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LEGISLATIVE AUDITOR

2001 JUL - 3 AM 9: 35

CITY OF GRAMBLING GRAMBLING, LOUISIANA

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 7-18-01

CITY OF GRAMBLING, LOUISIANA GRAMBLING, LOUISIANA

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2000

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CITY OF GRAMBLING, LOUISIANA GRAMBLING, LOUISIANA

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2000

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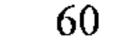
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CITY OF GRAMBLING, LOUISIANA GRAMBLING, LOUISIANA

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2000

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FINANCIAL SECTION

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RADIAN L. HENNIGAN Certified Public Accountant 1503 Goodwin Road, Suite 1 Ruston, LA 71270 318-255-9305

INDEPENDENT AUDITOR'S REPORT

To the City Council City of Grambling Grambling, LA 71245

I have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the City of Grambling as of December 31, 2000, and for the year then ended, as listed in the table of contents. These financial

statements are the responsibility of the City of Grambling's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and <u>Government</u> <u>Auditing Standards</u>, issued by the Comptroller General of the United States. Those standards require that I 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Grambling at December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles. Also, in my opinion, the combining and individual fund, and account group financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Grambling as of December 31, 2000, and the results of operations of such funds and the cash flows of the individual proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining and individual fund and account group

2

financial statements. The accompanying financial information listed as supplementary information in the table of contents on pages 64 to 70, is presented for purposes of additional

To the City Council City of Grambling Page 2

analysis and is not a required part of the financial statements of the City of Grambling, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, and individual fund and account group financial statements and, in my opinion is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

Respectfully,

Lalian Z Mennyan

Radian L. Hennigan

Certified Public Accountant

June 14, 2001

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GENERAL PURPOSE FINANCIAL STATEMENTS

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CITY OF GRAMBLING, LOUISIANA ALL FUND TYPES AND ACCOUNT GROUPS

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Combined Balance Sheet, December 31, 2000

	C	OVERNMEN	NTAL FUNI	DS
		SPECIAL	DEBT	CAPITAL
	GENERAL	REVENUE	SERVICE	PROJECTS
	FUND	FUNDS		FUNDS
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$481,195	\$184,222	\$ 13,188	\$-
Investments	132,328		82,306	182,425
Receivables (net of allowance for uncollectible	es)			
Taxes	118,178	29,007	10,416	
Account	29,922		1,167	2,045
Due from other funds	20,966	51,172	1,658	6,345
Due from other governmental agencies		*	-	-
Construction in Progress	-			90,295
Restricted assets				
Cash	-	-	-	-
Investments, at cost	-	-	-	-
Fixed assets	· ••	-	-	-
Utility plant and equipment (net)	-	-	-	-
Amount available in debt service funds	-	-	~	_
TOTAL ASSETS AND OTHER DEBITS	\$782,589	\$264,401	\$108,735	\$ 281,110
LIABILITIES, EQUITY, AND				
OTHER CREDITS				
LIABILITIES:		• • • • •	Φ.	ጥ
Accounts payable	\$ 16,150	\$ 316	\$-	\$ -
Accrued and other liabilities	14,204	1,349	-	-
Payable from restricted assets				
Accounts payable	-	-	-	-
Accrued (coupons) payable	-	-	-	-
Accrued interest payable	-	-	-	-
Customer's deposits	-	-	-	-
Due to other funds	85,731	-	74,386	-
Notes Payable	169,605			
Bonds navable				

Bonds payable <

PRO	OPRIETARY					TOT	ALS	5
	FUND	ACCOU	NT GR	OUPS	(M	IEMORAN	DUN	MONLY)
-		GENERAL	GE	ENERAL			•	
EN	ITERPRISE	FIXED	LON	IG-TERM	Dec	ember 31,	Dec	cember 31,
	FUND	ASSETS	OBL	IGATIONS		2000	. <u> </u>	1999
\$	9,057	\$-	\$	-	\$	687,662	\$	560,650
	-	-		-		397,059		377,519
	4,740	-		_		162,341		84,290
	99,368	-		_		132,502		117,372
	97,196	-		-		177,337		153,148
	-	-		-		-		12,358
						90,295		90,295
	248,313	-		-		248,313		257,484
	208,464	-		-		208,464		167,035
	-	1,424,387		-	1	,424,387]	1,288,897
	4,032,390	-		-	4	1,032,390	2	4,360,288
	-	-		59,090		59,090		66,986
\$	4,699,528	\$1,424,387	\$	59,090	\$ 7	7,619,840	\$ 7	7,536,322

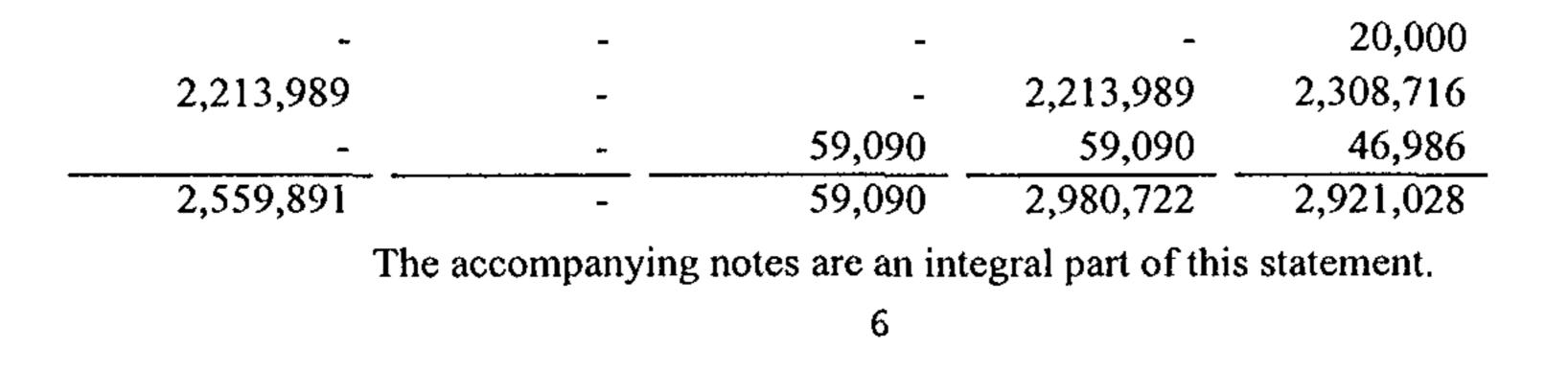
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25,212	\$ - \$	- 9	6 41,678	\$ 21,081
3,761	-	-	19,314	82,021
-	-	-	-	
154,000	-	-	154,000	148,945
70,922	-	-	70,922	70,813
74,786	-	-	74,786	69,318
17,221	-	-	177,338	153,148
			169,605	



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CITY OF GRAMBLING, LOUISIANA ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 2000

GOVERNMENTAL FUNDS

	SPECIAL	DEBT	CAPITAL
GENERAL	REVENUE	SERVICE	PROJECTS
FUND	FUNDS	FUNDS	FUNDS

.

FUND EQUITY:

Contributed capital Investment in general fixed assets Retained earnings Reserved for debt retirement Unreserved Fund balances

Reserved

Reserved	-	-	34,349	-	
Unreserved and undesignated	496,899	262,736	-	281,110	
TOTAL FUND EQUITY	496,899	262,736	34,349	281,110	
TOTAL LIABILITIES					
AND FUND EQUITY	\$782,589	\$264,401	\$108,735	\$ 281,110	

The accompanying notes are an integral part of this statement.

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PROPRIETARY			TOT	ALS
FUND	ACCOU	NT GROUPS	(MEMORAN	DUM ONLY)
	GENERAL	GENERAL		
ENTERPRISE	FIXED	LONG-TERM	December 31,	December 31,
FUND	ASSETS	OBLIGATIONS	2000	1999

1,399,186	-	-	1,399,186	1,399,186
-	1,424,387	-	1,424,387	1,288,897
114,111	-	-	114,111	114,111
626,340	-	-	626,340	1,023,723

34,349 71.714

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-	-	-	1,040,745	717,663
2,139,637	1,424,387		4,639,118	4,615,294

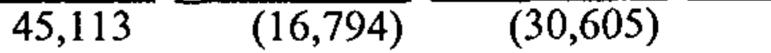
\$ 4,699,528	\$1,424,387	\$	59,090	\$ 7,619,840	\$ 7,536,322
		<u></u>			

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA GOVERNMENTAL FUND TYPES Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Equity For the Year Ended December 31, 2000

	OUVERIMIENTAL FUNDS			
	GENERAL SPECIAL DEBT CAPITA			CAPITAL
	FUND	REVENUE	SERVICE	PROJECTS
REVENUES				
Taxes:				
Ad valorem	\$ 232,921	\$ -	\$ 9,779	\$ -
Sales and use	280,952	-	-	-
Other taxes, penalties, interest, etc.	386	-	-	-
Licenses and permits	107,110	_	-	-
Intergovernmental revenues	44,995	151,672	-	-
Fines and forfeitures	267,811	-	-	-
Use of money and property	-	-	-	-
Other revenues	40,988	45,714	4,553	3,754
Total revenues	975,163	197,386	14,332	3,754
EXPENDITURES				
General government	173,462	-	-	••
Public safety	541,513	_	-	-
Health and sanitation	-	140,422	-	-
Highways and streets	21,796	-	-	-
Park and recreation	4,347	-		-
Debt Service	-	-	21,091	-
Total expenditures	741,118	140,422	21,091	
EXCESS (Deficiency) OF REVENUES				
OVER EXPENDITURES	234,045	56,964	(6,759)	3,754
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	290,000	13,206	6,470	-
Operating transfers out	244,887	30,000	37,075	
	45 110	(1(704)	(20 (05)	

Total other financing sources (uses)



The accompanying notes are an integral part of this statement.

