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**TOWN OF JACKSON, LOUISIANA**

**FINANCIAL REPORT**

**SEPTEMBER 30, 1999**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

MAR 08 2000

Release Date \_\_\_\_\_



**TOWN OF JACKSON, LOUISIANA**

**FINANCIAL REPORT**

**SEPTEMBER 30, 1999**



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**Postlethwaite & Netterville**  
*A Professional Accounting Corporation*

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**INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor and Members  
of the Board of Aldermen  
Town of Jackson, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Jackson, Louisiana, as of and for the year ended September 30, 1999. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Jackson as of September 30, 1999, and the results of its operations of its governmental funds for the year then ended and the results of its operations and cash flows of its proprietary funds for the years ended September 30, 1999 and 1998, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 1999, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
December 3, 1999

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

To the Honorable Mayor and Members  
of the Board of Aldermen  
Town of Jackson, Louisiana

We have audited the general purpose financial statements of the Town of Jackson, Louisiana, as of and for the year ended September 30, 1999, and have issued our report thereon dated December 3, 1999. We conducted our audits 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.

**Compliance**

As part of obtaining reasonable assurance about whether the Town of Jackson's general purpose financial statements were free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have had a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the Board of Aldermen and management of the Town of Jackson in a separate letter dated December 3, 1999.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town of Jackson's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item B-1.

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe that the lack of segregation of duties described in the accompanying schedule of findings and questioned costs is a material weakness.

This report is intended for the information of the Board of Aldermen, management of the Town of Jackson, 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 parties. However, this report is a matter of public record, and its distribution is not limited.

*Paul L. Henshaw, Sr., Auditor*

Baton Rouge, Louisiana  
December 3, 1999



**TOWN OF JACKSON, LOUISIANA**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

**COMBINED BALANCE SHEET**  
**SEPTEMBER 30, 1999**

	Governmental Fund Type		Proprietary Fund Type
	General	Special Revenue	Enterprise
<b>ASSETS</b>			
Cash	\$ 18,301	\$ 88,989	\$ 21,509
Certificates of deposit	44,688	281,474	-
Accounts receivable - net of allowances of \$7,720	-	-	71,193
Property taxes receivable	2,891	-	-
Other accounts receivable	38,990	-	-
Due from other funds	40,588	6,304	-
Due from volunteer fire department	1,260	-	-
Due from other governmental agencies	4,941	24,055	-
Accrued interest receivable	909	3,660	4,244
Restricted assets:			
Cash and investments	-	-	455,780
General fixed assets	-	-	-
Fixed assets (net)	-	-	1,781,880
Amount to be provided for long-term debt	-	-	-
Total assets	<u>\$ 152,568</u>	<u>\$ 404,482</u>	<u>\$ 2,334,606</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 28,762	\$ 3,067	\$ 45,964
Due to other funds	-	4,078	42,814
Payable from restricted assets:			
Accrued interest payable	-	-	9,500
Customers' service meter deposits	-	-	50,575
Bonds payable - current portion	-	-	8,573
Bonds payable - non-current portion	-	-	258,398
Notes payable	-	-	237,572
Capital lease obligations	-	-	-
Other liabilities	10,497	-	110,086
Total liabilities	<u>39,259</u>	<u>7,145</u>	<u>763,482</u>
<b>FUND EQUITY</b>			
Contributed capital (net)	-	-	479,956
Investment in general fixed assets	-	-	-
Retained earnings:			
Reserved for customers' service meter deposits	-	-	18,483
Reserved for revenue bond debt service	-	-	368,649
Unreserved	-	-	704,036
Fund balance			
Unreserved - undesignated	113,309	-	-
Unreserved - designated for streets and sidewalks	-	397,337	-
Total fund equity	<u>113,309</u>	<u>397,337</u>	<u>1,571,124</u>
Total liabilities and fund equity	<u>\$ 152,568</u>	<u>\$ 404,482</u>	<u>\$ 2,334,606</u>

The accompanying notes are an integral part of this statement.



Account Groups		Totals (Memorandum Only)	
General Fixed Assets	General Long-term Obligations	1999	1998
\$ -	\$ -	\$ 128,799	\$ 200,508
-	-	326,162	422,292
-	-	71,193	69,720
-	-	2,891	3,080
-	-	38,990	42,765
-	-	46,892	92,601
-	-	1,260	1,260
-	-	28,996	33,429
-	-	8,813	11,792
-	-	455,780	498,399
1,165,511	-	1,165,511	1,083,543
-	-	1,781,880	1,402,076
-	-	-	10,369
<u>\$ 1,165,511</u>	<u>\$ -</u>	<u>\$ 4,057,167</u>	<u>\$ 3,871,834</u>
\$ -	\$ -	\$ 77,793	\$ 19,316
-	-	46,892	92,601
-	-	9,500	10,402
-	-	50,575	49,280
-	-	8,573	33,858
-	-	258,398	267,260
-	-	237,572	64,354
-	-	-	10,369
-	-	120,583	125,454
-	-	809,886	672,894
-	-	479,956	486,254
1,165,511	-	1,165,511	1,083,543
-	-	18,483	17,972
-	-	368,649	386,887
-	-	704,036	634,452
-	-	113,309	222,168
-	-	397,337	367,664
<u>1,165,511</u>	<u>-</u>	<u>3,247,281</u>	<u>3,198,940</u>
<u>\$ 1,165,511</u>	<u>\$ -</u>	<u>\$ 4,057,167</u>	<u>\$ 3,871,834</u>



**TOWN OF JACKSON, LOUISIANA**  
**ALL GOVERNMENTAL FUND TYPES**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 1999**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
			<u>1999</u>	<u>1998</u>
<b><u>REVENUES</u></b>				
Taxes	\$ 28,118	\$ 134,331	\$ 162,449	\$ 169,522
Licenses and permits	67,607	-	67,607	79,503
Intergovernmental revenues	62,514	-	62,514	73,163
Fines and forfeitures	56,218	-	56,218	60,055
Interest	2,802	14,070	16,872	16,307
Other	138,186	-	138,186	206,342
Total revenues	355,445	148,401	503,846	604,892
<b><u>EXPENDITURES</u></b>				
Current operating:				
General government	155,445	118,728	274,173	253,318
Public safety	295,646	-	295,646	227,466
Recreation	2,119	-	2,119	1,284
Debt service:				
Principal retirement	10,369	-	10,369	9,691
Interest	725	-	725	1,403
Total expenditures	464,304	118,728	583,032	493,162
<b><u>EXCESS OF REVENUES</u></b>				
<b><u>OVER EXPENDITURES</u></b>				
	(108,859)	29,673	(79,186)	111,730
<b><u>FUND BALANCE</u></b>				
Beginning of year	222,168	367,664	589,136	477,406
End of year	\$ 113,309	\$ 397,337	\$ 509,950	\$ 589,136

The accompanying notes are an integral part of this statement.



**TOWN OF JACKSON, LOUISIANA**  
**GENERAL AND SPECIAL REVENUE FUNDS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>REVENUES</u></b>			
Taxes	\$ 31,000	\$ 28,118	\$ (2,882)
Licenses and permits	65,000	67,607	2,607
Intergovernmental revenue	64,640	62,514	(2,126)
Fines and forfeitures	55,000	56,218	1,218
Interest	2,750	2,802	52
Other revenue	133,920	138,186	4,266
Total revenues	<u>352,310</u>	<u>355,445</u>	<u>3,135</u>
<b><u>EXPENDITURES</u></b>			
Current operating expenditures:			
General government	168,921	155,445	13,476
Public safety	260,210	295,646	(35,436)
Recreation	2,500	2,119	381
Debt service expenditures:			
Principal retirement	10,000	10,369	(369)
Interest	1,500	725	775
Total expenditures	<u>443,131</u>	<u>464,304</u>	<u>(21,173)</u>
<b><u>EXCESS OF REVENUES</u></b>			
<b><u>OVER EXPENDITURES</u></b>	(90,821)	(108,859)	(18,038)
<b><u>FUND BALANCE</u></b>			
Beginning of year	<u>222,168</u>	<u>222,168</u>	<u>-</u>
End of year	<u>\$ 131,347</u>	<u>\$ 113,309</u>	<u>\$ (18,038)</u>

The accompanying notes are an integral part of this statement.



Special Revenue Fund

<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 117,500	\$ 134,331	\$ 16,831
-	-	-
-	-	-
-	-	-
13,500	14,070	570
-	-	-
<u>131,000</u>	<u>148,401</u>	<u>17,401</u>
115,800	118,728	(2,928)
-	-	-
-	-	-
-	-	-
-	-	-
<u>115,800</u>	<u>118,728</u>	<u>(2,928)</u>
15,200	29,673	14,473
288,443	367,664	79,221
<u>\$ 303,643</u>	<u>\$ 397,337</u>	<u>\$ 93,694</u>



**TOWN OF JACKSON, LOUISIANA**  
**PROPRIETARY FUND**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND**  
**CHANGES IN RETAINED EARNINGS**  
**YEARS ENDED SEPTEMBER 30, 1999 AND 1998**

	1999	1998
<b><u>OPERATING REVENUES</u></b>		
Gas sales	\$ 218,909	\$ 249,731
Water sales	148,842	157,857
Sewerage sales	105,762	107,994
Penalties and service charges	13,868	14,856
Total operating revenues	487,381	530,438
<b><u>OPERATING EXPENSES</u></b>		
Salaries	94,441	92,120
Wages	81,705	67,819
Audit and accounting fees	8,232	7,800
Depreciation	97,501	94,440
Electricity	31,253	23,762
Employees' retirement expenses	5,433	8,279
Engineering fees	1,413	5,346
Gas purchases	74,063	116,150
Insurance	32,607	29,945
Legal	1,350	1,350
Maintenance, materials, and supplies	30,346	41,384
Miscellaneous	6,723	5,220
Printing, stationery, and supplies	3,083	5,675
Payroll taxes	1,023	1,492
Sewer analysis	1,723	1,675
Water pumpage charge	321	290
Truck expense	17,621	22,509
Utilities	3,140	6,167
Total operating expenses	491,978	531,423
<b><u>INCOME (LOSS) FROM OPERATIONS</u></b>	(4,597)	(985)
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>		
Interest revenues	21,902	24,780
Other revenues	24,237	-
Interest expense	(22,199)	(19,028)
Net non-operating revenues (expenses)	23,940	5,752
<b><u>NET INCOME</u></b>	19,343	4,767
Depreciation transferred to contributed capital	32,514	20,972
Retained earnings - beginning of year	1,039,311	1,013,572
Retained earnings - end of year	\$ 1,091,168	\$ 1,039,311

The accompanying notes are an integral part of these statements.



**TOWN OF JACKSON, LOUISIANA**  
**PROPRIETARY FUND**

**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Cash received from customers	\$ 488,310	\$ 531,186
Cash paid to suppliers for goods and services	(207,155)	(263,514)
Cash paid to employees for services	(173,146)	(159,939)
<b>Net cash provided by operating activities</b>	<u>108,009</u>	<u>107,733</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>		
Grant revenues received	-	70,596
Proceeds from note payable	200,000	-
Repayments of notes payable	(26,782)	(24,147)
Acquisition and construction of capital assets	(451,089)	(127,319)
Principal paid on revenue bonds and notes	(34,147)	(32,269)
Interest paid on revenue bonds and notes	(22,199)	(19,028)
<b>Net cash used by capital and related financing activities</b>	<u>(334,217)</u>	<u>(132,167)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Interest earned on investments	21,902	24,780
Other non-operating revenues	24,237	-
<b>Net cash provided by investing activities</b>	<u>46,139</u>	<u>24,780</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(180,069)	346
Cash and cash equivalents - beginning of year	<u>657,358</u>	<u>657,012</u>
Cash and cash equivalents - end of year	<u><u>\$ 477,289</u></u>	<u><u>\$ 657,358</u></u>

The accompanying notes are an integral part of these statements.



**TOWN OF JACKSON, LOUISIANA**  
**PROPRIETARY FUND**

**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b><u>RECONCILIATION OF INCOME FROM OPERATIONS TO</u></b>		
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES:</u></b>		
Income (loss) from operations	\$ (4,597)	\$ (985)
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	97,501	94,440
Net change in assets and liabilities:		
Accounts receivable	(1,473)	1,249
Accrued revenues	2,402	(501)
Accounts payable	34,647	355
Customer service meter deposits	1,295	4,804
Other liabilities	(792)	(2,108)
Duc to other funds	(20,974)	10,479
Total adjustments	<u>112,606</u>	<u>108,718</u>
Net cash provided by operating activities	<u>\$ 108,009</u>	<u>\$ 107,733</u>

The accompanying notes are an integral part of these statements.





## TOWN OF JACKSON, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

#### **1. Summary of Significant Accounting Policies**

The Town of Jackson, Louisiana was incorporated on April 2, 1832, and operates under a Mayor - Board of Aldermen form of government. As authorized by its charter, the Town is responsible for public safety, highways and streets, sanitation, recreation, public improvements, and general administrative services.

The accounting and reporting practices of the Town of Jackson conform to generally accepted accounting principles as applicable to governmental units. The Town's reporting entity applies all relevant Government Accounting Standards (GASB) pronouncements. The Town's proprietary fund applies all Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB pronouncements prevail. Such accounting and reporting procedures conform to the requirements of Louisiana Revised Statute 24:517, to the guidance set forth in the *Louisiana Governmental Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices:

#### Financial Reporting Entity

Statement No. 14 of the Governmental Accounting Standards Board (GASB), *The Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since the Town is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments, it is considered a primary government under the provisions of this Statement. As used in GASB Statement 14, fiscally independent means that the Town may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Additionally, the Town does not have any component units, which are defined by GASB Statement No. 14 as other legally separate organizations for which the elected officials are financially accountable. There are no other primary governments with which the Town has a significant relationship.

#### Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund categories as follows:

**TOWN OF JACKSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

Fund Accounting (continued)

Governmental Funds

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

General Fund - the general fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Fund - the special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Fund - the enterprise fund is 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 the goods or services to the general public on a continuing basis be financed or recovered 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.

Fixed Assets and Long-term Obligations

The accounting and reporting treatment applied to fixed assets and long-term obligations is determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets.

**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

**Fixed Assets and Long-term Obligations (continued)**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group and are recorded as expenditures in the governmental funds when purchased. The Town has not capitalized public domain ("infrastructure") fixed assets which consist of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. These assets are immovable and of value only to the Town; therefore, the need for cumulative accountability is not significant. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

Long-term obligations expected to be financed from governmental fund resources are accounted for in the general long-term obligation account group.

The proprietary fund type operations are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and liabilities (whether current or non-current) associated with their activity are included on its balance sheets.

Depreciation of all exhaustible fixed assets used by the proprietary funds is charged as an expense against its operations. Depreciation has been provided over the assets' estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Sewerage system	25 years
Gas plant and buildings	25 years
Office equipment	5-10 years
Automotive equipment	3-5 years

All fixed assets are stated at historical cost.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property and sales taxes, interest revenue, and various intergovernmental revenues are susceptible to accrual. Fines, licenses, and permits are not susceptible to accrual because they are generally not measurable until received in cash.



**TOWN OF JACKSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

Basis of Accounting (continued)

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

The proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

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 as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Budgets and Budgetary Accounting

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

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year.
2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is held to obtain taxpayer comments.
3. The budget is adopted through the passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
4. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts originally estimated require the approval of the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the general, debt service, and proprietary funds are adopted on bases consistent with generally accepted accounting principles (GAAP).



**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

**Budgets and Budgetary Accounting (continued)**

7. Louisiana R.S. 39:1310 requires budgets to be amended when revenue collections plus projected revenue collections for the remainder of a year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more or expenditures plus projected expenditures for the remainder of the year, within a fund, are exceeding estimated budgeted expenditures by five percent or more.

The level of budgetary control is total appropriations. Budgeted amounts are as originally adopted, or as amended by the Board. Originally budgeted revenues for the general fund for the fiscal year ended September 30, 1999, were decreased by \$28,290 and originally budgeted expenditures were increased by \$79,206; originally budgeted revenues and expenditures for the special revenue fund were increased by \$1,000 and \$800, respectively; and originally budgeted revenues and expenses for the enterprise fund were decreased by \$20,000 and \$36,795, respectively.

**Cash and Investments**

Cash and investments, which include demand deposit accounts, interest-bearing demand deposit accounts, and certificates of deposit, are stated at cost, which approximates market.

Under Louisiana Revised Statutes 39:1271 and 33:2955, the Town may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, and time certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**Accounts Receivable**

Uncollectible amounts due from customers for utility services are recognized through the establishment of an allowance for uncollectible accounts account at the time information becomes available which indicates the uncollectibility of the particular receivable.

**Accumulated Unpaid Vacation**

Employees earn vacation and sick leave at various rates depending upon length of their employment. As employees must use their vacation and sick leave in the year earned, no provision is made in the financial statements for unpaid vacation and sick leave.



**TOWN OF JACKSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

**Operating Transfers In and Out**

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

**Comparative Data**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. However, since its inclusion would make the statements unduly complex and difficult to read, comparative data (i.e., presentation of prior year totals by fund type) has not been presented in all of the statements.

**Total Columns on Combined Statements**

Total columns on the combined statements are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Since interfund eliminations have not been made in the aggregation of this data, such data is not comparable to a consolidation.

**Statements of Cash Flows**

For purposes of the statements of cash flows, the Town considers all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents.

**Encumbrances**

Encumbrances accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town.

**Reclassifications**

Certain 1998 balances have been reclassified to conform with the 1999 financial statement presentation.



**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**2. Fixed Assets**

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>09/30/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/99</u>
Land	\$ 26,000	\$ -	\$ -	\$ 26,000
Buildings	307,110	1,679	-	308,789
Automotive and firefighting equipment	504,811	48,865	27,978	525,698
Office furniture, fixtures, and equipment	45,841	5,097	-	50,938
Streets and sidewalks	92,317	54,305	-	146,622
Recreation equipment	107,464	-	-	107,464
	<u>\$ 1,083,543</u>	<u>\$ 109,946</u>	<u>\$ 27,978</u>	<u>\$ 1,165,511</u>

A summary of proprietary fund type property, plant, and equipment at September 30, 1999 follows:

Gas mains, meters, and equipment	\$ 519,189
Land, water wells, tanks, mains, and equipment	1,106,503
Sewerage collection and treatment plant	1,396,784
Treatment plant site	2,300
Automotive equipment	43,098
Building	70,909
Office furniture and fixtures	27,635
Less: accumulated depreciation	( 1,384,538)
	<u>\$ 1,781,880</u>

In accordance with Financial Accounting Standards Board Statement No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*, the Town capitalizes interest in connection with construction in progress for proprietary fund types. No interest was capitalized during the year ended September 30, 1999.



**TOWN OF JACKSON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**3. Changes in Long-Term Obligations**

The following is a summary of the Town's bond transactions during the year ended September 30, 1999:

	Revenue Bonds
Bonds payable at October 1, 1998	\$ 301,118
Bonds retired during the current year	( 34,147)
Bonds payable at September 30, 1999	\$ 266,971

Revenue bonds payable at September 30, 1999 are comprised of the following individual issues:

\$327,000 of gas bonds dated January 18, 1979; due in annual installments of \$27,060, including interest at 5.00%, through January 21, 1999.	\$ -
\$373,000 of water bonds dated January 18, 1979; due in annual installments of \$21,924, including interest at 5.00%, through January 21, 2019.	266,971
	\$ 266,971

The annual requirements to amortize all of the outstanding revenue bonds as of September 30, 1999, including interest payments of \$155,038 are as follows:

Year ending September 30,	Amount
2000	\$ 21,924
2001	21,924
2002	21,924
2003	21,924
2004	21,924
Thereafter	312,389
	\$ 422,009

As part of the Bond agreement with Rural Economic and Community Development the Town has agreed to comply with certain covenants. These consist, primarily, of reporting and audit requirements, insurance coverage, restrictions on additional debt, maintenance of various deposit accounts, and other administrative requirements. The Town complied with these covenants during the year ended September 30, 1999.





**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**3. Changes in Long-Term Obligations (continued)**

Notes payable are as follows:

	<u>09/30/99</u>	<u>09/30/98</u>
Demand notes, with a variable interest rate, collateralized by certificates of deposit.	<u>\$ 237,572</u>	<u>\$ 64,354</u>

**4. Capital Leases**

The Town entered into a capital lease during the fiscal year ended September 30, 1994, for the portion of the fire truck that was not paid at acquisition. The fire truck is recorded in the general fixed asset account group at its capitalized cost of \$112,890; the Town paid \$60,000 at acquisition and signed the capital lease agreement for the remaining \$52,890. The final scheduled payment on the capital lease was made during the year ended September 30, 1999.

**5. Ad Valorem Taxes**

Ad valorem taxes attach as enforceable liens on all applicable property on February 28<sup>th</sup> of each year. Taxes are levied and are actually billed to the taxpayers in November of each year. Billed ad valorem taxes become delinquent on January 2nd of the following calendar year.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of East Feliciana Parish. During the year ended September 30, 1999, taxes of 5.84 mills were levied on property with assessed valuations totaling \$4,814,310 and were dedicated for general purposes.

Ad valorem taxes levied during the year ended September 30, 1999 totaled approximately \$28,000, and \$2,891 was still uncollected at September 30, 1999.

**6. Interfund Receivables and Payables**

Interfund receivables and payables at September 30, 1999, were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General fund	\$ 40,588	\$ -
Proprietary fund	-	42,814
Special Revenue fund	6,304	4,078
	<u>\$ 46,892</u>	<u>\$ 46,892</u>



## TOWN OF JACKSON, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

#### 7. Defined Benefit Pension Plan

Substantially all employees of the Town of Jackson are members of either the Municipal Employees Retirement System of Louisiana or the Municipal Police Employees Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

##### a. Municipal Employees Retirement System of Louisiana (the System)

*Plan Description* - the system is composed of two distinct plans, Plan A and Plan B, which have separate assets and benefit provisions. All employees of the Town are members of Plan A.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and who are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after the age of 60 with at least 10 years of creditable service or at or after the age of 55 with at least 25 years of creditable service or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average monthly salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate their employment with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

*Funding Policy* - under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary to the System, and the Town of Jackson is required to make contributions at an actuarially determined rate. The rate currently being paid by the Town is 5.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Jackson are established and amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jackson's contributions to the System under Plan A during the years ending September 30, 1999, 1998, and 1997 were \$12,921, \$12,783, and \$12,407, respectively, equal to the required contributions for these years.

**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**7. Defined Benefit Pension Plan (continued)**

**b. Municipal Police Employees Retirement System of Louisiana (the System)**

*Plan Description* - all full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after the age of 50 with at least 20 years of creditable service or at or after the age of 55 with a least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3 percent of their final-average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate their employment with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

*Funding Policy* - plan members are required by state statute to contribute 7.50 percent of their annual covered salary to the System, and the Town of Jackson is required to make contributions at an actuarially determined rate. The rate currently being paid by the Town is 9.00 percent of annual covered payroll. The contribution requirements of plan members and the Town of Jackson are established and amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jackson contributions to the System during the years ending September 30, 1999, 1998, and 1997 were \$6,108, \$3,804, and \$3,411, respectively, equal to the required contributions for these years.



**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**8. Segments of Enterprise Activities**

Gas, water, and sewerage services are provided by the Town and are financed by user charges. The significant financial data for the year ended September 30, 1999 for these three services are as follows:

	<u>Gas</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues	\$ 223,532	\$ 153,464	\$ 110,385	\$ 487,381
Operating expenses	169,702	119,119	203,157	491,978
Depreciation	18,220	23,390	55,891	97,501
Income (loss) from operations	53,830	34,345	( 92,772)	( 4,597)
Net income (loss)	68,500	21,729	( 70,886)	19,343
Property, plant and equipment additions	-	423,550	53,755	477,305
Revenue bonds and notes payable	-	504,543	-	504,543

**9. Restricted Assets**

In accordance with the indenture governing the public utility revenue bonds, cash is periodically deposited into accounts administered by a Trustee bank. These bonds are a direct liability of the public utility fund and are serviced by the earnings from the Fund. Deposits are made to these trust accounts in accordance with the following requirements:

- (1) The "utility system revenue bond and interest sinking fund" requires that sufficient cash be accumulated to meet the annual installment of bond principal and interest which becomes due on January 18th of each year. The required funds for the years ended September 30, 1999 and 1998 were deposited timely.
- (2) The "utility system revenue bond reserve fund" is supplemental to the account referred to in (1) above. The minimum balance to be maintained in this account is 20% of the amounts obligated to be deposited into the sinking fund and shall continue monthly until there is on deposit a sum equal to the highest combined principal and interest requirement in any succeeding fiscal year, according to the bond agreement. The Town has been making monthly deposits into this account in accordance with the FmHA's letter of conditions.
- (3) The "depreciation and contingency fund" requires a minimum balance of \$5,000. The Town has also been making the required deposits into this account.

The FmHA has agreed to the terms stated in its letter of conditions addressed to the Town dated August 25, 1978. The Town has complied with these conditions.



**TOWN OF JACKSON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**10. Due from Other Governmental Agencies**

Amounts due from other governmental agencies at September 30, 1999, consisted of the following:

East Feliciana Parish Police Jury - sales taxes	\$ 24,055
State of Louisiana - tobacco tax revenue	<u>4,941</u>
	<u>\$ 28,996</u>

**11. Dedicated Revenues**

**Streets and Sidewalks Special Revenue Fund**

The Town receives 14.6863% of East Feliciana Parish's sales tax collections. These proceeds are dedicated to the general maintenance and repairs of streets and sidewalks in the Town of Jackson. The Town recognized \$134,331 of sales tax proceeds during the year ended September 30, 1999.

**12. Lease Agreements**

On February 6, 1996, the Town entered into an operating lease agreement for maintenance equipment. The lease was for a period of three years and required monthly payments are \$948. This lease expired during the year ended September 30, 1999. During the year ended September 30, 1999, the Town entered into another lease agreement for a separate piece of maintenance equipment. The lease is on a month-to-month basis and requires monthly payments of \$1,500.

These lease agreements have non-appropriation exculpatory clauses that allows for lease cancellation if the Town does not make an appropriation for its continuation during any subsequent fiscal period. Lease expenditures totaled approximately \$7,700 during the fiscal year ended September 30, 1999.

**13. Cash and Investments**

At September 30, 1999, the carrying amounts of the Town's deposits were as follows:

Petty cash	\$ 300
Demand deposit accounts / savings accounts	218,341
Certificates of deposit	<u>692,100</u>
	<u>\$ 910,741</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by either federal deposit insurance or the pledge of securities owned by a fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. At September 30, 1999, the Town had \$918,707 in deposits (collected bank balances). Of these bank balances, \$140,925 was covered by federal depository insurance, and \$777,782 was secured by collateral owned by the fiscal agent bank.



**FINANCIAL STATEMENTS OF**  
**INDIVIDUAL FUNDS AND ACCOUNT GROUPS**





**Postlethwaite & Netterville**  
*A Professional Accounting Corporation*

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 www.pncpa.com

**INDEPENDENT AUDITORS' REPORT**  
**ON SUPPLEMENTAL INFORMATION**

To the Honorable Mayor and Members  
 of the Board of Aldermen  
 Town of Jackson, Louisiana

Our independent auditors' report on the financial statements of the Town of Jackson, Louisiana as of and for the year ended September 30, 1999, appears on page 1. Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules contained on pages 26 thru 46, which are also the responsibility of the Town's management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such additional information has been subjected to the auditing procedures applied in the audits of the basic financial statements, and in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole, except for the information relating to the number of customers serviced by the gas and water systems. This information was provided to us by the Town, and we express no opinion on it.

The year 2000 supplementary information on page 45 is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the Town of Jackson, Louisiana is or will become year 2000 compliant, that the Town's year 2000 remediation efforts will be successful in whole or in part, or that the parties with which the Town does business are or will become year 2000 compliant.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
 December 3, 1999



**GENERAL FUND**

To account for resources traditionally associated with governments  
which are not required to be accounted for in other funds.





**TOWN OF JACKSON, LOUISIANA**  
**GENERAL FUND**

**COMPARATIVE BALANCE SHEETS**  
**SEPTEMBER 30, 1999 AND 1998**

**ASSETS**

	<u>1999</u>	<u>1998</u>
Cash	\$ 18,301	\$ 36,895
Certificates of deposit	44,688	67,268
Property taxes receivable	2,891	3,080
Other accounts receivable	38,990	42,765
Due from other funds	40,588	86,297
Due from volunteer fire department	1,260	1,260
Due from other governmental agencies	4,941	6,638
Accrued interest receivable	909	1,442
	<hr/>	<hr/>
Total assets	<u>\$ 152,568</u>	<u>\$ 245,645</u>

**LIABILITIES AND FUND BALANCE**

Liabilities:		
Accounts payable	\$ 28,762	\$ 7,999
Payroll taxes payable	1,607	7,548
Due to employees' retirement systems	8,890	7,930
Total liabilities	<hr/> 39,259	<hr/> 23,477
Fund balance	<hr/> 113,309	<hr/> 222,168
Total liabilities and fund balance	<u>\$ 152,568</u>	<u>\$ 245,645</u>

The accompanying notes are an integral part of these statements.



**TOWN OF JACKSON, LOUISIANA**  
**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 1998**

	<u>1999</u>			<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Actual</u>
<b><u>REVENUES</u></b>				
Ad valorem taxes	\$ 31,000	\$ 28,118	\$ (2,882)	\$ 26,843
Licenses and permits	65,000	67,607	2,607	79,503
Intergovernmental revenues:				
Tobacco taxes	19,750	19,764	14	24,705
Beer taxes	5,500	5,892	392	5,528
Fire insurance rebates	8,040	8,039	(1)	7,460
State revenue sharing	14,850	13,449	(1,401)	13,078
Video poker	16,500	15,370	(1,130)	22,392
Fines and forfeitures	55,000	56,218	1,218	60,055
Other	136,670	140,988	4,318	172,473
Total revenues	<u>352,310</u>	<u>355,445</u>	<u>3,135</u>	<u>412,037</u>
<b><u>EXPENDITURES</u></b>				
Current operating expenditures:				
General government	168,921	155,445	13,476	139,684
Public safety	260,210	295,646	(35,436)	227,466
Recreation	2,500	2,119	381	1,284
Debt service:				
Principal retirement	10,000	10,369	(369)	9,691
Interest	1,500	725	775	1,403
Total expenditures	<u>443,131</u>	<u>464,304</u>	<u>(21,173)</u>	<u>379,528</u>
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>	(90,821)	(108,859)	(18,038)	32,509
<b><u>FUND BALANCE</u></b>				
Beginning of year	<u>222,168</u>	<u>222,168</u>	-	<u>189,659</u>
End of year	<u>\$ 131,347</u>	<u>\$ 113,309</u>	<u>\$ (18,038)</u>	<u>\$ 222,168</u>

The accompanying notes are an integral part of this statement.



**TOWN OF JACKSON, LOUISIANA**  
**GENERAL FUND**

**SCHEDULE OF OTHER REVENUE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 1998**

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
<b><u>OTHER REVENUE</u></b>				
Utility franchise fees	\$ 125,000	\$ 124,057	\$ (943)	\$ 127,495
Interest revenues	2,750	2,802	52	3,099
Jackson cablevision fees	3,750	745	(3,005)	4,591
Miscellaneous	5,170	13,384	8,214	37,288
Total other revenue	\$ 136,670	\$ 140,988	\$ 4,318	\$ 172,473

The accompanying notes are an integral part of this statement.



**TOWN OF JACKSON, LOUISIANA**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 1998**

	<u>1999</u>		Variance Favorable (Unfavorable)	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
<b><u>GENERAL GOVERNMENT</u></b>				
Legal	\$ 1,350	\$ 1,350	\$ -	\$ 1,575
Salaries	22,350	22,003	347	21,560
Audit and accounting fees	12,000	9,282	2,718	7,450
Engineering fees	3,000	3,324	(324)	3,686
Electricity	23,500	22,343	1,157	23,127
Insurance	30,000	13,885	16,115	13,860
Health insurance	11,500	9,772	1,728	4,405
Dixon Correctional	6,000	4,265	1,735	4,460
Coroner's fees	1,000	1,450	(450)	10,792
Garbage disposal	1,401	1,174	227	1,401
Maintenance and supplies	7,100	7,186	(86)	10,327
Miscellaneous	18,150	31,697	(13,547)	17,173
Retirement expense	8,100	6,038	2,062	3,600
Office supplies and printing	6,200	6,381	(181)	3,937
Truck and tractor expenses	1,200	995	205	96
Telephone	2,300	2,102	198	1,056
Unemployment insurance	270	287	(17)	233
Capital outlay	10,000	5,098	4,902	7,687
Wages	3,500	6,813	(3,313)	3,259
Total general government	<u>\$ 168,921</u>	<u>\$ 155,445</u>	<u>\$ 13,476</u>	<u>\$ 139,684</u>

The accompanying notes are an integral part of this statement.



**TOWN OF JACKSON, LOUISIANA**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 1998**

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
<b><u>PUBLIC SAFETY</u></b>				
Police:				
Salaries	\$ 134,030	\$ 133,265	\$ 765	\$ 114,882
Capital outlay	35,000	46,349	(11,349)	6,795
Miscellaneous	1,500	10,646	(9,146)	88
Retirement expense	5,800	6,108	(308)	3,804
Office supplies	2,150	2,082	68	1,962
Vehicle expense	21,500	20,590	910	13,302
Uniforms	1,600	1,906	(306)	1,717
Insurance	16,000	18,648	(2,648)	18,532
Supplies and maintenance	11,250	11,223	27	8,649
Telephone	3,200	3,066	134	3,116
Electricity	3,700	3,776	(76)	3,699
Utilities	885	780	105	880
Payroll taxes	6,250	5,625	625	7,088
Total police	242,865	264,064	(21,199)	184,514
Fire:				
Jackson volunteer fire department	3,500	6,420	(2,920)	7,260
Capital outlay	-	4,195	(4,195)	9,679
Insurance	800	8,803	(8,003)	8,335
Electricity	2,500	2,424	76	2,960
Telephone	1,400	1,308	92	1,240
Vehicle expense	1,000	1,200	(200)	2,080
Salaries	1,325	1,311	14	1,298
Supplies and maintenance	5,000	4,288	712	9,032
Utilities	1,820	1,633	187	1,068
Total fire	17,345	31,582	(14,237)	42,952
Total public safety	260,210	295,646	(35,436)	227,466
<b><u>RECREATION</u></b>				
Recreation department	2,500	2,119	381	1,284
Total all departments	\$ 431,631	\$ 453,210	\$ (21,579)	\$ 368,434

The accompanying notes are an integral part of this statement.



**SPECIAL REVENUE FUND**

Streets and Sidewalks Fund - To account for the receipt and use of proceeds of the Town's sales tax. The taxes are dedicated to capital expenditures for streets and sidewalks.



**TOWN OF JACKSON, LOUISIANA**  
**SPECIAL REVENUE FUND**

**COMPARATIVE BALANCE SHEETS**  
**SEPTEMBER 30, 1999 AND 1998**

**ASSETS**

	<u>1999</u>	<u>1998</u>
Cash	\$ 88,989	\$ 90,402
Certificates of deposit	281,474	269,276
Due from other funds	6,304	6,304
Due from other governmental agencies	24,055	26,791
Accrued interest receivable	<u>3,660</u>	<u>3,704</u>
Total assets	<u>\$ 404,482</u>	<u>\$ 396,477</u>

**LIABILITIES AND FUND BALANCE**

Liabilities:		
Accounts payable	\$ 3,067	\$ -
Due to other funds	<u>4,078</u>	<u>28,813</u>
	<u>7,145</u>	<u>28,813</u>
Fund balance		
Unreserved - designated	<u>397,337</u>	<u>367,664</u>
Total liabilities and fund balance	<u>\$ 404,482</u>	<u>\$ 396,477</u>

The accompanying notes are an integral part of these statements.



**TOWN OF JACKSON, LOUISIANA**  
**SPECIAL REVENUE FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 1998**

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
<b><u>REVENUES</u></b>				
Taxes	\$ 117,500	\$ 134,331	\$ 16,831	\$ 142,679
Grant revenues	-	-	-	36,968
Interest	13,500	14,070	570	13,208
Total revenues	<u>131,000</u>	<u>148,401</u>	<u>17,401</u>	<u>192,855</u>
<b><u>EXPENDITURES</u></b>				
Street and sidewalk repairs	62,800	64,423	(1,623)	85,599
Capital outlay	53,000	54,305	(1,305)	28,035
Total expenditures	<u>115,800</u>	<u>118,728</u>	<u>(2,928)</u>	<u>113,634</u>
<b><u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	15,200	29,673	14,473	79,221
<b><u>FUND BALANCE</u></b>				
Beginning of year	<u>367,664</u>	<u>367,664</u>	-	<u>288,443</u>
End of year	<u>\$ 382,864</u>	<u>\$ 397,337</u>	<u>\$ 14,473</u>	<u>\$ 367,664</u>

The accompanying notes are an integral part of this statement.





**ENTERPRISE FUND**

Public Utility Fund - To account for the provision of gas, water, and sewer services to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing, and collection.



**TOWN OF JACKSON, LOUISIANA**  
**ENTERPRISE FUND**

**COMPARATIVE BALANCE SHEETS**  
**SEPTEMBER 30, 1999 AND 1998**

**ASSETS**

	<u>1999</u>	<u>1998</u>
<b><u>CURRENT ASSETS</u></b>		
Cash	\$ 21,509	\$ 73,211
Certificates of deposit	-	85,748
Accounts receivable (net of allowances for uncollectible accounts of \$7,720)	71,193	69,720
Accrued interest receivable	4,244	6,646
Total current assets	<u>96,946</u>	<u>235,325</u>
<b><u>RESTRICTED ASSETS</u></b>		
Cash and certificates of deposit - Revenue bond debt service	386,722	431,147
Customers' service meter deposits	69,058	67,252
Total restricted assets	<u>455,780</u>	<u>498,399</u>
<b><u>PROPERTY, PLANT, AND EQUIPMENT</u></b>		
Gas mains, meters, and equipment	519,189	519,189
Land, water wells, tanks, mains, and equipment	1,106,503	698,516
Sewerage collection and treatment plant	1,396,784	1,343,029
Treatment plant site	2,300	2,300
Automotive equipment	43,098	42,598
Buildings	70,909	70,909
Office furniture and fixtures	27,635	12,573
Less: allowance for depreciation	(1,384,538)	(1,287,038)
Net property, plant, and equipment	<u>1,781,880</u>	<u>1,402,076</u>
<b>Total assets</b>	<b><u>\$ 2,334,606</u></b>	<b><u>\$ 2,135,800</u></b>

The accompanying notes are an integral part of this statement.



## LIABILITIES AND CAPITAL

	<u>1999</u>	<u>1998</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 45,964	\$ 11,317
Notes payable	237,572	64,354
Payable from restricted assets:		
Public utility revenue bond payable (1978 bonds)		
due within one year	8,573	33,858
Accrued interest payable	9,500	10,402
Customers' service meter deposits	50,575	49,280
Due to other funds	42,814	63,788
Other liabilities	1,566	1,456
Total current liabilities	<u>396,564</u>	<u>234,455</u>
<u>LONG-TERM LIABILITIES</u>		
Public utility revenue bonds payable (1978 bonds) -		
due after one year	258,398	267,260
Other liabilities	108,520	108,520
Total long-term liabilities	<u>366,918</u>	<u>375,780</u>
Total liabilities	<u>763,482</u>	<u>610,235</u>
<u>CAPITAL CONTRIBUTIONS</u>		
From federal grants for sewer systems	121,962	95,746
From environmental protection agency	14,163	14,163
From state grant for sewerage treatment plant	586,066	586,066
	<u>722,191</u>	<u>695,975</u>
Less: depreciation applicable to capital contributions	(242,235)	(209,721)
Net contributions	<u>479,956</u>	<u>486,254</u>
<u>RETAINED EARNINGS</u>		
Reserved for customers' service meter deposits	18,483	15,148
Reserved for revenue bond debt service	368,649	366,942
Unreserved	704,036	657,221
Total retained earnings	<u>1,091,168</u>	<u>1,039,311</u>
Total capital	<u>1,571,124</u>	<u>1,525,565</u>
<b>Total liabilities and capital</b>	<u><u>\$ 2,334,606</u></u>	<u><u>\$ 2,135,800</u></u>



**TOWN OF JACKSON, LOUISIANA**  
**ENTERPRISE FUND**

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES**  
**YEARS ENDED SEPTEMBER 30, 1999 AND 1998**

	1999		
	Gas	Water	Sewerage
<b><u>OPERATING REVENUES</u></b>			
Sales	\$ 218,909	\$ 148,842	\$ 105,762
Penalties and service charges	4,623	4,622	4,623
Total operating revenues	<u>223,532</u>	<u>153,464</u>	<u>110,385</u>
<b><u>OPERATING EXPENSES</u></b>			
Salaries	28,764	36,272	29,405
Wages	14,711	10,562	56,432
Audit and accounting	4,046	2,866	1,320
Depreciation	18,220	23,390	55,891
Electricity	1,881	-	29,372
Employees' retirement expense	1,811	1,811	1,811
Engineering fees	20	685	708
Gas purchases	74,063	-	-
Insurance	9,572	10,212	12,823
Legal	450	450	450
Maintenance, repairs, and supplies	4,508	22,785	3,053
Miscellaneous	3,424	1,573	1,726
Printing, stationery, and supplies	941	941	1,201
Payroll taxes	341	341	341
Sewer analysis	-	-	1,723
Water pumpage charge	-	321	-
Truck expense	5,877	5,883	5,861
Utilities	1,073	1,027	1,040
Total operating expenses	<u>169,702</u>	<u>119,119</u>	<u>203,157</u>
<b><u>INCOME (LOSS) FROM OPERATIONS</u></b>	53,830	34,345	(92,772)
<b><u>Other revenues</u></b>			
Interest revenues	16,836	4,761	305
Other revenues	52	-	24,185
Total other revenue	<u>16,888</u>	<u>4,761</u>	<u>24,490</u>
<b><u>Other charges</u></b>			
Interest expense	2,218	17,377	2,604
Total other charges	<u>2,218</u>	<u>17,377</u>	<u>2,604</u>
<b><u>NET INCOME (LOSS)</u></b>	<u>\$ 68,500</u>	<u>\$ 21,729</u>	<u>\$ (70,886)</u>

The accompanying notes are an integral part of these statements.



	1999		1998	
Actual Total	Budget Total	Variance Favorable (Unfavorable)	Actual Total	
\$ 473,513	\$ 475,000	\$ (1,487)	\$ 515,582	
13,868	13,900	(32)	14,856	
<u>487,381</u>	<u>488,900</u>	<u>(1,519)</u>	<u>530,438</u>	
94,441	94,700	259	92,120	
81,705	81,500	(205)	67,819	
8,232	8,750	518	7,800	
97,501	96,000	(1,501)	94,440	
31,253	29,500	(1,753)	23,762	
5,433	8,400	2,967	8,279	
1,413	13,000	11,587	5,346	
74,063	85,000	10,937	116,150	
32,607	20,000	(12,607)	29,945	
1,350	1,350	-	1,350	
30,346	28,600	(1,746)	41,384	
6,723	7,500	777	5,220	
3,083	3,000	(83)	5,675	
1,023	1,660	637	1,492	
1,723	2,100	377	1,675	
321	350	29	290	
17,621	18,000	379	22,509	
3,140	3,195	55	6,167	
<u>491,978</u>	<u>502,605</u>	<u>10,627</u>	<u>531,423</u>	
(4,597)	(13,705)	9,108	(985)	
21,902	19,600	2,302	24,780	
24,237	-	24,237	-	
<u>46,139</u>	<u>19,600</u>	<u>26,539</u>	<u>24,780</u>	
22,199	20,600	(1,599)	19,028	
<u>22,199</u>	<u>20,600</u>	<u>(1,599)</u>	<u>19,028</u>	
<u>\$ 19,343</u>	<u>\$ (14,705)</u>	<u>\$ 34,048</u>	<u>\$ 4,767</u>	



**TOWN OF JACKSON, LOUISIANA**  
**ENTERPRISE FUND**

**COMPARATIVE STATEMENTS OF CHANGES IN RETAINED EARNINGS**  
**YEARS ENDED SEPTEMBER 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
Retained earnings - beginning of year	\$ 1,039,311	\$ 1,013,572
Net income (including depreciation of \$32,514 and \$20,972 transferred to contributed capital during the years ended September 30, 1999 and 1998)	<u>51,857</u>	<u>25,739</u>
Retained earnings - end of year	<u><u>\$ 1,091,168</u></u>	<u><u>\$ 1,039,311</u></u>

The accompanying notes are an integral part of these statements.



**TOWN OF JACKSON, LOUISIANA**  
**ENTERPRISE FUND**

**SCHEDULE OF CHANGES IN ASSETS RESTRICTED**  
**FOR REVENUE BOND DEBT SERVICE**  
**YEAR ENDED SEPTEMBER 30, 1999**

	<u>Bond and Interest Redemption</u>	<u>Reserve</u>	<u>Depreciation and Contingency Fund</u>	<u>Total</u>
Cash balance - October 1, 1998	\$ 95,996	\$ 15,803	\$ 11,597	\$ 123,396
Cash receipts:				
Transfers from other accounts	48,984	2,172	2,172	53,328
Interest earned on investments	8,726	944	-	9,670
Interest earned on savings	1,469	392	285	2,146
	<u>59,179</u>	<u>3,508</u>	<u>2,457</u>	<u>65,144</u>
Cash disbursements:				
Principal payments	34,147	-	-	34,147
Interest payments	14,740	-	-	14,740
Transfers to other accounts	65,000	-	-	65,000
Total cash disbursements	<u>113,887</u>	<u>-</u>	<u>-</u>	<u>113,887</u>
Cash balance - September 30, 1999	<u>\$ 41,288</u>	<u>\$ 19,311</u>	<u>\$ 14,054</u>	<u>\$ 74,653</u>
Investment balance, October 1, 1998	\$ 196,645	\$ -	\$ 111,106	\$ 307,751
Additions (deletions)	<u>-</u>	<u>-</u>	<u>4,391</u>	<u>4,391</u>
Investment balance, September 30, 1999	<u>\$ 196,645</u>	<u>\$ -</u>	<u>\$ 115,497</u>	<u>\$ 312,142</u>
Total cash and investment, September 30, 1999	<u>\$ 237,933</u>	<u>\$ 19,311</u>	<u>\$ 129,551</u>	<u>\$ 386,795</u>



**GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets not used in proprietary fund operations.





**TOWN OF JACKSON, LOUISIANA**

**COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS**  
**SEPTEMBER 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b><u>GENERAL FIXED ASSETS</u></b>		
Land	\$ 26,000	\$ 26,000
Buildings	308,789	307,110
Automotive and fire fighting equipment	525,698	504,811
Office furniture, fixtures, and equipment	50,938	45,841
Recreation equipment	107,464	107,464
Streets and sidewalks	146,622	92,317
Total general fixed assets	<u>\$ 1,165,511</u>	<u>\$ 1,083,543</u>
 <b><u>INVESTMENT IN GENERAL FIXED ASSETS</u></b>		
Louisiana Highway Safety Commission Grant	\$ 15,000	\$ 15,000
Federal grant	80,000	80,000
State grant	98,884	98,884
General fund revenues	383,474	355,810
Federal revenue sharing fund	184,482	184,482
Municipal revenue sharing fund	10,060	10,060
Streets and sidewalks fund	294,249	239,945
Volunteer fire department	94,562	94,562
Louisiana Department of Transportation and Development	4,800	4,800
Total investment in general fixed assets	<u>\$ 1,165,511</u>	<u>\$ 1,083,543</u>

The accompanying notes are an integral part of these statements.



TOWN OF JACKSON, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
YEAR ENDED SEPTEMBER 30, 1999

<u>Function and Activity</u>	<u>General Fixed Assets Sept. 30, 1998</u>	<u>Additions</u>	<u>Deductions</u>	<u>General Fixed Assets Sept. 30, 1999</u>
General Government	\$ 396,829	\$ 59,402	\$ -	\$ 456,231
Public Safety:				
Police protection	192,242	46,349	27,978	210,613
Fire protection	382,557	4,195	-	386,752
Rescue operations	4,451	-	-	4,451
Recreation	<u>107,464</u>	<u>-</u>	<u>-</u>	<u>107,464</u>
Total	<u>\$ 1,083,543</u>	<u>\$ 109,946</u>	<u>\$ 27,978</u>	<u>\$ 1,165,511</u>

The accompanying notes are an integral part of this statement.



**SUPPORTING SCHEDULES**



**TOWN OF JACKSON, LOUISIANA**

**INSURANCE-IN-FORCE**  
**SEPTEMBER 30, 1999**

<u>Policy</u>	<u>Name of Insurer</u>	<u>Expiration Date</u>	<u>Coverage Limits</u>
Fire and Extended Coverage - Building and Contents	Trinity Universal Insurance of Kansas	02-01-00	\$ 410,000
Public Official Bond	Western Surety Insurance	08-30-00	65,000
General Liability	Scottsdale Indemnity Company	02-01-00	2,000,000
Police Professional Liability	Audubon Insurance Company	02-01-00	2,000,000
Public Officials Errors and Omissions	National Union Fire of Pittsburgh, PA	02-01-00	2,000,000
Worker's Compensation	Louisiana Municipal Risk Management Agency	01-01-00	Statutory
Auto Physical Damage	Scottsdale Indemnity Company	02-01-00	1,000,000
Equipment	Agency Management Corporation	12-22-99	120,000
Equipment	Commercial Inland Marine	10-18-99	31,423



**TOWN OF JACKSON, LOUISIANA**  
**PUBLIC UTILITY SYSTEM OPERATIONS**  
**SEPTEMBER 30, 1999**  
**(Without Audit)**

**Statistics on System Operations**

- (a) As of September 30, 1999, there were 563 and 900 metered customers for the gas and water systems, respectively. There were no unmetered customers for either the gas or water systems at September 30, 1999.
- (b) The following rate schedules were in effect during the fiscal year for gas and water:

1. Gas -	<u>Rate per 1,000 Cubic Feet</u>
Minimum charge	\$ 6.00
First 1,000 cubic feet/MCF	10.16
Over 1,000 cubic feet/MCF	8.66
2. Water -	<u>Rate per 1,000 Gallons</u>
First 2,000 gallons or less	\$ 4.00
Next 13,000 gallons/Mgal	2.00
Next 35,000 gallons/Mgal	1.00
Over 50,000 gallons/Mgal	0.80

- (c) Average monthly billing per customer was:

1. Gas	<u>\$ 41.77</u>
2. Water	<u>\$ 23.47</u>



**TOWN OF JACKSON, LOUISIANA**  
**PUBLIC UTILITY SYSTEM OPERATIONS**  
**SEPTEMBER 30, 1999**  
**(Without Audit)**

**Variance Between Gas Purchased and Sold**

<u>Year Ended</u>	<u>Gas Purchased MCF's</u>	<u>Gas Billed MCF's</u>	<u>Leakage Variance MCF's</u>	<u>Percent of Gas Purchased</u>
9/30/99	26,573	24,270	2,303	8.67
9/30/98	31,645	31,207	438	1.38
9/30/97	29,716	28,372	1,344	4.52
9/30/96	36,279	32,741	3,538	9.75
9/30/95	28,888	27,400	1,488	5.15
9/30/94	35,550	31,892	3,658	10.29
9/30/93	32,453	30,843	1,610	4.96
9/30/92	32,454	33,086	-	-
9/30/91	32,461	31,398	1,063	3.27
9/30/90	34,701	33,139	1,562	4.50



TOWN OF JACKSON, LOUISIANA

SCHEDULE OF PRINCIPAL OFFICIALS AND SALARIES  
YEAR ENDED SEPTEMBER 30, 1999

	<u>Year ended</u> <u>September 30, 1999</u>
Charles Coleman - Mayor	\$ 8,400
Leon Edwards	1,800
Michael Harrell	1,800
Donald Havard	1,800
Sylvester Giroir	1,800
Henry Rogillio	<u>1,800</u>
	<u>\$ 17,400</u>



**TOWN OF JACKSON, LOUISIANA**

**YEAR 2000 DISCLOSURES**

The year 2000 issue consists of two shortcomings that make computer processing systems unable to read year-date data beyond the year 1999. The first shortcoming is that many computer programs contain abbreviated dates which eliminate the first two digits of the year. Therefore, some computer programs may recognize January 1, 2000, as January 1, 1900, and process data incorrectly or stop processing data altogether. The second shortcoming is that some computers will be unable to detect the year 2000 as a leap year and may not register the additional day, and data calculations may be incorrect.

The Town has completed an inventory of computer systems and other electronic equipment and has determined that it will need to either modify or replace significant portion of its computer hardware and software so that its systems will function properly with respect to dates in the year 2000 and beyond. Based on this inventory, the Town is in the remediation stage in that it has either purchased or plans to purchase additional hardware and software believed to be year 2000 compliant. The Town is also assessing the extent to which its operations are vulnerable should those other organizations fail to properly remediate their computer systems.

The Year 2000 initiative is being managed by both internal staff and outside consultants. While management believes that its planning efforts are adequate to address its Year 2000 concerns, there can be no guarantees that the systems of the Town or the systems of other companies on which the Town's systems and operations rely, will be converted on a timely basis and that the Year 2000 issue will not have a material impact.





**TOWN OF JACKSON, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 1999**

A. Summary of Audit Results:

- (1) The auditors' report expressed an unqualified opinion on the financial statements of the Town of Jackson, Louisiana as of and for the year ended September 30, 1999.
- (2) One reportable condition relating to the audit of the financial statements is reported at section B-1 in this schedule. This condition is considered a material weakness.
- (3) No instances of noncompliance material to the financial statements of the Town of Jackson, Louisiana were disclosed during the audit.

B. Reportable Conditions:

(1) Lack of Segregation of Duties

*Condition* - the performance of accounting procedures is limited to one person.

*Criteria* - segregation of duties is an integral part of internal controls; as such, policies and procedures should be in place that provide reasonable assurance that financial transactions are properly recorded.

*Effect* - the segregation of duties is inadequate to provide effective internal control.

*Recommendation* - no action is recommended.

*Management's response* - we concur with the finding and the recommendation. Compensating controls do exist in that the Board of Aldermen reviews all invoices prior to disbursement. Additionally, the Board of Aldermen has decided that it would not be cost effective to increase the size of the administrative staff to achieve effective segregation of duties.





**Postlethwaite & Netterville**  
*A Professional Accounting Corporation*

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December 3, 1999

To the Honorable Mayor and Members  
of the Board of Aldermen  
Town of Jackson, Louisiana

We have audited the general purpose financial statements of the Town of Jackson, Louisiana as of and for the year ended September 30, 1999, and have issued our report thereon dated December 3, 1999. 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.

As part of our examination, we have issued our report on the financial statements dated December 3, 1999, and our report on the internal control and compliance with laws, regulations, and contracts, dated December 3, 1999. During the course of our examination, we became aware of the following matter which represents an immaterial deviation of compliance.

**Compliance with Public Bid Law**

*Criteria* - Louisiana law requires that certain procedures must be followed when purchasing or constructing items in excess of the indicated thresholds.

*Condition* - the Town acquired several assets during the year ended September 30, 1999, without following the procedures delineated in LSA-RS Title 38:2212.

*Cause* - management of the Town is aware of the bid law procedures; however, they misinterpreted various parts of the revised statutes.

*Effect* - management cannot be certain that it paid the lowest possible price for several assets it acquired during the year.

*Recommendation* - management needs to become more familiar with the various exceptions and special situations described in the revised statutes.

We recommend management address the foregoing issue as an improvement to operations and the administration of public programs. We are available to further explain the suggestions or help implement the recommendation.

*Postlethwaite & Netterville*



CHARLES E. COLEMAN  
MAYOR

MRS. HOLLI E. GILMORE  
SECRETARY/TREASURER

## TOWN OF JACKSON

P. O. BOX 1150  
1610 CHARTER STREET  
JACKSON, LOUISIANA 70748  
(225) 634-7777  
FAX (225) 634-2233



March 1, 2000

Postelwaithe & Netterville  
Suite 101  
8550 united Plaza Blvd.  
Baton Rouge, La 70809

To whom it may concern,

This is our response to letter dated December 3, 1999. In order to be in compliance with Public Bid Law we will follow the procedures delineated in LSA-RS Title 38:2212.

If there are any sections of this statute that we find unclear we will discuss it with either our CPA firm or the office of the Legislative Auditor prior to purchasing the asset.

Sincerely,

A handwritten signature in cursive script that reads "Holli E. Gilmore".

Holli E. Gilmore  
Secretary/Treasurer, Town of Jackson