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TOWN OF JONESVILLE, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED  
JUNE 30, 1988 AND 1987  
WITH  
INDEPENDENT AUDITOR'S REPORT

Under provisions of state law, this report is a public document. A copy of the report shall be transmitted to the public, and the report shall be available to all public officials. The report shall be for public inspection and shall be placed in the public library or other place for use, where possible, in the office of the public clerk of court.

Release Date **FEB 03 1989**

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SILAS M. SIMMONS & COMPANY, LLP  
CERTIFIED PUBLIC ACCOUNTANTS  
208 N. Commercial Street  
P.O. Box 1017  
Natchez, Mississippi 39121

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable W. F. "Billy" Edwards, Mayor  
and The Members of the Town Council  
Town of Jonesville, Louisiana

We have audited the general-purpose financial statements of the Town of Jonesville, Louisiana, as of and for the year ended June 30, 1998, as listed in the Table of Contents. 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 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatements. 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.

During our audit, we determined that the Town's controls over general fixed assets have deteriorated to the point that we have been unable to place a reliance on the Town's inventory of general fixed assets. General fixed assets have been presented in the general-purpose financial statements, but we have been unable to determine the number or size of errors that may exist in these schedules.

In our opinion, except for the items mentioned in the preceding paragraphs, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Jonesville, Louisiana, as of June 30, 1998, the results of its operations of such funds and the 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 September 18, 1998, on our consideration of Town of Jonesville, Louisiana'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 combining, individual fund, and account group financial statements and schedules, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the Town of Jonesville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and in our opinion, except for the items mentioned in the preceding paragraphs, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

The financial information of the previous year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed a qualified opinion due to uncertainties in general fixed assets.

*David M. Swain* & Company, LLP

Natchez, Mississippi  
September 18, 1998

**GENERAL-PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

TOWN OF JONESVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 1999

	Governmental Fund Types		Proprietary Fund Types	Account Groups		Totals (Memorandum Only)
	Debt	Capital Projects		Fixed Assets	General Long Term Debt	
	General	Special	General	Special	1998	1997
<b>ASSETS</b>						
Cash	\$ 41,333	\$ 0	\$ 14,790	\$ 0	\$ 56,123	\$ 551,858
Temporary Investments at cost	89,514		222,843		312,357	250,516
Receivables (net, where applicable, of allowances for uncollectibility)						
- Current taxes	14,342				14,342	39,008
- Charges for services	3,339		500,867		504,206	573,452
- Other receivables	24,441				24,441	48,568
Due from other funds						608,099
Due from other governments	43,841				43,841	37,602
Restricted assets:						
Cash			52,568		52,568	48,548
Temporary Investments at cost	42,179		99,917		142,096	108,074
Plant and equipment, net			1,821,578	2,252,845	4,073,423	4,128,569
Amount to be provided for retirement of general long-term debt						
Total assets	\$ 233,206	\$ 0	\$ 2,089,435	\$ 2,252,845	\$ 4,585,536	\$ 6,281,062

continued

TOWNS OF JONESVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 1958

LIABILITIES AND FUND EQUITY	Geographical Fund Types		Proprietary		Accounts		Totals (Memorandum Only) June 30, 1957
	General	Debt	Capital	Land, Type	General	Special	
Liabilities	\$ 85,345	\$ 0	\$ 285,508	\$ 0	\$ 0	\$ 0	\$ 370,853
Accounts payable	24,710		15,856				40,566
Accrued liabilities							
Due to other funds							
Payable from restricted assets:							
Consumer deposits			185,004				185,004
Other liabilities							1,261
Contributions of							
Independents						185,713	185,713
State and capital			75,048			87,525	162,573
Income payable			527,871			1,021,855	1,549,726
Total liabilities	\$ 24,710	\$ 0	\$ 267,852	\$ 0	\$ 0	\$ 0	\$ 272,562
Fund equity	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributed capital							
Investment in general							
Bond assets							
Retained earnings:							
Unreserved			948,209	\$ 0	\$ 0	\$ 0	\$ 948,209
Fund balance	62,166						62,166
Reserve	116,753						116,753
Unreserved							
Total unreserved	\$ 250,206	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,206
Unamortified							
Instruments							
Total fund equity	\$ 250,206	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,206
Total liabilities and fund equity	\$ 250,206	\$ 0	\$ 267,852	\$ 0	\$ 0	\$ 0	\$ 518,058

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

**TOWN OF JONESVILLE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES**  
**YEAR ENDED JUNE 30, 1998**

	Totals				
	(Memorandum Only)				
	Year Ended June 30, _____				
	General	Debt Service	Capital Projects	1998	1997
<b>Revenues</b>					
Taxes	\$ 72,828	\$ -	\$ -	\$ 72,828	\$ 62,279
Licenses and permits	101,148			101,148	100,971
Intergovernmental revenues	211,293			211,293	201,989
Fines and forfeits	47,590			47,590	54,285
Charges for services	131,849			131,849	143,825
Gift proceeds				-	25,201
Other revenue	45,228		248	45,476	35,084
<b>Total revenues</b>	<b>\$ 610,424</b>	<b>\$ -</b>	<b>\$ 248</b>	<b>\$ 612,172</b>	<b>\$ 563,629</b>
<b>Expenditures</b>					
Current					
General government	\$ 227,568	\$ -	\$ -	\$ 227,568	\$ 482,221
Public safety -					
Police	289,295			289,295	228,483
Fire	44,265			44,265	52,174
Highways and streets	285,745			285,745	244,827
Sanitation	122,228			122,228	147,221
Industrial	1,248			1,248	1,722
Airport	2,970			2,970	2,268
Activity and rentals	2,709			2,709	1,214
Extension	15,001			15,001	22,208
Debt service					
Principal retirement		78,070		78,070	82,066
Interest		12,228		12,228	17,025
Capital outlay			22,225	22,225	-
<b>Total expenditures</b>	<b>\$ 1,222,418</b>	<b>\$ 90,298</b>	<b>\$ 22,225</b>	<b>\$ 1,781,229</b>	<b>\$ 1,084,222</b>
Excess of revenues (expenditures)	\$41,806,000	\$ -22,228	\$ -22,225	\$1,129,822	\$1,853,442
<b>Other financing sources (uses)</b>					
Operating transfers in	\$ 700,767	\$ 82,228	\$ -	\$ 844,993	\$ 1,222,222
Operating transfers out	(22,228)			(22,228)	(122,222)
<b>Total other financing sources (uses)</b>	<b>\$ 677,539</b>	<b>\$ 82,228</b>	<b>\$ -</b>	<b>\$ 760,767</b>	<b>\$ 1,100,000</b>
Excess of revenues and other sources (expenditures and other uses)	\$ (284,222)	\$ -	\$ (22,247)	\$ (410,170)	\$ 74,222
<b>Fund balances, beginning</b>	<b>645,000</b>		<b>22,228</b>	<b>511,644</b>	<b>427,000</b>
<b>Fund balances, ending</b>	<b>\$ 360,778</b>	<b>\$ -</b>	<b>\$ -491</b>	<b>\$ 181,313</b>	<b>\$ 501,222</b>

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

**TOWN OF JOSEPHVILLE, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL AND DEBT SERVICE FUND TYPES  
YEAR ENDED JUNE 30, 1999**