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TOTALS (MEMORANDUM ONLY)

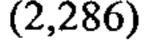
2000	1999

242,700	\$ 55,303
280,952	273,006
386	3,122
107,110	109,574
196,667	147,812
267,811	234,375

-
80,247
903,439
161,724
451,192
136,951
18,052
5,295
3,121
776,335
127,104
-
255,000
255,000

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The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA GOVERNMENTAL FUND TYPES Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Equity For the Year Ended December 31, 2000

	GOVERNMENTAL FUNDS				
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER					
EXPENDITURES AND OTHER USES	279,158	40,170	(37,364)	3,754	
FUND BALANCES (Deficit), BEGINNING	217,741	222,566	71,714	277,356	
FUND BALANCES (Deficit), ENDING	\$ 496,899	\$ 262,736	\$ 34,350	\$ 281,110	

The accompanying notes are an integral part of this statement.

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TOTALS (MEMORANDUM ONLY)

2000	1999

285,718	127,104
789,377	662,273
\$1,075,095	\$ 789,377

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA GOVERNMENTAL FUNDS - PRIMARY GOVERNMENT GENERAL AND SPECIAL REVENUE FUNDS Combined Statement of Revenues, Expenditures,

and Changes in Fund Balances - Budget Budget (GAAP Basis) and Actual For the Year Ended December 31, 2000

	GENERAL FUND			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES				
Taxes:				
Ad valorem	\$ 43,000	\$ 232,921	\$ 189,921	
Sales and use	275,000	280,952	5,952	
Other taxes, penalties, interest, etc.	2,000	386	(1,614)	
Licenses and permits	114,250	107,110	(7,140)	
Intergovernmental revenues	45,500	44,995	(505)	
Fines and forfeitures	271,300	267,811	(3,489)	
Use of money and property	-	-	-	
Other revenues	8,400	40,988	32,588	
Total revenues	759,450	975,163	215,713	
EXPENDITURES				
General government	159,630	173,462	(13,832)	
Public safety	466,525	541,513	(74,988)	
Health and sanitation	-		-	
Highways and streets	16,950	21,796	(4,846)	
Park and recreation	5,935	4,347	1,588	
Debt service				
Total expenditures	649,040	741,118	(92,078)	

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES

110,410 234,045 123,635

The accompanying notes are an integral part of this statement.

Sł	PECIAL REV	VENUE FUND	(N	TOTAI IEMORANDU		
FAVORABLE			VARIAN FAVORA			
BUDGET	ACTUAL	(UNFAVORABLE)	BUDGET	ACTUAL	(UNFAVORABLE	
\$ -	\$	\$-	\$ 43,000	\$ 232,921	\$ 189,921	
-	Ψ	Ψ -	275,000	280,952	5,952	
-	-	-	2,000	386	(1,614	
-	-	-	114,250	107,110	(7,140	
145,000	151,672	6,672	190,500	196,667	6,167	
-	-	-	271,300	267,811	(3,489	
-	-	-	-	-	-	
45,675	45,714	39	54,075	86,702	32,627	
190,675	197,386	6,711	950,125	1,172,549	222,424	
-	_	-	159,630	173,462	(13,832	
-	-	-	466,525	541,513	(74,988	
138,475	140,422	(1,947)	138,475	140,422	(1,947	
-	-	_	16,950	21,796	(4,846	
	-	-	5,935	4,347	1,588	
	_	-	_			
138,475	140,422	(1,947)	787,515	881,540	(94,025	

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52,200

56,964

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The accompanying notes are an integral part of this statement.

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162,610

291,009

128,399

4,764

CITY OF GRAMBLING, LOUISIANA GOVERNMENTAL FUNDS - PRIMARY GOVERNMENT GENERAL AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget Budget (GAAP Basis) and Actual For the Year Ended December 31, 2000

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (Uses)			
Operating transfers in	30,000	290,000	260,000
Operating transfers out		(244,887)	(244,887)
Total other financing sources (uses)	30,000	45,113	15,113

EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER			
EXPENDITURES AND OTHER USES	140,410	279,158	138,748
FUND BALANCES (Deficit), BEGINNING		217,741	
FUND BALANCES (Deficit), ENDING	-	\$ 496,899	

The accompanying notes are an integral part of this statement.

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SP	ECIAL REV	'ENUE FUND	(MEMORANDUM ONLY)		MONLY)
		VARIANCE FAVORABLE			VARIANCE FAVORABLE
BUDGET	ACTUAL	(UNFAVORABLE)	BUDGET	ACTUAL	(UNFAVORABLE)
	12 200	12.200	20.000	202.200	070.007
-	13,206	13,206	30,000	303,206	273,206
(25,000)	(30,000)	(5,000)	(25,000)	(274,887)	(249,887)
(25,000)	(16,794)	8,206	5,000	28,319	23,319

TOTALS

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27,200	40,170	12,970	167,610	319,328	151,718
	222,565			440,306	
-	\$262,735		•	\$ 759,634	

The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND TYPE Combined Statement of Revenues, Expenses, and

Changes in Retained Earnings For the Year Ended December 31, 2000

OPERATING REVENUES

186,280
910
172,094
359,284

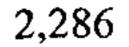
OPERATING EXPENSES

Water department

371,955

Water department	571,955
Sewer distribution department	230,533
Sewer plant department	203,924
Total operating expenses	806,412
OPERATING INCOME (Loss)	(447,128)
NONOPERATING REVENUES (Expenses)	
Other income	50
Interest income	17,472
Ad valorem tax	29,936
Intergovernmental revenue	-
Interest expense	-
Total nonoperating revenues (expenses)	47,458
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(399,670)
OPERATING TRANSFERS IN (Out)	
Operating transfers in	106,532
Operating transfers out	(104,246)

Total operating transfers in (out)



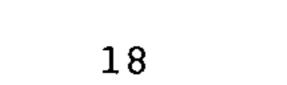


NET INCOME (Loss)

RETAINED EARNINGS (Deficit), BEGINNING

RETAINED EARNINGS (Deficit), ENDING

(397,384) 1,023,724 <u>626,340</u>



CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND TYPE

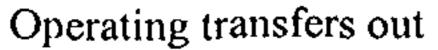
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget (GAAP Basis) and Actual For the Year Ended December 31, 2000

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES			
Charges for services:			
Water sales	\$ 188,500	186,280	(2,220)
Water connection charges	1,000	910	(90)
Sewerage fees	175,000	172,094	(2,906)
Total operating revenues	364,500	359,284	(5,216)

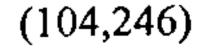
OPERATING EXPENSES

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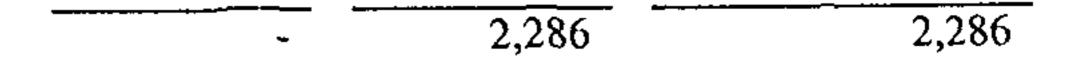
Water department	334,258	371,955	(37,697)
Sewer distribution department	208,002	230,533	(22,531)
Sewer plant department	206,520	203,924	2,596
Total operating expenses	748,780	806,412	(57,632)
OPERATING INCOME (Loss)	(384,280)	(447,128)	(62,848)
NONOPERATING REVENUES (Expenses)			
Other income	-	50	50
Interest income	6,500	17,472	10,972
Ad valorem tax	27,000	29,936	2,936
Interest expense	~	-	-
Total nonoperating revenues (expenses)	33,500	47,458	13,958
INCOME (LOSS) BEFORE OPERATING		<u></u>	
TRANSFERS	(350,780)	(399,670)	(48,890)
OPERATING TRANSFERS IN (Out)			
Operating transfers in	-	106,532	106,532







Total operating transfers in (out)



The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND TYPE

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget (GAAP Basis) and Actual For the Year Ended December 31, 2000

VARIANCE

			FAVORABLE
	BUDGET	ACTUAL	(UNFAVORABLE)
NET INCOME (Loss)	(350,780)	(397,384)	(46,604)
RETAINED EARNINGS (Deficit), BEGINNING		1,023,724	
RETAINED EARNINGS (Deficit), ENDING		\$ 626,340	

