

Town of Jonesboro  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1997

**INTRODUCTION**

The Town of Jonesboro is located in the southeast corner of Jackson Parish. Jonesboro was incorporated as a village on September 4, 1901, and as a town on May 14, 1983, under provisions of the Louisiana Act. The Town operates under a Mayor-Board of Aldermen form of government. The Board of Aldermen of the Town of Jonesboro is composed of five aldermen, elected for four year terms, who are compensated according to the schedule in this report. The Town serves 4,582 citizens by providing police protection, fire protection, water/sewer services, sanitation services, street maintenance, and various administrative functions such as legislation of town ordinances and the enforcement of same. The Town employs approximately fifty persons to serve the needs of the citizens of the Town of Jonesboro.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Town of Jonesboro have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

As the municipal governing authority, for reporting purposes, the Town of Jonesboro is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Jonesboro for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

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

As required by generally accepted accounting principles, these financial statements present the Town of Jonesboro (the primary government). The Town of Jonesboro has no component units.

**Town of Jonesboro**  
**Jonesboro, Louisiana**  
**PROPRIETARY FUND**  
**Statement of Cash (and Cash Equivalents) Flows**  
**For the Year Ended June 30, 1997**

Statement B

**ENTERPRISE FUND**

Cash flows from operating activities:	
Net income (loss)	\$ (111,854)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	119,987
(Increase) decrease in:	
Accounts receivable	1,181
Inventory	538
Restricted assets	(1,593)
Increase (decrease) in:	
Accounts payable	(1,596)
Customer deposits	<u>1,593</u>
	<u>119,600</u>
Net cash provided by operating activities	7,578
Cash flows from noncapital financing activities:	
	<u>NOISE</u>
Net cash provided by noncapital financing activities	
Cash flows from capital and related financing activities:	
Acquisition & construction of capital assets	<u>(122,771)</u>
Net cash used by capital and related financing activities	<u>(122,771)</u>
Net cash decrease for the year	(115,194)
Cash at beginning of year (unrestricted)	<u>488,550</u>
Cash at end of year (unrestricted)	<u>\$ 373,356</u>

The accompanying notes are an integral part of this statement.

Town of Jonesboro  
Jonesboro, Louisiana  
PROPRIETARY FUND

Statement 09

Statement of Revenues, Expenses, and Changes  
in Retained Earnings  
For the Year Ended June 30, 1997

	ENTERPRISE FUND
<b>OPERATING REVENUES</b>	
Charges for services	\$ 604,913
Total operating revenues	604,913
<b>OPERATING EXPENSES</b>	
Personal services	256,480
Repairs and maintenance	668,547
Operating supplies	48,827
Office supplies	7,175
Insurance and bonding	17,688
Transportation cost	12,801
Utility services	87,581
Rentals	1,546
Motor vehicle	19,280
Depreciation	119,587
Other charges	11,651
Total operating expenses	1,408,183
<b>OPERATING INCOME (Loss)</b>	(803,270)
<b>NON-OPERATING REVENUES</b>	
Tap fees and permits	5,180
Interest income	30,657
Total non-operating revenues and transfers	35,837
<b>LOSS BEFORE OPERATING TRANSFERS</b>	(767,433)
<b>OPERATING TRANSFERS</b>	
Transfers to Capital Projects Fund	(554)
Transfers from Special Revenue Fund	5,655
Total operating transfers	5,101
<b>NET INCOME (Loss)</b>	(762,332)
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	2,282,184
<b>RETAINED EARNINGS AT END OF YEAR</b>	\$ 1,519,852

The accompanying notes are an integral part of this statement.

State of Louisiana  
Baton Rouge, Louisiana  
**GOVERNMENTAL FUNDS - GENERAL, SPECIAL,  
REVENUE AND CAPITAL PROJECTS FUNDS**  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 1997

Statement C  
Financial

CAPITAL PROJECTS FUNDS		
Budget	Actual	Various Encumbrances

**REVENUES**

General sales and use tax			
Inter-governmental			
Franchise fees - utility			
Grading fees			
Fees and forfeitures			
Licenses and permits			
Ad valorem tax			
Other fees and charges			
Tolls, dues, police commissions			
Public safety fee			
Grants			
Federal	\$ 254,000	\$ 254,000	NONE
State			
Contributions			
Use of money otherwise			
Total revenues	<u>254,000</u>	<u>254,000</u>	<u>NONE</u>

**EXPENDITURES**

Legislative			
Judicial			
Executive			
General and administrative			
Public safety	219,284	219,284	NONE
Sanitation	25,275	25,275	NONE
Sewers			
Airport			
Recreation			
County			
Railway			
Industrial development			
Total expenditures	<u>244,559</u>	<u>244,559</u>	<u>NONE</u>

**EXCESS (DEFICIENCY) OF REVENUES  
OVER EXPENDITURES**

(244,559)    (244,559)    NONE

**OTHER FINANCING SOURCES (USES)**

Sale of general fund assets			
Transfers from other funds	24,000	24,000	NONE
Transfers to other funds			
Total other financing sources (uses)	<u>24,000</u>	<u>24,000</u>	<u>NONE</u>

**EXCESS (DEFICIENCY) OF REVENUES AND  
OTHER SOURCES OVER EXPENDITURES  
AND OTHER USES**

NONE    NONE    NONE

**FUND BALANCES AT BEGINNING OF YEAR**

NONE    NONE    NONE

**FUND BALANCES AT END OF YEAR**

NONE    NONE    NONE

The accompanying notes are an integral part of this statement.

