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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**

CONTENTS

	PAGE
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	2-3
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined Balance Sheet-All Fund Types and Account Groups	5-8
Combined Statement of Revenues, Expenditures, & Changes In Fund Balances/Equity - All Governmental Fund Types	9-12
Combined Statement of Revenues, Expenditures, & Changes in Fund Balances - Budget (GAAP Basis) & Actual - Governmental Funds- Primary Government	13-16
Combined Statement of Revenues, Expenses, & Changes in Retained Earnings - Proprietary Fund Type	17-18
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings-Budget (GAAP Basis) and Actual – Proprietary Fund Type	19-20
Combined Statement of Cash Flows – Proprietary Fund Type	21-22
Notes to Financial Statements	23-41

CITY OF GRAMBLING, LOUISIANA
GRAMBLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000

CONTENTS

GENERAL FUND

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	43-48
--	-------

SPECIAL REVENUE FUND

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	50-51
---	-------

DEBT SERVICE FUND

Balance Sheet	53
---------------	----

Combining Schedule of Revenues, Expenditures, & Changes in Fund Balances	54
--	----

CAPITAL PROJECTS FUND

Combining Schedule of Revenues, Expenditures, & Changes in Fund Balances	56
--	----

PROPRIETARY FUND

Schedule of Proprietary Fund Operating Expenses by Department	58-59
--	-------

Schedule of Changes in Assets Restricted for Revenue Bonds Debt Service	60
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CITY OF GRAMBLING, LOUISIANA
GRAMBLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000

CONTENTS

ACCOUNT GROUPS

Statements of General Long-Term Debt	62
Statement of Changes in General Fixed Assets	63
Comparative Statement of General Fixed Assets	64

SUPPLEMENTARY FINANCIAL INFORMATION

Report of compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards	66-67
Combined Schedule of Investments	68
Combined Schedule of Bonds Payable	69-70
Schedule of Compensation Paid Council Members	71
Schedule of Current Year Findings and Questioned Costs	72
Management's Corrective Action Plan	73
Questioned Costs	74
Corrective Action Taken on Prior Year Findings	75

FINANCIAL SECTION

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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 Government Auditing Standards, 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 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,

A handwritten signature in cursive script, reading "Radian L. Hennigan".

Radian L. Hennigan
Certified Public Accountant

June 14, 2001

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF GRAMBLING, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS
Combined Balance Sheet, December 31, 2000

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS 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 uncollectibles)				
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:				
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 payable				
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Accumulated unpaid compensated absences	-	-	-	-
TOTAL LIABILITIES	285,690	1,665	74,386	-

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	December 31, 2000	December 31, 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	-	-	4,032,390	4,360,288
-	-	59,090	59,090	66,986
<u>\$ 4,699,528</u>	<u>\$1,424,387</u>	<u>\$ 59,090</u>	<u>\$ 7,619,840</u>	<u>\$ 7,536,322</u>
25,212	\$ -	\$ -	\$ 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	
-	-	-	-	20,000
2,213,989	-	-	2,213,989	2,308,716
-	-	59,090	59,090	46,986
<u>2,559,891</u>	<u>-</u>	<u>59,090</u>	<u>2,980,722</u>	<u>2,921,028</u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS
Combined Balance Sheet, December 31, 2000

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
FUND EQUITY:				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings				
Reserved for debt retirement	-	-	-	-
Unreserved	-	-	-	-
Fund balances				
Reserved	-	-	34,349	-
Unreserved and undesignated	496,899	262,736	-	281,110
TOTAL FUND EQUITY	<u>496,899</u>	<u>262,736</u>	<u>34,349</u>	<u>281,110</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$782,589</u></u>	<u><u>\$264,401</u></u>	<u><u>\$108,735</u></u>	<u><u>\$ 281,110</u></u>

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	December 31, 2000	December 31, 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
-	-	-	1,040,745	717,663
<u>2,139,637</u>	<u>1,424,387</u>	<u>-</u>	<u>4,639,118</u>	<u>4,615,294</u>
<u>\$ 4,699,528</u>	<u>\$1,424,387</u>	<u>\$ 59,090</u>	<u>\$ 7,619,840</u>	<u>\$ 7,536,322</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

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL 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	<u>975,163</u>	<u>197,386</u>	<u>14,332</u>	<u>3,754</u>
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	<u>741,118</u>	<u>140,422</u>	<u>21,091</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	<u>234,045</u>	<u>56,964</u>	<u>(6,759)</u>	<u>3,754</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	290,000	13,206	6,470	-
Operating transfers out	244,887	30,000	37,075	-
Total other financing sources (uses)	<u>45,113</u>	<u>(16,794)</u>	<u>(30,605)</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

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
-	-
95,009	80,247
1,190,635	903,439
173,462	161,724
541,513	451,192
140,422	136,951
21,796	18,052
4,347	5,295
21,091	3,121
902,631	776,335
288,004	127,104
309,676	255,000
311,962	255,000
(2,286)	-

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

	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	<u>\$ 496,899</u>	<u>\$ 262,736</u>	<u>\$ 34,350</u>	<u>\$ 281,110</u>

The accompanying notes are an integral part of this statement.