	General Fund		Variable Accounts Receivable		Debt Service Fund		Totals Accounts Receivable Unencumbered
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>Revenues</b>							
Taxes	\$ 49,779	\$ 52,829	\$ 9,959	\$	\$	\$	\$
Licenses and permits	201,294	181,349	(9,949)				
Intergovernmental revenue	194,081	211,956	17,874				
Rental revenue	18,719	25,422	(1,819)				
Garbage collection fees	41,293	41,294	\$				
Other revenues	13,241	145,127	3,248				
<b>Total revenues</b>	<b>\$ 369,718</b>	<b>\$ 667,977</b>	<b>\$ 33,963</b>				
<b>Expenditures</b>							
General government	\$ 308,119	\$ 317,590	\$ (12,877)	\$	\$	\$	\$
Police safety							
Police	331,426	549,235	(21,809)				
Fire	39,004	44,355	(5,351)				
Highways and streets	209,723	295,545	(85,821)				
Sanitation	149,249	132,499	16,750				
Industrial	2,008	1,249	759				
Streets	2,113	2,876	(717)				
Arterials and roads	39	2,529	(2,490)				
Recreation							
Public service	19,261	15,891	3,370				
Principal retirement							
Interest					71,004	79,079	7,774
<b>Total expenditures</b>	<b>\$ 2,399,493</b>	<b>\$ 2,127,413</b>	<b>\$ 273,080</b>				
<b>Source of expenditures</b>	<b>\$ 1,031,119</b>	<b>\$ 1,038,324</b>	<b>\$ 67,205</b>				
<b>Other financing sources (uses)</b>							
Operating transfers - in	\$ 1,298,549	\$ 748,787	\$ (549,762)	\$ (97,999)	\$ 85,459	\$ 88,386	\$ (1,087)
Operating transfers - out	(195,823)	(313,229)	117,406	3,081			
<b>Total other financing sources (uses)</b>	<b>\$ 1,102,726</b>	<b>\$ 435,558</b>	<b>\$ 661,168</b>				
<b>Source of revenues and other sources</b>							
Intergovernmental and other uses	\$ 1,271	\$ (184,829)	\$ (186,000)	\$ (98,599)	\$	\$	\$
Fund balances, beginning	3,857,822	5,151,492	1,293,670				
Fund balances, ending	\$ 3,858,206	\$ 5,148,295	\$ (3,905)				

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

**TOWN OF JONESVILLE, LOUISIANA**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN RETAINED EARNINGS**  
**PROPRIETARY FUND TYPE**  
**YEARS ENDED JUNE 30, 1998 AND 1997**

	<u>Enterprise</u>	
	<u>1998</u>	<u>1997</u>
<b>Operating revenues</b>		
Charges for services -		
Electricity sales	\$ 2,291,600	\$ 2,174,964
Water sales	196,187	199,961
Natural gas sales	548,487	611,828
Sewer charges	121,162	118,652
Interest income	14,155	19,597
Other operating revenues	48,911	61,780
Total operating revenues	<u>\$ 3,230,902</u>	<u>\$ 3,187,942</u>
<b>Operating expenses</b>		
Electricity Department expenses	\$ 1,953,322	\$ 1,445,955
Water Department expenses	169,319	176,397
Natural Gas Department expenses	412,909	439,943
Sewer Department expenses	121,375	118,653
Total operating expenses	<u>\$ 2,656,925</u>	<u>\$ 2,180,358</u>
<b>Operating income</b>	<b>\$ 573,977</b>	<b>\$ 999,584</b>
<b>Operating transfers</b>		
Transfers to General Fund	<u>788,387</u>	<u>1,128,087</u>
<b>Net income (loss)</b>	<b>\$ 184,483</b>	<b>\$ (128,499)</b>
<b>Retained earnings - beginning</b>	<u>369,845</u>	<u>497,344</u>
<b>Retained earnings - ending</b>	<b>\$ 548,328</b>	<b>\$ 369,845</b>

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

TOWN OF JONESVILLE, LOUISIANA  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS  
 PROPRIETARY FUND TYPE  
 YEARS ENDED JUNE 30, 1998 AND 1997

	Enterprise	
	1998	1997
Cash flows from operating activities		
Cash received from customers	\$ 3,146,337	\$ 3,066,273
Cash payments to suppliers for goods and services	(1,855,716)	(1,881,883)
Cash payments to employees for services	(252,763)	(262,891)
Other operating revenues	83,065	81,387
Net cash provided by operating activities	<u>\$ 1,054,923</u>	<u>\$ 1,023,166</u>
Cash flows from non-capital financing activities		
Decrease in other receivables	\$ 44,509	\$ 32,351
Operating transfers - net to other funds	(1,079,145)	(1,054,923)
Net cash used for non-capital financing activities	<u>\$ (1,034,636)</u>	<u>\$ (1,022,572)</u>
Cash flows from capital and related financing activities		
Proceeds from notes payable	\$ -	\$ 49,019
Principal payments on notes payable	(37,638)	(28,546)
Purchases of fixed assets and equipment	(33,345)	(38,532)
Net cash used for capital and related financing activities	<u>\$ (68,973)</u>	<u>\$ (16,059)</u>
Net decrease in cash & cash equivalents	<u>\$ (20,717)</u>	<u>\$ (19,466)</u>
Cash and cash equivalents, beginning of year	<u>310,366</u>	<u>329,832</u>
Cash and cash equivalents at end of year	<u>\$ 289,649</u>	<u>\$ 310,366</u>

-continued-

**TOWN OF JONESVILLE, LOUISIANA**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**  
**PROPRIETARY FUND TYPE**  
**YEARS ENDED JUNE 30, 1998 AND 1997**

	<u>Enterprise</u>	
	<u>1998</u>	<u>1997</u>
Continued -		
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 943,258	\$ 909,588
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	\$ 105,834	\$ 109,835
Provision for uncollective accounts	-	2,871
Change in assets and liabilities:		
(Increase) decrease in		
Accounts receivable	(31,375)	(61,149)
Increase (decrease) in		
Accounts payable	31,529	(31,505)
Accrued liabilities	(315)	(3,027)
Customer deposits	4,846	5,631
Total adjustments	\$ 121,659	\$ 38,556
Net cash provided by operating activities	\$ 1,064,917	\$ 1,038,144
Supplemental schedule of significant non-cash activities:		
Fixed assets contributed by other funds	\$ 35,825	\$ -

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

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Jonesville, Louisiana was incorporated December 16, 1943, under the provisions of the Louisiana Act. The Town operates under the Mayor-Town Council form of government and provides the following services as authorized by the Act: public safety (police and fire), streets, sanitation, recreation, public improvements, planning and zoning, provision for gas, electric, and water utilities, sewer services, airport facilities and general services.

The accounting and reporting policies of the Town of Jonesville, Louisiana conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity**

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (Mayor and Town Council). The scope of the governmental entity included in this report was determined by applying the criteria established by Statement Number 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity". The application of these criteria revealed no additional governmental reporting entities which would be properly includable in this report.

**B. Fund Accounting**

The accounting system of the Town is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are grouped in the financial statements of this report into four generic fund types and two broad fund categories as follows:

TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Fund Accounting (continued)

*Governmental Funds*

*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 another fund.

*Debt Service Fund* - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

*Capital Projects Fund* - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

*Proprietary Funds*

*Enterprise Funds* - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

C. 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.

The governmental type fund is accounted for using the modified accrual basis of accounting. These revenues are recognized when they become measurable and available as net current assets.

TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1988

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**C. Basis of Accounting (continued)**

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

Those revenues susceptible to accrual are property taxes, sales taxes, franchise taxes, fines, interest revenue and charges for services. Licenses, permits and miscellaneous revenues are not susceptible to accrual because, generally, they are not measurable until received in cash.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned and their expenses are recognized when incurred. An estimated amount has been recorded for services rendered but not yet billed as of the close of the years involved. The receivable was arrived at by taking the cycle billing the Town sent the customers in July and prorating the amount of days applicable to the current year.

**D. Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets.

Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1988**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**D. Fixed Assets and Long-Term Liabilities (continued)**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. General fixed assets are not depreciated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in governmental funds.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	35 years
Machinery and equipment	10-20 years
Distribution system - electricity	30 years
Distribution system - water	50 years
Distribution system - gas	50 years
Distribution system - sewer	50 years
Water tanks and wells	31-50 years
Meters	15 years

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1988**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**D. Fixed Assets and Long-Term Liabilities (continued)**

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

**E. Budgets and Budgetary Accounting**

The Town follows the following procedures established by Louisiana Revised Statute in preparation of the budgetary data reflected in these financial statements.

- (1) The Town Clerk prepares a proposed budget and submits same to the Mayor and Town Council no later than fifteen days prior to the beginning of each fiscal year.
- (2) A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- (3) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- (4) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- (5) 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 estimated, require the approval of the Town Council.
- (6) All budgetary appropriations lapse at the end of each fiscal year.

TOWN OF JONESVILLE, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**E. Budgets and Budgetary Accounting (continued)**

- (1) Budgets for the General and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts are as originally adopted, or as amended from time to time by the Town Council.

**F. Cash and Investments**

Investments are stated at cost and consist of demand deposit accounts, savings accounts and certificates of deposit. For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with a maturity of six months or less when purchased to be cash equivalents. The following is a summary of cash and cash equivalents for the proprietary fund type:

	1998	1997
Cash	\$ 14,790	\$ 10,878
Temporary investments	122,842	151,469
Restricted cash	52,569	49,240
Restricted temporary investments	88,847	82,482
Cash and cash equivalents at June 30	\$ 280,048	\$ 300,769

The carrying amount of the Town's cash and temporary investments with financial institutions was \$468,133, and the bank balance was \$491,618 at June 30, 1998. There was \$944 in cash on hand at June 30, 1998. At June 30, 1998, the Town's banks had pledged \$653,670 in securities against the Town's deposits. The bank balance is categorized as follows:

TOWN OF JONESVILLE, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**F. Cash and Investments (continued)**

Amount insured by FDIC	\$ 200,000
Amount collateralized with securities held by an independent financial institution's trust department in the Town's name	291,838
Uncollateralized	_____
Required collateral - 100% of bank balance exclusive of FDIC insurance plus FDIC insurance	<u>\$ 491,838</u>

Investments made by the Town that are included on the balance sheet are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the categories described below:

- Category 1 - Insured or registered in the name of the Town and held by the Town.  
 Category 2 - Uninsured but registered in the name of the Town and held by the Town.  
 Category 3 - Uninsured and not registered in the name of the Town or held by the Town.

Security type	Category			Carrying amount	Market value
	1	2	3		
Non-interest bearing accounts	\$ 107,947	\$ -	\$ -	\$ 107,947	\$ 107,947
Interest-bearing time certificates of deposit	227,846	-	-	227,846	227,846
Savings accounts	<u>112,742</u>	<u>-</u>	<u>-</u>	<u>112,742</u>	<u>112,742</u>
	<u>\$ 448,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,535</u>	<u>\$ 448,535</u>

TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**G. Inventories**

For both governmental and proprietary funds, purchases of various operating supplies are regarded as expenditures/expense at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year. For the years ending June 30, 1998 and June 30, 1997, these amounts were considered to be immaterial.

**H. Bad Debts**

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable.

**I. 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 Town's cash flows and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**J. Total Columns on Combined Statements - Overview**

Total columns on combined statements - overview 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 accordance 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.

TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

**NOTE 2 - AD VALOREM TAXES**

The Town annually levies ad valorem taxes in accordance with state statute for the fiscal year ended June 30. Tax bills are prepared and delivered in October with payment due from the date of receipt to the last day of February. Because of the due dates noted previously, ad valorem taxes are not considered to be available resources of the fiscal year to which they apply and are, therefore, not accrued as of the end of the fiscal year.

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Catahoula Parish.

For the year ended June 30, 1998, taxes of 7.54 mills were levied on property with assessed value of \$8,798,640 and were dedicated as follows:

General corporate purposes	7.54
Total taxes levied were	\$65,837

**NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables were as follows at June 30:

Fund	1998 Interfund		1997 Interfund	
	Receivable	Payable	Receivable	Payable
General Fund	\$ -	\$ -	\$ 479,517	\$ 119,156
Proprietary Fund	-	-	158,156	479,332
Totals	\$ -	\$ -	\$ 638,683	\$ 638,692

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE 4 - DUE FROM OTHER GOVERNMENTS**

Amounts due from other governmental units consisted of the following:

	<u>1998</u>	<u>1997</u>
State of Louisiana		
Tobacco tax	\$ 3,454	\$ 3,454
Beer tax	1,202	-
Jail inmate housing	5,679	3,234
Video Draw Poker	5,914	3,847
Highway maintenance	3,829	3,829
Catahoula Parish		
Fire insurance premiums	6,010	5,965
Jail inmate housing	4,122	4,088
Parish revenue sharing	3,945	3,746
Sanitation sales tax	2,293	2,231
Other	<u>350</u>	<u>645</u>
<b>Total</b>	<b>\$ 43,841</b>	<b>\$ 37,632</b>

**NOTE 5 - RESTRICTED ASSETS**

Restricted assets as of June 30 were applicable to the following:

	<u>1998</u>	<u>1997</u>
Governmental fund types		
General Fund - building savings	\$ 42,193	\$ 41,154
Capital Projects Fund - new shop grant	<u>-</u>	<u>26,038</u>
<b>Total governmental fund types</b>	<b>\$ 42,193</b>	<b>\$ 67,192</b>
Proprietary fund types		
Customers' deposits	\$ 142,416	\$ 138,732
<b>Total restricted assets</b>	<b>\$ 184,609</b>	<b>\$ 205,924</b>

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1988**

**NOTE 4 - FIXED ASSETS**

The following is a summary of general fixed assets:

	Balance 6/30/87	Additions	Dispositions	Balance 6/30/88
Land and buildings	\$ 1,378,039	\$	\$	\$ 1,378,039
Machinery and equipment	854,841	8,595	-	863,436
<b>Totals</b>	<b>\$2,232,880</b>	<b>\$ 8,595</b>	<b>\$ -</b>	<b>\$2,241,475</b>

The following is a summary of changes in proprietary fund type property, plant and equipment for fiscal year ended June 30, 1988:

	Balance 6/30/87	Additions	Dispositions	Balance 6/30/88
Electric system	\$ 1,185,584	\$	\$	\$ 1,185,584
Gas system	843,793	-	-	843,793
Water system	1,419,938	39,131	-	1,459,069
Sewer system	1,498,562	17,602	-	1,516,164
Buildings	11,879	-	-	11,879
Land	23,615	-	-	23,615
Miscellaneous equipment	229,745	2,108	-	231,853
<b>Total</b>	<b>\$4,868,713</b>	<b>\$ 49,241</b>	<b>\$ -</b>	<b>\$4,917,954</b>
Less accumulated depreciation	(2,811,348)	(102,822)	-	(2,914,170)
<b>Net</b>	<b>\$2,057,365</b>	<b>\$ (53,581)</b>	<b>\$ -</b>	<b>\$1,821,878</b>

TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

**NOTE 7 - CHANGES IN LONG-TERM DEBT**

The following is a summary of debt transactions for the Town for the fiscal year ended June 30, 1998:

	<u>General Obligation Long-Term</u>			<u>Utility</u>	<u>Totals</u>
	<u>Certificate of Indebtedness</u>	<u>Note payable</u>	<u>Capital leases</u>	<u>Notes payable</u>	
Balance,					
6/30/97	\$ 164,953	\$ 2,358	\$ 94,347	\$ 193,679	\$ 365,337
Proceeds	-	-	-	-	-
Principal retired	(41,340)	(2,358)	(36,473)	(12,638)	(92,809)
Balance,					
6/30/98	\$ 123,713	\$ -	\$ 61,193	\$ 78,649	\$ 263,555

Long-Term debt as of June 30, 1998, is comprised of the following:

**General Fund**

\$340,000 Certificate of Indebtedness, Series 1987, held by Catahoula-LaSalle Bank, dated February 11, 1988. As of March 31, 1994, this Certificate of Indebtedness was restructured to add an additional \$117,000 of principal. Principal installments are payable on December 1 of each year beginning December 1, 1994, and ending December 1, 2001, with an interest rate of 4.5% per annum, payable on December 1 of each year, commencing December 1, 1994.

\$ 123,713

TOWN OF JONESVILLE, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1998

**NOTE 7 - CHANGES IN LONG-TERM DEBT**

General Fund (continued)

<p>Note to Ford Motor Credit for the lease purchase of a Ford Model 6649E tractor with Alamo Terrain King Model A Boom Mower in the amount of \$18,943, dated June 16, 1994, payable in monthly installments of \$122.31, commencing on June 16, 1995, and ending on May 16, 2000, with an interest rate of 7.90% per annum.</p>	\$ 18,518
<p>Note to Ford Motor Credit for the Lease purchase of a New Holland 5550 Loader Backhoe in the amount of \$14,309, dated July 31, 1996, payable in monthly installments of \$476.26, commencing on July 31, 1996, and ending on June 30, 2001, with an interest rate of 6.70% per annum.</p>	15,493
<p>Note to Government Capital Corporation for the lease purchase of new computer system in the amount of \$21,854, dated January 5, 1995, payable in monthly installments of \$645.62, commencing on January 5, 1995, and ending on January 5, 2000, with an interest rate of 7.80% per annum.</p>	11,959
<p>Note to Government Capital Corporation for the lease purchase of new computer software in the amount of \$42,597, dated March 21, 1996, payable in monthly installments of \$838.97, commencing March 21, 1996, and ending on February 15, 2001, with an interest rate of 7.651% per annum.</p>	23,772
<p>Note to Waterworld to finance the purchase of Police Department equipment in the amount of \$1,550.88, dated July 22, 1996, payable in monthly installments of \$12.31, commencing on August 22, 1996, and ending on July 22, 2000, with no stated rate of interest.</p>	873

TOWN OF JONESTVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1988

**NOTE 7 - CHANGES IN LONG-TERM DEBT**

**Proprietary Fund**

Notes to Catahoula-LaSalle Bank to finance sewer improvements in the amount of \$87,848, dated July 31, 1985, payable in monthly installments of \$1,715.56, commencing on September 10, 1985, and ending on September 10, 2000, with an adjustable rate of interest. The interest rate at June 30, 1988, was 9.4% per annum.	\$ 41,770
Notes to First National Bank of Commerce to finance the purchase of three new utility trucks in the amount of \$49,019, dated February 12, 1987, payable in monthly installments of \$1,185.23, commencing on March 12, 1987, and ending on February 12, 1991, with an interest rate of 7.58% per annum.	34,312
<b>Total</b>	<b>\$ 76,082</b>

The annual requirements to amortize all outstanding debt as of June 30, 1988, including interest payments of \$27,312, are as follows:

Fiscal year ending <u>June 30</u>	<u>General Obligation</u>		<u>Utility</u>	<u>Total</u>
	<u>Certificate of Indebtedness</u>	<u>Capital Leases</u>	<u>Fund Notes payable</u>	
1989	\$ 48,500	\$ 33,308	\$ 34,805	\$ 116,613
2000	48,500	29,353	34,805	112,658
2001	32,112	13,294	14,621	60,027
<b>Total</b>	<b>\$ 129,112</b>	<b>\$ 75,955</b>	<b>\$ 84,231</b>	<b>\$ 289,308</b>

Retirement of general obligation debt is to be made by annual transfers of General Fund revenue in the amounts necessary to retire principal and interest currently due.

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE 8 - SEGMENT INFORMATION FOR ENTERPRISE FUND**

The Enterprise Fund operated by the Town provides electric, gas, water and sewer utility services. The following is a summary of disclosures required by the National Council on Governmental Accounting in Interpretation 2 Segment Information for Enterprise Funds.

	June 30, 1998				Total
	Electric utility	Water utility	Gas utility	Sewer service	
Operating revenue	\$2,201,800	\$ 198,187	\$ 548,487	\$ 125,103	\$ 3,154,895
Purchase of utility	(1,284,270)	-	(321,893)	-	(1,606,173)
Operating expenses	(241,848)	(150,187)	(84,535)	(88,035)	(564,605)
Depreciation	(27,008)	(38,834)	(5,145)	(22,841)	(93,828)
Other operating revenue	43,782	3,318	10,892	2,621	60,613
Operating income	<u>\$ 181,671</u>	<u>\$ 22,603</u>	<u>\$ 186,478</u>	<u>\$ 2,207</u>	<u>\$ 393,959</u>
Operating transfers out					(388,733)
Net income					<u>\$ 105,226</u>

**NOTE 9 - ACCRUED VACATION PAY**

The liability for compensated absences has not been accrued because the amount is considered to be immaterial.

**NOTE 10 - RETIREMENT COMMITMENTS**

Police and fire employees of the Town are members of the State retirement system for municipal police and fire employees. Contributions to these systems are made by both employees and the Town as a percentage of salaries. The Town contributed \$5,368 to these systems during the year as its share of the police and fire employees' contributions.

All other employees of the Town are members of the Social Security System.

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1988**

**NOTE 11 - COMPENSATION OF GOVERNING BOARD**

The Governing Board of the Town of Jonesville, Louisiana consists of a Mayor and five Council Members. For the fiscal year ended June 30, 1988, the following compensations were paid:

W. F. "Billy" Edwards, Mayor	\$ 18,000
Gary Odum, Alderman	4,000
Gary Humphries, Alderman	1,000
Stephen R. Mophett, Alderman	4,000
Terry Russ, Alderman	3,000
Mark Davis, Alderman	1,600
Jessie Ballitts, Alderwoman	2,000
Loris Hollins, Alderwoman	<u>2,000</u>
 Total	 \$ <u>38,700</u>