State of Louisiana  
 Louisiana, Louisiana  
**GOVERNMENTAL FUNDS - GENERAL, SPECIAL,  
 REVENUE AND CAPITAL PROJECT FUNDS**  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - Budget (GAAP Modified) Actual  
 For the Year Ended June 30, 1997

Page 10 of 17  
 (Continued)

	GENERAL FUNDS			SPECIAL REVENUE FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
General sales and use fee	\$ 455,000	\$62,954	\$ 47,954	\$55,000	\$62,954	\$ 7,954
Inter-governmental	126,000	127,264	1,264			
Transfer-in-activity	120,000	119,000	(1,000)			
Grading fee	104,000	103,000	(1,000)			
Fees and harborage	50,000	51,250	1,250			
Licenses and permits	71,000	69,549	(1,451)			
All other fee	74,000	77,443	3,443	90,000	93,000	3,000
Other fee and charges	21,750	44,796	23,046	1,000	1,001	1
Taxes other police commission	60,000	77,126	17,126			
Public safety fee	47,000	46,823	(177)			
Grants:						
Federal		1,667	1,667			
State	1,500	30,600	29,100			
Contributions	5,000	14,987	9,987			
Use of money received	1,500	8,381	6,881	8,000	21,134	13,134
<b>Total revenues</b>	<b>1,115,250</b>	<b>1,286,789</b>	<b>171,539</b>	<b>250,000</b>	<b>627,669</b>	<b>377,669</b>
<b>EXPENDITURES</b>						
Legislative	50,000	27,764	(22,236)			
Judicial	5,000	5,250	250			
Executive	52,150	51,900	(250)			
General and administrative	242,000	231,823	(10,177)	21,400	4,100	(17,300)
Public safety	325,150	334,131	8,981			
Sanitation	171,000	166,400	(4,600)			
Street	156,750	756,120	599,370			
Airport	77,000	60,000	(17,000)			
Recreation	11,000	4,541	(6,459)			
Emergency	6,500	6,500				
Salary	10,000	924	(9,076)			
Industrial development	500,110	1,087	(499,023)			
<b>Total expenditures</b>	<b>1,835,610</b>	<b>1,871,629</b>	<b>36,019</b>	<b>21,400</b>	<b>4,100</b>	<b>(17,300)</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>						
	<b>(720,360)</b>	<b>(584,840)</b>	<b>135,520</b>	<b>(18,400)</b>	<b>(11,431)</b>	<b>(7,000)</b>
<b>OTHER FINANCING SOURCES (Uses)</b>						
Sales of governmental assets		24,000	24,000			
Transfers from other funds	1,014,000	211,700	(802,300)			
Transfers to other funds		(12,200)	(12,200)	(1,014,500)	(11,000)	(1,000)
<b>Total other financing sources (uses)</b>	<b>1,014,000</b>	<b>112,500</b>	<b>(902,000)</b>	<b>(1,014,500)</b>	<b>(11,000)</b>	<b>(1,000)</b>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>						
	<b>(206,360)</b>	<b>(772,340)</b>	<b>(565,980)</b>	<b>(179,500)</b>	<b>(22,431)</b>	<b>(568,400)</b>
<b>FUNDS AVAILABLE AT BEGINNING OF YEAR</b>						
	<b>180,000</b>	<b>620,000</b>	<b>(440,000)</b>	<b>(70,000)</b>	<b>480,777</b>	<b>(100,777)</b>
<b>FUNDS AVAILABLE AT END OF YEAR</b>						
	<b>(266,360)</b>	<b>(152,340)</b>	<b>(114,020)</b>	<b>(269,500)</b>	<b>358,346</b>	<b>(627,846)</b>

The accompanying notes are an integral part of this statement.

GOVERNMENTAL FUNDS - GENERAL, SPECIAL  
 REVENUE AND CAPITAL PROJECT FUNDS

Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 1977

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TRUST (MEMORANDUM ONLY)

REVENUES

General sales and use tax	\$ 582,754	\$ 582,754		\$ 1,089,000
Intergovernmental	177,204			177,204
Franchise tax - utility	18,000			18,000
Carriage tax	108,658			108,658
Fees and royalties	89,204			89,204
Licenses and permits	89,448			89,448
Motor vehicle tax	77,445	95,000		172,445
Other fees and charges	44,756	3,400		48,156
Statewide policy commission	77,120			77,120
Public safety fee	40,823			40,823
Grants:				
Federal	3,207		314,000	317,207
State	80,508			80,508
Contributions	14,985			14,985
Total money (interest)	8,001	25,114		33,115
<b>Total revenues</b>	<b>1,246,789</b>	<b>678,668</b>	<b>314,000</b>	<b>2,189,457</b>

EXPENDITURES

Legislative	27,764			27,764
Judicial	3,200			3,200
Executive	21,980			21,980
Office and miscellaneous other	21,823	4,200		26,023
Public safety	844,511		278,204	1,122,715
Education	186,400		25,475	211,875
Health	776,020			776,020
Highway	18,998			18,998
Recreation	4,303			4,303
Construction	8,526			8,526
Library	100			100
Industrial development	3,207			3,207
<b>Total expenditures</b>	<b>2,820,852</b>	<b>4,200</b>	<b>298,680</b>	<b>3,123,732</b>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES

	(574,063)	(4,532)	(68,680)	(647,275)
--	-----------	---------	----------	-----------

OTHER FINANCING SOURCES (USES)

Gift of general fund assets	24,800			24,800
Transfers from other funds	610,786		24,800	635,586
Transfers to other funds	(624,886)	(212,800)		(837,686)
<b>Total other financing sources (uses)</b>	<b>9,600</b>	<b>(212,800)</b>	<b>24,800</b>	<b>(178,300)</b>

EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES

OVER EXPENDITURES AND OTHER USES	(564,463)	(4,532)	NONE	(569,000)
----------------------------------	-----------	---------	------	-----------

FUND BALANCES AT BEGINNING OF YEAR

	424,444	600,777	NONE	1,025,221
--	---------	---------	------	-----------

FUND BALANCES AT END OF YEAR

	\$ 28,981	\$ 78,245	NONE	\$ 107,226
--	-----------	-----------	------	------------

The accompanying notes are an integral part of this statement.

