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CITY OF GRAMBLING
GRAMBLING, LOUISIANA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1966

This financial statement has been prepared by a public accountant who is not a member of the Institute of Certified Public Accountants of Louisiana. The accountant is not responsible for the accuracy or completeness of the financial statements of the City of Grambling, Louisiana, and, unless appropriate, of the officers of the public debt of said city.

Release Date: 08-10-00

CITY OF GRAMBLING, LOUISIANA
GRAMBLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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CITY OF GRAMBLING, LOUISIANA
GRAMBLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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CITY OF GRAMBLING, LOUISIANA
GRAMBLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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FINANCIAL SECTION

RADIAN L. HENNIGAN
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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Grambling
Grambling, LA 71345

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, 1999, 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. These 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 statements 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 as of December 31, 1999, 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, 1999, and the results of operations of each fund 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 76, is presented for purposes of additional

To the City Council
City of Gretnburg
Page 2

analysis and is not a required part of the financial statements of the City of Gretnburg, 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,



Nathan L. Herrington
Certified Public Accountant

June 15, 2009

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF GRAMBLING, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS
 Combined Balance Sheet, December 31, 1998

	GOVERNMENTAL FUNDS			
	GENERAL	SPECIAL	DEBT	CAPITAL
	FUNDS	FUNDS	FUNDS	FUNDS
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$187,090	\$ 155,050	\$ 14,500	\$ -
Investments	104,585	-	98,481	174,053
Receivables (net of allowance for uncollectibles)				
Taxes	21,345	23,757	25,021	6,683
Accounts	22,674	-	429	-
Due from other funds	22,979	43,770	1,699	6,345
Due from other governmental agencies	-	-	-	-
Construction in Progress	-	-	-	90,199
Restricted assets				
Cash	-	-	-	-
Investments, at cost	-	-	-	-
Fixed assets	-	-	-	-
Utility plant and equipment (net)	-	-	-	-
Amount available in debt service funds	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	\$328,663	\$226,586	\$148,000	\$ 273,336
LIABILITIES, EQUITY, AND OTHER CREDITS				
LIABILITIES:				
Accounts payable	\$ 4,113	\$ 364	\$ -	\$ -
Accrued and other liabilities	75,443	3,276	-	-
Payable from restricted assets				
Accounts payable	-	-	-	-
Accrued (vendors) payable	-	-	-	-
Accrued interest payable	-	-	-	-
Customer's deposits	-	-	-	-
Due to other funds	61,764	-	14,386	-
Bonds payable				
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Accumulated unpaid compensated absences	-	-	-	-
TOTAL LIABILITIES	141,322	4,000	14,386	-

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL FIXED	GENERAL LONG-TERM	December 31, 1999	December 31, 1998
	ASSETS	OBLIGATIONS		
\$ 164,840	\$ -	\$ -	\$ 360,683	\$ 438,678
-	-	-	377,519	320,148
31,484	-	-	84,393	84,313
84,258	-	-	117,372	121,683
74,386	-	-	153,148	146,251
12,338	-	-	12,338	12,338
			60,285	
257,484	-	-	257,484	221,806
367,015	-	-	167,605	161,861
-	1,288,897	-	1,288,897	1,197,439
4,360,288	-	-	4,360,288	4,708,787
-	-	66,986	66,986	67,841
<u>\$ 3,171,314</u>	<u>\$ 1,288,897</u>	<u>\$ 66,986</u>	<u>\$ 7,538,222</u>	<u>\$ 7,683,190</u>
16,224	\$ -	\$ -	\$ 21,881	\$ 28,814
3,368	-	-	82,821	7,498
-	-	-	-	-
148,243	-	-	148,243	125,890
70,813	-	-	78,813	68,267
68,318	-	-	68,318	70,160
16,098	-	-	123,148	148,251
-	-	28,800	28,800	48,800
2,308,718	-	-	2,308,718	2,378,875
-	-	46,986	46,986	27,841
<u>2,634,314</u>	<u>-</u>	<u>68,986</u>	<u>2,931,828</u>	<u>2,968,106</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, 1999

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PRODUCTS FUNDS
	FUND EQUITY:			
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings				
Reserved for debt retirement	-	-	-	-
Unreserved	-	-	-	-
Fund balances				
Reserved	-	-	71,704	-
Unreserved and undesignated	217,741	222,566	-	277,598
TOTAL FUND EQUITY	217,741	222,566	71,704	277,598
 TOTAL LIABILITIES AND FUND EQUITY	\$ 259,063	\$ 256,566	\$ 146,100	\$ 271,156

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	GENERAL	December 31, 1999	December 31, 1998
	FIXED- ASSETS	LONG-TERM OBLIGATIONS		
1,399,186	-	-	1,399,186	1,399,186
-	1,288,897	-	1,288,897	1,197,459
114,111	-	-	114,111	114,111
1,023,725	-	-	1,023,725	1,284,477
-	-	-	71,734	55,978
-	-	-	717,683	321,823
<u>2,537,621</u>	<u>1,288,897</u>	<u>-</u>	<u>4,415,294</u>	<u>4,573,024</u>
<u>\$ 5,171,334</u>	<u>\$1,288,897</u>	<u>\$ 66,965</u>	<u>\$ 3,536,122</u>	<u>\$ 3,481,130</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, 1989

	GOVERNMENTAL FUNDS			
	GENERAL FUNDS	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
REVENUES				
Taxes:				
Ad valorem	\$ 38,991	\$ -	\$ 13,312	\$ -
Sales and use	273,086	-	-	-
Other taxes, penalties, interest, etc.	3,122	-	-	-
Licenses and permits	168,574	-	-	-
Intergovernmental revenues	44,729	160,863	-	-
Fines and forfeitures	234,375	-	-	-
Use of money and property	-	-	-	-
Other revenues	9,760	93,753	3,553	13,201
Total revenues	714,557	196,816	18,865	13,201
EXPENDITURES				
General government	168,724	-	-	-
Public safety	451,100	-	-	-
Health and sanitation	-	136,951	-	-
Highways and streets	18,851	-	-	-
Park and recreation	5,296	-	-	-
Debt Service	-	-	3,121	-
Total expenditures	688,205	136,951	3,121	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	26,352	59,865	15,744	13,201
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	255,800	-	-	-
Operating transfers out	230,800	25,000	-	-
Total other financing sources (uses)	25,000	(25,000)	-	-

The accompanying notes are an integral part of this statement.

