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TOWN OF JONESBORO
Jonesboro, Louisiana

General Purpose Financial Statements
As of and for the Year Ended June 30, 1996
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 26 1997

KENNETH D. FOLDEN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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TOWN OF JONESBORO
Jonesboro, Louisiana

General Purpose Financial Statements
As of and for the Year Ended June 30, 1996
With Supplemental Information Schedules

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TOWN OF JONESBORO
Jonesboro, Louisiana

General Purpose Financial Statements
As of and for the Year Ended June 30, 1996
With Supplemental Information Schedules

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INDEPENDENT AUDITORS' REPORT

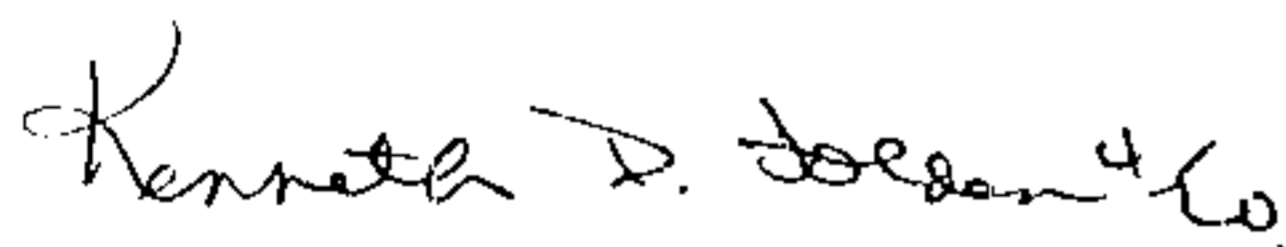
The Honorable W. Richard Zuber, Mayor
and Members of the Board of Aldermen
Town of Jonesboro, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996 as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Jonesboro, 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; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 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 Jonesboro, Louisiana, as of June 30, 1996, 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.

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 Jonesboro. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
October 25, 1996

Town of Jonesboro
Jonesboro, Louisiana
ALL FUND TYPES AND ACCOUNT GROUP
Combined Balance Sheet
June 30, 1996

	GOVERNMENTAL FUNDS		PROPRIETARY FUND	ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	ENTERPRISE FUND	GENERAL FIXED ASSETS	
ASSETS AND OTHER DEBITS					
Assets:					
Cash and cash equivalents	\$ 258,659	\$ 565,933	\$ 430,955	\$	\$ 1,255,547
Receivables (net of allowances for uncollectibles):	209,152	93,844	102,539		405,535
Inventory			40,008		40,008
Restricted assets:					
Cash and cash equivalents			63,439		63,439
Land, buildings, and equipment (net, where applicable, of accumulated depreciation)			4,262,782	2,050,007	6,312,789
Construction in progress - capital projects				468,157	468,157
TOTAL ASSETS AND OTHER DEBITS	\$ 467,811	\$ 659,777	\$ 4,899,723	\$ 2,518,164	\$ 8,545,475
LIABILITIES, EQUITY, AND OTHER CREDITS					
Liabilities:					
Accounts, salaries, and other payables	\$ 44,388	\$	\$ 35,633	\$	\$ 80,021
Payable from restricted assets: Customers' deposits			63,439		63,439
Total Liabilities	44,388	NONE	99,072	NONE	143,460
Equity and Other Credits:					
Contributed capital			2,408,447		2,408,447
Investment in general fixed assets				2,518,164	2,518,164
Retained earnings					
Fund balance - unreserved, undesignated	423,423	659,777	2,392,204		3,475,404
Total Equity and Other Credits	423,423	659,777	4,800,651	2,518,164	8,402,015
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 467,811	\$ 659,777	\$ 4,899,723	\$ 2,518,164	\$ 8,545,475

The accompanying notes are an integral part of this statement.