Town of Jonesboro  
Jonesboro, Louisiana  
**ALL FUND TYPES AND ACCOUNT GROUP**  
Combined Balance Sheet  
June 30, 1997

	GOVERNMENTAL FUNDS		PROPRIETARY FUNDS	ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	ENTERPRISE FUNDS	GENERAL FUNDS ASSETS	
<b>ASSETS AND OTHER DEBITS</b>					
<b>Assets:</b>					
Cash and cash equivalents	\$ 17,000	\$ 114,410	\$ 308,700	\$	\$ 530,110
Receivables (net of allowance for uncollectibles)	311,700	44,200	383,300		739,200
Inventory			20,470		20,470
Restricted assets:					
Cash and cash equivalents			60,400		60,400
Land, buildings and equipment (net, where applicable, of accumulated depreciation)			4,998,020	2,820,000	7,818,020
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 488,700</b>	<b>\$ 158,610</b>	<b>\$ 5,080,820</b>	<b>\$ 2,820,000</b>	<b>\$ 8,548,130</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>					
<b>Liabilities:</b>					
Accounts, notes and other payables	\$ 30,000		\$ 30,000	\$	\$ 60,000
Payable from restricted assets:					
Customers' deposits			60,000		60,000
<b>Total Liabilities</b>	<b>\$ 30,000</b>	<b>\$ 0.00</b>	<b>\$ 90,000</b>	<b>\$ 0.00</b>	<b>\$ 120,000</b>
<b>Equity and Other Credits:</b>					
Cash funds' capital			2,020,000		2,020,000
Investment in general fixed assets				6,070,100	6,070,100
Restricted earnings:					
Fund balance - unreserved, undesignated	21,600	78,700	1,990,820		2,091,120
<b>Total Equity and Other Credits</b>	<b>\$ 21,600</b>	<b>\$ 78,700</b>	<b>\$ 4,010,820</b>	<b>\$ 6,070,100</b>	<b>\$ 10,369,220</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 53,600</b>	<b>\$ 78,700</b>	<b>\$ 5,080,820</b>	<b>\$ 6,070,100</b>	<b>\$ 10,761,220</b>

The accompanying notes are an integral part of this statement.

**Kenneth D. Follen & Co.**  
Certified Public Accountants

Kenneth D. Follen, CPA

Ted W. Smithers, CPA

Members  
State of Louisiana  
Certified Public Accountants

282 Eighth Street  
Juno Beach, FL 33408  
(305) 239-7338  
FAX (305) 240-0118

Members  
American Institute of  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT**

The Honorable W. Richard Zolten, Mayor  
and Members of the Board of Aldermen  
Town of Juno Beach, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Juno Beach, Louisiana, as of and for the year ended June 30, 1997 as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Juno Beach, Louisiana, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Town of Juno Beach, Louisiana, as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 18, 1997, on our consideration of the Town of Juno Beach's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The financial information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Town of Juno Beach. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements.

*Kenneth D. Follen & Ted W. Smithers*

**KENNETH D. FOLLEN & CO.**  
Certified Public Accountants

Juno Beach, Louisiana  
December 18, 1997



TOWN OF JONESBORO

Jonesboro, Louisiana

General Purpose Financial Statements  
As of and for the Year Ended June 30, 1997  
With Supplemental Information Schedules

CONTENTS (CONT'D)

	Schedule	Page No.
Schedule of Compensation Paid Aldermen	5	28
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN ALERT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS		31

**TOWN OF JONESBORO**  
Jonesboro, Louisiana

**General Purpose Financial Statements**  
As of and for the Year Ended June 30, 1997  
With Supplemental Information Schedules

**CONTENTS**

	Statement	Page No.
<b>INDEPENDENT AUDITORS' REPORT</b>		1
<b>General Purpose Financial Statements:</b>		
<b>Combined Balance Sheet, All Fund Types     and Account Groups</b>	A	2
<b>Governmental Funds:</b>		
<b>Combined Statement of Revenues, Expenditures     and Changes in Fund Balances</b>	B	3
<b>Combined Statement of Revenues, Expenditures     and Changes in Fund Balances - Budget (GAAP     Basis) and Actual - General and Special Revenue Funds</b>	C	4-5
<b>Proprietary Fund:</b>		
<b>Statement of Revenues, Expenses and Changes     in Retained Earnings</b>	D	6
<b>Statement of Cash (and Cash Equivalents) Flow</b>	E	7
<b>Notes to the Financial Statements</b>		8-17
<b>Supplemental Information Schedules:</b>		
<b>Schedule of Revenues and Expenditures - Budget     (GAAP Basis) and Actual - General Fund</b>	1	18-23
<b>Special Revenue Funds:</b>		
<b>Combining Balance Sheet</b>	2	24
<b>Combining Schedule of Revenues, Expenditures     and Changes in Fund Balances</b>	3	26
<b>Capital Projects Funds:</b>		
<b>Combining Schedule of Revenues, Expenditures     and Changes in Fund Balances</b>	4	28



**TOWN OF MONSIEUR**  
Monsieur, Louisiana

**General Purpose Financial Statements**  
As of and for the Year Ended June 30, 1997  
With Supplemental Information Schedules

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.