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

**GENERAL FUND**

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

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 41,592	\$ 121,264
Temporary investments (at cost)	89,214	69,442
Receivables (net of allowance for uncollectibles):		
Court fines	14,561	22,638
Franchise tax	3,529	3,202
Other	24,441	1,163
Due from other funds	-	479,837
Due from other governments	43,641	37,632
<b>Total current assets</b>	<u>\$ 216,958</u>	<u>\$ 734,418</u>
<b>Restricted assets</b>		
Building savings	\$ 42,192	\$ 41,154
<b>Total restricted assets</b>	<u>\$ 42,192</u>	<u>\$ 41,154</u>
<b>Total assets</b>	<u>\$ 259,150</u>	<u>\$ 775,564</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 48,345	\$ 41,737
Accrued liabilities	24,710	26,191
Other liabilities	1,261	2,961
Due to other funds	-	159,155
<b>Total liabilities</b>	<u>\$ 74,316</u>	<u>\$ 229,955</u>
<b>Fund balance</b>		
Reserved	\$ 42,192	\$ 41,154
Unreserved	116,958	544,410
<b>Total fund balance</b>	<u>\$ 159,150</u>	<u>\$ 545,564</u>
<b>Total liabilities and fund balance</b>	<u>\$ 255,302</u>	<u>\$ 775,564</u>

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

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS  
 FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
<b>Revenues</b>		
<b>Taxes</b>		
Ad valorem, including penalties and interest	\$ 65,836	\$ 55,819
Franchise	6,990	6,458
<b>Total taxes</b>	<u>\$ 72,826</u>	<u>\$ 62,277</u>
<b>Licenses and permits</b>		
Occupational licenses	\$ 108,889	\$ 108,538
Other permits	289	433
<b>Total - licenses and permits</b>	<u>\$ 109,178</u>	<u>\$ 108,971</u>
<b>Intergovernmental revenue</b>		
Beer taxes	\$ 7,475	\$ 7,025
Tobacco taxes	13,810	13,810
Video Draw Poker taxes	23,954	23,081
Sanitation sales taxes	113,825	107,568
State fire insurance premiums	6,030	5,985
Hard surface road tax	47,886	48,638
Cops Grant	-	1,612
<b>Total intergovernmental revenue</b>	<u>\$ 213,935</u>	<u>\$ 207,303</u>
<b>Fines and forfeits</b>	<u>\$ 47,560</u>	<u>\$ 54,215</u>
<b>Charges for services</b>		
Garbage collection fees	\$ 61,364	\$ 56,314
Jail inmate housing	69,865	86,741
<b>Total charges for services</b>	<u>\$ 131,229</u>	<u>\$ 143,055</u>
<b>Miscellaneous</b>		
Building rents	\$ 16,432	\$ 9,589
Interest earned	6,759	7,653
Note proceeds	-	25,911
Other	21,897	16,866
<b>Total miscellaneous</b>	<u>\$ 45,088</u>	<u>\$ 59,959</u>
<b>Total revenues</b>	<u>\$ 619,424</u>	<u>\$ 629,376</u>

-continued-

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS  
 FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
Expenditures		
Current		
General government	\$ 517,500	\$ 463,391
Public safety		
Police	540,335	534,463
Fire	44,355	82,174
Highways and streets	895,745	344,837
Sanitation	133,698	147,231
Industrial	1,345	1,728
Airport	2,879	2,308
Activity and rentals	2,769	1,314
Recreation	15,001	25,309
Total expenditures	<u>\$ 1,672,418</u>	<u>\$ 1,582,621</u>
Excess of revenues (expenditures)	\$ (1,801,994)	\$ (952,715)
Other financing sources (uses)		
Operating transfers from		
Utility Fund	708,747	1,128,087
Operating transfers to		
Debt Service Fund	<u>(683,356)</u>	<u>(181,811)</u>
Excess of revenue and other sources (expenditures and other uses)	\$ (384,603)	\$ 73,761
Fund balance, beginning	<u>545,850</u>	<u>671,818</u>
Fund balance, ending	<u>\$ 161,247</u>	<u>\$ 745,579</u>

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

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS  
 FOR YEAR ENDED JUNE 30, 1997

	1998	1997
<b>General government</b>		
Salaries	\$ 345,815	\$ 302,595
Payroll taxes	13,372	15,045
Employee benefits and insurance	107,380	94,135
Office supplies	8,714	8,821
Computer expense	1,705	3,024
Audit and accounting	8,250	9,374
Legal and consultant fees	29,594	30,720
Repairs and maintenance	8,812	5,158
General insurance	18,247	24,069
Miscellaneous	26,918	30,863
Utilities and telephone	36,031	42,318
Travel and meetings	11,061	6,600
Capital outlay - equipment	190	5,813
Total general government	\$ 617,590	\$ 483,381
<b>Public safety - police</b>		
Salaries	\$ 310,469	\$ 319,602
Payroll taxes	27,769	24,678
Police retirement	3,225	6,608
Employee benefits and insurance	74,977	62,599
Uniform allowance	4,565	4,828
Office and other supplies	8,898	5,371
Legal and consultant fees	1,516	8,971
Prisoners' meals and jail supplies	82,665	29,027
Insurance	9,389	6,884
Gas and oil	9,445	13,479
Utilities and telephone	9,433	11,213
Repairs and maintenance	6,885	12,523
Miscellaneous	11,784	8,988
Travel and meetings	1,306	1,330
Capital outlay - equipment	8,315	4,756
Total public safety - police	\$ 689,332	\$ 624,403

-continued-

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS  
 FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
Public safety - fire		
Salaries	\$ 26,094	\$ 23,486
Payroll taxes	1,438	1,528
Fire fighters' retirement	1,516	1,198
Employee benefits and insurance	5,083	4,893
Utilities and telephone	1,543	919
Insurance	2,920	2,937
Supplies	2,663	6,652
Repairs and maintenance	3,253	4,439
Miscellaneous	420	373
Capital outlay - equipment	-	5,088
Total public safety - fire	<u>\$ 44,350</u>	<u>\$ 58,174</u>
Highways and streets		
Salaries	\$ 224,897	\$ 184,145
Payroll taxes	16,733	13,956
Employee benefits and insurance	28,618	28,218
Insurance	7,180	7,363
Gas and oil	12,042	13,084
Supplies	34,913	28,371
Repairs and maintenance	20,478	18,194
Utilities and telephone	2,764	2,519
Miscellaneous	1,320	2,552
Capital outlay - equipment	-	25,488
Total highways and streets	<u>\$ 325,745</u>	<u>\$ 344,831</u>

-continued-

TOWN OF JONESVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS  
 FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
<b>Sanitation</b>		
Salaries	\$ 13,565	\$ -
Payroll taxes	890	-
Employee benefits and insurance	1,389	-
Insurance	5,125	-
Gas and oil	1,521	-
Supplies	14,189	6,785
Repairs and maintenance	10,918	85
Garbage contract	85,869	139,861
Miscellaneous	309	309
<b>Total sanitation</b>	<u>\$ 132,495</u>	<u>\$ 147,231</u>
<b>Industrial</b>		
Repairs and maintenance	\$ 159	\$ 693
Other	1,925	1,834
<b>Total industrial</b>	<u>\$ 2,124</u>	<u>\$ 2,527</u>
<b>Airport</b>		
Insurance	\$ 2,348	\$ 1,646
Repairs and maintenance	81	281
Other	441	379
<b>Total airport</b>	<u>\$ 2,870</u>	<u>\$ 2,306</u>
<b>Activity and rentals</b>		
Supplies	\$ 537	\$ 485
Utilities and telephone	1,789	847
Repairs and maintenance	523	62
<b>Total activity and rentals</b>	<u>\$ 2,849</u>	<u>\$ 1,394</u>
<b>Recreation</b>		
Supplies	\$ 5,277	\$ 1,389
Repairs and maintenance	1,868	2,571
Insurance	4,327	4,368
Utilities and telephone	2,536	9,473
Miscellaneous expense	864	1,166
Capital outlay - equipment	-	8,828
<b>Total recreation</b>	<u>\$ 14,872</u>	<u>\$ 28,795</u>
<b>Total expenditures</b>	<u>\$2,872,418</u>	<u>\$2,882,691</u>

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

**DEBT SERVICE FUNDS**

*General Obligation Debt* - To accumulate monies for the payment of the General Obligation Debt. Financing is to be provided from General Fund revenues.