Town of Jonesboro
Jonesboro, Louisiana

Statement B

**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, 1996

	GOVERNMENTAL FUNDS			TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	
REVENUES				
General sales and use tax	\$ 507,784	\$ 507,784	\$	\$ 1,015,568
Intergovernmental	142,261			142,261
Franchise fees - utility	121,063			121,063
Garbage fees	102,455			102,455
Fines and forfeitures	102,674			102,674
Licenses and permits	91,556			91,556
Ad valorem tax	75,510	93,128		168,638
Other fees and charges	141,344	6,176		147,520
Video draw poker commissions	84,713			84,713
Public safety fee	47,313			47,313
Grants:				
Federal	2,980		449,257	452,237
State	3,750			3,750
Contributions	11,353			11,353
Use of money (interest)	4,480	12,368		16,848
Total revenues	1,439,236	619,456	449,257	2,507,949
EXPENDITURES				
Legislative	31,712			31,712
Judicial	5,583			5,583
Executive	52,139			52,139
General and administrative	218,298	4,264		222,562
Public safety	757,782		280,121	757,782
Sanitation	112,135		188,036	392,256
Streets	681,731			869,767
Airport	11,782			11,782
Recreation	10,662			10,662
Cemetery	4,572			4,572
Safety	275			275
Industrial development	2,913			2,913
Total expenditures	1,889,584	4,264	468,157	2,362,005
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(450,348)	615,192	(18,900)	145,944
OTHER FINANCING SOURCES (Uses)				
Sale of general fixed assets	44,988			44,988
Transfers from other funds	550,198		18,900	569,098
Transfers to other funds		(550,198)		(550,198)
Total other financing sources (uses)	595,186	(550,198)	18,900	63,888
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	144,838	64,994	NONE	209,832
FUND BALANCES AT BEGINNING OF YEAR	278,585	594,783	NONE	873,368
FUND BALANCES AT END OF YEAR	\$ 423,423	\$ 659,777	\$ NONE	\$ 1,083,200

The accompanying notes are an integral part of this statement.

Town of Jonesboro
Jonesboro, Louisiana

Statement C
(Continued)

**GOVERNMENTAL FUNDS - GENERAL, SPECIAL
REVENUE AND CAPITAL PROJECT FUNDS**
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL (UNFAVORABLE)	VARIANCE FAVORABLE	BUDGET	ACTUAL (UNFAVORABLE)	VARIANCE FAVORABLE
REVENUES						
General sales and use tax	\$ 480,000	\$ 507,784	\$ 27,784	\$ 480,000	\$ 507,784	\$ 27,784
Intergovernmental	110,000	142,261	32,261			
Franchise fees - utility	130,000	121,063	(8,937)			
Garbage fees	103,600	102,455	(1,145)			
Fines and forfeitures	75,000	102,674	27,674			
Licenses and permits	69,800	91,556	21,756			
Ad valorem tax	73,900	75,510	1,610	110,000	93,128	(16,872)
Other fees and charges	50,900	141,344	90,444	2,850	6,176	3,326
Video draw poker commissions	25,000	84,713	59,713			
Public safety fee	55,000	47,313	(7,687)			
Grants:						
Federal		2,980	2,980			
State		3,750	3,750			
Contributions	4,000	11,353	7,353			
Use of money (interest)	2,500	4,480	1,980	7,800	12,368	4,568
Total revenues	1,179,700	1,439,236	259,536	600,650	619,456	18,806
EXPENDITURES						
Legislative	33,150	31,712	1,438			
Judicial	5,370	5,583	(213)			
Executive	55,450	52,139	3,311			
General and administrative	236,270	218,298	17,972	21,675	4,264	17,411
Public safety	782,585	757,782	24,803			
Sanitation	113,600	112,135	1,465			
Streets	807,175	681,731	125,444			
Airport	17,600	11,782	5,818			
Recreation	7,350	10,662	(3,312)			
Cemetery	8,500	4,572	3,928			
Safety		275	(275)			
Industrial development	312,125	2,913	309,212			
Total expenditures	2,379,175	1,889,584	489,591	21,675	4,264	17,411
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,199,475)	(450,348)	749,127	578,975	615,192	36,217
OTHER FINANCING SOURCES (Uses)						
Sale of general fixed assets		44,988	44,988			
Transfers from other funds	999,475	550,198	(449,277)			
Transfers to other funds				(999,475)	(550,198)	449,277
Total other financing sources (uses)	999,475	595,186	(404,289)	(999,475)	(550,198)	449,277
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(200,000)	144,838	344,838	(420,500)	64,994	485,494
FUND BALANCES AT BEGINNING OF YEAR	200,000	278,585	78,585	420,500	594,783	174,283
FUND BALANCES AT END OF YEAR	\$ NONE	\$ 423,423	\$ 423,423	\$ NONE	\$ 659,777	\$ 659,777

The accompanying notes are an integral part of this statement.