Release Date FEB 04 1998

---

**KENNETH D. FOLDEN & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

301 EIGHTH STREET, MONSIEUR, LA 71261  
(504) 238-7200  
FAX (504) 238-7200

# Kenneth D. Falden & Co.

Kenneth D. Falden, CPA

Certified Public Accountants

Tulsa, Oklahoma, U.S.A.

Members  
Institute of Certified  
Public Accountants

201 Eighth Street  
Jonestown, LA 70303  
(504) 255-1314  
FAX (504) 255-7118

Members  
American Institute of  
Certified Public Accountants

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

The Honorable W. Richard Zuber, Mayor  
and Members of the Board of Aldermen  
Town of Jonestown, Louisiana

We have audited the general purpose financial statements of the Town of Jonestown, Jonestown, Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereon dated December 19, 1997. We conducted our audit in accordance with generally accepted auditing standards 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 Jonestown's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Jonestown'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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

*Kenneth D. Falden, CPA*  
KENNETH D. FALDEN & CO.  
Certified Public Accountants

Jonestown, Louisiana  
December 19, 1997

TOWN OF JONESBORO  
Jonesboro, Louisiana

Schedule of Compensation Paid Aldermen  
For the Year Ended June 30, 1997

ALDERMEN	AMOUNT
Henry J. Hester, Jr.	\$ 4,800
Alvin "Nino" Jones	4,800
Troy W. Kennedy	4,800
Ira D. Reeves	4,800
Christelle Warner	<u>4,800</u>
Total	\$ <u>24,000</u>

TOWN OF JONESBORO  
Jonesboro, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
For the Year Ended June 30, 1997

GENERAL

COMPENSATION PAID ALDERMEN

The schedule of compensation paid to the Town of Jonesboro aldermen is presented in compliance with House Concurrent Resolution No. 94 of the 1979 Session of the Louisiana Legislature. Compensation of the Town of Jonesboro aldermen is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:405 (17).

**TOWN OF JONESBORO**  
**Jonesboro, Louisiana**  
**CAPITAL PROJECTS FUNDS**

Combining Schedule of Revenues, Expenditures  
 and Changes in Fund Balances  
 For the Year Ended June 30, 1997

	COMMUNITY DEVELOPMENT BLOCK GRANT Contract LE181-0287	COMMUNITY DEVELOPMENT BLOCK GRANT Contract LE181-0255	TOTAL
<b>REVENUES</b>			
Grant - Federal	\$ 28,815	\$ 185,605	\$ 214,420
Total revenues	<u>28,815</u>	<u>185,605</u>	<u>214,420</u>
<b>EXPENDITURES</b>			
Public safety		119,204	119,204
Sanitation	29,479		29,479
Total expenditures	<u>29,479</u>	<u>119,204</u>	<u>148,683</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>19,336</u>	<u>121,505</u>	<u>140,841</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer from other funds	596	23,500	24,096
Total other financing sources	<u>596</u>	<u>23,500</u>	<u>24,096</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

TOWN OF JAMESBORO  
Jamesboro, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
For the Year Ended June 30, 1997

CAPITAL PROJECTS FUNDS

The Capital Projects Funds include Community Development Block Grants passed through the Louisiana Division of Administration.

Contract #100-6067 - This project was for sewer improvements in residential areas composed of low-moderate income families.

Contract #181-6855 - This project was to provide a standstill fire suppression water system to benefit areas composed of low-moderate income families.



**TOWN OF JONESBORO**  
**Jonesboro, Louisiana**  
**SPECIAL REVENUE FUNDS**

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 1997

	Fire Dept Ad Valorem Tax Fund	Street Dept Ad Valorem Tax Fund	Street Sales Tax Fund	Total
<b>REVENUES</b>				
General property taxes	\$ 41,765	\$ 41,765		\$ 83,530
General sales and use taxes			581,854	581,854
Other fees and charges	1,651	1,651		3,302
Use of money - interest	3,189	3,189	21,618	27,996
Total revenues	<u>51,546</u>	<u>56,332</u>	<u>524,892</u>	<u>632,770</u>
<b>EXPENDITURES</b>				
General and administrative			4,318	4,318
Total expenditures	<u>NONE</u>	<u>NONE</u>	<u>4,318</u>	<u>4,318</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>51,546</u>	<u>56,332</u>	<u>520,574</u>	<u>628,452</u>
<b>OTHER FINANCING (Uses)</b>				
Transfers to other funds	<u>58,138</u>		<u>455,683</u>	<u>513,821</u>
Total other financing sources (uses)	<u>58,138</u>	<u>NONE</u>	<u>455,683</u>	<u>513,821</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	<u>69,678</u>	<u>56,332</u>	<u>64,891</u>	<u>190,901</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>35,875</u>	<u>36,380</u>	<u>583,669</u>	<u>655,924</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 105,353</u>	<u>\$ 92,712</u>	<u>\$ 648,560</u>	<u>\$ 846,625</u>