TOTALS
(MEMORANDUM ONLY)

<u>2000</u>	<u>1999</u>
<u>285,718</u>	<u>127,104</u>
789,377	662,273
<u><u>\$1,075,095</u></u>	<u><u>\$ 789,377</u></u>

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	<u>759,450</u>	<u>975,163</u>	<u>215,713</u>
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	<u>649,040</u>	<u>741,118</u>	<u>(92,078)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>110,410</u>	<u>234,045</u>	<u>123,635</u>

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUND			TOTALS (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ -	\$ -	\$ -	\$ 43,000	\$ 232,921	\$ 189,921
-	-	-	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
<u>190,675</u>	<u>197,386</u>	<u>6,711</u>	<u>950,125</u>	<u>1,172,549</u>	<u>222,424</u>
-	-	-	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
-	-	-	-	-	-
<u>138,475</u>	<u>140,422</u>	<u>(1,947)</u>	<u>787,515</u>	<u>881,540</u>	<u>(94,025)</u>
<u>52,200</u>	<u>56,964</u>	<u>4,764</u>	<u>162,610</u>	<u>291,009</u>	<u>128,399</u>

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)
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.

SPECIAL REVENUE FUND			TOTALS (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
-	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
27,200	40,170	12,970	167,610	319,328	151,718
	222,565			440,306	
	<u>\$262,735</u>			<u>\$ 759,634</u>	

The accompanying notes are an integral part of this statement.

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

Charges for services:	
Water sales	186,280
Water connection charges	910
Sewerage fees	172,094
	<hr/>
Total operating revenues	359,284

OPERATING EXPENSES

Water department	371,955
Sewer distribution department	230,533
Sewer plant department	203,924
	<hr/>
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	-
	<hr/>
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)
	<hr/>
Total operating transfers in (out)	2,286

NET INCOME (Loss)	(397,384)
RETAINED EARNINGS (Deficit), BEGINNING	1,023,724
RETAINED EARNINGS (Deficit), ENDING	<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

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
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)
	<hr/>	<hr/>	<hr/>
Total operating revenues	364,500	359,284	(5,216)
OPERATING EXPENSES			
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
	<hr/>	<hr/>	<hr/>
Total operating expenses	748,780	806,412	(57,632)
	<hr/>	<hr/>	<hr/>
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	-	-	-
	<hr/>	<hr/>	<hr/>
Total nonoperating revenues (expenses)	33,500	47,458	13,958
	<hr/>	<hr/>	<hr/>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(350,780)	(399,670)	(48,890)
OPERATING TRANSFERS IN (Out)			
Operating transfers in	-	106,532	106,532
Operating transfers out	-	(104,246)	(104,246)
	<hr/>	<hr/>	<hr/>
Total operating transfers in (out)	-	2,286	2,286

The accompanying notes are an integral part of this statement.

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

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**

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	(42,272)
Purchase of PP&E	(21,365)
Principal paid on bonds	(89,925)
Net cash (used by) capital and related financing activities	(153,562)
Cash flows from investing activities:	
Interest income	-
Net cash provided by investing activities	-

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

The accompanying notes are an integral part of this statement.

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

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.

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

- (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.
- (3) **Designation of Management**
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.
- (4) **Ability to Significantly Influence Operations**
This ability includes, but is not limited to, the authority to review and approve budgetary requests, adjustments, and amendments.
- (5) **Accountability for Fiscal Matters**
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:

- a. **Scope of Public Service** - Aspects to be considered include who the 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

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

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

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

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.

(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.

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

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

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

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.

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

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.

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

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

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

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.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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.

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

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	\$176,046
Taxes receivable prior roll	23,321
Allowances for uncollectible taxes	<u><56,789></u>
TOTAL	<u>142,578</u>

5. INVESTMENTS

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.)