TOWN OF JONESVILLE, LOUISIANA  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 1998  
WITH COMPARATIVE AMOUNTS  
FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
Revenues	\$ _____:	\$ _____:
Expenditures		
Debt Service		
Principal retirements	\$ 70,070	\$ 83,586
Interest and fiscal fees	<u>13,326</u>	<u>17,625</u>
Total expenditures	\$ 83,396	\$ 101,211
Excess of revenues (expenditures)	\$ (83,396)	\$ (101,211)
Other financing sources		
Operating transfers from General Fund	<u>83,396</u>	<u>101,211</u>
Excess of revenues and other sources (expenditures)	\$ -	\$ -
Fund balance - beginning	_____:	_____:
Fund balance - ending	\$ _____:	\$ _____:

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

**CAPITAL PROJECTS FUND**

*Rural Development New Shop Grant - To account for the construction of Water System Improvements financed by a State Grant.*

TOWN OF JONESVILLE, LOUISIANA  
 CAPITAL PROJECTS FUND  
 NEW SHOP FUND  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>		
Temporary investments	\$ <u>431</u>	\$ <u>28,038</u>
<b>Total assets</b>	<b>\$ <u>431</u></b>	<b>\$ <u>28,038</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
Fund balance		
Restricted	\$ <u>431</u>	\$ <u>28,038</u>
<b>Total liabilities and fund balance</b>	<b>\$ <u>431</u></b>	<b>\$ <u>28,038</u></b>

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

TOWN OF JONESVILLE, LOUISIANA  
 CAPITAL PROJECTS FUND  
 NEW SHOP FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 1997

	<u>1998</u>	<u>1997</u>
Revenues		
Intergovernmental		
Interest earned	\$ 348	\$ 882
Total revenues	\$ 348	\$ 882
Expenditures		
Capital outlay - Water System Improvements	\$ 15,893	\$ -
Total expenditures	\$ 15,893	\$ -
Excess of revenues (expenditures)	\$ (15,545)	\$ 882
Fund balance, beginning	<u>26,838</u>	<u>26,168</u>
Fund balance, ending	\$ 11,293	\$ 26,838

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

**ENTERPRISE FUND**

*Municipal Utilities Fund* - To account for the provision of electric, natural gas, water and sewer services to residents of the Town and some residents of the Parish. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administrative, operations and maintenance, financing and related debt service, and billings and collections.

TOWN OF JONKSVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 14,799	\$ 19,975
Temporary investments at cost	122,843	151,469
Accounts receivable, net of allowance for uncollectible accounts, (\$3,089 1998; \$3,899 1997)	593,867	573,492
Other receivables	-	44,509
Due from General Fund	-	159,156
Total current assets	<u>\$ 731,509</u>	<u>\$ 958,601</u>
<b>Restricted assets - consumer deposits</b>		
Cash	\$ 52,569	\$ 49,340
Temporary investments at cost	82,647	82,632
Total restricted assets	<u>\$ 135,216</u>	<u>\$ 131,972</u>
<b>Plant and equipment, at cost, net of accumulated depreciation, (\$2,916,278 1998; \$2,891,946 1997)</b>		
	<u>\$1,621,516</u>	<u>\$1,877,267</u>
Total assets	<u>\$2,692,492</u>	<u>\$2,954,281</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>Liabilities</b>		
<b>Current liabilities (payable from current assets)</b>		
Accounts payable	\$ 288,588	\$ 254,979
Accrued liabilities	19,899	30,391
Due to General Fund	-	479,927
Current portion of note payable	30,323	38,328
Total current liabilities (payable from current assets)	<u>\$ 358,810</u>	<u>\$ 783,625</u>
<b>Current liabilities (payable from restricted assets)</b>		
Consumer deposits	\$ 143,354	\$ 136,216
Total current liabilities	<u>\$ 481,953</u>	<u>\$ 919,841</u>
<b>Long-term liabilities</b>		
Note payable	\$ 45,324	\$ 75,151
Total liabilities	<u>\$ 527,277</u>	<u>\$ 988,644</u>
<b>Fund equity</b>		
Contributed capital	\$1,819,487	\$1,893,792
Retained earnings - unreserved	548,328	163,845
Total fund equity	<u>\$2,367,815</u>	<u>\$2,057,637</u>
Total liabilities and fund equity	<u>\$2,895,192</u>	<u>\$2,954,281</u>

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

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 ALL DEPARTMENTS  
 YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
Operating revenues		
Charges for services	\$ 3,156,806	\$ 3,161,589
Other operating revenues	63,969	81,327
Total operating revenues	\$ 3,220,775	\$ 3,242,916
Operating expenses		
Personal services	\$ 383,393	\$ 399,714
Purchase of utilities provided	1,608,172	1,586,489
Materials and supplies	88,674	89,784
Depreciation	105,034	100,938
Utilities and telephone	51,966	62,243
Bad debts	54,978	-
Other operating expenses	39,455	119,582
Total operating expenses	\$ 3,329,682	\$ 3,269,740
Operating income	\$ 891,093	\$ 973,176

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

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 ELECTRIC DEPARTMENT  
 YEARS ENDED JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Operating revenues		
Charges for services		
Electricity sales and fees	\$2,291,030	\$2,174,956
Other operating revenues	<u>45,762</u>	<u>67,851</u>
Total operating revenues	<u>\$2,336,792</u>	<u>\$2,242,807</u>
Operating expenses		
Personal services	\$ 136,681	\$ 131,912
Purchase of electricity	1,284,279	1,225,099
Materials and supplies	29,317	38,259
Depreciation	27,988	26,639
Utilities and telephone	6,750	7,809
Bad debts	46,114	-
Other operating expenses	<u>28,283</u>	<u>36,291</u>
Total operating expenses	<u>\$1,559,322</u>	<u>\$1,685,928</u>
Operating income	<u>\$ 782,517</u>	<u>\$ 556,879</u>

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

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 WATER DEPARTMENT  
 YEARS ENDED JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Operating revenues		
Charges for services		
Water sales and fees	\$ 196,187	\$ 196,953
Other operating revenues	<u>1,818</u>	<u>5,165</u>
Total operating revenues	<u>\$ 308,005</u>	<u>\$ 302,118</u>
Operating expenses		
Personal services	\$ 64,639	\$ 66,324
Materials and supplies	25,938	18,686
Depreciation	35,934	35,472
Utilities and telephone	31,054	35,836
Bad debts	1,299	-
Other operating expenses	<u>25,074</u>	<u>26,479</u>
Total operating expenses	<u>\$ 189,116</u>	<u>\$ 178,797</u>
Operating income	<u>\$ 10,981</u>	<u>\$ 23,321</u>

