

FINANCIAL STATEMENTS

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL

September 30, 2025 AND 2024



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FINANCIAL STATEMENTS  
JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
September 30, 2025 AND 2024  
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INDEPENDENT AUDITOR'S REPORT

To Board of Commissioners  
Jackson Parish Hospital Service District No. 1  
d/b/a Jackson Parish Hospital  
Jonesboro, Louisiana

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Jackson Parish Hospital Service District No. 1, d/b/a Jackson Parish Hospital, a component unit of the Jackson Parish Police Jury, State of Louisiana, (the Hospital), as of and for the years ended September 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Hospital's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hospital, as of September 30, 2025, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hospital, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hospital's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hospital's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules identified in the table of contents as supplemental information are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated February 25, 2026 on our consideration of the Hospital's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hospital's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Hospital's internal control over financial reporting and compliance.

*Langlinais Broussard & Kohlenberg*

LANGLINAIS BROUSSARD & KOHLENBERG  
 (A Corporation of Certified Public Accountants)  
 Abbeville, Louisiana

February 25, 2026

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

STATEMENT OF NET POSITION

SEPTEMBER 30,

ASSETS	2025	2024
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 21,690,238	\$ 18,788,388
Investments	12,180,703	11,650,970
Accounts Receivables, Less Allowance for Doubtful		
Accounts of \$1,093,763 in 2025 and \$1,564,849 in 2024	3,146,567	4,256,433
Due from Third Party Payors	1,353,294	2,338,958
Other Receivables	2,331,143	2,274,381
Inventories	850,336	866,311
Prepaid Expenses	322,301	239,556
Total Current Assets	41,874,582	40,414,997
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
Property, Plant and Equipment Cost	34,877,737	27,681,380
Less: Accumulated Depreciation	(17,367,316)	(16,150,680)
Total Property, Plant and Equipment	17,510,421	11,530,700
<b>TOTAL ASSETS</b>	\$ 59,385,003	\$ 51,945,697

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

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

STATEMENT OF NET POSITION

SEPTEMBER 30,

LIABILITIES AND NET POSITION

	2025	2024
<b>CURRENT LIABILITIES:</b>		
Current Portion of Long-Term Debt	\$ 267,110	\$ 106,502
Accounts Payable	1,112,042	1,356,174
Accrued Salaries and Related Withholdings	1,344,703	1,366,462
Credit Balances	160,381	176,841
Due to Third Party Payors	1,437,508	2,738,052
Due to Employees for Employee Benefits	90,241	90,241
Total Current Liabilities	4,411,985	5,834,272
<b>LONG-TERM LIABILITIES:</b>		
Long-Term Debt:		
Lease Obligations	1,194,386	282,852
Total Long-Term Liabilities	1,194,386	282,852
<b>TOTAL LIABILITIES</b>	5,606,371	6,117,124
<b>NET POSITION:</b>		
Invested in Capital, Net of Related Debt	16,048,925	11,141,346
Unrestricted	37,729,707	34,687,227
<b>TOTAL NET POSITION</b>	53,778,632	45,828,573
<b>TOTAL LIABILITIES AND NET POSITION</b>	\$ 59,385,003	\$ 51,945,697

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

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED SEPTEMBER 30,

	2025	2024
<b>OPERATING REVENUES:</b>		
Net Patient Service Revenues before Provision for Doubtful Accounts	\$ 31,873,278	\$ 30,989,694
Provision for Doubtful Accounts	(41,596)	(1,257,091)
Net Patient Service Revenues after Provision for Doubtful Accounts	31,831,682	29,732,603
Intergovernmental Transfers - Operating	4,648,915	5,042,120
Other Operating Revenue	145,192	137,663
TOTAL OPERATING REVENUE	36,625,789	34,912,386
<b>OPERATING EXPENSES:</b>		
Professional Services	17,770,416	16,636,623
General and Administrative	12,964,330	12,000,778
Depreciation and Amortization	1,216,635	1,172,090
TOTAL OPERATING EXPENSES	31,951,381	29,809,491
<b>INCOME FROM OPERATIONS</b>	4,674,408	5,102,895
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Ad Valorem Taxes	2,141,432	2,174,879
Grant Income	-	2,050,427
Interest Income	1,178,833	1,010,242
Interest Expense	(44,614)	(6,713)
TOTAL NON-OPERATING REVENUES	3,275,651	5,228,835
<b>CHANGE IN NET POSITION</b>	7,950,059	10,331,730
<b>TOTAL NET POSITION, BEGINNING</b>	45,828,573	35,496,843
<b>TOTAL NET POSITION, ENDING</b>	\$ 53,778,632	\$ 45,828,573