The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND

Combined Statement of Cash Flows For the Year Ended December 31, 2000

Cash flows from operating activities:	
Operating (loss)	\$ (399,670)
Adjustments to reconcile operating (loss) to	
net cash provided by operating activities:	
Increase in taxes receivable	-
Decrease in accounts receivable	1,635
Increase in due from other funds	22,810
Increase in investments	
Increase in accounts payable	8,988
Increase in accrued liabilities	461
Depreciation	348,269
Other	12,358

Net cash provided by operating activities

(5,149)

-

Cash flows from noncapital financing activities: Other income Ad valorem taxes Transfers (net)

Net cash provided by noncapital financing activities

Cash flow from capital and related financing activities: Bond Reserve Requirements Purchase of PP&E Principal paid on bonds

Net cash (used by) capital and related financing activities

Cash flows from investing activities: Interest income

Net cash provided by investing activities

(42,272) (21,365) (89,925)

(153,562)

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND Combined Statement of Cash Flows For the Year Ended December 31, 2000

Net increase in cash and cash equivalents	(158,711)
Cash and cash equivalents at beginning of year	549,759
Cash and cash equivalents at end of year	391,048
Cash in current assets	9,057
Cash in restricted assets	381,991
Total cash and cash equivalents	\$ 391,048

The accompanying notes are an integral part of this statement.



The accounting and reporting policies of the City of Grambling conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirement of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The following notes to the financial statements are an integral part of the City's General Purpose Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Grambling, Louisiana, was incorporated in 1959 under the provisions of the Lawrason Act. The City operates under a Mayor-Board of Alderperson form of government. The City's major operations include public safety, fire protection, public works, recreation and parks, utility services, and general administrative services.

The National Council of Governmental Accounting (NCGA), in order to clarify which organizations, functions, and activities of government should be included in general purpose financial statements, issued NCGA-3 (Defining the Governmental Reporting Entity) in December 1981. The NCGA has been replaced by the Governmental Accounting Standards Board (GASB), but the latter organization has endorsed NCGA-3. In issuing NCGA-3, the NCGA's intention was to provide a basis for making comparisons among units of government, to reduce the possibility of arbitrary exclusion and to enable financial statement users to identify the operations for which governmental entities are responsible. The NCGA concluded that the basic criterion for including an agency, institution, authority, or other organization in a governmental unit's reporting entity is the exercise of oversight responsibility over such agencies by the governmental unit's elected officials. Oversight responsibility is defined to include, but is not limited to:

(1) Financial Interdependency

When a separate agency produces a financial benefit for or imposes a financial burden on a unit of government, that agency is part of the reporting entity. Manifestations of financial interdependency include responsibility for financial deficits, entitlements to surpluses, and guarantees of, or "moral responsibility" for, debt.

- (2) Selection of Governing Authority An authoritative appointment is one where the entity's chief elected official maintains a significant continuing relationship with the appointed officials with respect to carrying out important public functions.
- **Designation of Management** (3) When management is appointed by and held accountable to a governing authority that is included in the entity, the activity being managed falls within the entity.
- Ability to Significantly Influence Operations (4) This ability includes, but is not limited to, the authority to review and approve budgetary requests, adjustments, and amendments.

Accountability for Fiscal Matters (5)

> Fiscal authority normally includes the authority for final approval over budgetary appropriations, responsibility for funding deficits and operating deficiencies, disposal of surplus funds, control over the collection and disbursement of funds, and maintenance of title to assets.

There may be, however, factors other than oversight that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include:

- Scope of Public Service Aspects to be considered include who the a. activity benefits and whether it is conducted within the entity's geographic boundaries and generally available to its citizens.
- b. Special Financing Relationship - Such a relationship may have been created to benefit the entity by providing for the insurance of debt on behalf of the entity. Based on the criteria established by NCGA-3, as supplemented by NCGA Interpretation-7 (Clarification as to the Application of the Criteria in NCGA Statement-3-Defining the Governmental Reporting Entity), the City of Grambling's financial statements do not include the Housing Authority of the City of Grambling. The

Authority provides housing to qualified residents and is funded through Government grants and rental charges. The City is not responsible for funding its deficits nor does it have the right to its surpluses. Except as cited above, this report includes all funds and account groups which meet the above criteria. No other potential component units have been included or excluded in this report.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City of Grambling are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The City has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and Expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

The funds are grouped into two fund types and five generic funds as described below:

(1) General Fund Types

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

a. General Fund

This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

b. Special Revenue Funds

These funds are established to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for specified

purposes.

c. Debt Service Funds

These funds are established for the purpose of accumulating resources for the payment of interest and principle on long-term general obligation debt other than those payable from Enterprise Funds.

d. Capital Projects Funds

Capital Projects Funds are used to account for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Principal sources of revenue are municipal long-term debt proceeds, interest income and various types of grants

- grants.
- (2) Proprietary Fund Types

These funds account for operations that are organized to be self-supporting through user charges. Included in this category are the Enterprise Funds.

a. Enterprise Funds

These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

(3) General Fixed Assets Account Group

This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Funds.

(4) General Long-Term Debt Account Group This is not a fund but rather an account group that is used to account for the outstanding principle balances of general obligation bonds and other long-term debt not reported in proprietary funds.

C. BASIS OF ACCOUNTING

Governmental funds, Expendable Trust Funds, and Agency Funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash. General property taxes, self-assessed taxes and investment earnings are recorded when earned (when they are measurable and available).

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, prepaid expenses, and other long-term obligations which are recognized when paid.

All proprietary funds are accounted for using the accrual basis of accounting.

Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Agency Fund assets and liabilities are accounted for on the modified accrual basis.

D. BUDGETARY DATA

Formal budgetary accounting is employed as a management control for the General, Proprietary, and Special Revenue Funds of the City. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required, and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Budgets for Debt Service and Capital Projects Funds are not adopted and are therefore not presented in the accompanying combined and combining financial statements. Budgetary control is exercised at the departmental level or by projects. All unencumbered budget appropriations lapse at the end of each fiscal year.

E. CASH & CASH EQUIVALENTS

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Certificates of deposit and other securities with original maturities over three months are classified as short-term investments and stated at cost, which

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approximates market value.

- F. RECEIVABLES All receivables are reported at their gross value and, reduced by the estimated portion that is expected to be uncollectible.
- G. INVESTMENTS Investments are valued at cost.
- H. DUE TO AND DUE FROM OTHER FUNDS Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.
- I. INTEREST RECEIVABLE

Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period.

J. INVENTORIES

Inventories for all governmental funds are valued at cost (first-in, first-out). Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets.

K. RESTRICTED ASSETS

Enterprise funds, based on certain bond covenants, are required to establish and maintain prescribed amount of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt.

L. PROPERTY, LAND AND EQUIPMENT

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain ('infrastructure') general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks, bridges and drainage improvements are capitalized. Property, plant and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditures and capitalized at cost in the General Fixed Assets Account Group.

Property, plant and equipment acquired by proprietary funds are capitalized in the respective funds which it applies.

Property, plant and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation of exhaustible fixed assets used by proprietary funds are charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds' balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

M. LONG-TERM DEBT

Long-term general obligations of the City are reported in the General Long-Term Debt Account Group. Long-term liabilities for revenue bonds are reported in the appropriate Enterprise Fund.

N. PENSIONS

All employees are covered under Social Security benefits.

O. FUND EQUITY

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution. Reserved retained earnings for proprietary funds represent the net assets that have been legally identified for specific purposes.

P. REVENUES AND EXPENDITURES/EXPENSES

Revenues for governmental funds are recorded when they are determined to be both measurable and available.

Generally, tax revenues, fees, and nontax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized utilizing the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Q. PROPERTY TAX REVENUES

Property taxes levied are based on the assessed value of property as listed on the previous December 31. Assessed values are an approximation of market value. A revaluation of all real property must be made every four years. The last revaluation date was January 1998.

R. VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES The City of Grambling recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences

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due to illness or other contingencies, such as medical appointments and funerals.

b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

For governmental and similar trust funds, only the current portion of the liability for compensated absences should be reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability should be reported in the general long-term obligations account group.

At December 31, 2000, employees of the City had accumulated and vested \$59,090 of employee leave benefits. This amount is recorded within the general long-term obligations account group.

S. COMPARATIVE DATA

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

T. TOTAL COLUMNS

The Combined Financial Statements include a total column that is described as memorandum only. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Interfund transactions have not been eliminated from the total column of each financial statement.

- 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY
 - COMPLIANCE WITH BOND COVENANTS
 There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.
 - B. DEPOSITS WITH FINANCIAL INSTITUTIONS
 State statutes require that the City's deposits be collateralized by securities.
 All deposits were not adequately collateralized at December 31, 2000.
 There was approximately \$8,280 of uncollateralized funds at December 31, 2000.
 However, it is undeterminable if this requirement was complied with throughout the year.
 - C. EXCESS OF EXPENDITURES OVER REVENUE One fund had expenditures that exceeded revenue for the current year.
- 3. CASH

All significant bank balances of deposits as of the balance sheet date are insured or collateralized with securities.