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

6. DUE TO/FROM OTHER FUNDS

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
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	<u>51,172</u>	<u>-</u>
	<u>190,498</u>	<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>

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

8. PROPERTY, PLANT, AND EQUIPMENT

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

<u>Property, Plant &</u> <u>Equipment</u>	<u>Life</u> <u>In</u> <u>Years</u>	<u>Balance</u> <u>1-1-00</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-00</u>
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	<u>1,430,472</u>	<u>-</u>	<u>-</u>	<u>1,430,472</u>
Total		6,829,964	20,371	-	6,850,335

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

Less: Accumulated Depreciation	<u>2,469,676</u>	<u>348,269</u>	<u>-</u>	<u>2,817,945</u>
Net Property, Plant and Equipment	<u>4,360,288</u>	<u>-</u>	<u>-</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>	<u>Investments</u>	<u>Total</u>
Bond and Interest Redemption	180,146	-	180,146
Reserve	28,318	144,572	172,890
Contingency/Replacement	-	28,955	28,955
Customer Deposit	-	<u>80,075</u>	<u>80,075</u>
	<u>208,464</u>	<u>253,602</u>	<u>462,066</u>

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

11. CHANGES IN LONG-TERM DEBT

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

	<u>General Obligation</u>	<u>Revenue Bond Issues</u>	<u>Total</u>
Bonds Payable January 1, 2000	\$ 20,000	\$ 2,402,260	\$2,422,260
Bonds Issued	-	-	-
Bonds Retired	<u><20,000></u>	<u><83,781></u>	<u>< 103,781></u>
 Bond Payable, December 31, 2000	 <u>-</u>	 <u>2,318,479</u>	 <u>2,318,479</u>

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

<u>General Obligation Bonds</u>	<u>Bonds Outstanding 12-31-00</u>
<p>\$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)</p>	\$ -
Total	\$ -
 <u>Revenue Bonds</u>	
<p>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.</p>	183,000

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

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	-	<u>1,993,106</u>	<u>1,993,106</u>
	-	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:

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

	<u>Balance</u> <u>1-1-00</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12-31-00</u>
General Obliga- tion bonds payable	\$ 20,000	\$ -	\$ 20,000	\$ -
Compensated absences	<u>46,986</u>	<u>12,104</u>	<u>-</u>	<u>59,090</u>
Total	<u>66,986</u>	<u>12,104</u>	<u>20,000</u>	<u>59,090</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.

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

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.

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

Reserve Fund - 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.

Replacement Fund - 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:

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

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.

14. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

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.

GENERAL FUND

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

**CITY OF GRAMBLING, LOUISIANA
GENERAL FUND**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
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	<u>320,000</u>	<u>514,259</u>	<u>194,259</u>	<u>316,119</u>
Licenses and Permits				
Occupational Licenses	45,000	44,691	(309)	46,714
Alcoholic Beverage	4,300	3,205	(1,095)	4,765
Inspection Fees	200	65	(135)	108
Building Permits	3,000	2,875	(125)	4,080
Electrical Permits	1,850	835	(1,015)	1,465
Plumbing Permits	900	200	(700)	485
Franchise - Cablevision	10,000	10,273	273	10,524
Franchise - ARKLA	19,000	14,565	(4,435)	14,077
Franchise - LP & L	25,000	24,907	(93)	22,181
Franchise - Claiborne Electric	5,000	5,494	494	5,175
Total Licenses and Permits	<u>114,250</u>	<u>107,110</u>	<u>(7,140)</u>	<u>109,574</u>
Intergovernmental				
Louisiana Beer Tax	7,000	6,269	(731)	5,795
Louisiana Tobacco Tax	28,000	27,998	(2)	27,998
Louisiana Fire Insurance	10,500	10,728	228	10,936
Grant Revenue	-	-	-	-
Total Intergovernmental	<u>45,500</u>	<u>44,995</u>	<u>(505)</u>	<u>44,729</u>
Fines and Forfeiture Fees				
Fine Assessment	-	1,979	1,979	3,197
Fines - Police Department	40,000	42,698	2,698	49,351
Court Cost - Municipal	20,000	19,993	(7)	25,467
Rebate - Lincoln Parish DWI	11,000	7,754	(3,246)	9,783

The accompanying notes are an integral part of this statement.