Town of Jonesboro
Jonesboro, Louisiana

Statement C
(Concluded)

**GOVERNMENTAL FUNDS - GENERAL, SPECIAL
REVENUE AND CAPITAL PROJECT FUNDS**
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

CAPITAL PROJECT FUNDS

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
General sales and use tax	\$	\$	\$
Intergovernmental			
Franchise fees - utility			
Garbage fees			
Fines and forfeitures			
Licenses and permits			
Ad valorem tax			
Other fees and charges			
Video draw poker commissions			
Public safety fee			
Grants:			
Federal	450,000	449,257	(743)
State			
Contributions			
Use of money (interest)			
Total revenues	<u>450,000</u>	<u>449,257</u>	<u>(743)</u>
EXPENDITURES			
Legislative			
Judicial			
Executive			
General and administrative			
Public safety	281,000	280,121	879
Sanitation	189,000	188,036	964
Streets			
Airport			
Recreation			
Cemetery			
Safety			
Industrial development			
Total expenditures	<u>470,000</u>	<u>468,157</u>	<u>1,843</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(20,000)</u>	<u>(18,900)</u>	<u>1,100</u>
OTHER FINANCING SOURCES (Uses)			
Sale of general fixed assets			
Transfers from other funds	20,000	18,900	(1,100)
Transfers to other funds			
Total other financing sources (uses)	<u>20,000</u>	<u>18,900</u>	<u>(1,100)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT END OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

The accompanying notes are an integral part of this statement.

Town of Jonesboro
Jonesboro, Louisiana
PROPRIETARY FUND
Statement of Revenues, Expenses, and Changes
in Retained Earnings
For the Year Ended June 30, 1996

	ENTERPRISE FUND

OPERATING REVENUES	
Charges for services	\$ 651,447

Total operating revenues	651,447

OPERATING EXPENSES	
Personal services	226,310
Repairs and maintenance	154,186
Operating supplies	35,119
Office supplies	9,942
Insurance and bonding	21,125
Transportation cost	11,149
Utility services	99,320
Rentals	3,821
Meter reading	18,750
Depreciation	108,959
Other charges	9,309

Total operating expenses	697,990

OPERATING INCOME (Loss)	(46,543)

NON-OPERATING REVENUES	
Tap fees and permits	3,760
Interest income	12,709
Miscellaneous	976

Total non-operating revenues and transfers	17,445

LOSS BEFORE OPERATING TRANSFERS	(29,098)

OPERATING TRANSFERS	
Transfers to Capital Projects Funds	(18,900)

NET INCOME (Loss)	(47,998)

RETAINED EARNINGS AT BEGINNING OF YEAR	2,440,202

RETAINED EARNINGS AT END OF YEAR	\$ 2,392,204
	=====

The accompanying notes are an integral part of this statement.

Town of Jonesboro
Jonesboro, Louisiana
PROPRIETARY FUND
Statement of Cash (and Cash Equivalents) Flows
For the Year Ended June 30, 1996

Statement E

	ENTERPRISE FUND	

Cash flows from operating activities:		
Net income (loss)		\$ (47,998)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	108,959	
(Increase) decrease in:		
Accounts receivable	5,780	
Inventory	(2,867)	
Restricted assets	(1,511)	
Increase in:		
Accounts payable	14,177	
Customer deposits	1,511	

		126,049

Net cash provided by operating activities		78,051
 Cash flows from noncapital financing activities:		
	NONE	

Net cash provided by noncapital financing activities		
 Cash flows from capital and related financing activities:		
Payments for capital acquisition	(15,760)	

Net cash used for capital and related financing activities		(15,760)

Net cash increase for the year		62,291
Cash at beginning of year (unrestricted)		368,664

Cash at end of year (unrestricted)		\$ 430,955
		=====

The accompanying notes are an integral part of this statement.

**Town of Jonesboro
Jonesboro, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1996**

INTRODUCTION

The Town of Jonesboro is located in the southwest corner of Jackson Parish. Jonesboro was incorporated as a village on September 4, 1901, and as a town on May 14, 1903, under provisions of the Lawrason 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 4,305 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 financial 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. This 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 fiscally 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
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 Jonesboro reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Town of Jonesboro.

C. FUND ACCOUNTING

The Town of Jonesboro 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 Jonesboro 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 Jonesboro's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition or construction of general fixed assets. Governmental funds of the Town of Jonesboro 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 Jonesboro 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.

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

D. 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 parish) 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 revenue.