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

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 NATURAL GAS DEPARTMENT  
 YEARS ENDED JUNE 30, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Operating revenues		
Charges for services		
Natural gas sales and fees	\$ 548,487	\$ 611,008
Other operating revenues	<u>18,957</u>	<u>16,028</u>
Total operating revenues	\$ <u>568,444</u>	\$ <u>627,036</u>
Operating expenses		
Personal services	\$ 37,341	\$ 36,049
Purchase of natural gas	321,693	331,319
Materials and supplies	10,866	13,397
Depreciation	6,161	6,988
Utilities and telephone	1,128	1,385
Bad debts	9,346	-
Other operating expenses	<u>26,224</u>	<u>30,285</u>
Total operating expenses	\$ <u>412,960</u>	\$ <u>419,943</u>
Operating income	\$ <u>146,475</u>	\$ <u>207,113</u>

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

**TOWN OF JONESVILLE, LOUISIANA**  
**ENTERPRISE FUND**  
**MUNICIPAL UTILITIES SYSTEM**  
**COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES**  
**SEWER DEPARTMENT**  
**YEARS ENDED JUNE 30, 1988 AND 1987**

	<u>1988</u>	<u>1987</u>
Operating revenues		
Charges for services		
Sewer charges and fees	\$ 121,163	\$ 118,052
Other operating revenues	<u>2,421</u>	<u>3,132</u>
Total operating revenues	<u>\$ 123,584</u>	<u>\$ 121,184</u>
Operating expenses		
Personal services	\$ 43,542	\$ 31,489
Materials and supplies	19,566	18,371
Depreciation	32,841	31,932
Utilities and telephone	18,024	17,918
Bad debts	2,199	-
Other operating expenses	<u>10,384</u>	<u>17,268</u>
Total operating expenses	<u>\$ 121,536</u>	<u>\$ 118,968</u>
Operating income	<u>\$ 2,048</u>	<u>\$ 3,216</u>

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

**GENERAL FIXED ASSET ACCOUNT GROUP**

To account for all fixed assets of the Town, except those accounted for in the Utility Fund and elements of the Town's infrastructure, which are not required to be capitalized under generally accepted accounting principles.

**TOWN OF JONESVILLE, LOUISIANA**  
**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE**  
**JUNE 30, 1998 AND 1997**

	<u>1998</u>	<u>1997</u>
<b>General fixed assets</b>		
Land and buildings	\$ 1,378,699	\$ 1,378,699
Machinery and equipment	<u>878,346</u>	<u>864,841</u>
<b>Total general fixed assets</b>	<b>\$2,252,045</b>	<b>\$2,243,540</b>
<b>Investment in general fixed assets from</b>		
General Fund	\$ 2,131,346	\$ 2,122,840
Donations from other governments	<u>120,700</u>	<u>120,700</u>
<b>Total investment in general fixed assets</b>	<b>\$2,252,046</b>	<b>\$2,243,540</b>

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

**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY**  
**JUNE 30, 1998**

<u>Function and Activity</u>	<u>Total</u>	<u>Land and buildings</u>	<u>Machinery and equipment</u>
General government			
Financial administration	\$ 430,638	\$ 242,144	\$ 188,494
Public Safety			
Police protection	289,338	56,889	232,349
Fire protection	197,829	17,981	179,848
Streets	127,962	8,207	118,855
Sanitation	135,568	8,207	127,361
Industrial development	835,161	835,161	-
Airport	82,262	82,262	-
Recreation	187,425	92,738	14,897
Activity Center	<u>36,478</u>	<u>33,122</u>	<u>1,558</u>
<b>Totals</b>	<b>\$2,232,045</b>	<b>\$1,378,622</b>	<b>\$ 853,246</b>

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

**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**YEAR ENDED JUNE 30, 1988**

	General fixed assets <u>7/1/87</u>	Additions	Dispositions	General fixed assets <u>6/30/88</u>
General government				
Financial administration	\$ 430,648	\$ 130	\$ -	\$ 430,638
Public Safety				
Police protection	299,916	8,316		308,230
Fire protection	197,839			197,839
Streets	127,062			127,062
Sanitation	135,568			135,568
Industrial Development	835,161			835,161
Airport	82,262			82,262
Recreation	107,635			107,635
Activity Center	<u>36,679</u>			<u>36,679</u>
<b>Totals</b>	<b>\$2,242,540</b>	<b>\$ 8,586</b>	<b>\$ -</b>	<b>\$2,251,126</b>

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

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unmatured principal amounts on general long-term debt expected to be financed from General Fund revenues. Payment of maturing obligations, including interest, is accounted for in the Debt Service Fund.

**TOWN OF JONESVILLE, LOUISIANA**  
**STATEMENT OF GENERAL LONG-TERM DEBT**  
**JUNE 30, 1998**  
**WITH COMPARATIVE TOTALS FOR JUNE 30, 1997**

	Certificates of Indebtedness Series 1987	Capital Issues	Totals	
			1998	1997
Amount available and to be provided for the retirement of general long-term debt.				
Amount necessary to be provided from:				
General Fund Revenues	\$ 123,713	\$ 87,286	\$ 211,000	\$ 210,018
Total available and to be provided	\$ 123,713	\$ 87,286	\$ 211,000	\$ 210,018
General long-term debt:				
Installment payable - Certificate of Indebtedness	\$ 123,713	\$	\$ 123,713	\$ 104,000
Capital Issues payable	_____	87,286	87,286	86,018
Total general long-term debt	\$ 123,713	\$ 87,286	\$ 211,000	\$ 210,018

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

## ADDITIONAL REPORTS

SEAS M. SIMMONS & COMPANY, LLP  
 CERTIFIED PUBLIC ACCOUNTANTS  
 208 N. Commerce Street  
 P.O. Box 1817  
 Monroe, Louisiana 70111

ESTABLISHED 1922

MEMBER OF

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER NATIONAL

ASSOCIATION OF STATE

ACCOUNTING SOCIETIES AND

CONFERENCE BOARD INC.

THE CERTIFIED PUBLIC ACCOUNTANT

AND FINANCIAL ADVISOR

SEAS M. SIMMONS, CPA, CHIEF OF FIRM  
 FRANK R. BOGAL, CPA, SENIOR  
 LARRY S. BOGAL, CPA, SENIOR  
 C. WALTER GIBSON, CPA, SENIOR  
 DENNIS M. GIBSON, CPA, SENIOR  
 ROBERT T. GIBSON, CPA, SENIOR

WILLIAMSON H. JAY,  
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 TIM M. BERRY, CPA  
 ROBERT T. BERRY, CPA  
 DAVID H. BERRY, CPA

**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. F. "Billy" Edwards, Mayor  
 and Members of the Town Council  
 Town of Jeneroville  
 Jeneroville, Louisiana

We have audited the general-purpose financial statements of Town of Jeneroville, Louisiana, as of and for the year ended June 30, 1998, and have issued our report thereon dated September 18, 1998. 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.

**Compliance**

As part of obtaining reasonable assurance about whether Town of Jeneroville, Louisiana's general-purpose 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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings as Item Numbers 98-2 and 98-3. We also noted certain immaterial instances of

noncompliance that we have reported to management of Town of Jenerville, Louisiana, in a separate letter dated September 18, 1998.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Town of Jenerville, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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 Town of Jenerville, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general-purpose financial statements. Reportable conditions are described in the accompanying schedule of findings as item Numbers 98-1, 98-2, 98-4 and 98-5.

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 general-purpose 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. However, of the reportable conditions described above, we consider item Numbers 98-1 and 98-2 to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management of Town of Jenerville, Louisiana, in a separate letter dated September 18, 1998.