**CITY OF GRAMBLING, LOUISIANA
GENERAL FUND**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
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	<u>271,300</u>	<u>267,811</u>	<u>(3,489)</u>	<u>234,375</u>
 Miscellaneous Revenues				
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	<u>8,400</u>	<u>40,988</u>	<u>32,588</u>	<u>9,760</u>
 Total Revenues	 <u>759,450</u>	 <u>975,163</u>	 <u>215,713</u>	 <u>714,557</u>
 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				
General Liability	7,000	91	6,909	(699)
Bonding Insurance	400	500	(100)	400
Property Insurance	2,000	2,674	(674)	2,000

The accompanying notes are an integral part of this statement.

**CITY OF GRAMBLING, LOUISIANA
GENERAL FUND**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
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.

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

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
Court Magistrate	5,600	5,816	(216)	2,975
Total General Government	<u>159,630</u>	<u>173,462</u>	<u>(13,832)</u>	<u>161,724</u>
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	-
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	-
Radios	1,500	465	1,035	-
Vehicle Maintenance	2,200	2,734	(534)	2,320
Vehicle Repair	200	170	30	6,446
Radio Repair	<u>2,800</u>	<u>2,010</u>	<u>790</u>	<u>3,398</u>

The accompanying notes are an integral part of this statement.

**CITY OF GRAMBLING, LOUISIANA
GENERAL FUND**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
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	<u>52,275</u>	<u>169,455</u>	<u>(117,180)</u>	<u>10,765</u>
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	<u>16,950</u>	<u>21,796</u>	<u>(4,846)</u>	<u>18,052</u>
Parks and Recreation				
Salaries	-	-	-	-
Payroll Taxes	-	-	-	-
Insurance	-	-	-	-

The accompanying notes are an integral part of this statement.

**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
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.

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.

CITY OF GRAMBLING, LOUISIANA
SPECIAL REVENUE FUND
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
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	<u>190,675</u>	<u>197,386</u>	<u>6,711</u>	<u>156,816</u>
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	<u>138,475</u>	<u>140,422</u>	<u>(1,947)</u>	<u>136,951</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>52,200</u>	<u>56,964</u>	<u>4,764</u>	<u>19,865</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	-	13,206	13,206	-
Operating transfers out to General Fund	(25,000)	(30,000)	(5,000)	(25,000)
Total other financing sources (uses)	<u>(25,000)</u>	<u>(16,794)</u>	<u>8,206</u>	<u>(25,000)</u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
SPECIAL REVENUE FUND
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>27,200</u>	<u>40,170</u>	<u>12,970</u>	<u>(5,135)</u>
FUND BALANCES (Deficit), BEGINNING		222,566		227,700
FUND BALANCES (Deficit), ENDING		<u><u>\$262,736</u></u>		<u><u>\$ 222,565</u></u>

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.

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	<u><u>\$ 108,735</u></u>
LIABILITIES AND FUND EQUITY	
Liabilities:	
Interfund payables	<u>\$ 74,386</u>
Total Liabilities	74,386
Fund Equity:	
Reserved for debt service	55,969
Unreserved - undesignated	<u>(21,620)</u>
Total Fund Equity	34,349
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 108,735</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF GRAMBLING, LOUISIANA
DEBT SERVICE FUND**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2000**

REVENUES	
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.

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.

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	 <u><u>\$ 281,110</u></u>

The accompanying notes are an integral part of this statement.

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**

	<u>December 31, 2000</u>
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	<u>371,955</u>
 SEWER DISTRIBUTION DEPARTMENT	
Salaries	8,798
FICA	673
Workers compensation	-
Depreciation	86,352
Employee group insurance	-
Maintenance and repairs	832
Sewer system repair	20,034

The accompanying notes are an integral part of this statement.

**CITY OF GRAMBLING, LOUISIANA
PROPRIETARY FUND**

**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	<u>230,533</u>

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	<u>203,924</u>

TOTAL OPERATING EXPENSES \$ 806,412

The accompanying notes are an integral part of this statement.

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

	<u>CASH WITH PAYING AGENT</u>	<u>BOND AND INTEREST REDEMPTION</u>	<u>RESERVE</u>	<u>CONTINGENCY</u>	<u>TOTAL</u>
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	-	208,537	-	2,875	211,412
Interest on investments	-	-	7,927	809	8,736
Transfers from bond and interest redemption	193,876	-	14,661		208,537
TOTAL CASH RECEIPTS	<u>193,876</u>	<u>208,537</u>	<u>22,588</u>	<u>3,684</u>	<u>428,685</u>
TOTAL CASH AND INVESTMENTS AVAILABLE	<u>193,876</u>	<u>388,683</u>	<u>172,890</u>	<u>28,955</u>	<u>784,404</u>
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		14,661	-	-	14,661
TOTAL CASH DISBURSEMENTS	<u>193,876</u>	<u>208,537</u>	<u>-</u>	<u>-</u>	<u>402,413</u>
CASH AND INVESTMENTS, 12/31/00	<u>\$ -</u>	<u>\$ 180,146</u>	<u>\$ 172,890</u>	<u>\$ 28,955</u>	<u>\$ 381,991</u>

The accompanying notes are an integral part of this statement.