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 expected to be repaid (or 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 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, 1996 were made available for public inspection on June 15, 1995. The proposed budgets, prepared on the GAAP Basis of accounting, were published in the official journal 11 days prior to the public hearing, which was held at the Town Hall on June 26, 1995, for comments from taxpayers. The budgets are 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. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town 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, 1996, 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 exhaustible 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 current leave privileges, computed in accordance with GASB Codification Section C60, 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 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. Nonrecurring or non-routine 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, 1980, 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 "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. 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	8.06	8.06
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)

3. CASH AND CASH EQUIVALENTS

At June 30, 1996, the Town of Jonesboro has cash and cash equivalents (book balances) totaling \$1,255,547 unrestricted and \$63,439 restricted as follows:

Demand deposits	\$ 579,790
Petty cash	2,700
Time deposits	736,496

Total	\$1,318,986
	=====

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, 1996, the Town of Jonesboro has \$1,448,475 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance and \$1,376,676 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 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 \$405,535 at June 30, 1996, are as follows:

	General Fund	Special Revenue Funds	Proprietary Fund	Total
	-----	-----	-----	-----
Taxes:				
Sales and use	\$ 90,782	\$ 90,782	\$	\$ 181,564
Other	2,467	3,062		5,529
Accounts	47,426		102,539	149,965
Intergovernmental	68,477			68,477
	-----	-----	-----	-----
Total	\$ 209,152	\$ 93,844	\$ 102,539	\$ 405,535
	=====	=====	=====	=====

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

5. FIXED ASSETS

The changes in general fixed assets follow:

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
	-----	-----	-----	-----
General fixed assets at 6/30/72	\$ 400,603	\$	\$	\$ 400,603
Land	138,487	9,000		147,487
Buildings	356,342			356,342
Improvements other than buildings	19,445			19,445
Machinery and equipment	1,042,635	83,495		1,126,130
Construction in progress - capital projects		468,157		468,157
	-----	-----	-----	-----
Total	\$1,957,512	\$ 560,652	\$ NONE	\$ 2,518,164
	=====	=====	=====	=====

The majority of the proceeds, shown on the financial statements, as sale of general fixed assets was for right-of-ways through the Town of Jonesboro. The State of Louisiana purchased these right-of-ways for its construction project. Also, the Town sold various items that had been placed out-of-service for numerous years including garbage bins, vehicles used strictly for parts and scrap metal. The Town did not have these items or the right-of-ways included on its general fixed assets listing; therefore, no deletions are shown for the current year.

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

Construction in progress	\$ 21,900
Plant and equipment	4,646,067
Less accumulated depreciation	(405,185)

Total	\$ 4,262,782
	=====

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 permanent 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 10 years of creditable service, 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 joined 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)

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)925-4810.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the Town of Jonesboro is required to contribute at an actuarially determined rate. The current rate is 6.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Jonesboro are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jonesboro contributions to the System under Plan A for the years ending June 30, 1996, 1995 and 1994, were \$30,764, \$23,932 and \$25,645, 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 50 with at least 20 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 3 1/3 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 joined 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, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504)929-7411.

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 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jonesboro contributions to the System for the years ending June 30, 1996, 1995 and 1994, were \$18,191, \$16,942 and \$19,210, respectively, equal to the required contributions for each year.

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, 1980, 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 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 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 94095, Baton Rouge, Louisiana 70804, or by calling (504)925-4060.

Funding Policy. Plan members are required by state statute to contribute 8.0 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 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jonesboro's contributions to the System for the years ending June 30, 1996, 1995 and 1994, were \$7,377, \$5,500 and \$4,312, respectively, equal to the required contributions for each year.

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$80,021 at June 30, 1996, are as follows:

	General Fund	Enterprise Fund	Total
	-----	-----	-----
Accounts	\$ 43,503	\$ 29,586	\$ 73,089
Intergovernmental	885	6,047	6,932
	-----	-----	-----
Total	\$ 44,388	\$ 35,633	\$ 80,021
	=====	=====	=====

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, 1996:

Receivable from	General Fund
Jackson Parish Police Jury	\$ 23,544
State of Louisiana	42,902
Jonesboro Fire District No. 1	2,031
Total	\$ 68,477

The following is a summary of the intergovernmental payable due other governments at June 30, 1996:

Payable to	General Fund	Enterprise Fund
State of Louisiana - Department of Revenue and Taxation	\$ 885	\$ 3,791
Jackson Parish Police Jury		2,256
Jonesboro Fire District No. 1		
	\$ 885	\$ 6,047

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

SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1996

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

TOWN OF JONESBORO
Jonesboro, Louisiana
General Fund

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 1996

	Budget	Actual	Variance- favorable (unfavorable)
	-----	-----	-----
REVENUES			
General sales and use taxes	\$ 480,000	\$ 507,784	\$ 27,784
Intergovernmental	110,000	142,261	32,261
Franchise fees - utility	130,000	121,063	(8,937)
Garbage fees	103,600	102,455	(1,145)
Fines and forfeitures	75,000	102,674	27,674
Licenses and permits	69,800	91,556	21,756
Ad valorem tax	73,900	75,510	1,610
Other fees and charges	50,900	141,344	90,444
Video draw poker commissions	25,000	84,713	59,713
Public safety fee	55,000	47,313	(7,687)
Grants:			
Federal		2,980	2,980
State		3,750	3,750
Contributions	4,000	11,353	7,353
Use of money (interest)	2,500	4,480	1,980
	-----	-----	-----
TOTAL REVENUES	1,179,700	1,439,236	259,536
	-----	-----	-----
EXPENDITURES			
Legislative:			
Aldermen fees	24,000	24,000	
Group insurance	4,450	4,177	273
Retirement	1,200	1,620	(420)
Travel and workshops	3,500	1,915	1,585
	-----	-----	-----
Total legislative	33,150	31,712	1,438
	-----	-----	-----
Judicial:			
Court magistrate fees	4,800	5,200	(400)
Court costs & other fees	500	362	138
Court magistrate travel and workshops	50		50
Workmen's compensation	20	21	(1)
	-----	-----	-----
Total judicial	\$ 5,370	\$ 5,583	\$ (213)
	-----	-----	-----

TOWN OF JONESBORO
Jonesboro, Louisiana
General Fund

**SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL**
For the Year Ended June 30, 1996

	Budget	Actual	Variance- favorable (unfavorable)
	-----	-----	-----
Executive:			
Equipment operating costs	\$ 1,200	\$ 780	\$ 420
Equipment repair & maintenance	1,000	47	953
Insurance and bonding	250	991	(741)
Salaries and related expenditures	41,800	41,808	(8)
Employee benefits	4,200	5,458	(1,258)
Travel and workshops	6,000	2,987	3,013
Workmen's compensation	1,000	68	932
	-----	-----	-----
Total executive	55,450	52,139	3,311
	-----	-----	-----
General and administrative:			
Advertising and publications	600	990	(390)
Association dues and fees	1,800	2,618	(818)
Building repair & maintenance	7,000	6,104	896
Data processing costs	6,000	6,107	(107)
Downtown beautification	25,000	15,663	9,337
Election	6,000		6,000
Equipment repair & maintenance	12,500	13,378	(878)
Insurance and bonding	24,000	39,604	(15,604)
Legal & audit	20,000	15,628	4,372
Miscellaneous	2,300	6,282	(3,982)
National guard	600	600	
Office supplies & expenditures	20,000	19,535	465
Rental - equipment	1,000	1,053	(53)
Salaries and related expenditures	60,870	51,877	8,993
Employee benefits	13,000	12,623	377
Telephone and utilities	16,200	16,736	(536)
Tourism	1,000		1,000
Travel and workshops	2,500	2,778	(278)
Veterans service officer	550	498	52
Workmen's compensation	1,200	1,408	(208)
Zoning	150	60	90
Capital outlay	14,000	4,756	9,244
	-----	-----	-----
Total general and administrative	\$ 236,270	\$ 218,298	\$ 17,972
	-----	-----	-----

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, 1996

	Budget	Actual	Variance- favorable (unfavorable)
	-----	-----	-----
Public safety:			
Fire:			
Advertising and publications	\$ 100	\$ 105	\$ (5)
Association dues and fees	700	597	103
Building repair & maintenance	2,500	918	1,582
Data processing costs	200	825	(625)
Equipment operating costs	1,600	2,061	(461)
Equipment repair & maintenance	8,000	10,315	(2,315)
Insurance and bonding	7,000	9,101	(2,101)
Miscellaneous	50	9,229	(9,179)
Operating supplies & expenditures	23,000	14,551	8,449
Rental	7,210	59	7,151
Salaries and related expenditures	60,425	77,280	(16,855)
Employee benefits	14,800	16,393	(1,593)
Salaries - supplemental pay	6,000	8,267	(2,267)
Telephone and utilities	6,200	6,622	(422)
Travel and workshops	750	2,186	(1,436)
Voluntary firemen fees	8,300	6,676	1,624
Workmen's compensation	6,600	12,151	(5,551)
Capital outlay	60,000	23,644	36,356
	-----	-----	-----
Total fire	213,435	200,980	12,455
	-----	-----	-----
Police:			
Advertising and publications	100	5	95
Animal control	7,000	5,540	1,460
Association dues and fees	50	65	(15)
Autopsy & coroner	5,000	4,465	535
Building repair & maintenance	6,000	878	5,122
Criminal investigation	10,000	6,785	3,215
Equipment operating costs	12,500	11,160	1,340
Equipment repair & maintenance	17,000	23,140	(6,140)
Feeding prisoners	9,000	13,682	(4,682)
Insurance and bonding	20,000	41,899	(21,899)
Indigent defender board	23,000	29,414	(6,414)
Miscellaneous	700	579	121
Operating supplies & expenditures	18,000	12,458	5,542
Rental - equipment	1,000	64	936
Salaries and related expenditures	288,900	248,874	40,026
Employee benefits	50,000	52,216	(2,216)
Salaries - supplemental pay	18,500	21,264	(2,764)
Telephone and utilities	12,700	15,995	(3,295)

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, 1996

	Budget	Actual	Variance- favorable (unfavorable)
	-----	-----	-----
Police: (Continued)			
Travel and workshops	\$ 3,700	\$ 1,525	\$ 2,175
Workmen's compensation	25,000	24,002	998
Capital outlay	41,000	42,792	(1,792)
	-----	-----	-----
Total police	569,150	556,802	12,348
	-----	-----	-----
Total public safety	782,585	757,782	24,803
	-----	-----	-----
Sanitation			
Advertising and publication	100	30	70
Equipment repair & maintenance		649	(649)
Insurance and bonding		37	(37)
Pest control		6,169	(6,169)
Sanitary contract service	100,500	100,109	391
Sanitary collection system	3,000	5,141	(2,141)
Operating supplies & expenditures	10,000		10,000
	-----	-----	-----
Total sanitation	113,600	112,135	1,465
	-----	-----	-----
Streets			
Advertising and publications	200	284	(84)
Building repair & maintenance	2,500	576	1,924
Data processing costs	500		500
Equipment operating costs	13,000	11,305	1,695
Equipment repair & maintenance	35,000	39,303	(4,303)
Insurance and bonding	18,000	22,127	(4,127)
Miscellaneous	3,000	6,440	(3,440)
Operating supplies & expenditures	20,000	16,625	3,375
Rental - equipment	2,000	240	1,760
Repairs and maintenance	300,000	234,135	65,865
Sidewalk maintenance	3,500		3,500
Salaries and related expenditures	189,225	168,009	21,216
Employee benefits	33,500	36,373	(2,873)
Telephone and utilities	7,500	15,690	(8,190)
Travel and workshops	750	48	702
Utilities - street lights	73,000	69,697	3,303
Utilities & maintenance - traffic signals	5,500	5,581	(81)
Workmen's compensation	40,000	33,995	6,005
Capital outlay	60,000	21,303	38,697
	-----	-----	-----
Total streets	\$ 807,175	\$ 681,731	\$ 125,444
	-----	-----	-----

TOWN OF JONESBORO
Jonesboro, Louisiana
General Fund

Schedule 1 (Concluded)

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 1996

	Budget	Actual	Variance- favorable (unfavorable)
	-----	-----	-----
Airport:			
Building repair & maintenance	\$ 1,500	\$	\$ 1,500
Equipment operating costs	300	337	(37)
Equipment repair & maintenance	7,500	5,204	2,296
Insurance and bonding	1,500	1,390	110
Operating supplies & expenditures	1,200	561	639
Utilities	4,500	4,290	210
Miscellaneous	100		100
Capital outlay	1,000		1,000
	-----	-----	-----
Total airport	17,600	11,782	5,818
	-----	-----	-----
Recreation:			
Building repair & maintenance	1,000	2,863	(1,863)
Equipment repair & maintenance	400		400
Insurance and bonding	500	622	(122)
Operating supplies & expenditures	250	28	222
Utilities	5,200	7,149	(1,949)
	-----	-----	-----
Total recreation	7,350	10,662	(3,312)
	-----	-----	-----
Cemetery:			
Maintenance	8,500	4,572	3,928
	-----	-----	-----
Total cemetery	8,500	4,572	3,928
	-----	-----	-----
Safety:			
Operating supplies & expenditures		275	(275)
	-----	-----	-----
Total safety	NONE	275	(275)
	-----	-----	-----
Industrial Development:			
Travel and inducement expenditures	5,000	2,913	2,087
Capital outlay	307,125		307,125
	-----	-----	-----
Total industrial development	312,125	2,913	309,212
	-----	-----	-----
Total Expenditures	\$2,379,175	\$1,889,584	\$ 489,591
	=====	=====	=====

TOWN OF JONESBORO
Jonesboro, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1996

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
SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 1996

	Fire Dept Ad Valorem Tax Fund -----	Street Dept Ad Valorem Tax Fund -----	Street Sales Tax Fund -----	Total -----
ASSETS				
Cash and cash equivalents	\$ 38,342	\$ 34,769	\$ 492,822	\$ 565,933
Taxes receivable	1,531	1,531	90,782	93,844
	-----	-----	-----	-----
TOTAL ASSETS	\$ 39,873	\$ 36,300	\$ 583,604	\$ 659,777
	=====	=====	=====	=====
LIABILITIES AND FUND EQUITY				
Liabilities				
Fund Equity - fund balances:				
Unreserved & Undesignated	\$ 39,873	\$ 36,300	\$ 583,604	\$ 659,777
	-----	-----	-----	-----
Total Fund Equity	39,873	36,300	583,604	659,777
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	\$ 39,873	\$ 36,300	\$ 583,604	\$ 659,777
	=====	=====	=====	=====

TOWN OF JONESBORO
Jonesboro, Louisiana
SPECIAL REVENUE FUNDS

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996**

	Fire Dept Ad Valorem Tax Fund -----	Street Dept Ad Valorem Tax Fund -----	Street Sales Tax Fund -----	Total -----
REVENUES				
General property taxes	\$ 46,564	\$ 46,564	\$	\$ 93,128
General sales and uses taxes			507,784	507,784
Other fees and charges	3,088	3,088		6,176
Use of money - interest	1,628	655	10,085	12,368
	-----	-----	-----	-----
Total revenues	51,280	50,307	517,869	619,456
	-----	-----	-----	-----
EXPENDITURES				
General and administrative			4,264	4,264
	-----	-----	-----	-----
Total expenditures	NONE	NONE	4,264	4,264
	-----	-----	-----	-----
EXCESS OF REVENUES OVER EXPENDITURES	51,280	50,307	513,605	615,192
	-----	-----	-----	-----
OTHER FINANCING (Uses)				
Transfers to other funds	(126,104)	(20,000)	(404,094)	(550,198)
	-----	-----	-----	-----
Total other financing sources (uses)	(126,104)	(20,000)	(404,094)	(550,198)
	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USES	(74,824)	30,307	109,511	64,994
FUND BALANCES AT BEGINNING OF YEAR				
	114,697	5,993	474,093	594,783
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$ 39,873	\$ 36,300	\$ 583,604	\$ 659,777
	=====	=====	=====	=====

TOWN OF JONESBORO
Jonesboro, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 1996

CAPITAL PROJECTS FUNDS

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

Contract #101-6067 - This project was for sewer improvements in residential areas composed of low-moderate income families.

Contract #101-6055 - This project was to provide a standard fire suppression water system to benefit areas composed of low-moderate income families.

TOWN OF JONESBORO
Jonesboro, Louisiana
CAPITAL PROJECTS FUNDS

**Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1996**

	COMMUNITY DEVELOPMENT BLOCK GRANT Contract #101-6067	COMMUNITY DEVELOPMENT BLOCK GRANT Contract #101-6055	TOTAL
	-----	-----	-----
REVENUES			
Grant - federal	\$ 188,036	\$ 261,221	\$ 449,257
	-----	-----	-----
Total revenues	188,036	261,221	449,257
	-----	-----	-----
EXPENDITURES			
Public safety		280,121	280,121
Sanitation	188,036		188,036
	-----	-----	-----
Total expenditures	188,036	280,121	468,157
	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	NONE	(18,900)	(18,900)
	-----	-----	-----
OTHER FINANCING SOURCES			
Transfers from other funds		18,900	18,900
	-----	-----	-----
Total other financing sources	NONE	18,900	18,900
	-----	-----	-----
EXCESS OF REVENUES OVER EXPENDITURES	NONE	NONE	NONE
	-----	-----	-----
FUND BALANCES AT BEGINNING OF YEAR	NONE	NONE	NONE
	-----	-----	-----
FUND BALANCES AT END OF YEAR	NONE	NONE	NONE
	=====	=====	=====

TOWN OF JONESBORO
Jonesboro, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 1996

GENERAL

COMPENSATION PAID ALDERMEN

The schedule of compensation paid to the Town of Jonesboro aldermen is presented in compliance with House Concurrent Resolution No. 54 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 (G).

FEDERAL FINANCIAL ASSISTANCE PROGRAMS

In accordance with Office of Management and Budget Circular A-128, a schedule of federal financial assistance is presented.

TOWN OF JONESBORO
Jonesboro, Louisiana

Schedule of Compensation Paid Aldermen
For the Year Ended June 30, 1996

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

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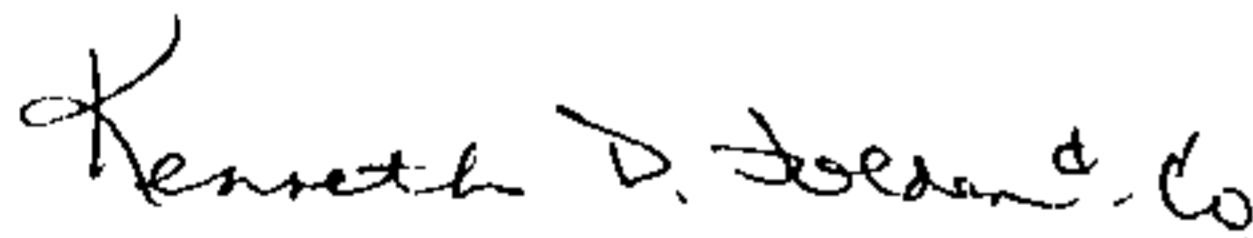
INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

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

We have audited the general purpose financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996. These general purpose financial statements are the responsibility of the Town of Jonesboro'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; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Town of Jonesboro, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
October 25, 1996

TOWN OF JONESBORO
Jonesboro, Louisiana

Schedule of Federal Financial Assistance
For the Year Ended June 30, 1996

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	EXPENDITURES/ EXPENSES
 <u>United States Department of Housing and Urban Development</u>		
Passed through Louisiana Division of Administration - Community Development Block Grant - 1995	14.219	
Contract #101-6067		\$ 188,036
Contract #101-6055		261,221
		449,257
 <u>United States Department of Transportation</u>		
Passed through Louisiana Department of Public Safety and Corrections:	20.600	
1995 Safe and Sober Campaign		1,648
1996 Safe and Sober Campaign		345
		1,993
 <u>United States Department of Agriculture</u>		
Passed through Louisiana Department of Agriculture and Forestry - Rural Community Fire Protection Program, 1995	*	987
		\$ 452,237
		452,237

* CFDA number unknown

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the general purpose financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular 128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Town of Jonesboro, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Town of Jonesboro, Louisiana, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

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

Kenneth D. Folden & Co.

KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
October 25, 1996

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the general purpose financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Jonesboro, Louisiana, is the responsibility of the Town of Jonesboro, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Town of Jonesboro, Louisiana's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. 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.

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

Kenneth D. Folden & Co.

KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
October 25, 1996

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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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

We have audited the general purpose financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the Town of Jonesboro, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinion on the Town of Jonesboro, Louisiana's, general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated October 25, 1996.

The management of the Town of Jonesboro, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

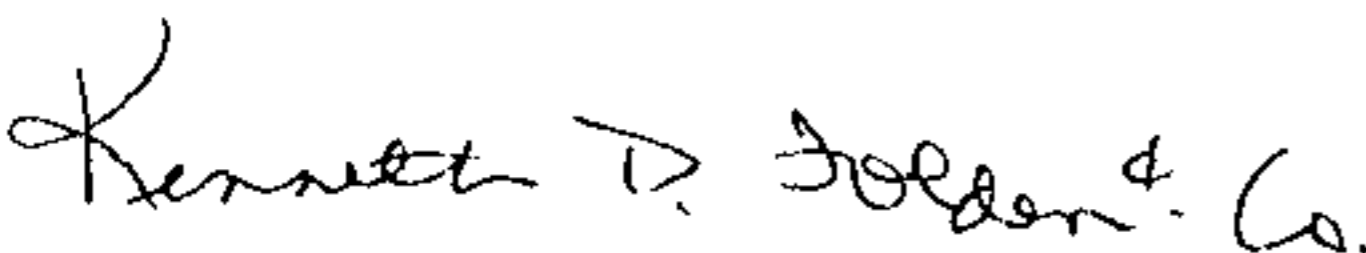
The Honorable W. Richard Zuber, Mayor
and Members of the Board of Aldermen
Town of Jonesboro, Louisiana

We have audited the financial statements of the Town of Jonesboro, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

In connection with our audit of the general purpose financial statements of the Town of Jonesboro, Louisiana, and with our consideration of the Town of Jonesboro, Louisiana's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; special reporting requirements and environmental review that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town of Jonesboro, Louisiana's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Jonesboro, Louisiana, had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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


KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
October 25, 1996