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

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30,

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Patients	\$ 32,513,931	\$ 28,495,793
Cash Received from Other Revenues	145,192	137,663
Cash Received from Intergovernmental Transfers	4,648,915	5,042,120
Cash Payments to Suppliers for Goods and Services	(14,295,301)	(13,292,177)
Cash Payments to Employees for Services	(16,683,577)	(14,669,836)
Net Cash Provided By Operating Activities	6,329,160	5,713,563
<b>CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Ad Valorem Taxes	2,141,432	2,174,879
Grant Income	-	2,050,327
Net Cash Provided By Non-Capital Financing Activities	2,141,432	4,225,206
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of Fixed Assets	(7,196,356)	(5,332,322)
Principal Payments on Long-Term Debt	(254,301)	(278,625)
Interest Payments on Long-Term Debt	(44,614)	(6,713)
Purchase of Investments	(12,084,061)	(17,921,978)
Proceeds from maturity of Investments	12,084,061	12,406,367
Proceeds from the Issuance of Long-Term Debt	1,326,439	369,214
Net Cash (Used in) Capital and Related Financing Activities	(6,168,832)	(10,764,057)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest Income	600,090	919,665
Net Cash Provided by Financing Activities	600,090	919,665
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	2,901,850	94,377
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR FOR 2025 AND 2024, RESPECTIVELY</b>	18,788,388	18,694,011
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR FOR 2025 AND 2024, RESPECTIVELY</b>	\$ 21,690,238	\$ 18,788,388

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

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30,

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating Gain	\$ 4,674,408	\$ 5,102,895
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	1,216,635	1,172,090
Provision for Doubtful Accounts	41,596	1,257,091
(Increase) in Receivable/Due from Third Parties	729,182	(2,641,011)
(Increase) in Inventories and Prepaid Expenses	(66,770)	(102,370)
Increase in Accounts Payable and Accrued Expenses	(265,891)	924,868
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 6,329,160</b>	<b>\$ 5,713,563</b>

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

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 1: DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity.** Jackson Parish Hospital Service District No. 1 d/b/a Jackson Parish Hospital (the Hospital) was created in 1950, by the Parish Government of Jackson Parish, Louisiana to operate, control, and manage matters concerning the parish's health care functions. The Jackson Parish Police Jury appoints the Board of Commissioners of the Hospital, and the Hospital may not issue debt without the Parish's approval. For this reason, the Hospital is a component unit of the Jackson Parish Government, Jackson Parish, Louisiana.

**Basis of accounting.** The accompanying basic financial statements of the Hospital have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. GASB 34 established standards for external financial reporting for all state and local governmental entities, which included a balance sheet or statement of net position, a statement of revenues, expenditures and changes in net position, and a statement of cash flows utilizing the direct method of presentation. GASB 34 is found throughout the GASB Codification. The Hospital follows standards issued by GASB found in the GASB Codification.

**Use of estimates.** 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 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 those estimates.

**Proprietary fund accounting.** The Hospital utilizes the proprietary fund method of accounting whereby revenue and expenses are recognized using the economic resources measurement focus and the accrual basis of accounting. Substantially all revenues and expenses are subject to accrual.

**Inventories.** Inventories of drugs and supplies are stated at the lower of cost (first-in, first-out) or market.

**Property, Plant and Equipment.** Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under lease is stated at the sum of the initial measurement of the lease liability plus any payments made to the lessor at or before the commencement of the lease term plus initial direct cost necessary to place the lease asset in service. Leased equipment is amortized on the straight-line method over the shorter of the lease term or estimated useful lives of the assets. Subscription-based information technology arrangement is stated at the sum of the initial measurement of the subscription liability plus any payments made to the lessor at or before the commencement of the subscription term plus initial direct cost necessary to place the subscription asset in service. Subscription-based information technology arrangements are amortized on the straight-line method over the shorter of the subscription term or estimated useful lives of the assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

**Grants and donations.** Revenues from grants and donations (including capital contributions of assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and donations may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific purpose are reported as non-operating revenues. Amounts restricted to capital acquisitions are reported after non-operating revenues and expense.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

NOTE 1: DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

**Operating revenues and expenses.** The Hospital's Statements of Revenues, Expenses and Changes in Net Position distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, the Hospital's principal activity. Non-exchange revenues, including taxes, grants and contributions received for purposes other than capital asset acquisition, are reported as non-operating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

**Income taxes.** The Hospital is a political subdivision and exempt from taxes.

**Advertising.** The Hospital expenses advertising cost as incurred.

**Costs of borrowing.** Except for capital assets acquired through gifts, contributions, or capital grants, interest cost on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

**Cash and cash equivalents.** Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of ninety days or less. Under state law, the Hospital may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**Trade receivables and allowance for uncollectible accounts.** Trade receivables are carried at the original billed amount less an estimate made for uncollectible accounts based on a review of all outstanding amounts monthly. Management determines the allowance for uncollectible accounts by identifying troubled accounts and by using historical experiences applied to an aging of accounts. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

**Ad valorem Taxes.** The Hospital's property tax is levied by the parish on the taxable real property in the district in late October of each year. Bills are sent out in November of each year and becomes a lien the following March. The collection period for the Hospital's property taxes is from December (at which time they become delinquent) to the succeeding May.