**TOWN OF JONESBORO**  
**Jonesboro, Louisiana**  
**SPECIAL REVENUE FUNDS**

Combining Balance Sheet, June 30, 1997

	Fire Dept Ad Valorem Tax Fund	Street Dept Ad Valorem Tax Fund	Street Sales Tax Fund	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 33,280	\$ 87,230	\$ 683,908	\$ 794,418
Taxes receivable			44,354	44,354
<b>TOTAL ASSETS</b>	<b>\$ 33,280</b>	<b>\$ 87,230</b>	<b>\$ 683,908</b>	<b>\$ 794,706</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities</b>				
<b>Fund Equity - fund balances:</b>				
Unreserved and Undesignated	\$ 33,280	\$ 87,230	\$ 683,908	\$ 794,706
Total Fund Equity	33,280	87,230	683,908	794,706
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 33,280</b>	<b>\$ 87,230</b>	<b>\$ 683,908</b>	<b>\$ 794,706</b>

**TOWN OF JONESBORO**  
Jonesboro, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and for the Year Ended June 30, 1997

**SPECIAL REVENUE FUNDS**

**Fire Department Ad Valorem Tax Fund** - To account for the proceeds of a five (5) mill ad valorem tax levied to provide for the operation and maintenance of the Town's fire department.

**Street Department Ad Valorem Tax Fund** - To account for the proceeds of a five (5) mill ad valorem tax levied for the operation and maintenance of roads, streets, and alleys of the Town.

**Street Sales Tax Fund** - To account for the revenues of a one (1) percent sales and use tax levied for the construction, maintenance, repair and improvements of the Town's streets.

**TOWN OF JONESBORO**  
**Jonesboro, Louisiana**  
**General Fund**

Schedule 1 (Continued)

**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the Year Ended June 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>Airport:</b>			
Building repair and maintenance	\$ 1,500	\$ 887	\$ 1,113
Equipment operating costs	300	444	(144)
Equipment repair and maintenance	7,500	3,414	4,086
Insurance and bonding	1,500	1,517	(17)
Operating supplies and expenditures	1,200	994	206
Utilities	4,500	4,183	317
Miscellaneous	100	48	68
Capital outlay	1,800	1,800	-
<b>Total airport</b>	<u>17,600</u>	<u>10,973</u>	<u>6,627</u>
<b>Recreation:</b>			
Building repair and maintenance	3,000	362	2,638
Equipment repair and maintenance	1,000	68	932
Insurance and bonding	500	398	102
Operating supplies and expenditures	250	787	(537)
Utilities	6,500	4,562	1,938
<b>Total recreation</b>	<u>11,250</u>	<u>6,141</u>	<u>5,109</u>
<b>Canter:</b>			
Maintenance	8,500	8,516	(16)
<b>Total canter</b>	<u>8,500</u>	<u>8,516</u>	<u>(16)</u>
<b>Safety:</b>			
Operating supplies and expenditures	10,000	193	9,807
<b>Total safety</b>	<u>10,000</u>	<u>193</u>	<u>9,807</u>
<b>Industrial Development:</b>			
Travel and induction expenditures	5,000	3,367	1,633
Capital outlay	544,115	544,115	-
<b>Total industrial development</b>	<u>549,115</u>	<u>3,367</u>	<u>545,748</u>
<b>Total Expenditures</b>	<u>\$ 28,95,610</u>	<u>\$ 2,071,859</u>	<u>\$ 26,884,751</u>

TOWN OF JONESBORO  
Jonesboro, Louisiana  
General Fund

Schedule 1 (Continued)

**SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>Police (Continued)</b>			
Travel and workshops	\$ 4,718	\$ 2,707	\$ 2,011
Workman's compensation	26,200	28,299	(2,099)
Capital outlay	21,800	94,954	(73,154)
Total police	<u>692,758</u>	<u>694,659</u>	<u>(1,901)</u>
Total public safety	<u>825,155</u>	<u>834,131</u>	<u>(8,976)</u>
<b>Sanitation</b>			
Advertising and publication	100	100	-
Equipment repair and maintenance	1,800	233	1,567
Flea control	10,000	9,448	552
Sanitary contract service	180,000	91,800	88,200
Sanitary collection system	6,200	4,861	1,339
Total sanitation	<u>117,800</u>	<u>106,438</u>	<u>11,362</u>
<b>Streets</b>			
Advertising and publications	300	267	33
Building repair and maintenance	1,500	7,872	(6,372)
Data processing costs	500	0	500
Equipment operating costs	15,000	11,191	3,809
Equipment repair and maintenance	25,000	25,654	(654)
Insurance and bonding	20,000	26,813	(6,813)
Miscellaneous	4,000	5,830	(1,830)
Operating supplies and expenditures	20,000	19,127	873
Rental - equipment	1,000	380	620
Repairs and maintenance	400,000	311,420	88,580
Sidewalk maintenance	3,000	0	3,000
Salaries and related expenditures	192,000	181,268	10,732
Employee benefits	30,000	45,544	(15,544)
Telephone and utilities	10,000	2,374	7,626
Travel and workshops	750	77	673
Utilities - street lights	70,000	70,034	(34)
Utilities and maintenance - traffic signals	5,000	5,977	(977)
Workman's compensation	20,000	26,954	(6,954)
Capital outlay	50,000	13,320	36,680
Total streets	<u>\$ 854,750</u>	<u>\$ 776,126</u>	<u>\$ 78,624</u>

TOWN OF JONESBORO  
Jonesboro, Louisiana  
General Fund

Schedule I (Continued)

SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET (PEAR BASED) AND ACTUAL  
For the Year Ended June 30, 1997

