997	1996
U. S. TREASURY DIRECT		
Treasury bills maturing 11-21-96 through		
11-15-97 yielding 5.00% - 5.10%		499,423
Treasury bills maturing 11-29-97 through		
11-29-98 yielding 4.50% - 5.0%	11,542,433	
Amortization of Deposits		
Deposits made MATURING 12-29-97 4.10%	100,000	100,000
Platinumine Bank 4 Trust maturing		
01-01-97 4.50%		100,000
Accounts Receivable		
Bank of Commerce 4.10% and 4.20%	40,000	41,513
	1,202,848	838,538
	*****	*****

NOTE 6 - EXPENSES, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	OCTOBER 31,	
	1997	1996
Land	846,017	846,017
Building and Improvements	803,842	803,842
Equipment	1,882,795	1,882,897
Construction in progress	602,838	
	3,135,492	3,535,656
Allowance for depreciation	1,894,581	1,712,508
Total Property and equipment	1,240,911	1,823,148
	*****	*****

NOTE 7 - OTHER OPERATING REVENUE

The District receives tax revenue from sales tax and property tax collected on purchases and property assessments in West Feliciana Parish. The sales tax is to be used for the operation of the Hospital and the property tax is to be used for operation and maintenance of the Hospital.

**WEST LEBIANSIA FAMILY HOSPITAL
SERVICE DISTRICT NO. 1
NOTE TO FINANCIAL STATEMENTS
OCTOBER 31, 1987**

NOTE 8 - LONG-TERM DEBT

Long-term debt consists of a note payable to Citizens by monthly installments of \$1,383 including interest at 7.35% through May 1990, collateralized by lab equipment. Maturities of notes payable for each year follows:

October 31, 1988	\$14,808
October 31, 1989	13,808
October 31, 1990	8,499

NOTE 9 - PENSION PLAN

The District participates in a contributory multiemployer pension plan. The Plan provides defined benefits to substantially all of its employees. Total pension expenses were \$79,816, and \$12,988, for the years ended October 31, 1987, and October 31, 1988, respectively.

NOTE 10 - INSURANCE RISKS

The Hospital is exposed to various risks of loss related to theft, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Hospital is a member of two separate trust funds established by the Louisiana Hospital Association that encompasses self insurance of (1) Hospital professional liability and comprehensive general liability, and (2) hospital workers' compensation. The Hospital carries commercial insurance for all other risks of loss. As of the balance sheet date, the DISTRICT has no malpractice claims exceeding its coverage.

NOTE 11 - COMMITMENT

The District has an unadvanced line of credit with both local banks for 475,480 such as an annual visit not to exceed 4.75.

NOTE 12 - CONCENTRATIONS OF REVENUE RISKS

The District is located in St. Francisville, Louisiana, and grants credits without collateral to patients, most of whom are local residents and are insured under third-party payer agreements. Revenue from patients and third-party payors were as follows:

	YEAR ENDED OCTOBER 31,	
	1987	1988
Medicare and Medicaid	14%	6%
commercial, Blue Cross and all other	86%	94%
	100%	100%
	---	---

January 30, 1988

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Commissioners
West Feliciana Parish Hospital
Service District No. 1
St. Francisville, Louisiana

members of the board:

My audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole of West Feliciana Parish Hospital Service District No. 1 as of and for the year ended October 31, 1987, and October 31, 1988, which is presented in the preceding section of this report. The supplemental information presented is for the purpose of additional analysis and is not a required part of the component unit financial statements. Such information has been subjected to the audit procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

Langston

**WEST PHOENIX HOSPITAL REPORTING
SERVICE CENTER, INC.
STATEMENTS OF OPERATING RESULTS
YEARS ENDED OCTOBER 31, 1977, AND OCTOBER 31, 1976**

	YEAR ENDED OCTOBER 31,	
	1977	1976
<u>PATIENT SERVICE REVENUE</u>		
Nursing Services	\$128,884	\$209,485
Home Health	433,729	574,418
Emergency Services	118,985	95,323
Emergency services - physicians' fees	352,341	348,393
Central Services	232,319	243,548
Laboratory	882,327	832,898
X-ray	3,073	2,795
Radiology - diagnostic	304,348	244,837
Radiology - physicians' fees	82,878	74,812
Ambulance service	321,585	267,107
Respiratory therapy	128,328	149,844
Pharmacy	282,487	233,342
Physical therapy	148,824	43,981
Anesthesiology	4,328	4,181
Electrocardiology	45,812	56,195
EEG		487
Nuclear medicine	4,482	10,820
Speech therapy	2,147	2,957
Dental services	2,147	2,958
Music/and	17,918	20,718
Dr. Parkish's office		120,829
Dr. Debra's office	2,817	
Dr. Manahly's office	178,252	140,832
total patient service revenue	3,622,248	3,329,483
less contractual adjustments	_____	_____
Net patient service revenue	2,845,907	2,188,289
	*****	*****
<u>OTHER OPERATING REVENUE</u>		
office rents	\$22,000	\$22,000
Dietary revenue including alcohol	50,854	54,488
Medical records and insurance fees	1,153	1,428
renting machine commissions	1,828	1,128
total other operating revenue	75,835	81,044
	*****	*****

WEST TILGHMAN PAPERS HOSPITAL
SERVICE DISTRICT NO. 1
STATEMENT OF OPERATING EXPENSES
YEAR ENDED OCTOBER 31, 1971, AND OCTOBER 31, 1970

YEAR ENDED
OCTOBER 31,
1971 1970

STAFFING

Nursing	\$489,364	\$483,018
Home Health	285,787	277,423
Laboratory Technicians	125,385	113,838
Dietary Management	83,154	81,994
Respiratory Therapy	87,328	75,194
All other		88
Radiology	75,583	74,203
Business Office	119,775	114,871
Administrative	24,389	21,794
Plant Operations	83,777	80,819
Medical Records	40,848	40,844
Bookkeeping	40,828	37,476
Assistance	178,648	154,383
Dr. Parrish's office		187,145
Dr. Dubois's office	84,243	
Dr. McKeally's office	288,543	187,882
R/S Physicians	<u>87,322</u>	<u>123,185</u>
Total salaries	1,814,800	1,933,488

PERSONAL SERVICES

Pharmacy	\$27,887	\$18,887
Respiratory therapy	4,454	4,188
Laboratory	88,880	78,878
Administrative	83,120	78,208
Laundry/linen	28,189	28,484
IBM	7,871	8,840
Plant operations	18,481	8,288
Radiology	4,351	3,243
Physical Therapy	78,412	30,208
Anesthesia	5,888	4,345
Ultrasound	2,888	1,885
Diets	3,138	4,204
Security	23,384	1,888
Dr. Parrish	480	4,488
Dr. McKeally	1,588	888
Social Services	1,888	2,888
Radioisotope physician fees	71,888	88,335
Nuclear medicine	3,488	8,214
Home Health	18,843	28,413
All other	<u>225</u>	<u>328</u>
Total uncontracted services	451,613	368,884

WEST VIRGINIA PARKS DISTRICT
 SERVICE DISTRICT NO. 1
 STATEMENT OF OPERATING EXPENSES
 YEARS ENDED OCTOBER 31, 1957, AND OCTOBER 31, 1956

	YEARS ENDED OCTOBER 31,	
	1957	1956
SUPPLIES AND OTHER EXPENSES		
Laboratory	\$74,009	\$74,104
Blood bank	2,000	2,000
Home Health	20,000	20,137
Nursing	15,228	11,808
Radiology	14,947	14,208
Pharmacy	73,165	69,582
Central services	69,208	63,275
Business office	20,180	16,890
Plant	29,200	22,596
Plant operations	40,578	34,281
Housekeeping	14,600	11,484
Physical therapy	4,887	264
Medical records	4,876	5,428
Administrative	3,829	4,159
Respiratory therapy	24,851	23,747
Dr. Deane's office	8,418	
Dr. MacCallie's office	14,483	11,014
Amesbach's	100	847
Dr. Dargatzis's office	-----	14,703
Total supplies and other expenses	\$64,415	\$48,004
OTHER OVERHEAD EXPENSES		
Home Health	\$29,748	\$32,408
Balance	28,837	28,925
Laboratory	22,816	16,784
Radiology	21,881	7,679
Pharmacy	107	80
Nursing services	2,710	2,734
Medical records	288	387
Business office	24,456	24,888
Plant operations		124
Custody	2,784	4,203
Collection fees	43,189	34,183
Audio and legal fees	18,880	8,833
Postage	13,281	11,263
Equipment rental	7,004	7,738
Heat and subscriptions	8,428	8,164
Physician recruitment and other office	26,343	15,213
All other administrative	21,882	24,888
Total other overhead expenses	\$271,283	\$271,271



Larry G. Johnson

Certified Public Accountant

A PROFESSIONAL ACCOUNTING CORPORATION

January 31, 1988

Board of Commissioners
West Feliciana Parish Hospital
Service District No. 1
St. Francisville, Louisiana

Members of the Board:

I have audited the accompanying component unit financial statements of

**WEST FELICIANA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
ST. FRANCISVILLE, LOUISIANA**

as of and for the year ended October 31, 1987, and have issued my report thereon dated January 31, 1988.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the West Feliciana Parish Hospital Service District No. 1 is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, I performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the component unit financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, the West Feliciana Parish Hospital Service District No. 1 complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the District had not complied, in all material respects, with those provisions. The recommendations that were mentioned in our letter dated January 31, 1987, with respect to the October 31, 1986 audit were referred to and the findings that related thereto have been corrected.

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

Very truly yours,

LARRY JOHNSON - CPAC

By: *Larry Johnson*



January 30, 1999

Board of Commissioners
West Feliciana Parish Hospital
Service District No. 1
St. Francisville, Louisiana

Members of the Board:

I have audited the accompanying completed financial statements of the

**WEST FELICIANA PARISH HOSPITAL
SERVICE DISTRICT NO. 1
ST. FRANCISVILLE, LOUISIANA**

as of and for the year ended October 31, 1998, and have issued my report thereon dated January 30, 1999.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

In planning and performing my audit of the component unit financial statements of the West Feliciana Parish Hospital Service District No. 1 for the year ended October 31, 1998, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the component unit financial statements and not to provide assurance on the internal control structure.

The management of the West Feliciana Parish Hospital Service District No. 1 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. Internal control is a process designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations.

For the purpose of this report, internal control consist of the following five interrelated components:

1. The control environment
2. Risk assessment
3. Control activities
4. Information and communication
5. Monitoring

SAS No. 78 requires the auditor to obtain a sufficient understanding of the interrelated components to plan the audit. This understanding is used to identify types of potential misstatements, factors that affect the risk of material misstatement and design of substantive tests.

I noted a matter involving the internal control structure and its operation that I considered 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 my judgment, would adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the component unit financial statements.

I noted the following reportable condition:

Examination of Issues

During my review of the internal control structure, I noted a lack of segregation of duties of accounting functions due to the limited number of personnel. The same individual records transactions and reconciles the accounts.

Management should be aware of this situation and develop procedures to review these transactions on a routine basis.

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 to the component unit 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.

My consideration of the internal 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, I do not believe the reportable condition described above is a material weakness.

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

Very truly yours,

LAUREL JOHNSON - ASAC

By: Laurel Johnson



LARRY G. JOHNSON

Control Panel Activated

A PROFESSIONAL ACCOUNTING CORPORATION

MARCH 26, 1987

Mr. Daniel S. Kyle
Legislative Auditor
STATE OF LOUISIANA
Post Office Box 71977
Baton Rouge, Louisiana 70804-2197

Dear Mr. Kyle:

I am forwarding to you one advanced and eight bound copies of my audit report, which includes our report on internal control structures in accordance with ~~generally accepted auditing standards~~, and our report on compliance with laws and regulations based on an audit of the financial statements performed in accordance with governmental auditing standards for West Feliciana Parish Hospital Service District - St. Francisville, Louisiana, for the year ended October 31, 1987. I will retain our workpapers for this engagement for a period of six years.

During the year ended October 31, 1987, the Board of Commissioners was paid \$3,800 per item. Each Board member received 140 per meeting attended.

The Board has directed my firm to develop additional audit procedures such as unannounced visits to prepare bank reconciliations at various times during the year to give strength to the fact that they lack segregation of duties relating to bank reconciliations.

Please acknowledge receipt by forwarding me a stamped copy of this letter. Thank you for your cooperation in this matter.

Very truly yours,

LARRY JOHNSON - APAC

By *Joseph A. ...*

Enclosures

cc: Board of Commissioners
West Feliciana Parish Hospital
P. O. BOX 219
St Francisville, Louisiana 70779

Receipt Acknowledged
Legislative Auditor

De ...