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

*Julius M. Semmes & Company, LLP*

Natchez, Mississippi  
September 18, 1998

TOWN OF JONESVILLE, LOUISIANA  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1998

98-1      Finding

From our understanding of the Town's internal control structure, we have determined that the small size of the town and its limited number of personnel do not allow for the adequate segregation of duties among employees. This is a continuing comment from prior years.

Recommendation

We do not believe that it would be cost effective for the Town to hire the additional staff required to resolve this problem. We believe that the Town has taken steps to offset this problem by approving certain transactions at Board meetings and requiring dual signatures on all checks. The Board should continue to insist on accurate monthly financial reports, including detailed general ledgers and budget comparisons.

98-2      Finding

The Town has not maintained adequate subsidiary records documenting the historical cost of fixed assets. An inventory has not been taken in several years, and computer listings are incomplete.

Recommendation

An accurate record of general fixed assets is required by law. A plan should be implemented to complete the physical inventory and obtain actual or estimated historical cost amounts for all fixed assets, including land and buildings, belonging to the Town of Jonesville, Louisiana.

98-3      Finding

In the prior year, we noted that the Town had not complied with all provisions of the Local Government Budget Act. We believe that the Town has complied with those provisions for the fiscal year ended June 30, 1998.

### Recommendation

We recommend that the Board continue to monitor its budget requirements to insure that all provisions of the Local Government Budget Act are followed.

#### **38-4 Finding**

During our audit, we found that the Town's computer system has continued to degrade. Several of the subsidiary systems are producing incorrect or unusable information. There is also the eminent threat that the entire system will crash due to hard drive failure. In addition, the Town has no plan to assess its risk associated with the year 2000.

### Recommendation

We are aware that the Town is in the process of shopping for a new system. Because of the possibility of a system failure, we recommend that the Town purchase and install a new system as soon as possible. The Town should make sure that the new system will be year 2000 compliant.

#### **38-5 Finding**

We found that the utility accounts receivable subsidiary system has been incorrectly aging past due accounts. There were numerous delinquent and inactive accounts that were shown as current in the Aged Accounts Receivable Report. The effect has been that bad debts have been carried in the system over a three year period and have been shown as current. The only way to identify these accounts was to manually review the subsidiary listing and research individual accounts.

### Recommendation

We have recommended that bad debts be identified and charged to expense as of June 30, 1998. This has been done by management. We have also recommended that management examine this subsidiary again in order that it will be accurate when the time comes to transfer the information to a new system. We believe this problem will resolve itself once a new system is online.

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**MANAGEMENT REPORT**

The Honorable W. F. "Billy" Edwards, Mayor  
 and Members of the Town Council  
 Town of Jonesville, Louisiana

We have audited the general-purpose financial statements of the Town of Jonesville, Louisiana, for the year ended June 30, 1998, and have issued our report thereon dated September 18, 1998.

We conducted our audit in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

During the course of our audit, certain matters were detected which required the attention of management. These matters do not have a material effect on the general-purpose financial statements. Our findings and recommendations are as follows:

**PRIOR YEAR FINDINGS**

**1. Finding**

During the prior year, we were unable to reconcile ad valorem taxes assessed with ad valorem taxes collected. During the current year, we were able to perform the reconciliation with no exceptions noted. We believe that the problems experienced in this area in the prior year have been resolved.

### 3. Finding

In the prior year, we noted various problems with the Town's computer system. For the current year we have determined that this finding should be reported in the Schedule of Findings for the Report on Compliance and Internal Controls as Finding 3B-4.

## CURRENT YEAR FINDINGS

### 3. Finding

During our audit, we found that the fines receivable contains a number of old accounts which appear to be uncollectible. These accounts have accumulated over a number of years. Because of the nature of these receivables, we don't believe that they can be written off.

#### Recommendation

We have recommended to management that a reserve account be established to account for the estimated amount of uncollectible fines. We also believe that the Town should develop and implement procedures for disposing of old fines receivable.

### 4. Finding

The Town has no plan for assessing its risks associated with the year 2000.

#### Recommendation

We recommend that the Town make sure that any new computer systems and software purchased in the near future to replace the old system be year 2000 compliant. We believe that the Town should not delay this decision too far into the future. The Town should also develop and implement a plan to assess other risks associated with the year 2000 such as the compliance of any major customers or suppliers.

The findings in this report came to our attention as a result of the audit procedures and tests we applied.

This report is intended solely for the use of management and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*A. Scott Anderson & Company, LLP*

Natchez, Mississippi  
September 18, 1995



**MAYOR**  
**WILLIAM P. "BOB" BOWMAN**

**MUNICIPAL CLERK**  
**ROBERT L. SWYDE**

# TOWN OF JONESVILLE

1800 - December 14, 1900 - Town - October 22, 1900

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**ASSISTANT**  
**CLERK**  
**CLAY GILSON**  
**INSPECTOR**  
**K. MIGHT**  
**ANITA WATSON**  
**LEOLA BELL**  
**TRACY C. BEE**

October 20, 1998

## MANAGEMENT'S CORRECTIVE ACTION PLAN

Office of Legislative Auditor  
 State of Louisiana  
 Post Office Box 94997  
 Baton Rouge, Louisiana 70894-9997

The Town of Jonesville, Louisiana has prepared and hereby submits the following corrective action plan for the findings included in the audit of its general-purpose financial statements for the year ended June 30, 1998, as reported by Silas M. Simmons & Company, LLP, in its reports dated September 18, 1998.

### REPORT ON COMPLIANCE AND INTERNAL CONTROL

#### Finding 2B-1:

Inadequate segregation of duties among employees.

#### Corrective Action Plan:

Management is aware of the problem with segregation of duties and will continue to develop and implement control procedures to offset this inherent problem associated with being a small entity.

**Finding 98-2:**

Subsidiary records documenting the historical costs of fixed assets have not been maintained, and a complete inventory has not been taken in several years.

**Corrective Action Plan:**

Management plans to research Town records for historical cost information and intends on starting and completing an inventory of its fixed assets in the near future.

**Finding 98-3:**

In the prior year the Town did not comply with all of the provisions of the Local Government Budget Act. The Town has complied during the current year.

**Corrective Action Plan:**

The Town will continue to monitor its budget requirements to insure that all provisions of the Act are followed.

**Finding 98-4:**

The Town's computer system not functioning adequately.

**Corrective Action Plan:**

The Town is currently in the process of locating and acquiring a new computer system that will fit the needs of the Town. The new system will be year 2000 compliant. This acquisition and implementation will be in the near future.

**Finding 98-5:**

Errors in the accounts receivable subsidiary system have caused old accounts receivable to be carried as current.

Corrective Action Plan:

The Town has already taken steps to clean up the current accounts receivable subsidiary as recommended by the auditors. The subsidiary system is in the process of being replaced. This problem should not reoccur.

**MANAGEMENT REPORT**Finding 3:

Fines receivable contain a number of old uncollectible accounts.

Corrective Action Plan:

Management agrees with the auditor's recommendations and will develop and establish procedures to deal with this problem.

Finding 4:

The Town has no plan for assessing its risks associated with the year 2000.

Corrective Action Plan:

Computer system problems are being addressed with the purchase of a new computer system and software. Management will develop a plan to identify and assess any additional risks that may be associated with the year 2000.

The management of the Town of Jonesville, Louisiana believes that the above corrective action plan will help resolve the findings contained with its audited general-purpose financial statements for the fiscal year ended June 30, 1998. Should you have any questions or require additional information, please contact us. Thank you for your consideration in these matters.

Sincerely,



W. F. "Milly" Edwards, Mayor  
Town of Jonesville, Louisiana