ACCOUNT GROUPS

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

	<u>GENERAL OBLIGATION</u>	<u>COMPENSATED ABSENCES</u>	<u>TOTAL</u>
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	<u>\$ -</u>	<u>\$ 59,090</u>	<u>\$ 59,090</u>
GENERAL LONG-TERM DEBT PAYABLE			
Bonds payable	\$ -	\$ -	\$ -
Unpaid compensated absences	\$ -	\$ 59,090	\$ 59,090
TOTAL GENERAL LONG-TERM DEBT PAYABLE	<u>\$ -</u>	<u>\$ 59,090</u>	<u>\$ 59,090</u>

The accompanying notes are an integral part of this statement.

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

	LAND	BUILDING	IMPROVEMENTS OTHER THAN BUILDING	EQUIPMENT	CONSTRUCTION IN PROGRESS	TOTAL
General fixed assets, beginning of year	\$ 37,392	\$ 318,685	\$ 322,627	\$ 610,193	\$ -	\$ 1,288,897
ADDITIONS						
General Fund	-	-	-	149,090	-	149,090
Health and Sanitation Fund	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-
	-	-	-	149,090	-	149,090
TOTAL BALANCES AND ADDITIONS	37,392	318,685	322,627	759,283	-	1,437,987
DEDUCTIONS						
Assets transferred to other funds	-	-	-	-	-	-
Sale of Land	13,600	-	-	-	-	13,600
General fixed assets, end of year	\$ 23,792	\$ 318,685	\$ 322,627	\$ 759,283	\$ -	\$ 1,424,387

The accompanying notes are an integral part of this statement.

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

	December 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

SUPPLEMENTARY FINANCIAL INFORMATION

RADIAN L. HENNIGAN
Certified Public Accountant
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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 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 is 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,



Radian L. Hennigan
Certified Public Accountant

June 14, 2001

CITY OF GRAMBLING, LOUISIANA

Combined Schedule of Investments

December 31, 2000

	<u>INTEREST RATE</u>	<u>DATE ACQUIRED</u>	<u>MATURITY DATE</u>	<u>BOOK VALUE</u>
GENERAL FUND				
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	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				
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	2.00%			108,280
TOTAL GENERAL FUND				<u>253,520</u>
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				<u>148,492</u>
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 FUND				<u>82,304</u>
CAPITAL PROJECTS				
Certificates of Deposits				
Bank One	5.20%	11/20/00	11/18/01	109,391
Bank One	5.20%	05/09/00	05/10/01	33,901
Bank One	5.20%	11/20/00	11/18/01	35,163
Bank One	5.20%	11/20/00	11/18/01	3,969
TOTAL CAPITAL PROJECTS				<u>182,424</u>
GRAND TOTAL				<u>\$ 666,740</u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA

Combined Schedule of Bonds Payable

December 31, 2000

<u>DESCRIPTION</u>	<u>INTEREST</u>		<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Annual Serial Payments</u>
	<u>Rates</u>	<u>Payment Dates</u>			
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 & Issued	Retired	Outstanding 12/31/2000
<u>\$ 265,000</u>	<u>\$ 265,000</u>	<u>\$ -</u>
<u>380,000</u>	<u>197,000</u>	<u>183,000</u>
<u>1,250,000</u>	<u>43,305</u>	<u>1,206,695</u>
<u>1,170,000</u>	<u>241,215</u>	<u>928,785</u>
<u><u>\$ 3,065,000</u></u>	<u><u>\$ 746,520</u></u>	<u><u>\$ 2,318,480</u></u>

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

<u>COUNCIL MEMBERS</u>	<u>AMOUNT</u>
Beverly Spearman	2,600
Birdex Copeland	2,600
A.D. Smith	2,600
Margaret Bryan	2,600
Martha Andrus	2,600
	<hr/>
	13,000
	<hr/> <hr/>

**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

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

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

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

QUESTIONED COSTS

There were no questioned costs found.

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 Water and Sewer system activity was delayed until 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. Resolved
1999-2 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. 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 reports on a quarterly basis and take appropriate actions.	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. 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 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. Partially Resolved