TOTALS
(MEMORANDUM ONLY)

1999	1998
55,903	\$ 53,193
273,906	285,672
3,122	2,079
189,574	191,413
147,812	219,693
234,375	194,289
-	3,095
89,247	117,715
903,439	897,138

951,734	171,436
451,192	429,991
136,951	125,335
18,092	21,340
5,295	9,604
3,121	19,737
796,335	768,923

127,164	128,215
---------	---------

255,000	329,868
255,000	362,579
-	(52,711)

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, 1999

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	303,284	(5,135)	15,744	13,200
FUND BALANCES (Deficit), BEGINNING	114,447	217,781	59,970	264,115
FUND BALANCES (Deficit), ENDING	<u>\$ 217,741</u>	<u>\$ 212,646</u>	<u>\$ 75,714</u>	<u>\$ 277,315</u>

The accompanying notes are an integral part of this statement.

TOTALS
(MEMORANDUM ONLY)

<u>1999</u>	<u>1998</u>
<u>133,694</u>	<u>95,504</u>
662,273	531,191
<u>\$ 795,967</u>	<u>\$ 626,695</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, 1999

	GENERAL FUND		
			VARIANCE
	BUDGET	ACTUAL	FAVORABLE UNFAVORABLE
			(UNFAVORABLE)
REVENUES			
Taxes			
Ad valorem	\$ 42,000	\$ 39,991	\$ (2,009)
Sales and use	212,000	273,066	61,066
Other taxes, penalties, interest, etc.	2,000	3,122	1,122
Licenses and permits	114,750	109,374	(5,376)
Intergovernmental revenues	45,500	44,729	(771)
Fines and forfeitures	214,500	234,375	19,875
Use of money and property	-	-	-
Other revenues	6,800	9,760	2,960
Total revenues	657,550	714,397	56,847
EXPENDITURES			
General government	199,500	161,724	37,776
Public safety	434,715	451,782	(16,477)
Health and sanitation	-	-	-
Highways and streets	22,000	18,052	3,948
Park and recreation	11,135	5,285	5,840
Debt service	-	-	-
Total expenditures	667,350	636,843	30,507
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(50,000)	78,294	108,294

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)
\$ -	\$ -	\$ -	\$ 42,800	\$ 38,991	\$ 12,809
-	-	-	212,800	273,086	60,286
-	-	-	2,800	3,122	1,322
-	-	-	114,750	108,574	15,176
105,000	103,883	(3,917)	198,500	147,812	(2,688)
-	-	-	214,500	214,375	19,875
-	-	-	-	-	-
59,675	53,733	(5,942)	66,475	63,493	(2,982)
164,675	156,816	(7,859)	882,225	871,375	69,148
-	-	-	189,700	161,734	37,976
-	-	-	494,715	491,193	(16,477)
138,635	136,851	2,784	179,675	136,851	2,734
-	-	-	22,000	38,852	5,948
-	-	-	11,135	5,295	5,840
-	-	-	-	-	-
138,635	136,851	2,784	807,215	773,214	34,011
25,000	29,805	(5,131)	(5,000)	98,159	103,159

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, 1999

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (Uses)			
Operating transfers in	30,000	255,000	225,000
Operating transfers out	-	(230,000)	(230,000)
Total other financing sources (uses)	30,000	25,000	(5,000)
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	103,284	103,284
FUND BALANCES (Deficit), BEGINNING		114,447	
FUND BALANCES (Deficit), ENDING		117,741	

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)
-	-	-	30,000	255,000	325,000
(25,000)	25,000	-	(25,000)	(255,000)	(230,000)
(25,000)	(25,000)	-	5,000	-	(5,000)
-	(5,135)	(5,135)	-	98,139	98,139
	227,700			342,147	
	<u>\$222,565</u>			<u>\$440,286</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, 1999

OPERATING REVENUES	
Charges for services:	
Water sales	357,889
Water connection charges	3,222
Sewerage fees	219,688
	<hr/>
Total operating revenues	600,799
OPERATING EXPENSES	
Water department	453,478
Sewer distribution department	128,866
Sewer plant department	228,897
	<hr/>
Total operating expenses	811,441
	<hr/>
OPERATING INCOME (Loss)	(300,642)
NONOPERATING REVENUES (Expenses)	
Other income	15
Interest income	15,818
Ad valorem tax	29,039
Intergovernmental revenue	-
Interest expense	-
	<hr/>
Total nonoperating revenues (expenses)	44,882
	<hr/>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(255,760)
OPERATING TRANSFERS IN (Out)	
Operating transfers in	253,448
Operating transfers out	253,448
	<hr/>
Total operating transfers in (out)	-
	<hr/>

NET INCOME (Loss)	(369,754)
RETAINED EARNINGS (Deficit), BEGINNING	1,284,478
RETAINED EARNINGS (Deficit), ENDING	<u>1,023,714</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, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES			
Charges for services:			
Water sales	\$ 283,000	267,889	2,889
Water connection charges	5,000	5,222	222
Sewerage fees	319,590	335,688	(89,902)
Total operating revenues	587,590	498,799	(88,791)
OPERATING EXPENSES			
Water department	298,280	453,478	(153,278)
Sewer distribution department	64,880	129,966	(79,086)
Sewer plant department	223,880	320,987	(1,883)
Total operating expenses	576,880	804,441	(227,541)
OPERATING INCOME (Loss)	12,710	(305,642)	(318,352)
NONOPERATING REVENUES (Expenses)			
Other income	-	15	15
Interest income	3,800	13,808	11,808
Ad valorem tax	23,800	29,025	2,825
Interest expense	-	-	-
Total nonoperating revenues (expenses)	39,900	44,848	13,988
INCOME (LOSS) BEFORE OPERATING TRANSFERS	43,610	(298,754)	(304,864)
OPERATING TRANSFERS IN (Out)			
Operating transfers in	-	273,449	273,449
Operating transfers out	-	(273,449)	(273,449)
Total operating transfers in (out)	-	-	-

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, 1999

			VARIANCE
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE)</u>
NET INCOME (Loss)	43,810	(208,754)	(252,564)
RETAINED EARNINGS (Deficit), BEGINNING		1,284,478	
RETAINED EARNINGS (Deficit), ENDING		<u>1,075,724</u>	

The accompanying notes are an integral part of this statement.

CITY OF GRABRLENG, LOUISIANA
PROPRIETARY FUND
Combined Statement of Cash Flows
For the Year Ended December 31, 1999

Cash flows from operating activities:	
Operating (loss)	\$ (260,754)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Increase in taxes receivable	(6,920)
Decrease in accounts receivable	18,664
Increase in due from other funds	(18,264)
Increase in investments	-
Decrease in accounts payable	(1,123)
Increase in accrued liabilities	2,294
Depreciation	190,800
Other	(6,964)
Net cash provided by operating activities	<u>69,706</u>
Cash flows from noncapital financing activities:	
Other income	-
Ad valorem taxes	29,035
Transfers (net)	<u>-</u>
Net cash provided by noncapital financing activities	29,035
Cash flow from capital and related financing activities:	
Decrease in financing payables	-
Purchase of PP&E	(2,304)
Principal paid on bonds	(77,414)
Net cash (used by) capital and related financing activities	<u>(79,718)</u>
Cash flows from investing activities:	
Interest income	15,838
Net cash provided by investing activities	<u>15,838</u>

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

CITY OF GRANBLING, LOUISIANA
PROPRIETARY FUND
Combined Statement of Cash Flows
For the Year Ended December 31, 1999

Net increase in cash and cash equivalents	<u>34,851</u>
Cash and cash equivalents at beginning of year	514,898
Cash and cash equivalents at end of year	<u><u>549,749</u></u>
Cash in current assets	194,040
Cash in restricted assets	355,710
Total cash and cash equivalents	<u><u>\$ 549,759</u></u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1989

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 guidance set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audit 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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Grambling, Louisiana, was incorporated in 1939 under the provisions of the Louisiana Act. The City operates under a Mayor-Board of Aldermen 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 exclusions 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, surpluses or surpluses, and guarantees of, or "moral responsibility" for, debt.

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

- (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 entered 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 Incorporation 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 GRAHBILING, LOUISIANA

Notes to the Financial Statements

December 31, 1999

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 surplus. 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 - FUNDS ACCOUNTING

The accounts of the City of Greabiling 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 special revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for special

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

purpose.

c. **Debt Service Funds**

These funds are established for the purpose of accumulating resources for the payment of interest and principal 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 principal balances of general obligation bonds and other long-term debt not reported in proprietary funds.

CITY OF GRAVIELINE, LOUISIANA
Notes to the Financial Statements
December 31, 1999

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, fees 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 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 GRABBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

approximate 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 accounted.

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, PLANT 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, 1999

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. When 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 depreciable 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 CHAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

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 Chambling 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

CITY OF GRAHBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

result in termination payments, rather than be taken as absences 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, 1999, employees of the City had accumulated and vested \$48,986 of employee leave benefits. This amount is recorded within the general long-term obligations account group.

5. 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.

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

T. TOTAL COLUMNS

The Combined Financial Statements include a total column that is described as memorandums 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

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 statute requires that the City's deposits be collateralized by securities. All deposits were not adequately collateralized at December 31, 1999. There was approximately \$12,238 of uncollateralized funds at December 31, 1999. 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 all various 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.

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

All property taxes are recognized in compliance with NCUA 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, 1999, taxes of 15.35 mills were levied on property with assessed valuations totaling \$5,900,218.80 and were dedicated as follows:

General Corporate Purposes	7.08 Mills
Debt Services	3.3 Mills
Water Maintenance	5.0 Mills

Total taxes levied were \$90,884. Taxes receivable at December 31, 1999, consisted of the following:

Taxes receivable current roll	\$ 68,884
Taxes receivable prior roll	13,369
Allowances for uncollectible taxes	<u>(22,540)</u>
TOTAL	<u>\$60,113</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

CITY OF GRABLING, LOUISIANA

Notes to the Financial Statements

December 31, 1998

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 Category 3, \$702,983 is collateralized by securities held by the pledging financial institution's agent but not in the City's name.)

	<u>CATEGORY</u>			<u>CARRYING</u> <u>AMOUNT</u>	<u>MARKET</u> <u>VALUE</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Savings and Certificates of Deposit	672,213	672,213	672,213

6. DUE TO/FROM OTHER FUNDS

	<u>Interfund</u> <u>Receivable</u>	<u>Interfund</u> <u>Payable</u>
General Fund	\$ 23,215	\$ 60,000
Debt Service Fund	1,659	74,386
Utility Fund	24,286	16,998
Capital Projects Fund	6,243	-
Health & Sanitation	47,772	-
	<u>151,384</u>	<u>151,384</u>

7. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1998, consisted of the following:

Due From State of Louisiana & Other Federal Agency	\$ 8,422
TOTAL	<u>8,422</u>

CITY OF GRAMBLING, LOUISIANA

Notes to the Financial Statements

December 31, 1999

8. PROPERTY, PLANT, AND EQUIPMENT

	Balance 1-1-98	Additions	Deletions	Balance 12-31-99
Land	\$ 37,392	\$ -	\$ -	\$ 37,392
Buildings	318,685	-	-	318,685
Improvements Other than Buildings	322,627	-	-	322,627
Equipment	518,755	91,438	-	610,193
Constructions in Progress	-	-	-	-
Total General Fixed Assets	1,197,859	91,438	-	1,289,297

A summary of proprietary fixed type property, plant and equipment and depreciation at December 31, 1999 follows:

Property, Plant & Equipment	Life	Balance	Additions	Deletions	Balance
	in Years	1-1-99			12-31-99
Land/Improvements		\$ 16,326	\$ -	\$ -	\$ 16,326
Waterworks/Slower System	15-20	2,854,913	-	-	2,854,913
Automobiles/Trucks	5	12,758	-	-	12,758
Office Equipment	5-8	44,808	2,304	-	47,112
Sundry Equipment	3-8	39,008	-	-	39,008
Sewage Plant	15-20	1,489,179	-	-	1,489,179
Waterworks	15-20	1,430,472	-	-	1,430,472
Total		6,827,689	2,304	-	6,829,994

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
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Less: Accumulated Depreciation	2,123,769	343,897	-----	2,467,679
Net Property, Plant and Equipment	4,793,881	-----	-----	4,793,788

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:

	Cash	Investments	Total
Bond and Interest Redemption	119,804	60,342	180,146
Reserve	-	138,303	138,303
Contingency/Replacement	-	25,271	25,271
Customer Deposit	-	68,890	68,890
	<u>119,804</u>	<u>388,615</u>	<u>508,419</u>

11. CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the City for the year ended December 31, 1999:

	General Obligation	Revenue Bond Issues	Total
Bonds Payable January 1, 1998	\$ 40,000	\$ 2,489,858	\$2,529,858

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

Bonds Issued	-	-	-
Bonds Retired	(70,000)	(26,700)	(305,798)
Bond Payable, December 31, 1999	<u>20,000</u>	<u>2,402,260</u>	<u>2,422,260</u>

Bonds payable at December 31, 1999 are comprised of the following individual issues:

General Obligation Bonds	Bonds Outstanding 12-31-99
\$285,000 1984 Sewer System Improvement Bonds , due in annual installments of \$10,000 to \$30,000 through April 1, 2004, interest at 9.00 percent (this issue secured by levy and collection of ad valorem taxes)	\$ 20,000
Total	\$ 20,000
Revenue Bonds	
180,000 1970 Water Sewer Systems Permit Levy Revenue Bonds , due in annual installments of \$8,000 to \$27,000 through January 1, 2012, interest at 5.75 percent	208,000
1,250,000 Utilities Revenue Bonds Series 1995 , due in annual installments of \$70,000 to \$75,000 through March 2020, interest at 5 to 5 1/8 percent (this issue secured by water fees to be collected by the city)	1,213,630

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

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) 972,640

The annual requirements to amortize all debts outstanding at December 31, 1999, including interest payments of \$2,143,258 are as follows:

Year Ending December 31	General Obligation	Combined Revenue	Total
2000	21,980	154,645	176,625
2001	-	341,772	341,772
2002-2003	-	903,798	903,798
2004-2010	-	902,730	902,730
2010-2015	-	1,993,108	1,993,108
	<u>21,980</u>	<u>4,496,051</u>	<u>4,518,031</u>

\$122,981 is available in the Debt Service Funds to service the general obligation bonds and other long-term obligations.

During the year ended December 31, 1999, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance 1-1-99	Additions	Reductions	Balance 12-31-99
General Obliga- tion bonds payable	\$ 40,000	\$ -	\$ 20,000	\$ 20,000
Compensated absences	<u>27,841</u>	<u>18,145</u>	-	<u>45,986</u>
Total	<u>67,841</u>	<u>18,145</u>	<u>20,000</u>	<u>65,986</u>

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

12. **FLOW OF FUNDS**

Under the terms of the bond indentures on outstanding Combined Utility Revenue Refunding Bonds dated January 1, 1978, and Water & Sewer Jointed Lien Revenue Bonds dated July 1, 1978, all income and revenues (hereinafter referred to as revenues) of every nature, earned or derived from operations of the Utility Systems 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 "Operations 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 \$28,560. (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 so to which there would otherwise be default.

Funds will also be set aside into a Contingency Fund at the rate of \$1.50 each month until the amount of \$45,000 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 \$5,000.

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

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

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 3% of the net revenues of the combining Wastewater System and Sewerage System, provided, however, such payments shall not be less than \$387 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

CITY OF GRAMBLING, LOUISIANA
Notes to the Financial Statements
December 31, 1999

Reservations of retained earnings of Enterprise Funds are created by increases in assets equalized 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, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
REVENUES				
Taxes				
Ad Valorem Taxes	\$ 42,000	39,991	\$ (2,009)	\$ 33,645
Sales Taxes - Income	212,000	273,806	61,806	209,672
Other taxes, penalties, interest, etc.	3,000	3,322	1,322	2,670
Total Taxes	<u>257,000</u>	<u>317,119</u>	<u>61,119</u>	<u>245,987</u>
Licenses and Permits				
Occupational Licenses	45,000	46,714	1,714	48,368
Alcoholic Beverage	4,000	4,765	465	4,296
Inspection Fees	200	108	(92)	102
Building Permits	3,000	4,088	(900)	3,646
Electrical Permits	1,250	1,465	(385)	1,250
Plumbing Permits	900	483	(415)	360
Franchise - Cablevision	8,800	10,524	1,024	10,368
Franchise - ARELA	18,000	14,071	(4,923)	13,108
Franchise - LP # 3	24,000	22,181	(1,819)	22,270
Franchise - Chalsona Electric	5,000	5,179	179	5,633
Total Licenses and Permits	<u>114,250</u>	<u>189,574</u>	<u>(5,158)</u>	<u>181,411</u>
Intergovernmental				
Louisiana Beer Tax	3,000	5,799	(1,265)	8,222
Louisiana Tobacco Tax	28,000	27,998	(2)	27,998
Louisiana Fire Insurance	19,500	19,536	436	19,666
Grant Revenue	-	-	-	-
Total Intergovernmental	<u>49,500</u>	<u>49,333</u>	<u>(77)</u>	<u>46,886</u>
Fees and Forfeiture Fees				
Fine Assessment	-	3,160	3,160	-
Fees - Police Department	76,000	49,251	(26,649)	49,218
Court Cost - Municipal	23,000	25,467	467	23,822
Rebate - Lincoln Parish (SW)	11,000	9,783	(1,217)	13,897

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, 1999

	BUDGET	ACTUAL	VARIANCE PAYABLE (UNPAYABLE)	YEAR ENDED 12/31/99 ACTUAL
Police - Special Grants	106,800	64,173	(42,627)	106,800
Dept. of Transportation	-	7,400	7,400	-
Grant - Fire	-	25,000	25,000	-
Police and Fire Reports	500	-	(500)	-
Total Fines and Forfeiture Fees	214,500	234,373	19,873	194,289
Miscellaneous Revenues				
Grant Revenue	-	-	-	25,000
Rent - Community Center and Park	1,500	1,175	(325)	1,885
Sale of Garbage Bags	2,000	1,170	(830)	2,200
Interest Income	-	2,904	2,904	4,777
Miscellaneous - Other	1,700	3,251	1,551	25,617
Cablevision Lease Income	1,200	1,200	-	1,200
Total Miscellaneous Revenues	6,800	9,700	2,900	58,383
Total Revenues	627,300	714,357	77,057	641,668
EXPENDITURES				
General Government				
Salaries	93,000	74,357	(18,643)	75,028
Council Pay Items	16,000	12,850	(3,150)	9,940
Building Administrator	1,700	2,700	-	2,700
Utilities Inspector	1,700	2,700	-	2,700
PCA	6,000	5,569	(431)	6,553
Workman's Compensation	1,000	2,504	(1504)	2,195
Employee Group Insurance	6,500	1,604	4,896	8,944
Unemployment Taxes	300	-	300	40
Insurance				
General Liability	7,000	(600)	7,600	7,600
Bonding Insurance	400	400	-	300
Property Insurance	2,000	2,000	-	1,254
Audit	7,000	7,000	-	3,284

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, 1999**

			VARIANCE FAVORABLE	YEAR ENDED 12/31/99
	BUDGET	ACTUAL	(UNFAVORABLE)	ACTUAL
Dues & Subscriptions	5,900	4,773	727	4,891
Election Expense	-	333	(333)	68
Legal Retainer	3,600	4,225	(625)	3,899
Legal Advertising	1,400	1,717	(317)	1,312
Lincoln Parish Tax Assessor	1,700	1,420	277	1,741
Office Supplies	4,900	1,989	2,911	2,222
Printing	-	128	(128)	-
Postage	1,900	953	947	1,585
Telephones	4,200	3,328	880	4,908
Town Hall Expense	2,000	1,298	790	1,188
Travel	100	-	100	-
Utilities	4,900	3,428	1,480	4,573
Gas and Oil	-	-	-	-
Vehicle Maintenance	-	-	-	-
Capital Outlays				
Building	-	-	-	4,122
Town Hall Equipment, Furn., & Fix	3,000	7,971	(4,971)	-
Computer System Upgrade	1,000	1,255	(255)	2,204
Accounting	1,900	738	782	-
Personnel Training	150	-	150	-
Equipment Repair and Maintenance	1,000	470	528	1,634
Building Repairs	1,200	857	343	89
Professional Services - Cemetery	1,200	780	500	-
Christmas Decorations	2,000	-	2,000	12
Rent - KC RR	250	228	-	228
Community Center Repair	-	-	-	-
Cultural/Community Development Proj	2,800	-	2,800	-
Garbage Bags	4,800	-	4,800	2,088
Miscellaneous/Contingency	1,900	9,133	(7,633)	1,199
Sales Tax	2,000	1,213	687	1,648
Bank Charges	720	5	718	50
Pensions	-	-	-	3,822

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
GENERAL FUND
 Combining Schedule of Revenue, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 1998

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/98 ACTUAL
Court Magistrate	3,600	2,975	625	-
Total General Government	195,700	191,724	37,976	171,428
Police Department				
Salaries	385,000	377,565	(7,435)	384,064
Employee Group Insurance	30,000	36,193	6,193	36,060
Unemployment Taxes	1,000	-	1,000	204
FICA	18,000	17,842	158	20,530
Workman's Compensation	20,000	-	20,000	-
Police Retirement	-	-	-	-
Insurance				
General Liability	16,500	17,758	(1,258)	24,180
Vehicles	7,000	6,389	611	5,200
Property	-	-	-	-
Police Uniforms	7,000	2,720	4,280	1,940
Supplies	6,500	6,685	(185)	7,524
Telephones	5,000	3,144	1,856	5,957
Personnel Training	5,000	2,635	2,365	-
Equipment/Building Repairs	-	2,161	(2,161)	137
Travel	3,000	1,279	1,721	-
Gas & Oil	12,000	7,372	4,628	10,900
Dues and Subscriptions	500	564	(64)	980
Miscellaneous/Contingency	1,000	1,281	2,815	650
Computer System Upgrade	4,000	-	4,000	-
Capital Outlays				
Equipment/Building	3,000	82,542	(79,542)	-
Vehicles	25,000	-	25,000	2,340
Radio	5,000	-	5,000	-
Vehicle Maintenance	9,000	2,720	6,280	7,111
Vehicle Repair	7,000	6,440	560	8,148
Radio Repair	1,500	3,398	(1,898)	2,867
Total Police Department	431,900	440,427	(8,427)	408,555

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, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>YEAR ENDED 12/31/99 ACTUAL</u>
Fire Department				
Salary - Fire Chief	2,780	2,780	-	2,780
Compensation - Firemen	2,000	640	1,400	640
Insurance - Firemen	200	-	200	-
Workers Compensation	225	-	225	160
Supplies	1,000	438	562	1,288
Insurance - Vehicle	6,780	3,618	3,882	2,732
Insurance - Property	300	-	300	241
Dues and Subscriptions	500	170	330	135
Telephone	1,500	1,242	258	1,616
Utilities	2,800	1,290	609	1,124
Travel/Training	1,850	228	821	167
Vehicle Gas & Oil	500	137	343	214
Radio Repair	250	19	231	9
Capital Outlay				
Building	750	-	750	-
Other	1,400	-	1,400	-
Vehicle Repairs	1,500	801	699	1,636
Total Fire Department	22,715	10,785	11,960	12,388
Streets and Highways				
Insurance - Street Liability	4,800	-	4,800	2,733
Street Lights	15,000	16,200	(1,210)	17,960
Street Maintenance	3,000	1,142	1,858	847
Total Streets and Highways	22,800	18,082	2,948	21,540
Parks and Recreation				
Salaries	-	-	-	-
Payroll Taxes	-	-	-	-
Insurance	1,200	-	1,200	1,218
Supplies	60	-	60	-

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, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
Utilities	6,125	6,183	1,042	5,796
Repair and Maintenance	1,700	741	952	843
Capital Outlay	1,000	-	1,000	-
Cleaning	500	-	500	-
Telephone	350	364	186	1,758
Bank Charges	-	-	-	-
Total Parks and Recreation	11,175	5,288	5,887	9,634
Total Expenditures	667,590	636,363	31,227	620,531
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(74,000)</u>	<u>78,294</u>	<u>108,294</u>	<u>23,497</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	34,800	293,800	325,000	326,146
Operating transfers out	-	(230,000)	(230,000)	(311,000)
Total other financing sources (uses)	34,800	25,800	(5,000)	15,146
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	<u>-</u>	<u>103,294</u>	<u>103,294</u>	<u>38,643</u>
FUND BALANCES (Deficit), BEGINNING		114,447		
FUND BALANCES (Deficit), ENDING		<u>217,741</u>		

The accompanying notes are an integral part of this statements.

SPECIAL REVENUE FUND

Special Revenue Funds are used to account for special 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, 1999

			VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
	BUDGET	ACTUAL		
REVENUES				
Intergovernmental Revenues	\$105,000	\$180,080	\$ (1,917)	\$ 187,110
Garbage Collection Fees	49,000	42,728	(6,272)	43,148
Miscellaneous/Containers	9,600	8,618	(982)	3,541
Interest Income	1,005	2,387	1,382	1,890
Total Revenues	<u>164,605</u>	<u>180,813</u>	<u>(7,859)</u>	<u>186,679</u>
EXPENDITURES				
Salaries	73,500	77,786	(4,286)	66,850
FICA	3,400	3,840	(440)	8,217
Workers Compensation	14,800	13,564	436	6,826
Unemployment Taxes	300	74	226	50
Employer Group Insurance	9,600	9,757	(157)	7,328
Insurance	10,000	8,701	209	19,941
Audit	3,500	4,879	(1,179)	3,000
Accounting Services	1,000	368	632	-
Bank Service Charge	25	-	25	20
Capital Outlay	10,000	1,403	8,547	-
Maintenance & Repairs	6,800	6,573	423	8,438
Miscellaneous	2,000	2,604	(584)	381
Supplies	1,000	654	344	860
Vehicle Gas & Oil	2,300	4,023	(1,223)	2,714
Total expenditures	<u>159,675</u>	<u>186,991</u>	<u>2,724</u>	<u>129,975</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>25,000</u>	<u>19,843</u>	<u>(3,175)</u>	<u>48,097</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out to General Fund	(25,000)	(25,000)	-	-
Total other financing sources (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>-</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, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12/31/99 ACTUAL
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(5,135)	(5,135)	18,817
FUND BALANCES (Deficit), BEGINNING:		277,780		268,883
FUND BALANCES (Deficit), ENDING:		272,645		\$ 287,700

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 \$365,000 Sewer System Improvement Bonds, which are serial bonds due in annual instalment, 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, 1999

ASSETS	
Cash and cash equivalents	24,390
Investments	58,481
Receivables:	
Taxes (net of allowance for uncollectibles)	21,021
Accrued interest	499
Interfund receivable	1,658
TOTAL ASSETS	<u><u>\$ 146,099</u></u>
LIABILITIES AND FUND EQUITY	
Liabilities:	
Interfund payables	<u>\$ 74,588</u>
Total Liabilities	<u>74,588</u>
Fund Equity:	
Reserve for debt service	55,069
Unreserved - undesignated	<u>15,744</u>
Total Fund Equity	<u>71,713</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 146,299</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, 1999

REVENUES	
Taxes	15,312
Other revenues	3,583
Total revenues	18,895
 EXPENDITURES	
General government	-
Debt service:	
Principal retirement	-
Interest and bank charges	2,970
Other expenditures	151
Total expenditures	3,121
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 15,774
 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	 15,774
 FUND BALANCES (Deficit), BEGINNING	 55,969
 FUND BALANCES (Deficit), ENDING	 \$ 71,743

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, 1989

REVENUES	
Grant Revenue	\$ 3,814
Interest Revenue	7,387
Total revenues	11,201
 EXPENDITURES	
General government	-
Capital Projects	-
Total expenditures	-
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 11,201
 OTHER FINANCING SOURCES (Used)	
Operating transfers in	-
Operating transfers out	-
Total other financing sources (used)	-
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 11,201
 FUND BALANCES (Deficit), BEGINNING	 179,674
 FUND BALANCES (Deficit), ENDING	 190,875

The accompanying notes are an integral part of this statement.

PROPRIETARY FUNDS (UTILITY FUNDS)

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 services 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 Grandblum 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, 1999**

	December 31, 1999
WATER DEPARTMENT	
Salaries	73,338
FICA	3,618
Workers compensation	3,564
Unemployment taxes	213
Employee group insurance	2,917
Insurance	4,919
Audit	18,297
Accounting and legal services	138
Fees and Subscriptions	150
Bad Debts	-
Bank service charge	45
Benefits/expenses	314,056
Sales tax	1,133
Maintenance and repairs	2,475
Water system repair	4,065
Miscellaneous	1,354
Supplies	20,437
Office expense	3,327
Travel/training	79
Vehicle gas and oil	3,421
Utilities	44,545
Depreciation	145,620
Total Water department operating expenses	<u>453,478</u>
 SEWER DISTRIBUTION DEPARTMENT	
Salaries	11,812
FICA	738
Workers compensation	2,608
Depreciation	84,724
Employee group insurance	1,843
Maintenance and repairs	621
Sewer system repair	13,874
Miscellaneous	-

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, 1998

Supplies	4,148
Utilities	12,652
Total Sewer distribution department operating expenses	128,960
SEWER PLANT DEPARTMENT	
Salaries	31,450
FICA	3,043
Insurance	6,176
Capital outlay	-
Benefits/expenses	-
Maintenance and repairs	7,585
Miscellaneous	25
On station parcel project	1,130
Supplies	17,834
Vehicle gas and oil	-
Utilities	31,927
Travel/Training	392
Depreciation	170,459
Total Sewer distribution department operating expenses	220,997
TOTAL OPERATING EXPENSES	\$ 349,957

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, 1999

	CASH WITH PAYING AGENT	BOND AND INTEREST RESERVE	RESERVE	CONTINGENCY	TOTAL
CASH - 8/15/99	-	188,148	113,804	20,287	322,239
CASH AND INVESTMENTS, 8/31/99	\$ -	\$ 188,148	\$ 113,804	\$ 20,287	\$ 322,239
CASH RECEIPTS					
Transfer from operating	-	307,868	-	1,988	309,856
Interest on investments	-	-	6,446	736	7,182
Transfer from bond and interest redemption	176,014	-	31,853	-	207,867
TOTAL CASH RECEIPTS	176,014	307,868	38,299	2,724	474,905
TOTAL CASH AND INVESTMENTS AVAILABLE	176,014	496,016	152,103	23,011	747,144
CASH DEBITMENTS					
Transfer to paying agent	-	176,014	-	-	176,014
Principal payments	86,798	-	-	-	86,798
Interest payments	89,218	-	-	-	89,218
Transfer to Reserve	-	31,853	-	-	31,853
TOTAL CASH DEBITMENTS	176,016	207,867	-	-	383,883
CASH AND INVESTMENTS, 12/31/99	\$ -	\$ 188,148	\$ 152,103	\$ 23,271	\$ 363,522

The accompanying notes are an integral part of this statement.

ACCOUNT GROUPS

CITY OF GRAMBLING, LOUISIANA
 STATEMENTS OF GENERAL LONG-TERM DEBT
 DECEMBER 31, 1999

	GENERAL OBLIGATION	COMPENSATED ABSENCES	TOTAL
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG TERM DEBT			
<i>Amount available in debt service funds for debt retirement</i>	\$ 20,000	\$ 46,986	\$ 66,986
<i>Amount to be provided from Ad Valorem taxes</i>			
TOTAL AVAILABLE	\$ 20,000	\$ 46,986	\$ 66,986
GENERAL LONG-TERM DEBT PAYABLE			
Bonds payable	\$ 20,000	\$ -	\$ 20,000
Unpaid compensated absences	\$ -	\$ 46,986	\$ 46,986
TOTAL GENERAL LONG-TERM DEBT PAYABLE	\$ 20,000	\$ 46,986	\$ 66,986

The accompanying notes are an integral part of this statement.

CITY OF CHAMBERLAIN (00000000)
STATEMENTS OF CHANGES IN GENERAL FUND ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	LAPD	POLICE	FIRE	POLICE	POLICE	FIRE	CONSTRUCTION		TOTAL
							PROJECTS	PROJECTS	
General Fund assets, beginning of year	12,289	3,316,669	3	10,447	4,382,321	3	-	-	8,125,032
ADDITIONS:									
General Fund	-	-	-	-	9,428	-	-	-	9,428
Bonds and Securities Fund	-	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-	-	-
TOTAL (BALANCE) ASID ADDITIONS	-	-	-	-	9,428	-	-	-	9,428
DEDUCTIONS:									
Assets transferred to other funds	-	-	-	-	-	-	-	-	-
General Fund assets, end of year	12,289	3,316,669	3	10,447	4,391,749	3	-	-	8,134,461

The accompanying figures are an un-audited part of this statement.

CITY OF GRAMBLING, LOUISIANA
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
DECEMBER 31, 1999 & 1998

	December 31,	
	1999	1998
GENERAL FIXED ASSETS, AT COST		
Land	37,392	37,392
Buildings	518,683	518,683
Improvements other than buildings	322,627	322,627
Equipment	603,193	518,755
TOTAL GENERAL FIXED ASSETS	1,285,897	1,197,459
INVESTMENT IN GENERAL FIXED ASSETS	1,285,897	1,197,459

SUPPLEMENTARY FINANCIAL INFORMATION

HADIAN L. HEDNIGAN
Certified Public Accountant
1503 Cochrin Road, Suite 1
Ruston, L.A. 71270
318-255-8005

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, 1999 and have issued our report thereon dated June 15, 2000. 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 cost actions 1999-2, 1999-3, and 1999-4.

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 Cranbling
Page 2

of findings and questioned costs as items 1909-2.

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 1909-1 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 those specified parties.

Respectfully,



Radha L. Hirsig
Certified Public Accountant

June 13, 2009

CITY OF GRAMBLING, LOUISIANA
Combined Schedule of Investments
December 31, 1999

	INTEREST RATE	DATE ACQUIRED	MATURITY DATE	BOOK VALUE
GENERAL FUND				
Certificates of Deposits				
Central Bank	5.00%	11/30/99	11/19/00	\$ 13,490
Central Bank	4.85%	03/14/99	03/14/00	23,120
Security First National Bank	4.80%	12/21/99	06/19/00	25,000
Security First National Bank	4.80%	09/30/99	03/31/00	25,000
Savings Account				
Central Bank	1.50%			3,098
Central Bank	1.50%			12,523
Central Bank	3.00%	05/30/99	05/30/00	18,381
Grambling Federal Credit Union	3.00%			312,238
TOTAL GENERAL FUND				<u>552,643</u>
ENTERPRISE FUND				
Bank One	4.55%	07/19/99	01/12/00	26,470
Security First National Bank	3.15%	09/14/99	09/14/00	14,685
Bank One	4.81%	05/19/99	05/19/00	16,892
Bank One	4.61%	12/08/99	12/08/00	29,080
Security First National Bank	3.80%	02/24/99	02/24/00	88,097
TOTAL ENTERPRISE FUND				<u>167,224</u>
DEBT SERVICE FUND				
Certificates of Deposits				
Central Bank	5.80%	12/28/99	12/19/00	68,085
Central Bank	5.80%	11/28/99	11/19/00	9,774
Security First National Bank	5.15%	09/14/99	09/14/00	28,890
TOTAL DEBT SERVICE FUND				<u>106,749</u>
CAPITAL PROJECTS				
Certificates of Deposits				
Central Bank	5.00%	11/29/99	11/19/00	164,182
Central Bank	5.00%	05/04/99	05/04/00	22,550
Central Bank	5.00%	11/29/99	11/19/00	23,538
Central Bank	5.00%	11/29/99	11/19/00	3,789
TOTAL CAPITAL PROJECTS				<u>214,059</u>
GRAND TOTAL				<u>\$ 873,296</u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
Combined Schedule of Bonds Payable
December 31, 1999

DESCRIPTION	INTEREST		Issue Date	Final Maturity Date	Annual Serial Payments
	Rate	Payment Dates			
GENERAL OBLIGATION BONDS					
Sewer Improvement Bonds Series 1984	9.99%	4-1,10-1	4/1/84	4/1/84	
					20,000 (1989-00)
REVENUE BONDS					
Water & Sewer System Junior Lien Revenue Bond	5.28%	1-1,7-1	7/1/79	1/1/10	
Water & Sewer Utility Revenue Bonds Series, 1975	5.00%	3-1	3/1/75	3/1/75	
Water & Sewer Utility Revenue Bonds, 1980	5.95%	3-1	3/1/85	3/1/85	
GRAND TOTAL					

The accompanying notes are an integral part of this statement.

<u>Authorized & Issued</u>	<u>Details</u>	
	<u>Retired</u>	<u>Outstanding 12/31/99</u>
<u>\$ 265,000</u>	<u>\$ 245,000</u>	<u>\$ 20,000</u>
<u>388,000</u>	<u>104,000</u>	<u>218,000</u>
<u>1,290,000</u>	<u>36,380</u>	<u>1,213,620</u>
<u>1,170,000</u>	<u>193,360</u>	<u>972,640</u>
<u>\$ 3,065,000</u>	<u>\$ 642,740</u>	<u>\$ 2,472,260</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, 1999

<u>COUNCIL MEMBERS</u>	<u>AMOUNT</u>
Beverly Spatzman	2,600
Bruce Copeland	2,500
A. D. Smith	2,600
Margaret Bryan	2,600
Martha Andrus	2,500
	<u>13,800</u>

CITY OF GRAMBLING, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDING AND QUESTION COSTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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, 1999**

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<p>1998-1 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.</p>	<p>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.</p>
<p>1998-2 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.</p>	<p>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.</p>
<p>1998-3 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.</p>	<p>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 adjustments as needed.</p>
<p>1998-4 The City has delinquent property tax notices that extend beyond the legal due date for collection. Appropriate actions need to be initiated to attempt collection and/or follow-up steps to attach the property in order to collect delinquent taxes.</p>	<p>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.</p>
<p></p>	<p></p>

CITY OF GRAMBLING, LOUISIANA
FOR THE YEAR ENDING DECEMBER 31, 1999

QUESTIONED COSTS

There were no questioned costs found.

CITY OF GRAMBLING, LOUISIANA
Schedule of Prior Year Findings
For the Year Ended December 31, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS-RESOLVED	
1998-1 The Accounts Receivable balance for the Water and Sewer Systems has a significant number of delinquent accounts. We recommended that the City implement and follow an approved delinquent customer cut-off procedure for all customers that do not pay their water and sewer bills within the allowed time period.	Resolved. The City has been investigating these overdue balances and has take action against these overdue accounts. The city is providing more stringent oversight to delinquent account procedures and has written off accounts deemed uncollectible.
1998-2 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.	Not Resolved. The City's Police department has begun and is continuing to implement procedures to accurately track the issuance of tickets, cash receipts, and outstanding tickets by establishing improved reporting and monitoring procedures.
1998-3 Evidence of authorization for payment of invoices was lacking on some paid invoices observed during our test of transactions, although alternate sources of evidence revealed that authorization had been obtained on these paid invoices. Purchase Orders are not used on a consistent basis.	Resolved. The City has initiated better compliance procedures in the invoice authorization process to monitor stricter observance of authorized transactions as relates to paid invoices.
1998-4 Proper documentation of water meter deposit refund was not maintained. The only record of this event is the check stub.	Resolved. The City has documented in detail the water meter disbursement activity on its new software system.
1998-5 Unintended use of Grant Funds Extended time needed to purchase assets in order to close out grant.	Resolved. The City has resolved this issue and the grant money have been expended.
1998-6 The General Fund, Special Revenue Fund, and the Enterprise Fund actual revenues failed to meet budgeted revenues by more than five percent. The City needs to review its General Fund, Special Revenue Fund and Enterprise Fund budget vs. actual financial reports on a quarterly basis and take appropriate actions.	Partially Resolved. The City has implemented a new financial software package that will enable the city to review the actual vs. budget Revenue and Expenditure activity on a quarterly basis and make the appropriate amendments as needed.

CITY OF GRABLING, LOUISIANA
Schedule of Prior Year Findings
For the Year Ended December 31, 1999

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A	
SECTION III - MANAGEMENT LETTER	
N/A	