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>Public safety:</b>			
<b>Fire:</b>			
Advertising and publications	\$ 150	\$ 487	(337)
Association dues and fees	780	862	179
Building repair and maintenance	2,580	1,779	721
Data processing costs	1,000		1,000
Equipment operating costs	1,900	1,662	(232)
Equipment repair and maintenance	88,000	5,974	82,026
Insurance and bonding	9,000	11,816	(2,816)
Miscellaneous	1,200	(112)	1,312
Operating supplies and expenditures	18,800	21,612	(2,812)
Rent	7,210	29	7,181
Salaries and related expenditures	74,000	98,185	(24,185)
Employee benefits	17,845	23,638	(5,793)
Salaries - supplemental pay	8,000	18,641	(2,641)
Telephone and utilities	6,500	7,881	(1,381)
Travel and workshops	1,000	1,481	481
Voluntary services fees	8,500	6,990	1,510
Workman's compensation	18,500	9,670	8,830
Capital outlay	49,000	28,425	20,575
<b>Total fire</b>	<b>215,485</b>	<b>228,431</b>	<b>(12,946)</b>
<b>Police:</b>			
Advertising and publications	110	58	52
Association dues and fees	100	362	(262)
Agency and income	5,700	3,838	1,862
Building repair and maintenance	6,500	4,888	1,612
Criminal investigation	18,000	671	17,329
Equipment operating costs	13,700	12,716	984
Equipment repair and maintenance	25,200	23,964	1,236
Feeding prisoners	14,000	18,888	(4,888)
Insurance and bonding	48,500	27,688	20,812
Indigent defender board	28,000	28,720	720
Miscellaneous	825	2,388	(1,563)
Operating supplies and expenditures	12,000	19,681	(7,681)
Rent - equipment	1,000	17	983
Salaries and related expenditures	217,800	245,688	(27,888)
Employee benefits	65,750	86,678	(20,928)
Salaries - supplemental pay	21,000	23,812	(2,812)
Telephone and utilities	16,500	16,488	12

**TOWN OF JONESBORO**  
 Jonesboro, Louisiana  
 General Fund

Schedule I (Continued)

**SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET (GAAP BASIS) AND ACTUAL**  
 For the Year Ended June 30, 1997

	Budget	Actual	Variance, Favorable (Unfavorable)
<b>Executive:</b>			
Equipment operating costs	\$ 1,180	\$ 788	\$ 445
Equipment repair and maintenance	1,000	183	817
Insurance and bonding	1,000	875	125
Salaries and related expenditures	41,800	41,800	00
Employer benefits	4,750	5,123	(473)
Travel and workshops	6,000	2,893	3,107
Workmen's compensation	800	247	553
<b>Total executive</b>	<b>56,130</b>	<b>85,986</b>	<b>4,144</b>
<b>General and administrative:</b>			
Advertising and publications	1,000	700	340
Association dues and fees	1,000	2,500	(1,700)
Building repair and maintenance	7,000	1,500	5,000
Data processing costs	6,500	6,260	241
Downtown beautification	25,000	28,049	(3,049)
Electric	6,000	6,328	(328)
Equipment repair and maintenance	14,000	6,189	7,812
Insurance and bonding	33,000	27,542	5,458
Legal and audit	20,000	14,943	5,057
Miscellaneous	2,000	8,878	(6,878)
National guard	600	600	0
Office supplies and expenditures	20,000	15,539	4,461
Rental - equipment	1,200	613	587
Salaries and related expenditures	60,000	52,950	7,050
Employer benefits	12,500	11,854	646
Telephone and utilities	16,700	12,800	3,895
Training	1,000	1,200	(200)
Travel and workshops	1,000	1,250	(4)
Veterans service officer	500	500	0
Workmen's compensation	800	1,144	(344)
Zoning	100	100	0
Capital outlay	6,000	81,201	(25,201)
<b>Total general and administrative</b>	<b>\$ 442,000</b>	<b>\$ 391,813</b>	<b>\$ 50,187</b>

## TOWN OF JONESBORO

Jonesboro, Louisiana

General Fund

Schedule B

**SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET (LAMP BASIS) AND ACTUAL**  
For the Year Ended June 30, 1997

Budget	Actual	Variance- Favorable (Unfavorable)
--------	--------	---

**REVENUES**

General sales and use taxes	\$ 455,000	\$ 582,554	\$ 47,554
Intergovernmental	130,500	137,364	6,864
Franchise fees - utility	130,000	138,609	8,609
Garbage fees	184,100	188,658	4,558
Fines and forfeitures	95,000	89,276	(5,724)
Licenses and permits	72,100	89,348	17,248
All vehicles tax	74,400	77,448	3,048
Other fees and charges	51,250	44,776	(6,474)
Video draw poker commissions	60,000	77,824	17,824
Public safety fee	47,000	46,812	(188)
Grants:			
Federal		1,267	1,267
State	1,500	30,168	27,668
Contributions	5,000	14,568	9,568
Use of money (Interest)	3,500	8,100	4,600
<b>TOTAL REVENUES</b>	<b>1,215,450</b>	<b>1,346,700</b>	<b>131,250</b>

**EXPENDITURES****Legislative:**

Addressing fees	24,000	24,000	
Group insurance	4,458	3,898	560
Workman's compensation	250	148	102
Retirement	1,218	1,500	282
Travel and workshops	3,500	8,214	4,714
<b>Total legislative</b>	<b>34,426</b>	<b>37,760</b>	<b>3,334</b>

**Judicial:**

Court magistrate fees	5,400	4,958	442
Court costs & other fees	500	384	114
Court magistrate travel and workshops	50	38	12
Workman's compensation	10	10	
<b>Total judicial</b>	<b>\$ 5,970</b>	<b>\$ 5,356</b>	<b>\$ 614</b>



TOWNSHIP OF JAMESBORO  
Jamesboro, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended June 30, 1997

General Fund - Detailed schedule of revenues and expenditures, budget (GAAP basis) and actual, by function.