4. PROPERTY TAXES

Property taxes are attached as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Lincoln Parish.

All property taxes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes) which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period.



For the year ended December 31, 2000, taxes of 56.08 mills were levied on property with assessed valuations totalling \$6,396,497.00 and were dedicated as follows:

General Corporate Purposes	7.08 Mills
Street Maintenance	6.5 Mills
Water Maintenance	5.0 Mills
Police Services	5.5 Mills
Fire Protection	32.0 Mills

Total taxes levied were \$358,720. Taxes receivable at December 31, 2000, consisted of the following:

Taxes receivable current roll \$17

\$176,046

142.578

Taxes receivable prior roll	23,321
Allowances for uncollectible	
taxes	<u><56,789></u>

5. INVESTMENTS

TOTAL

The City is authorized to make direct investments in United States government bonds, treasury notes, treasury bills or certificates, or time certificates of deposit of state banks organized under the Laws of Louisiana and national banks having their principal office in the State of Louisiana or any other federally insured investment.

The City's investments are categorized below to give an indication of the level of risk assumed by the City at year end. Category 1 provides for investments insured or registered, or securities held by the City or its agents in the City's name. Category 2 provides for uninsured and unregistered securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered securities held by the counterparty or by its trust department or agent but not in the City's name. (In accordance with GASB 3, this category includes certificates of deposit or money market accounts that are collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name although balances so collateralized meet the requirements of state law. Of the amount shown in

CITY OF GRAMBLING, LOUISIANA Notes to the Financial Statements December 31, 2000

Category 3, \$631,974 is collateralized by securities held by the pledging financial institution's agent but not in the City's name.)

	CA	TEGOI	RY	CARRYING	MARKET
	1	2	3	AMOUNT	VALUE
Savings and					_
Certificates					
of deposit	-		<u>545,551</u>	<u>545,551</u>	<u>545,551</u>

6. DUE TO/FROM OTHER FUNDS

Interfund	Interfund
Receivables	Payables

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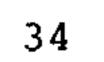
General Fund	\$ 20,966	\$ 85,732
Debt Service Fund	1,659	74,386
Utility Fund	110,356	30,380
Capital Projects Fund	6,345	-
Health & Sanitation	51,172	<u> </u>
	190,498	<u>190,498</u>

7. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2000, consisted of the following:

Due From State of Louisiana & Other Federal Agency <u>\$ 9,959</u>

TOTAL <u>9,959</u>



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8. PROPERTY, PLANT, AND EQUIPMENT

	Balance <u>1-1-00</u>	<u>Additions</u>	Deletions	Balance <u>12-31-00</u>
Land	\$ 37,392	\$	\$ 13,600	\$23,792
Buildings Improvements Other	318,685	-	-	318,685
than Buildings	322,627	-	-	322,627
Equipment Construction in	610,193	149,090	-	759,283
Progress			-	

Total General Fixed Assets

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<u>1,288,897</u>

<u>149,090</u> <u>13,600</u> <u>1,424,387</u>

A summary of proprietary fund type property, plant and equipment and depreciation at December 31, 2000 follows:

Property, Plant & <u>Equipment</u>	Life In <u>Years</u>	Balance 	Additions	<u>Deletions</u>	Balance 12-31-00
Land/Improvements		\$ 16,526	\$-	-	\$ 16,526
Waterworks/Sewer					
System	15-20	2,854,913	7,340	-	2,862,253
Automobiles/Trucks	5	12,758	-	-	12,758
Office Equipment	5-8	47,112	-	-	47,112
Sundry Equipment	5-8	59,008	13,031	-	72,039
Sewage Plant	15-20	2,409,175	-		2,409,175
Waterworks	15-20	1,430,472			<u>1,430,472</u>
Total		6,829,964	20,371	-	6,850,335

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Less: Accumulated Depreciation	<u>2,469,676</u>	348,269	-	2,817,945
Net Property, Plant and Equipment	<u>4,360,288</u>		* *	<u>4,032,390</u>

9. CLAIMS AND JUDGMENTS

The City of Grambling participated in various state and federal programs in previous fiscal years. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed, based on subsequent audits, they will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

10. RESTRICTED ASSETS, ENTERPRISE FUND

Under terms of various bond indentures, the Enterprise Fund is required to establish and maintain a Bond Reserve Fund, Bond Interest Redemption Fund, and a Contingency Fund. In addition to these funds, the City maintains a Customer Deposit Fund.

Components of the various Restricted Assets are as follows:

	<u>Cash</u>	Investments	Total
Bond and Interest			
Redemption	180,146	-	180,146
Reserve	28,318	144,572	172,890
Contingency/Replacement	-	28,955	28,955
Customer Deposit	-	80,075	80,075
_	208,464	253,602	<u>462,066</u>

11. CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the City for the year ended December 31, 2000.

	RevenueGeneralBondObligationIssues		<u>Total</u>	
Bonds Payable January 1, 2000 Bonds Issued Bonds Retired	\$ 20,000 - <20,000>	\$ 2,402,260 	\$2,422,260 - < 103,781>	

Bond Payable,

December 31, 2000 ____ <u>2,318,479</u> <u>2,318,479</u>

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Bonds payable at December 31, 2000 are comprised of the following individual issues:

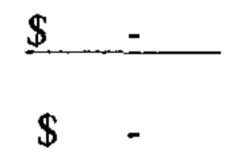
General Obligation Bonds

\$265,000 1984 Sewer System Improvement Bonds, due in annual installments of \$10,000 to \$30,000 through April 1, 2004, interest at 9.90 percent (this issue secured by levy and collection of ad valorem taxes)

Total

Revenue Bonds

380,000 1970 Water Sewer System Junior Lien Revenue Bonds, due in annual installments of \$9,000 to \$27,000 through January 1, 2012, interest at 5.375 percent. Bonds Outstanding <u>12-31-00</u>



183,000

1,250,000 Utilities Revenue Bonds Series 1995, due in annual installments of \$70,000 to \$75,000 through March 2035, interest at 5 to 5 1/8 percent (this issue secured by water fees to be collected by the city)

1,206,694

1,170,000 Utilities Revenue Bonds, Series, 1993, due in annual installments of \$75,000 to \$80,000 through March 2015, interest at 2.95 percent(this issue secured by Sewer User fees to be collected by the City) 928,785

The annual requirements to amortize all debts outstanding at December 31, 2000, including interest payments of \$2,143,238 are as follows:

Year Ending December 31	General Obligation	Combined Revenue	Total
2001	-	541,772	541,772
2002-2005	-	903,798	903,798
2006-2010	-	902,730	902,730
2010-2035	-	1,993,106	1,993,106
	-	4,341,406	4,341,406

\$95,494 is available in the Debt Service Funds to service the general obligation bonds and other long-term obligations.

During the year ended December 31, 2000, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance <u>1-1-00</u>	Additions	Reductions	Balance <u>12-31-00</u>
General Obliga- tion bonds	¢ 00.000	ው	¢ 20.000	ſ
payable	\$ 20,000	\$ -	\$ 20,000	\$ -
Compensated				FO 000
absences	46,986	12,104		<u> </u>
Total	<u> 66,986</u>	<u>12,104</u>	<u>20,000</u>	<u> </u>

12. FLOW OF FUNDS

Under the terms of the bond indentures on outstanding Combined Utility Revenue Refunding Bonds dated January 1, 1970, and Water & Sewer Junior Lien Revenue Bonds dated July 1, 1970, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Out of the revenue there shall be set aside from time to time into an "Operation and Maintenance Fund" amounts sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the system.

Each month, there will be set aside into a fund called the "Bond and Interest Redemption Fund" an amount constituting 1 1/2 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments.

There shall also be set aside into a "Bond Reserve Fund" an amount equal to 20% of the principal and interest payments required during the current fiscal year until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year, that amount being \$28,501. (Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Bond and Interest Redemption Fund and as to which there would otherwise be default.

Funds will also be set aside into a Contingency Fund at the rate of \$150 each month until the amount of \$49,000 is on deposit in the fund. Money in this fund may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond funds. The balance in this fund shall never be reduced below a minimum of \$9,000.

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.

Under the terms of the bond indentures on the outstanding Utility Revenue Bonds, Series, 1993, and the Utility Revenue Bonds, Series, 1995, the following conditions of payments and various reserve accounts were stated.

<u>Sinking Fund</u> - A monthly payment equal to 1/12 of the current year principal and interest installments due on the Bond issues.

<u>Reserve Fund</u> - Payments shall be made in combined sum equal to 25% of the monthly Sinking Fund payment on the Series 1993 bonds and 20% of the monthly Sinking Fund payment on the Series 1995 until an amount equal to the Reserve Fund Requirement is on deposit in the Reserve Fund. The initial Reserve Fund Requirement to be accumulated is approximately \$155,181.

<u>Replacement Fund</u> - Payments equal to 5% of the net revenues of the combining Waterworks System and Sewerage System, provided, however, such payments shall not be less than \$307 per month over the life of the Series 1995 Bonds, until a Replacement Fund balance of \$75,000 is accumulated.

13. FUND EQUITY

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify that portion of the fund balance that is not appreciable for future expenditures. Specific reservations of the fund balance accounts are summarized below:

Reserve for Inventories

This reserve was created to represent the portion of the fund balance that is not available for expenditures because the City expects to use these resources within the next budgetary period.

Reserve for Debt Service

This reserve was created to segregate a portion of the fund balance account for debt service, including both principal payments and interest payments. The reservation was established to satisfy legal restrictions imposed by various bond agreements.

Reserve for Retained Earnings

Reservations of retained earnings of Enterprise Funds are created by increases in assets restricted for debt service. These increases result from earnings on restricted assets and other interfund transfers to restricted accounts. Earnings on restricted assets are included in net income of the Enterprise Funds. When reserved retained earnings are increased, there is an equal reduction to the portion of retained earnings that is unreserved.

SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES 14.

The City is a defendant in a few lawsuits arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for losses has been recorded.

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<u>GENERAL FUND</u>

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

	BUDGET	ACTUAL	FAVC	IANCE ORABLE /ORABLE)	YEAR ENDED 12/31/99 ACTUAL
REVENUES					
Taxes					
Ad Valorem Taxes	\$ 43,000	232,921	\$	189,921	\$ 39,991
Sales Taxes - Income	275,000	280,952		5,952	273,006
Other taxes, penalties, interest, etc.	2,000	386		(1,614)	3,122
Total Taxes	320,000	514,259	<u></u>	194,259	316,119

Licenses	and	Permits

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45,000	44,691	(309)	46,714
4,300	3,205	(1,095)	4,765
200	65	(135)	108
3,000	2,875	(125)	4,080
1,850	835	(1,015)	1,465
900	200	(700)	485
10,000	10,273	273	10,524
19,000	14,565	(4,435)	14,077
25,000	24,907	(93)	22,181
5,000	5,494	494	5,175
114,250	107,110	(7,140)	109,574
7,000	6,269	(731)	5,795
28,000	27,998	(2)	27,998
10,500	10,728	228	10,936
-	-	-	-
45,500	44,995	(505)	44,729
	4,300 200 3,000 1,850 900 10,000 19,000 25,000 5,000 5,000 114,250 7,000 28,000 10,500	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$

Fines and Forfeiture Fees

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1 070	1 070	2 1 1 1 1

Fine Assessment 1,979 1,979 3,197 49,351 42,698 40,000 2,698 Fines - Police Department 25,467 20,000 19,993 (7) Court Cost - Municipal 9,783 Rebate - Lincoln Parish DWI (3,246) 7,754 11,000

The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA GENERAL FUND Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2000

YEAR

			VARIANCE	ENDED
			FAVORABLE	12/31/99
	BUDGET	ACTUAL	(UNFAVORABLE)	ACTUAL
Police - Special Grants	188,500	183,513	(4,987)	64,172
Dept of Transportation	11,500	11,169	(331)	7,405
Grant - Fire	-	-	-	75,000
Police and Fire Reports	300	705	405	~
Total Fines and Forfeiture Fees	271,300	267,811	(3,489)	234,375

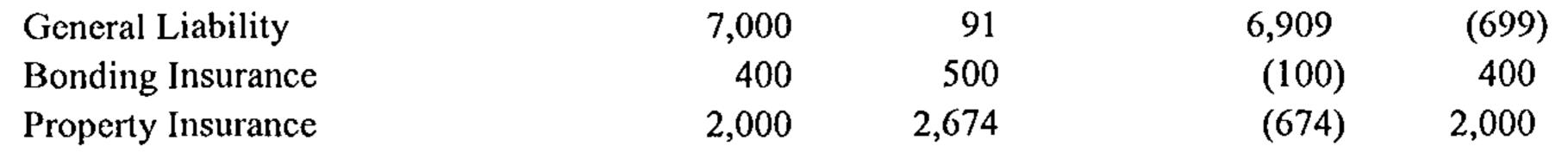
Miscellaneous Revenues

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Sale of Land	-	13,600	13,600	-
Grant Revenue	-	-	-	-
Rent - Community Center and Park	1,500	40	(1,460)	1,175
Sale of Garbage Bags	1,200	1,038	(162)	1,170
Interest & Dividend Income	3,500	15,426	11,926	2,964
Miscellaneous - Other	1,000	9,684	8,684	3,251
Cablevision Lease Income	1,200	1,200	-	1,200
Total Miscellaneous Revenues	8,400	40,988	32,588	9,760
Total Revenues	759,450	975,163	215,713	714,557
EXPENDITURES				
General Government				
Salaries	55,000	82,324	(27,324)	74,357
Council Per Diem	16,000	12,950	3,050	12,960
Building Administrator	2,700	2,700	-	2,700
Utilities Inspector	2,700	2,700	-	2,700
FICA	6,000	6,297	(297)	5,569
Workmen's Compensation	2,000	1,463	537	2,564
Employee Group Insurance	6,500	3,262	3,238	3,004
Unemployment Taxes	300	(131)	431	-
_				

Insurance



The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA GENERAL FUND Combining Schedule of Revenues, Expenditures,

and Changes in Fund Balances For the Year Ended December 31, 2000

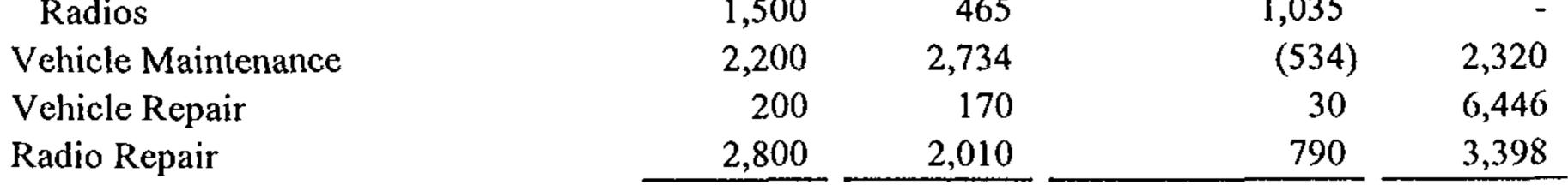
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
Audit	7,000	6,359	641	7,000
Dues & Subscriptions		-	-	4,773
Election Expense	1,500	1,441	59	333
Legal Retainer	3,600	3,942	(342)	4,225
Legal Advertising	1,400	2,439	(1,039)	1,717
Lincoln Parish Tax Assessor	2,000	2,754	(754)	1,423
Office Supplies	1,200	1,064	136	1,989
		_		

Printing	350	283	67	120
Postage	1,000	1,177	(177)	953
Telephone	2,300	2,760	(460)	3,320
Town Hall Expense	1,500	1,055	445	1,250
Travel	100	240	(140)	-
Utilities	10,500	11,410	(910)	3,420
Gas and Oil	-	-	-	-
Vehicle Maintenance	-	-	-	-
Capital Outlays				
Building	-	-	-	-
Town Hall Equipment, Renov., & Fur	250	124	126	7,971
Computer System Upgrade	500	90	410	1,255
Accounting	1,000	1,156	(156)	738
Personnel Training	150	-	150	-
Equipment Repair and Maintenance	5,500	6,138	(638)	472
Building Repairs	550	477	73	857
Professional Services - Coroner	1,200	1,699	(499)	700
Christmas Decorations	2,000	2,802	(802)	-
Rent - ICC RR	230	230	-	230
Community Center Repair	-	-	-	-
Garbage Bags	4,000	2,592	1,408	-
Miscellaneous/Contingency	3,100	1,600	1,500	9,133
Sales Tax	2,000	708	1,292	1,313
Bank Charges	500	176	324	2
Penalties	-	100	(100)	-

The accompanying notes are an integral part of this statement.

				YEAR
			VARIANCE	ENDED
			FAVORABLE	12/31/99
	BUDGET	ACTUAL	(UNFAVORABLE)	ACTUAL
Court Magistrate	5,600	5,816	(216)	2,975
Total General Government	159,630	173,462	(13,832)	161,724
Police Department				
Salaries	250,000	237,752	(31,875)	237,565
Employee Group Insurance	38,000	32,707	5,293	36,190
Unemployment Taxes	150	128	22	~

1 2				
FICA	20,000	18,188	1,812	17,842
Workmen's Compensation	14,000	2,666	11,334	-
Police Retirement	-	-	-	-
Interest Expense	-	3,065	(3,065)	
Insurance			-	
General Liability	16,800	7,748	9,052	17,758
Vehicles	9,000	7,861	1,139	6,305
Property	500	483	17	-
Police Uniforms	2,000	1,670	330	2,720
Supplies	4,500	8,426	(3,926)	6,665
Telephone	6,500	7,946	(1,446)	5,144
Personnel Training	1,500	1,108	392	2,635
Professional Fees	3,100	10,009	(6,909)	
Equipment/Building Repairs	2,000	3,010	(1,010)	2,161
Travel	1,100	956	144	1,219
Gas & Oil	10,500	12,897	(2,397)	7,572
Dues and Subscriptions	500	250	250	564
Miscellaneous/Contingency	2,400	2,070	330	1,381
Capital Outlays				
Equipment/Building	0	-	-	82,542
Vehicles	25,000	7,739	17,261	-
Dadiaa	1 500	465	1.035	_



The accompanying notes are an integral part of this statement.

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	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
Total Police Department	414,250	372,058	42,192	440,427
Fire Department				
Salary - Fire Chief	2,700	-	2,700	2,700
Compensation - Firemen	2,500	3,675	(1,175)	600
Insurance - Firemen	400		400	•
Workers Compensation	225	203	22	-
Supplies	2,500	2,847	(347)	438
Insurance - Vehicle	8,500	7,761	739	3,018
Insurance - Property	300	246	54	-
Dues and Subscriptions	250	105	145	170
Telephone	1,500	1,919	(419)	1,242
Utilities	2,000	1,783	217	1,391
Travel/Training	1,350	286	1,064	229
Vehicle Gas & Oil	800	202	598	157
Radio Repair	250	16	234	19
Capital Outlay				
Building	-	-	-	-
Other	27,500	146,813	(119,313)	-
Vehicle Repairs	1,500	3,599	(2,099)	801
Total Fire Department	52,275	169,455	(117,180)	10,765
Streets and Highways				
Insurance - Street Liability	1,200	1,612	(412)	-
Street Lights	15,000	19,525	(4,525)	16,910
Street Maintenance	750	659	91	1,142
Total Streets and Highways	16,950	21,796	(4,846)	18,052

Parks and Recreation

Salaries •• Payroll Taxes

- -

Insurance

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The accompanying notes are an integral part of this statement.

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	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
Supplies	60	-	60	_
Utilities	5,125	3,768	1,357	4,183
Repair and Maintenance	200	135	65	748
Capital Outlay	■-	-	-	-
Cleaning	••	-	-	-
Telephone	550	444	106	364
Bank Charges	►		-	-
Total Parks and Recreation	5,935	4,347	1,588	5,295
Total Expenditures	649,040	741,118	(92,078)	636,263
EXCESS (Deficiency) OF REVENUES				
OVER EXPENDITURES	110,410	234,045	123,635	78,294
OTHER FINANCING SOURCES (Uses)			
Operating transfers in	30,000	290,000	260,000	255,000
Operating transfers out	-	(244,887)	(244,887)	(230,000)
Total other financing sources (uses)	30,000	45,113	15,113	25,000
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER				
EXPENDITURES AND OTHER USE	140,410	279,158	138,748	103,294
FUND BALANCES (Deficit), BEGINNING		217,741		
FUND BALANCES (Deficit), ENDING		496,899		

The accompanying notes are an integral part of this statement.



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SPECIAL REVENUE FUND

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

HEALTH & SANITATION FUND

This fund is used to account for the receipts and subsequent expenditures of the health and sanitation program. •

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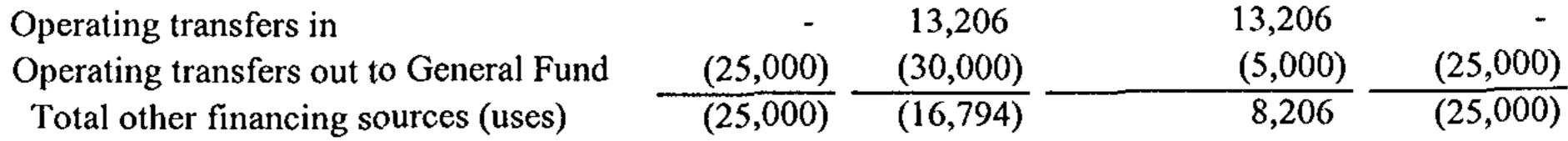
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
REVENUES	·			
Intergovernmental Revenues	\$145,000	\$151,672	\$ 6,672	\$ 103,083
Garbage Collection Fees	35,000	33,885	(1,115)	42,728
Miscellaneous/Containers	9,600	9,161	(439)	8,618
Interest Income	1,075	2,668	1,593	2,387
Total Revenues	190,675	197,386	6,711	156,816

EXPENDITURES

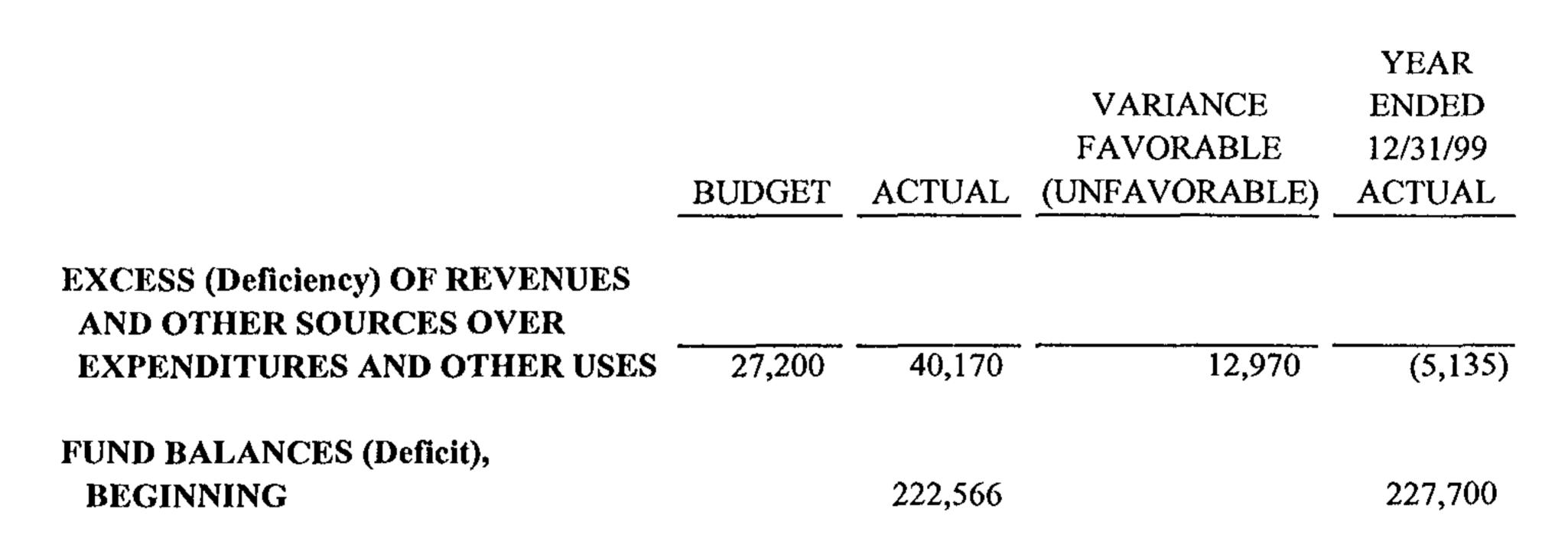
Salaries	77,000	77,607	(607)	77,786
FICA	5,400	5,937	(537)	5,840
Workers Compensation	10,000	8,029	1,971	13,564
Unemployment Taxes	300	157	143	74
Employee Group Insurance	15,000	16,757	(1,757)	9,737
Insurance	11,000	10,620	380	9,791
Audit	3,500	3,665	(165)	4,679
Accounting Services	1,000	92	908	369
Bank Service Charge	25	-	25	-
Capital Outlay	2,000	1,500	500	1,453
Maintenance & Repairs	6,800	8,886	(2,086)	6,375
Miscellaneous	950	525	425	2,604
Supplies	1,000	1,341	(341)	656
Vehicle Gas & Oil	4,500	5,306	(806)	4,023
Total expenditures	138,475	140,422	(1,947)	136,951

EXCESS (Deficiency) OF REVENUES

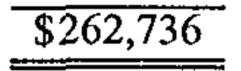
OVER EXPENDITURES	52,200	56,964	4,764	19,865
OTHER FINANCING SOURCES (Uses)				

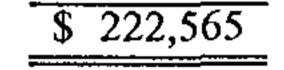


The accompanying notes are an integral part of this statement.



FUND BALANCES (Deficit), ENDING





The accompanying notes are an integral part of this statement.

DEBT SERVICE FUNDS

The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from government resources.

1984 SEWER IMPROVEMENTS

This fund is used to accumulate monies for payment of the 1984 \$265,000 Sewer System Improvement Bonds, which are serial bonds due in annual installment, plus interest, through maturity in 2004. Debt service is financed by the levy of a specific ad valorem tax.

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CITY OF GRAMBLING, LOUISIANA DEBT SERVICE FUND Balance Sheet, December 31, 2000

ASSETS	
Cash and cash equivalents	13,188
Investments	82,306
Receivables:	
Taxes (net of allowance for uncollectibles)	10,416
Accrued interest	1,167
Interfund receivable	1,658
TOTAL ASSETS	\$ 108,735
LIABILITIES AND FUND EQUITY	
Liabilities:	
Interfund payables	\$ 74,386
Total Liabilities	74,386

Fund Equity:	
Reserved for debt service	55,969
Unreserved - undesignated	(21,620)
Total Fund Equity	34,349

TOTAL LIABILITIES AND FUND EQUITY	\$ 108,735

The accompanying notes are an integral part of this statement.

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REVENUES

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Taxes	9,779
Other revenues	4,553
Total revenues	14,332
EXPENDITURES	
General government	-
Debt service:	
Principal retirement	20,000
Interest and bank charges	990
Other expenditures	102
Total expenditures	21,092

EXCESS (Deficiency) OF REVENUES	
OVER EXPENDITURES	(6,760)
OTHER FINANCING SOURCES (Uses)	
Operating transfers in	6,470
Operating transfers out	(37,074)
Total other financing sources (uses)	(30,604)
EXCESS (Deficiency) OF REVENUES	
AND OTHER SOURCES OVER	
EXPENDITURES AND OTHER USES	(37,364)
FUND BALANCES (Deficit), BEGINNING	71,713
FUND BALANCES (Deficit), ENDING	\$ 34,349

The accompanying notes are an integral part of this statement.

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

1984 SEWER IMPROVEMENTS

This fund is used to account for the construction of sewer line extensions.

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CITY OF GRAMBLING, LOUISIANA CAPITAL PROJECTS FUNDS Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances For the Year Ended December 31, 2000

. . ..

REVENUES	
Grant Revenue	\$ **
Interest Revenue	3,754
Total revenues	 3,754
EXPENDITURES General government Capital Projects Total expenditures	 - - -

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES

3,754

OTHER FINANCING SOURCES (Uses)

Operating transfers in Operating transfers out Total other financing sources (uses)

EXCESS (Deficiency) OF REVENUES	
AND OTHER SOURCES OVER	
EXPENDITURES AND OTHER USES	3,754
FUND BALANCES (Deficit), BEGINNING	277,356

FUND BALANCES (Deficit), ENDING	\$ 281,110

The accompanying notes are an integral part of this statement.

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PROPRIETARY FUNDS (UTILITY FUND)

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods and service to the general public primarily through user charges or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes. The City of Grambling operates its water and sewer system as an Enterprise Fund.

CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND

Schedule of Proprietary Fund Operating Expenses, By Department For the Year Ended December 31, 2000

	December 31, 2000
WATER DEPARTMENT	
Salaries	67,546
FICA	5,167
Workers compensation	5,059
Unemployment taxes	46
Employee group insurance	6,946
Insurance	2,089
Audit	6,359
Accounting and legal services	1,156
Dues and Subscriptions	350
Bad Debts	14,348
Bank service charge	254
Interest Expense	30,006
Sales tax	4,992
Capital Outlay	11,550
Maintenance and repairs	1,712
Water system repair	15,761
Miscellaneous	2,344
Supplies	13,523
Office expense	2,267
Travel/training	227
Vehicle gas and oil	4,376
Utilities	34,419
Depreciation	141,458
Total Water department operating expenses	371,955

SEWER DISTRIBUTION DEPARTMENT

Salaries	8,798
FICA	673
Workers compensation	_
Depreciation	86,352

Employee group insurance Maintenance and repairs Sewer system repair

832 20,034

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The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND

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Schedule of Proprietary Fund Operating Expenses, By Department For the Year Ended December 31, 2000

Interest Expense	74,197
Supplies	3,626
Utilities	36,021
Total Sewer distribution department operating expenses	230,533

SEWER PLANT DEPARTMENT

Salaries	36,916
FICA	2,824
Insurance	-
Capital outlay	-
Bonds/coupons	
Maintenance and repairs	3,002
Miscellaneous	-
Oxidation pond project	721
Supplies	5,227
Vehicle gas and oil	-
Utilities	34,701
Travel/Training	74
Depreciation	120,459
Total Sewer distribution department operating expenses	203,924
TOTAL OPERATING EXPENSES	\$ 806,412

The accompanying notes are an integral part of this statement.

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CITY OF GRAMBLING, LOUISIANA PROPRIETARY FUND

Schedule of Proprietary Fund Changes in Assets Restricted for Revenue Bond Debt Service For the Year Ended December 31, 2000

	CASH WITH PAYING AGENT	BOND AND INTEREST REDEMPTION	RESERVE	CONTINGENCY	TOTAL
CASH - 01/01/00	-	180,146	150,302	25,271	355,719
CASH AND INVESTMENTS, 01/01/00	\$-	\$ 180,146	\$ 150,302	\$ 25,271	\$ 355,719
CASH RECEIPTS					
Transfers from operating Interest on investments Transfers from bond and	-	208,537 -	- 7,927	2,875 809	211,412 8,736
interest redemption	193,876		14,661	. <u> </u>	208,537
TOTAL CASH RECEIPTS	193,876	208,537	22,588	3,684	428,685
TOTAL CASH AND INVESTMENTS AVAILABLE	193,876	388,683	172,890	28,955	784,404
CASH DISBURSEMENTS					
Transfer to paying agent	-	193,876	-	-	193,876
Principal payments	89,672	-	-	-	89,672
Interest payments	104,204	-	-	-	104,204
Transfer to Reserve	<u> </u>	14,661	_ 		14,661
TOTAL CASH DISBURSEMENTS	193,876	208,537	- 	₩-	402,413
CASH AND INVESTMENTS, 12/31/00	\$	<u>\$ 180,146</u>	\$ 172,890	\$ 28,955	\$ 381,991

The accompanying notes are an integral part of this statement.

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ACCOUNT GROUPS

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CITY OF GRAMBLING, LOUISIANA STATEMENTS OF GENERAL LONG-TERM DEBT DECEMEBER 31, 2000

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	GENERAL OBLIGATION		COMPENSATED ABSENCES		TOTAL	
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG TERM DEBT						
Amount available in debt service funds for debt retirement	\$	-	\$	59,090	\$	59,090
Amount to be provided from Ad Valorem taxes						
TOTAL AVAILABLE	\$	-	\$	59,090	\$	59,090

GENERAL LONG-TERM DEBT PAYABLE

Bonds payable	\$ -	\$ -	\$	-
Unpaid compensated absences	\$ 	\$ 59,090	_\$	59,090
TOTAL GENERAL LONG-TERM DEBT PAYABLE	\$ -	\$ 59,090	\$	59,090

The accompanying notes are an integral part of this statement.

STATEMENTS OF CHANGES IN GENERAL FIXED ASSETS FOR THE YEAR ENDED DECEMEBER 31, 2000 **CITY OF GRAMBLING, LOUISIANA**

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TOTAL	\$ 1,288,897	149,090	149,090	1,437,987	13,600	S 1,424,387
CONSTRUCTION IN PROGRESS	۰ ۶					•
EQUIPMENT	S 610,193	149,090	149,090	759,283		\$ 759,283
IMPROVEMENTS OTHER THAN BUILDING	\$ 322,627			322,627		S 322,627
BUILDING	\$ 318,685			318,685		S 318,685
LAND	37,392			37,392	13,600	23,792
	\$			ľ		S
	îts, Car	itation Fund s Fund	CES AND		red to other funds	ts,

The accompanying notes are an integral part of this statement.

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General fixed assets, beginning of year Assets transferred General fixed assets Health and Sanit TOTAL BALANCE Capital Projects General Fund ADDITIONS DEDUCTIONS Sale of Land end of year ADDITIONS

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CITY OF GRAMBLING, LOUISIANA COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS DECEMBER 31, 2000 & 1999

	Decemb	er 31,
	2000	1999
GENERAL FIXED ASSETS, AT COST		
Land	23,792	37,392
Buildings	318,685	318,685
Improvements other than buildings	322,627	322,627
Equipment	759,283	610,193

TOTAL GENERAL FIXED ASSETS	1,424,387	1,288,897
INVESTMENT IN GENERAL FIXED ASSETS	1,424,387	1,288,897

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SUPPLEMENTARY FINANCIAL INFORMATION

RADIAN L. HENNIGAN Certified Public Accountant 1503 Goodwin Road, Suite 1 Ruston, LA 71270 318-255-9305

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

To the City Council City of Grambling Grambling, Louisiana 71245

We have audited the general purpose financial statements of City of Grambling, Louisiana as of and for the year ended December 31, 2000 and have issued our report thereon dated June 14, 2001. 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 City of Grambling, 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 those 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 and questioned costs as items 2000-2, 2000-3, and 2000-4.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Grambling, Louisiana's 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 the internal control over financial statements 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 City of Grambling, Louisiana's ability to record, process,

summarize and report financial data consistent with assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule

To the City Council City of Grambling Page 2

of findings and questioned costs as items 2000-1.

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 items 2000-1 to be a material weakness.

This report in intended solely for the information and use of the audit committee, management, others within the organization, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

Lahin Zahangan

Radian L. Hennigan Certified Public Accountant

June 14, 2001

CITY OF GRAMBLING, LOUISIANA

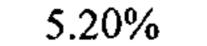
Combined Schedule of Investments

December 31, 2000

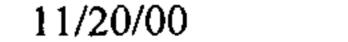
	INTEREST RATE	DATE ACQUIRED	MATURITY DATE	BOOK VALUE
GENERAL FUND		ACQUIRED .		- VALUE
Certificates of Deposits				
Bank One	6.00%	7/28/00	7/28/01	9,262
Bank One	6.00%	7/28/00	7/28/01	13,600
Bank One Bank One	5.20%	11/19/00	11/18/01	\$ 14,134
Bank One	5.20%	03/14/00	03/14/01	24,024
Regions Bank	5.00%	12/08/00	12/08/01	25,000
Regions Bank	5.00%	12/03/00	12/03/01	25,000
Savings Account	0.0070			,
Bank One	1.50%			3,114
Bank One	1.50%			12,508
Bank One	5.20%	05/30/00	05/30/01	18,598
Grambling Federal Credit Union				108,280
TOTAL GENERAL FUND				253,520
ENTERPRISE FUND				
Regions Bank	4.642%	09/14/00	09/14/01	15,385
Bank One	5.20%	05/19/00	05/18/01	17,612
Bank One	5.20%	12/06/00	12/05/01	20,000
Regions Bank	5.118%	02/24/00	02/24/05	95,495
TOTAL ENTERPRISE FUND				148,492
DEBT SERVICE FUND				
Certificates of Deposits	•			
Bank One	5.20%	11/18/00	11/18/01	41,948
Bank One	5.20%	11/19/00	11/18/01	9,828
Regions Bank	4.642%	09/14/00	09/14/01	30,528
TOTAL DEBT SERVICE FUNI)			82,304
сарітаї вротесте				
CAPITAL PROJECTS				
Certificates of Deposits Bank One	5.20%	11/20/00	11/18/01	109,391
Bank One Bank One	5.20%	05/09/00	05/10/01	33,901
Dank One	5.2070		11/10/01	25,201

Bank One

Bank One

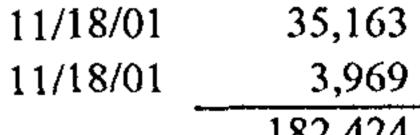


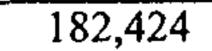
5.20%



11/18/01

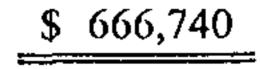
11/20/00





GRAND TOTAL

TOTAL CAPITAL PROJECTS



The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA

Combined Schedule of Bonds Payable December 31, 2000

	INTE	REST	Final	Annual	
		Payment	Issue	Maturity	Serial
DESCRIPTION	Rates	Dates	Date	Date	Payments
GENERAL					
OBLIGATION BONDS					
Sewer Improvement					
Bonds Series 1984	9.90%	4-1;10-1	4/1/1984	4/1/2000	

20,000 (1999-00)

REVENUE BONDS Water & Sewer System Junior Lien Revenue				
Bond	5.38%	1-1;7-1	7/1/1970	1/1/2010
Water & Sewer Utility Revenue Bonds Series, 1995	5.00%	3-1	3/1/1995	3/1/2035
Water & Sewer Utility Revenue Bonds, 1993	2.95%	3-1	3/1/1995	3/1/2015

GRAND TOTAL

The accompanying notes are an integral part of this statement.

	Bonds	
Authorized		Outstanding
& Issued	Retired	12/31/2000

380,000	197,000	183,000
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1,250,000		43,305	1,206,695
1,170,000		241,215	928,785
\$ 3,065,000	\$	746,520	\$ 2,318,480

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA Schedule of Compensation Paid Council Members For the Year Ended December 31, 2000

COUNCIL MEMBERS	AMOUNT
Beverly Spearman	2,600
Birdex Copeland	2,600
A.D. Smith	2,600
Margaret Bryan	2,600
Martha Andrus	2,600

13,000

CITY OF GRAMBLING, LOUISIANA SCHEDULE OF CURRENT YEAR FINDING AND QUESTION COSTS FOR THE YEAR ENDED DECEMBER 31, 2000

A. SUMMARY OF AUDIT RESULTS

- 1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of City of Grambling, Louisiana.
- 2. Some reportable conditions were disclosed during the audit of the general purpose financial statements. See Management's Corrective Action Plan.
- 3. Some instances of noncompliance material to the general purpose financial statements of City of Grambling, Louisiana, were disclosed during the audit. See Management's Corrective Action Plan.
- 4. There are no major programs.
- 5. The threshold for distinguishing Types A and B programs was \$300,000.
- 6. City of Grambling, Louisiana was not determined to be low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

See Management's Corrective Action Plan.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

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CITY OF GRAMBLING, LOUISIANA MANAGEMENT'S CORRECTIVE ACTION PLAN For the Year Ended December 31, 2000

SECTION I - INTERNAL CONTROL AND FINANCIAL STATEMENTS	COMPLIANCE MATERIAL TO THE
2000-1 The billing for the January 2000 Water and Sewer system activity was delayed until late February 2000 causing a temporary revenue flow slowdown for the Proprietary Fund.	The delay in billing for the Water and Sewer system activity was due to a conversion to a new water and sewer system software package. The software system conversion has since been implemented and made operational.
2000-2 The police department's ticket logbook is not reconciled to cash receipts, tickets issued, or tickets outstanding. The police department should set up procedures to reconcile monthly the ticket logbook to cash receipts, tickets issued, and tickets outstanding. This procedure should be assigned to an individual within the police department with oversight provided by the Police Chief.	The City's police department is in process of purchasing new computer hardware and software that will be specifically designed to accurately track the issuance of tickets, cash receipts, and outstanding tickets by establishing improved reporting and monitoring procedures.
2000-3 The General Fund actual revenues and expenditures failed to meet budgeted revenues and expenditures by more than five percent. The City needs to review its General Fund budget vs actual financial reports on a quarterly basis and take appropriate actions.	The City will begin procedures and provide oversight controls to review the General Fund actual vs budgeted revenue and expenditure activity on a quarterly basis and make the appropriate amendments as needed.
2000-4 The City has delinquent property tax notices that extend beyond the legal due date for collection. Appropriate actions need to be instigated to attempt collection and/or follow- up steps to attach the property in order to collect delinquent taxes.	The City has begun procedures to contact land owners and business owners through certified mail and other legal procedures to expedite the collection of past due property tax notices.

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CITY OF GRAMBLING, LOUISIANA FOR THE YEAR ENDING DECEMBER 31, 2000

QUESTIONED COSTS

There were no questioned costs found.

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CITY OF GRAMBLING, LOUISIANA Schedule of Prior Year Findings For the Year Ended December 31, 2000

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

1999-1 The billing for the December 1999	The delay in billing for the Water and Sewer
Water and Sewer system activity was delayed	system activity was due to a conversion to a
until February 2000 causing a temporary	new water and sewer system software package.
revenue flow slowdown for the Proprietary	The software system conversion has since been
Fund.	implemented and made operational.
	improvince and made operational.
	Resolved
1999-2 The police department's ticket logbook	The City's police department is in process of
is not reconciled to cash receipts, tickets	purchasing new computer hardware and
issued, or tickets outstanding. The police	software that will be specifically designed to
department should set up procedures to	accurately track the issuance of tickets, cash
reconcile monthly the ticket logbook to cash	receipts, and outstanding tickets by
receipts, tickets issued, and tickets outstanding.	establishing improved reporting and
1 reverpto, dereto rosaroa, ana dereto outstanding.	

This procedure should be assigned to an	monitoring procedures.
individual within the police department with oversight provided by the Police Chief.	Not Resolved
1999-3 The Enterprise Fund actual revenues and expenditures failed to meet budgeted revenues and expenditures by more than five percent. The City needs to review its Enterprise Fund budget vs actual financial	The City will begin procedures and provide oversight controls to review the Enterprise Fund actual vs budgeted revenue and expenditure activity on a quarterly basis and make the appropriate amendments as needed.
reports on a quarterly basis and take appropriate actions.	Resolved
1999-4 The City has delinquent property tax notices that extend beyond the legal due date for collection. Appropriate actions need to be instigated to attempt collection and/or follow- up steps to attach the property in order to	The City has begun procedures to contact land owners and business owners through certified mail and other legal procedures to expedite the collection of past due property tax notices.
collect delinquent taxes.	Partially Resolved



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