The Hospital received approximately 5.4 percent in 2025 and 2024, of its financial support from ad valorem taxes.

**Risk Management.** The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters.

**Restricted resources.** When the Hospital has both restricted and unrestricted resources available to finance a particular program, it is the Hospital's policy to use restricted resources before unrestricted resources.

**Environmental matters.** Due to the nature of the Hospital's operations, materials handled could lead to environmental concerns. However, at the time, management is not aware of any environmental matters which need to be considered.

**Reclassifications.** To be consistent with current year classifications, some items from the previous year have been reclassified with no effect on net assets. Such reclassifications include the reclassification of revenue groupings and/or expense groupings in the supplemental schedules.

**Investments in debt and equity securities.** Investments in debt and equity securities are carried at fair value except for investments in debt securities with maturities of less than one year at the time of purchase. These investments are reported at amortized cost, which approximates fair value. Interest, dividends, and gains and losses, both realized and unrealized, on investments in debt and equity securities are included in non-operating income when earned.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 1: DESCRIPTION OF REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Net Position.** GASB 63 and GASB Codification Section P80, states that net position is equal to assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net position classifications are defined as follows:

*Invested in Capital Assets, Net of Related Debt* consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets invested in capital assets, net of related debt, excludes unspent debt proceeds.

*Restricted Net Position* consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets may be restricted when there are limitations imposed on their use either through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* consists of net position that does not meet the definition of the two preceding categories.

The Hospital first applies restricted resources when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

**Net patient service revenue.** The Hospital has agreements with third-party payors that provide payments to the Hospital at amounts different from its established rates. Inpatient acute care services, swing bed services and outpatient services rendered to Medicare program beneficiaries are reimbursed at cost plus 1% (subject to limits and rules), while other outpatient laboratory services are reimbursed on a fee schedule. The Hospital is 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 Medicare cost reports have been settled by the Medicare fiscal intermediary through September 30, 2023.

Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates per day. Certain outpatient services to Medicaid program beneficiaries are reimbursed at cost plus 10%, subject to certain limits, while other outpatient services are reimbursed on a fee schedule. The Hospital is reimbursed for outpatient services at an interim 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 settled by the Medicaid fiscal intermediary through September 30, 2019.

The Louisiana Legislature, through the Healthcare Reform Act of 2007 and Act 1 of 2010, tasked the Department of Health and Hospitals (the DHH) to create a new system of care. In response, the DHH reformed its reimbursement methodology for Medicaid patients from a fee-for-service system to the use of a Coordinated Care Network (CCN). During 2011, the DHH enabled certain third-party payor companies to contract with providers under the CCN methodology. The Hospital is currently contracted and enrolled with payors participating in the Coordinated Care Network. The Hospital has filed annual cost reports with these payors, which are subject to audit and final settlement.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. These adjustments will be recorded in the year they are realized.

The Hospital has entered payment arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, and per diem rates. To the extent management's estimate differs from actual results, the differences will be used to adjust income in the period when such differences arise.

For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue based on its standard rates for services provided. Based on historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Hospital records a significant provision for bad debts related to uninsured patients in the period the services are provided.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 2: NET PATIENT SERVICE REVENUE**

The following schedule represents total Net Patient Service Revenue:

	2025	2024
Gross Patient Service Revenue	\$ 50,281,203	\$ 43,521,893
Less: Contractual Adjustments	(18,407,926)	(12,532,199)
Accounts	31,873,278	30,989,694
Less: Provision for Doubtful Accounts	(41,596)	(1,257,091)
Accounts	\$ 31,831,682	\$ 29,732,603

Net Patient Service Revenue by Payor before Provision for Doubtful Accounts:

	2025	2024
Medicare	\$ 9,384,806	\$ 7,904,186
Medicaid	4,743,772	4,890,604
All Other Payors	17,744,700	18,194,904
Total Net Patient Service Revenue before Provision for Doubtful Accounts	\$ 31,873,278	\$ 30,989,694

**NOTE 3: ACCOUNTS RECEIVABLE - PATIENTS**

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes its history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with Medicaid, Commercial, and Self-Pay patients, the Hospital records a significant provision for bad debts in the period of service based on its experience and on the age of the receivable balance. The aged balance indicates that third-party claims have reached an age where the probability of payment is low and that self-pay patients are unable or unlikely to pay portion of their bill for which they are financially responsible. The difference between the standard rates and the amounts collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Patient Accounts Receivable consists of the following:

	2025	2024
Total Patient Accounts Receivable	\$ 5,936,989	\$ 8,169,113
Less: Allowance for Doubtful Accounts and Contractual Allowances	(2,790,422)	(3,912,680)
Net Patient Accounts Receivable	\$ 3,146,567	\$ 4,256,433

**NOTE 4: MAJOR SOURCE OF REVENUE**

The Hospital participates in the Medicare and Medicaid programs as a provider of medical services to program beneficiaries. The Hospital derived approximately 43% and 42% of its gross patient service revenue in 2025 and 2024, respectively, from patients covered by the Medicare and Medicaid programs.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
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Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment, by major category, is as follows:

<u>September 30, 2025</u>					
	<u>Asset Life in Years</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land		\$ 206,175		\$ -	\$ 206,175
Construction in Progress		4,474,393	4,950,545	9,017,902	407,035
Total assets not being depreciated		4,680,568	4,950,545	9,017,902	613,210
Other Capital Assets:					
Land Improvements	5 - 25	535,430	846,606		1,382,036
Building	10 - 40	8,600,555	8,525,817	-	17,126,372
Capital Leased Property	5 - 25	1,683,503	-	-	1,683,503
Fixed Equipment	5 - 25	4,811,697	407,150	-	5,218,847
Moveable Equipment	5 - 25	4,686,847	157,702	-	4,844,549
Moveable Equipment- Right of Use	5 - 25	1,383,893	1,326,439	-	2,710,332
Automobile	5	71,451	-	-	71,451
Minor Equipment	7	976,301	-	-	976,301
Software Subscriptions	3-5	251,135	-	-	251,135
Total Other Assets		23,000,812	11,263,714	-	34,264,526
Less Accumulated Depreciation		(14,898,594)	(954,117)	-	(15,852,712)
Less Accumulated Depreciation- Right of Use		(1,000,951)	(262,518)	-	(1,263,469)
Less Accumulated Amortization- Software Subscriptions		(251,135)	0	-	(251,135)
Gross Accumulated Depreciation		(16,150,680)	(1,216,635)	-	(17,367,315)
Net Property, Plant, & Equipment		\$ 11,530,700	\$ 14,997,625	\$ 9,017,902	\$ 17,510,421

<u>September 30, 2024</u>					
	<u>Asset Life in Years</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land		\$ 206,175		\$ -	\$ 206,175
Construction in Progress		400,443	4,347,849	273,899	4,474,393
Total assets not being depreciated		606,618	4,347,849	273,899	4,680,568
Other Capital Assets:					
Land Improvements	5 - 25	463,269	72,161	-	535,430
Building	10 - 40	8,015,683	584,872	-	8,600,555
Capital Leased Property	5 - 25	1,683,503	-	-	1,683,503
Fixed Equipment	5 - 25	4,705,594	106,103	-	4,811,697
Moveable Equipment	5 - 25	4,593,996	92,851	-	4,686,847
Moveable Equipment- Right of Use	5 - 25	1,014,679	369,214	-	1,383,893
Automobile	5	62,379	9,072	-	71,451
Minor Equipment	7	952,201	24,100	-	976,301
Software Subscriptions	3-5	251,135	-	-	251,135
Total Other Assets		21,742,439	1,258,405	-	23,000,812
Less Accumulated Depreciation		(14,004,302)	(894,291)	-	(14,898,594)
Less Accumulated Depreciation- Right of Use		(789,083)	(211,868)	-	(1,000,951)
Less Accumulated Amortization- Software Subscriptions		(185,204)	(65,931)	-	(251,135)
Gross Accumulated Depreciation		(14,978,589)	(1,172,090)	-	(16,150,680)
Net Property, Plant, & Equipment		\$ 7,370,468	\$ 4,434,164	\$ 273,932	\$ 11,530,700

Depreciation expense, which includes right of use assets and software subscriptions, for the years ended September 30, 2025 and 2024 amounted to \$1,216,635 and \$1,172,090, respectively.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 6: LONG-TERM DEBT**

Long-term debt at September 30, 2025 and 2024, consisted of the following:

	2025	2024
Right of Use Obligation, of the Vantage Omnicell Cabinet, payable in 60 monthly installments at a 1.94% interest rate, maturity in 2024	\$ -	\$ 4,348
Right of Use Obligation, of the GE Infusion Pumps, payable in 60 monthly installments at a 3.49% interest rate, maturity in 2029	276,960	352,241
Right of Use Obligation, of the GE Ultrasound, payable in 60 monthly installments at a .89% interest rate, maturity in 2025	-	32,765
Right of Use Obligation, of the GE Definium Tempo Plus X-Ray Machine, payable in 72 monthly installments at a 3.38% interest rate, maturity in 2031	233,378	-
Right of Use Obligation, of the Rayus CT Machine, payable in 84 monthly installments at a 3.38% interest rate, maturity in 2031	754,288	-
Right of Use Obligation, of the GE Definium Tempo X-Ray Machine, payable in 72 monthly installments at a 3.61% interest rate, maturity in 2030	196,870	-
Total Long-Term Debt	1,461,496	389,354
Less: Current Portion	(267,110)	(106,502)
Long-Term Portion	\$ 1,194,386	\$ 282,852

A summary of long-term debt activity for the year ended is as follows:

September 30, 2025

	Beginning Balance	Additions	Reductions	Ending Balance
Lease Obligations	\$ 389,354	1,326,439	254,297	1,461,496
Total	\$ 389,354	\$ 1,326,439	\$ 254,297	\$ 1,461,496

September 30, 2024

	Beginning Balance	Additions	Reductions	Ending Balance
Software Subscriptions	\$ 69,301	\$ -	\$ 69,301	\$ -
Lease Obligations	229,464	369,214	209,324	389,354
Total	\$ 298,765	\$ 369,214	\$ 278,625	\$ 389,354

Balance due within one year

	2025	2024
Lease Obligations	267,110	106,502
Total	\$ 267,110	\$ 106,502

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 6: LONG-TERM DEBT, CONTINUED**

Scheduled repayments on long-term debt are as follows:

September 30, 2025

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 267,110	\$ 45,963	\$ 313,073
2026	276,458	36,610	313,068
2027	286,139	26,930	313,069
2028	269,181	17,028	286,209
2029	190,580	9,145	199,725
2030-2032	172,028	3,751	175,779
Total	<u>\$ 1,461,496</u>	<u>\$ 139,427</u>	<u>\$ 1,600,923</u>

September 30, 2024

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 106,502	\$ 11,319	\$ 117,821
2026	71,851	8,729	80,580
2027	74,399	6,181	80,580
2028	77,037	3,543	80,580
2029	59,565	870	60,435
Total	<u>\$ 389,354</u>	<u>\$ 30,642</u>	<u>\$ 419,996</u>

**NOTE 7: CASH FLOWS SUPPLEMENTAL INFORMATION**

Total interest paid by the Hospital was \$44,614 and \$6,713, for 2025 and 2024, respectively.

**NOTE 8: CONCENTRATIONS OF CREDIT RISK**

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at September 30, 2025 and 2024, are as follows:

	<u>2025</u>	<u>2024</u>
Medicare	29%	34%
Medicaid	10%	13%
Commercial and Other Payors	61%	53%
	<u>100%</u>	<u>100%</u>

**NOTE 9: PENSION PLAN**

The Hospital sponsors a defined contribution plan. The Plan Administrator is the hospital. Eligibility requirements are six months of employment and attaining the age of 25. Employees are not vested until after 3 years of service, at which point they are 100% vested. The Plan's coverage includes death, disability, and retirement benefits. The Hospital may amend the Plan at any time at its' sole discretion.

However, no amendment may result in any participant's vested interest or any portion of the Plan's assets reverting to the Hospital. The Hospital will match in an amount equal to a percentage of the employee salary deferrals. Forfeitures of matching contributions that relate to excess amounts may be used to reduce employer contributions. There were no forfeitures reflected in pension expense as a reduction of employer contributions for the years ended September 30, 2025, and 2024, respectively. The Hospital contributed \$470,665 and \$415,213 for the years ended September 30, 2025, and 2024, respectively. There was no accrued pension plan liability for the years ended September 30, 2025, and 2024, respectively.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 10: GRANT REVENUE**

The Hospital entered into a cooperative endeavor agreement (CEA) with a regional public rural hospital (Grantor) whereby the Grantor awards as an intergovernmental transfer (IGT) to be used solely to provide adequate and essential medically necessary and available healthcare services to the Hospital's service population subject to the availability of such grant funds. The aggregate IGT grant income is \$4,648,915 and \$5,042,120 for the years ended September 30, 2025, and 2024, respectively. Various other grants were received during the year for other uses.

**NOTE 11: BANK DEPOSITS AND INVESTMENTS**

Louisiana state statutes authorize the Hospital to invest in obligations of the U.S. Treasury, certificates or other obligations of the United States of America, and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana.

Louisiana state statutes require that all the deposits of the hospital must be protected by insurance or collateral. The fair value of the collateral pledged must equal 100% of the deposits not covered by insurance.

The Hospital had bank balances on September 30, as follows:

	2025	2024
Insured (FDIC)	\$ 251,500	\$ 251,500
Collateralized by Securities Held by the Pledging Financial Institution's Trust Department in the Hospital's Name	38,498,977	23,531,536
Total	\$ 38,750,477	\$ 23,783,036
Carrying Value	\$ 21,810,830	\$ 18,878,836

**NOTE 12: PROFESSIONAL LIABILITY RISK**

The Hospital participates in the Louisiana Patient's Compensation Fund (PCF) established by the State of Louisiana to provide medical professional liability coverage to health care providers. The PCF provides for \$400,000 in coverage per occurrence above the first \$100,000 per occurrence for which the Hospital is at risk. The PCF places no limitation on the number of occurrences covered. In connection with the establishment of the PCFs, the State of Louisiana enacted legislation limiting the amount of settlement for professional liability to \$500,000 per occurrence.

The courts have not tested the constitutionality of this legislation, although the Louisiana Supreme Court has decided that this limit does not apply in cases of strict liability. The Hospital's membership in the Louisiana Hospital Association Trust Fund provides additional coverage for professional medical malpractice liability. The trust fund bills members in advance based upon an estimate of their exposure. At policy year-end, premiums are re-determined utilizing actual losses of the Hospital.

**NOTE 13: CRITICAL ACCESS STATUS**

Effective November 1, 2004, Jackson Parish Hospital was approved for "critical access" status under the Medicare Rural Hospital Flexibility Program. The program allows states to designate rural facilities as "critical access hospitals" if they are located a sufficient distance from other hospitals, make available 24-hour emergency care, maintain no more than 25 inpatient beds, and keep inpatients no longer than 96 hours (except where weather or emergency conditions dictate, or a Peer Review Organization waives the limit). Payment for inpatient and outpatient services under this program is based on reasonable cost.

**NOTE 14: COMPENSATED ABSENCES/DUE TO EMPLOYEES FOR BENEFITS**

Full time employees earn accrued time off (ATO) based on years of service; part time employees accrue ATO on a pro-rated basis based on years of service. All ATO balances will be paid upon termination. Sick pay is not vested and therefore not accrued. The Hospital's policy is to recognize the cost of sick pay when actually paid to employees. Accrued time off, which is included in accrued salaries and related withholdings, at September 30, 2025 and 2024 totaled \$956,565 and \$961,165, respectively.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 14: COMPENSATED ABSENCES/DUE TO EMPLOYEES FOR BENEFITS, CONTINUED**

Due to employee benefits calculated and over-withheld from employees in previous years, the Hospital has reflected a payable to employees in the amount of \$90,241 for the years ended September 30, 2025 and 2024.

**NOTE 15: CONTINGENCIES**

The Hospital evaluates contingencies based upon the best available evidence. The Hospital believes that no allowances for loss contingencies are 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. The principal contingencies are described below.

***Third-Party Reimbursement Programs.***

Cost reimbursements and claims are subject to examination by agencies administering the programs. The Hospital is contingently liable for retroactive adjustments made by the Medicare and Medicaid programs as the result of their examinations as well as retroactive changes in interpretations applying statutes, regulations, and general instructions of those programs. The amount of such adjustments cannot be determined.

To ensure accurate payments to providers, the Tax Relief and Healthcare Act of 2006 mandated the Centers for Medicare & Medicaid Service (CMS) to implement a Recovery Audit Contractor (RAC) program on a permanent and nationwide basis no later than 2010. The program uses RACs to search for potentially improper Medicare payments that may have been made to health care providers that were not detected through existing CMS program integrity efforts, on payments that have occurred at least one year ago. Once a RAC identifies a claim it believes to be improper, it makes a deduction from the provider's Medicare reimbursement in an amount estimated to equal the overpayment. The Hospital will deduct from revenue, amounts assessed under the RAC audits at the time a notice is received until such time that estimates of net amount due can be reasonably estimated. RAC assessments are anticipated; however, the outcomes of such assessments are unknown and cannot be reasonably estimated.

Management believes that the Hospital is in compliance with fraud and abuse statutes as well as other applicable government law and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

***Professional Liability Risk***

The Hospital is contingently liable for losses from professional liability not underwritten by the Louisiana Patient's Compensation Fund or the Louisiana Hospital Association Trust Fund.

***Workman's Compensation Risk***

The Hospital participated in the Louisiana Hospital Association Self-Insurance Workmen's Compensation Trust Fund in 2025 and 2024, respectively. Should the fund's assets not be adequate to cover claims made against it, the Hospital may be assessed its pro rata share of the resulting deficit. It is not possible to estimate the amount of additional assessments, if any.

***Laws and Regulations***

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in exclusion from government healthcare program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While the Hospital is subject to similar regulatory reviews, management believes the outcome of any such regulatory review will not have a material adverse effect on the Hospital's financial position.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025 and 2024

**NOTE 16: GOVERNMENTAL REGULATIONS**

Legislation and regulation at all levels of government have affected and are likely to continue to affect the operation of the Hospital. Federal healthcare reform legislation proposals debated in Congress in recent years have included significant reductions in Medicare and Medicaid program reimbursement to hospitals and the promotion of a restructured delivery and payment system focusing on competition among providers based on price and quality, managed care, and steep discounting or capitated payment arrangements with many, if not all, of the Hospital's principal payors. It is not possible currently to determine the impact on the Hospital of government plans to reduce Medicare and Medicaid spending, government implementation of national and state healthcare reform or payment methodology changes. However, such changes could have an adverse impact on operating results, cash flows and estimated debt service coverage of the Hospital in the future years.

**NOTE 17: CHARITY CARE**

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The Hospital maintains records to identify and monitor the level of charity care it provides. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The records include the amount of charges foregone for services and supplies furnished under its charity care policy. For the years ended September 30, 2025 and 2024, no charity care charges were incurred.

**NOTE 18: NET POSITION**

Net position for the years ended September 30, are as follows:

	<u>2025</u>	<u>2024</u>
Invested in Capital Assets, Net of Related Debt	\$ 16,048,925	\$ 11,141,346
Unrestricted	37,729,707	34,687,227
Total Net Position	<u>\$ 53,778,632</u>	<u>\$ 45,828,573</u>

**NOTE 19: RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

As of the date of this report, there were no new pronouncements that affect the Hospital.

**NOTE 20: SUBSEQUENT EVENTS**

In preparing these financial statements, the Hospital has evaluated events and transactions for potential recognition or disclosure through February 25, 2026, the date the financial statements were available to be issued.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

**SCHEDULES OF PATIENT SERVICE REVENUES**

**YEAR ENDED SEPTEMBER 30,**

	2025	2024
<b>PATIENT SERVICE REVENUES</b>		
<b>Daily Patient Services:</b>		
Room and Board	\$ 2,524,211	\$ 2,984,460
Observation	1,676,032	1,533,646
Total	4,200,243	4,518,106
<b>Other Nursing Services:</b>		
Central Supplies	504,123	605,594
Emergency Service	4,297,330	3,753,891
Total	4,801,453	4,359,485
<b>Other Professional Services:</b>		
Anesthesiology	133,280	125,120
Blood	128,729	122,474
Clinics	3,825,157	3,388,077
Laboratory	9,241,521	8,118,430
Other	1,267,516	1,141,822
Pharmacy	9,063,852	8,390,024
Professional Fees	495,231	475,091
Radiology	12,092,737	9,506,227
Respiratory	1,115,871	1,019,174
Therapy Services	2,195,403	845,389
Surgery	1,720,211	1,512,474
Total	41,279,508	34,644,302
<b>GROSS PATIENT SERVICE REVENUE</b>	50,281,204	43,521,893
Less: Contractual Adjustments	18,407,926	12,532,199
<b>NET PATIENT SERVICE REVENUE BEFORE PROVISION FOR DOUBTFUL ACCOUNTS</b>	\$ 31,873,278	\$ 30,989,694

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

SCHEDULES OF OTHER OPERATING REVENUES

YEAR ENDED SEPTEMBER 30,

	<u>2025</u>	<u>2024</u>
Cafeteria and Vending Sales	\$ 137,878	\$ 126,502
Medical Records	7,314	11,161
Total	<u>\$ 145,192</u>	<u>\$ 137,663</u>

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

SCHEDULES OF PROFESSIONAL SERVICES

YEAR ENDED SEPTEMBER 30,

	2025	2024
<b>Salaries and Fees:</b>		
Central Supply	\$ 225,848	\$ 185,715
Clinics	3,447,914	3,489,790
Emergency Room	2,465,112	2,427,550
Laboratory	1,292,788	1,255,178
Nursing	3,479,619	3,295,015
Operating Room and Anesthesiology	83,254	63,307
Pharmacy	324,349	320,826
Radiology	1,523,077	1,435,697
Respiratory	614,410	573,971
Therapy	230,297	121,527
Total Salaries and Fees	13,686,668	13,168,576
 <b>Supplies and Other Expenses:</b>		
Clinics	474,417	497,636
Emergency Room	177,279	108,022
Laboratory	716,690	730,563
Nursing	314,420	273,161
Operating Room and Anesthesiology	63,297	36,022
Pharmacy	1,511,281	1,026,805
Radiology	764,217	751,222
Respiratory	54,777	18,131
Swing Bed	7,370	26,485
Total Supplies and Other Expenses	4,083,748	3,468,047
Total Professional Services	\$ 17,770,416	\$ 16,636,623

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

SCHEDULES OF GENERAL AND ADMINISTRATIVE SERVICES

YEAR ENDED SEPTEMBER 30,

	2025	2024
<b>Salaries and Fees:</b>		
Administrative	\$ 2,291,849	\$ 2,245,323
Dietary	603,448	454,558
Housekeeping	552,368	537,262
Maintenance	381,057	334,542
Medical Records	364,246	328,800
Total Salaries and Fees	4,192,968	3,900,485
 <b>Supplies and Other Expenses:</b>		
Administrative	3,416,832	3,137,205
Dietary	485,706	410,012
Employee Benefits	3,007,638	2,807,721
Housekeeping	87,605	82,175
Information Technology	672,816	637,336
Insurance	344,985	395,790
Maintenance	744,987	613,438
Medical Records	10,793	16,616
Total Supplies and Other Expenses	8,771,362	8,100,293
Total General and Administrative Services	\$ 12,964,330	\$ 12,000,778

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

SCHEDULES OF GOVERNING BOARD EXPENSES

YEAR ENDED SEPTEMBER 30,

	<u>2025</u>	<u>2024</u>
	<u>COMPENSATION</u>	<u>COMPENSATION</u>
Chris Bowman	\$ -	\$ 415
William Slusher	160	440
Angela Curtis	80	400
Shontae Mims	120	400

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
Jonesboro, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER SEPTEMBER 30,

	<u>2025</u>	<u>2024</u>
JOHN MORGAN		
Salary	\$ 286,260	\$ 246,921
Benefits-Insurance	15,209	16,630
Benefits-Retirement	13,794	11,833
Reimbursements	-	-
	<u>\$ 315,263</u>	<u>\$ 275,384</u>



Glen P. Langlinais, CPA  
Gayla F. Russo, CPA  
Barrett B. Perry, CPA

Michael P. Broussard, CPA  
Elizabeth L. Whitford, CPA  
Elizabeth N. DeBaillon, CPA  
Chad V. Fortier, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Jackson Parish Hospital Service District No. 1  
d/b/a Jackson Parish Hospital  
Jonesboro, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jackson Parish Hospital Service District No.1, d/b/a Jackson Parish Hospital, a component unit of the Jackson Parish Police Jury, State of Louisiana (the Hospital), as of September 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Hospital's basic financial statements as listed in the table of contents, and have issued our report thereon dated February 25, 2026.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL STATEMENTS**

In planning and performing our audit of the financial statements, we considered the Hospital's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying "Schedule of Findings and Questioned Costs and Management's Corrective Action Plan," we identified certain deficiencies in internal control that we consider to be material weaknesses - Findings 2025-1 through 2025-2.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**REPORT ON COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Hospital's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests did not identify findings of noncompliance.

**REPORT ON HOSPITAL'S RESPONSE TO FINDINGS**

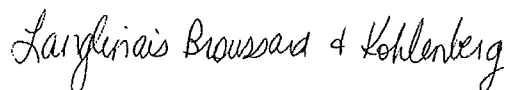
The Hospital's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Hospital's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**REPORT ON PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This communication is intended for the information and use of the Board of Commissioners and management of the Hospital, others within the Hospital, federal awarding agencies, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



LANGLINAIS BROUSSARD & KOHLENBERG  
(A Corporation of Certified Public Accountants)  
Abbeville, Louisiana

February 25, 2026

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
JONESBORO, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND MANAGEMENT'S CORRECTIVE ACTION PLAN  
For the Years Ended September 30, 2025 and 2024

We have audited the financial statements of Jackson Parish Hospital Service District No. 1, d/b/a Jackson Parish Hospital (the Hospital), a component unit of the Jackson Parish Police Jury, State of Louisiana, as of and for the years ended September 30, 2025 and 2024, and have issued our report thereon dated February 25, 2026. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of OMB Circular A-133. Our audits of the financial statements as of September 30, 2025 and 2024 resulted in unmodified opinions.

Section I: Summary of Auditor's Reports

**A. Report on Internal Control and Compliance Material to the Financial Statements:**

Compliance	
Compliance Material to Financial Statements	No
Internal Control	
Material Weaknesses:	Yes
Significant Deficiencies:	No

Section II: Financial Statement Findings

**Material Weaknesses**

Finding 2025-1 Financial Statement Preparation

**Criteria:** The Hospital does not present full disclosure financial statements to its board in accordance with Generally Accepted Accounting Principles.

**Condition:** As is common in small operations, the Hospital relies on its outside auditors to assist in the preparation of full disclosure GAAP financial statements.

**Cause:** The Hospital has a small accounting staff.

**Effect:** The Hospital designates an employee with skilled knowledge and experience to review the draft of the prepared financial statements and footnotes prior to approving them and accepting responsibility for their contents and presentation.

**Recommendation:** The hospital's accounting personnel should attend education courses to further their knowledge in the application of Generally Accepted Accounting Principles.

**Management Response:** Hospital's accounting staff will continue education of Generally Accepted Accounting Principles.

Finding 2025-2 Proposed Audit Adjustments

**Criteria and Condition:** The proposed audit adjustments for the fiscal years ended September 30, 2025 and 2024 had material effects on the financial statements.

**Cause:** The filing of annual Medicare and Medicaid cost reports result in settlements either due to or from the Hospital. These settlements result from complex calculations, many variables, several payors, and the use of third-party data that is often not complete until several months after year end. These factors make it difficult to properly estimate and record cost report settlements.

**Effect:** The Hospital's financial statements have been adjusted to reflect all proposed audit journal entries approved by management.

**Recommendation:** Management should perform a comprehensive review of financial statements, estimates, and journal entries before closing the fiscal year.

**Management Response:** The Hospital has contracted two competent accountants to perform a comprehensive review of financial statements, estimates, and journal entries before closing the fiscal year.

Section III: Management Letter Items

There are no management letter items at September 30, 2025.

JACKSON PARISH HOSPITAL SERVICE DISTRICT NO. 1  
d/b/a JACKSON PARISH HOSPITAL  
JONESBORO, LOUISIANA

SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended September 30, 2025

Finding 2024-1 Financial Statement Preparation: The Hospital relies on its outside auditors to assist in the preparation of full disclosure GAAP financial statements.

Status: Unresolved. See Finding 2025-1.

Finding 2024-2 Proposed Audit Adjustments: The proposed audit adjustments for the fiscal years ended September 30, 2025 and 2024 had material effects on the financial statements.

Status: Unresolved. See Finding 2025-2.