Town of Jonesboro  
 Jonesboro, Louisiana  
 Notes to the Financial Statements (Continued)

**8. INTERGOVERNMENTAL RECEIVABLE/PAYABLE**

The following is a summary of the intergovernmental receivable from other governments at June 30, 1997:

Receivable from	General Fund
Jackson Parish Police Jury	\$ 16,188
State of Louisiana	22,770
Jonesboro Fire District No. 1	<u>2,581</u>
Total	<u>\$ 41,539</u>

The following is a summary of the intergovernmental payable due other governments at June 30, 1997:

Payable to	General Fund	Enterprise Fund
State of Louisiana - Department of Revenue and Taxation		\$ 1,175
Jackson Parish Police Jury	\$ 1,020	
Jonesboro Fire District No. 1	<u>799</u>	<u>2,121</u>
	<u>\$ 1,729</u>	<u>\$ 3,301</u>

**9. LITIGATION AND CLAIMS**

The Town has been named as defendant in several lawsuits. In the opinion of management and counsel for the Town, potential liability of the Town of Jonesboro, in excess of applicable insurance coverages, is neither probable nor estimatable at this time.

Town of Jonesboro  
Jonesboro, Louisiana  
Notes to the Financial Statements (Continued)

6. PENSION PLANS (Continued)

C. Firefighters Retirement System of Louisiana

*Plan Description.* Membership in the Louisiana Firefighters Retirement System is mandatory for all full-time firefighters employed by a municipality, parish or fire protection district that did not enact an ordinance before January 1, 1988, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 2 1/3 percent of their final-average salary for each year of creditable service, and in excess 180 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or 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 Firefighters' Retirement System, P. O. Box 94899, Baton Rouge, Louisiana 70894, or by calling (504)924-0050.

*Funding Policy.* Plan members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town of Jonesboro is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Jonesboro are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:185, 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 Jonesboro's contributions to the System for the years ending June 30, 1997, 1996 and 1995, were \$8,717, \$7,577 and \$5,508, respectively, equal to the required contributions for each year.

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$64,012 at June 30, 1997, are as follows:

	General Fund	Enterprise Fund	Total
Accounts	\$ 28,653	\$ 30,248	\$ 58,901
Intergovernmental	1,729	3,097	4,826
<b>Total</b>	<b>\$ 30,382</b>	<b>\$ 33,345</b>	<b>\$ 64,012</b>

Town of Jonesboro  
Jonesboro, Louisiana  
Notes to the Financial Statements (Continued)

**6. PENSION PLANS (Continued)**

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 (504)925-4818.

*Funding Policy.* Under Plan A, members are required by state statute to contribute 0.25 percent of their annual covered salary and the Town of Jonesboro is required to contribute at an actuarially determined rate. The current rate is 0.25 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 Jonesboro are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:165, 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 Jonesboro contributions to the System under Plan A for the years ending June 30, 1997, 1998 and 1999, were \$48,676, \$38,764 and \$21,931, respectively, equal to the required contributions for each year.

**B. Municipal Police Employees Retirement System of Louisiana (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 age 55 with at least 18 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2.12 percent of their final average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or 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, 8081 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2190, or by calling (504)919-3401.

*Funding Policy.* Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Jonesboro is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Jonesboro are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:165, 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 Jonesboro contributions to the System for the years ending June 30, 1997, 1998 and 1999, were \$17,754, \$38,191 and \$36,742, respectively, equal to the required contributions for each year.

**Town of Jonesboro**  
**Jonesboro, Louisiana**  
**Notes to the Financial Statements (Continued)**

**5. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
Group of fixed assets at 10/31/97	\$ 488,000			\$ 488,000
Land	147,497			147,497
Buildings	298,242			298,242
Equipment other than buildings	39,445	583,384		622,829
Machinery and equipment	1,026,028	123,804		1,149,832
Construction in progress - capital projects	409,277	148,054	716,811	840,520
<b>Total</b>	<b>\$ 2,308,049</b>	<b>\$ 855,242</b>	<b>\$ 716,811</b>	<b>\$ 2,446,480</b>

The Town sold various items that had been placed out-of-service for numerous years. The Town did not have these items included on its general fixed assets listing; therefore, no deletions are shown for these items. Both capital projects were closed and transferred to the proper funds; therefore, they are shown as current year deletions.

A summary of fixed assets used in the proprietary funds follows:

Construction in progress	\$0.00
Plant and equipment	5,483,128
Less accumulated depreciation	<u>(2,025,004)</u>
<b>Total</b>	<b>\$ 3,458,124</b>

**6. PENSION PLANS**

Substantially all employees of the Town of Jonesboro are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, or Firefighters 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 (System)**

**Plan Description.** The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A.

All government employees working at least 35 hours per week who are not covered by another pension plan and 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 age 60 with at least 30 years of creditable service, or at or after age 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 salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or jointed months that produce the highest average. Employees who terminate 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 or amended by state statute.

**Town of Jonesboro**  
**Jonesboro, Louisiana**  
**Notes to the Financial Statements (Continued)**

**3. CASH AND CASH EQUIVALENTS**

At June 30, 1997, the Town of Jonesboro has cash and cash equivalents (bank balances) totaling \$1,162,213 unrestricted and \$65,482 restricted as follows:

Demand deposits	\$	499,163
Posty cash		2,790
Time deposits		<u>660,260</u>
<b>Total</b>	<b>\$</b>	<b><u>1,162,213</u></b>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997, the Town of Jonesboro has \$1,207,268 in deposits (reflected bank balances). These deposits are secured from risk by \$268,080 of federal deposit insurance and \$1,611,999 of pledged securities held by the custodial bank in the name of the fiscal agent bank (CLASS Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of CLASS Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified by the Town of Jonesboro that the fiscal agent has failed to pay deposited funds upon demand.

**4. RECEIVABLES**

The receivables of \$267,638 at June 30, 1997, are as follows:

	General Fund	Special Revenue Funds	Proprietary Fund	Total
<b>Taxes</b>				
Sales and use	\$ 44,204	\$ 44,204		\$ 88,408
Accounts	35,973		181,458	137,431
Intergovernmental	<u>41,520</u>			<u>41,520</u>
<b>Total</b>	<b><u>\$ 121,707</u></b>	<b><u>\$ 44,204</u></b>	<b><u>\$ 181,458</u></b>	<b><u>\$ 307,369</u></b>

**Town of Jonesboro**  
**Jonesboro, Louisiana**  
**Notes to the Financial Statements (Continued)**

**J. FUND EQUITY**

**Contributed Capital**

Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

**K. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecursing or non-continuing permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**L. SALES TAXES**

The taxpayers of the Town of Jonesboro levied a 1% sales and use tax on April 1, 1985, to provide funds for any lawful activity of the Town. In January 1988, the taxpayers of the Town levied an additional 1% sales and use tax for a period of ten (10) years commencing August 1, 1989. The purpose of this tax is for the construction, maintenance, repair and improvements of the Town's streets.

**M. TOTAL COLUMNS OF COMBINED STATEMENTS**

Total columns on the combined statements are captioned "Miscellaneous Data" 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. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**2. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
Constitutional	5.00	5.00
Operation and maintenance - fire protection	5.00	5.00
Operation and maintenance - streets	5.00	5.00

Town of Jonesboro  
Jonesboro, Louisiana  
Notes to the Financial Statements (Continued)

**E. BUDGETS**

The Town uses the following budget practices:

The proposed budgets for the fiscal year ended June 30, 1997, were made available for public inspection on June 12, 1996. The proposed budgets, prepared on the GAAP basis of accounting, were published in the official journal 12 days prior to the public hearing, which was held at the Town Hall on June 19, 1996, by comments from taxpayers. The budgets were legally adopted and amended, as necessary, by the Board of Aldermen. All appropriations lapse at year end. Budgeted amounts included in the accompanying financial statements are as originally adopted.

**F. INCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to assure that portions of the applicable appropriation, if not employed by the Town of Jonesboro.

**G. CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in short-term time deposits. Under state law, the Town of Jonesboro may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Town of Jonesboro may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At June 30, 1997, the Town of Jonesboro had no investments.

**H. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds, net of accumulated depreciation. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method.

**I. COMPENSATED ABSENCES**

Employees earn from one week to three weeks of vacation leave annually, depending upon length of service; vacation leave does not accumulate. Employees earn from one week to three weeks of sick leave annually, depending upon length of service; employees are allowed to accumulate 30 days of sick leave. The cost of accrued leave privileges, computed in accordance with GASB Codification Section 336, is recognized as a current year expenditure in the governmental funds when leave is actually taken. The amount of accrued sick leave is immaterial to the financial statements and is not accrued.



Town of Innisboro  
Innisboro, Louisiana

Notes to the Financial Statements (Continued)

**B. BASIS OF ACCOUNTING**

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Ad valorem taxes (which are based on assessments of business property and homesteads in the period are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year. Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the tax sale of property is immaterial, thus no provision has been made for such a loss.

Sales tax and intergovernmental taxes are collected by the Jackson Parish Sales Tax Collection Agency and the State of Louisiana, respectively, and remitted to the Town. Therefore, amounts collected by the governmental agencies that are remitted within 60 days to the Town, are recognized as revenues.

Utility franchise fees on gross receipts are remitted to the Town quarterly. Revenue is recognized in the fiscal period that the utility companies collect gross receipts, if the utility franchise fees are received by the Town within 60 days.

Revenues from fines, forfeitures, licenses and permits are not susceptible to accrual because they are not generally measurable until received in cash.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which are recognized when due.

**Other Financing Sources (Uses)**

Transfers between funds that are not reported to be repaid for any other types, such as capital lease transactions, sales of fixed assets, debt extinguishments, long-term debt proceeds, et cetera are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

The proprietary fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The proprietary fund uses the accrual basis of accounting; revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred.

**Town of Jumbores**  
**Jumbores, Louisiana**  
**Notes to the Financial Statements (Continued)**

**B. REPORTING ENTITY (CONTINUED)**

Considered in the determination of component units of the reporting entity were the Jackson Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board and the District Attorney and Judges for the Second Judicial District. It was determined that these governmental entities are not component units of the Town of Jumbores reporting entity because they have separately elected governing bodies, are legally separate, and are financially independent of the Town of Jumbores.

**C. FUND ACCOUNTING**

The Town of Jumbores uses funds and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the Town of Jumbores are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds**

Governmental funds account for all or most of the Town of Jumbores's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition or construction of general fund assets. Governmental funds of the Town of Jumbores include:

1. **General fund**—to account for all financial resources, except those required to be accounted for in other funds.
2. **Special revenue funds**—to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. **Capital projects funds**—to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Proprietary Funds**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to 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. The proprietary fund of the Town of Jumbores is an:

1. **Enterprise fund**—fund used to account for operations that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees.